



**COUNTY OF INYO  
INDEPENDENCE, CALIFORNIA**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2020**

**COUNTY OF INYO  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Grand Jury  
County of Inyo  
Independence, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Inyo, California (the County) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit First 5 Inyo County which represents 100% of the assets, liabilities, and revenues of the discretely presented component unit. Those financial statements were audited by other auditors, whose report thereon has been furnished to us. Our opinion as it relates to the amounts included for First 5 Inyo County is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County'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.

570 N. Magnolia Avenue, Suite 100

Clovis, CA 93611

tel 559.299.9540

fax 559.299.2344

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

The opinion of the other auditors on the financial statements of First 5 Inyo was qualified because First 5 Inyo has not recorded a pension liability required by GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. The amount of the pension liability could not be determined.

***Qualified Opinion***

In our opinion, based on our audits and the report of the other auditors, except for the effects of the matter described in the “Basis for Qualified Opinion on Discretely Presented Component Unit” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2020, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

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

*Other Information*

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Price Pange & Company*

Clovis, California  
January 4, 2022

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

As management of the County of Inyo we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here along with the information presented in the County's basic financial statements, which follows this section.

**FINANCIAL HIGHLIGHTS**

**Government-wide financial analysis**

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources as the close of the most recent fiscal year by \$19,858,944 (net position). The majority of this amount, \$62,168,687 is the net investment in capital assets, while \$45,219,276 is restricted for specific purposes (restricted net position). Unrestricted net position indicates the portion of net position which may be used to meet the County's ongoing obligations to citizens and creditors; however, the recording of the County's pension liability in accordance with GASB Statement No. 68 and the recording of additional postemployment benefits liability in accordance with GASB Statement No. 75 created a negative unrestricted net position of \$(87,528,919).

**Fund financial analysis**

Total fund balances for the County's governmental funds amounted to \$83,046,309 as of June 30, 2020, an increase of \$6,875,715 from the prior fiscal year.

Unassigned fund balance in the General Fund, at year-end was \$20.6 million, or 34.22% of its total expenditures for the year.

**Capital assets and long-term liabilities**

The County's investment in capital assets has increased by \$4,979,855 from \$59,309,357 to \$64,289,212. These balances consisted of \$46,722,350 for the governmental activities and \$17,566,862 for the business-type activities.

The County's outstanding long term liabilities have increased by \$11,010,010. The significant increase in the County's long term liabilities is primarily due to an increase in the County's other post-employee benefit (OPEB) liability in the amount of \$7,025,248

**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements include the following three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements**

The Statement of Net Position presents information on all of the County's assets, deferred outflows, liabilities, deferred inflows and net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned, but unused vacation leave, long-term debt and grant funds expended but not received as of fiscal year end).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation. The business-type activities of the County include the Airports, Solid Waste, County Service Area #2, Water Systems, and Mosquito Abatement.

The government-wide financial statements can be found on pages 19-21 of this report.

**Fund financial statements**

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

**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

Because the focus of governmental funds is narrower than 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 County's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Road Fund and Grant Programs, all of which are considered to be major funds. Data from other governmental funds are combined into a single, aggregate presentation under the Other Governmental heading. Individual data for the other governmental funds can be found in Combining and Individual Fund Statements and Schedules on pages 89-108.

The County adopts annual appropriated budgets for all of its governmental funds. Therefore, budgetary comparison schedules have been provided for each fund presented in this report. These statements demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 23-27 of this report.

**Proprietary funds:** The County maintains two different types of proprietary funds.

*Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Airports, Solid Waste, County Service Area #2, Water Systems, and Mosquito Abatement.

*Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for Motor Pool, Purchasing Revolving, Workers Compensation, County Liability, and Medical Malpractice Insurance. Because all of 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 proprietary fund financial statements provide separate information for the Airports and Solid Waste and combine all other enterprise funds under the Nonmajor Enterprise heading. Conversely, all internal service funds are combined into a single aggregate presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 29-33 of this report.

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

The fiduciary fund financial statements can be found on pages 35-37 of this report.

**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-76 of this report.

**Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budgetary comparison schedules for the General Fund and all major special revenue funds as well as the schedules of funding progress for the retirement programs. Required Supplementary Information can be found on pages 77-88 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of the County of Inyo, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,858,944 at June 30, 2020.

<b>Condensed Statement of Net Position</b>							
	Governmental Activities		Business-Type Activities		Totals		Variance
	2020	2019	2020	2019	2020	2019	(%)
Current and other assets	\$ 92,362,242	\$ 84,187,742	\$ 11,236,742	\$ 6,653,425	\$103,598,984	\$ 90,841,167	14.04%
Capital assets	46,722,350	46,921,937	17,566,862	12,387,420	64,289,212	59,309,357	8.40%
Total assets	<u>139,084,592</u>	<u>131,109,679</u>	<u>28,803,604</u>	<u>19,040,845</u>	<u>167,888,196</u>	<u>150,150,524</u>	<u>11.81%</u>
Deferred outflows of resources	18,537,550	18,723,829	880,054	775,576	19,417,604	19,499,405	-0.42%
Current and other liabilities	4,057,777	3,345,590	4,085,414	385,000	8,143,191	3,730,590	118.28%
Long-term liabilities	132,483,193	123,365,103	24,580,642	22,688,722	157,063,835	146,053,825	7.54%
Total liabilities	<u>136,540,970</u>	<u>126,710,693</u>	<u>28,666,056</u>	<u>23,073,722</u>	<u>165,207,026</u>	<u>149,784,415</u>	<u>10.30%</u>
Deferred inflows of resources	2,161,969	2,749,918	77,861	83,497	2,239,830	2,833,415	-20.95%
Net investment in capital assets	45,233,038	45,363,074	16,935,549	11,929,508	62,168,587	57,292,582	8.51%
Restricted	45,219,276	47,095,443	-	-	45,219,276	47,095,443	-3.98%
Unrestricted	<u>(71,533,111)</u>	<u>(72,085,620)</u>	<u>(15,995,808)</u>	<u>(15,270,306)</u>	<u>(87,528,919)</u>	<u>(87,355,926)</u>	<u>0.20%</u>
Total net position	<u>\$ 18,919,203</u>	<u>\$ 20,372,897</u>	<u>\$ 939,741</u>	<u>\$ (3,340,798)</u>	<u>\$ 19,858,944</u>	<u>\$ 17,032,099</u>	<u>16.60%</u>

Unrestricted net position indicates the portion of net position which may be used to meet the County's ongoing obligations to citizens and creditors. The recording of the County's net pension liability per the requirements of GASB Statement No. 68, coupled with the recording of the other post employment benefits liability caused the County's unrestricted net position to be negative indicating that the majority of the County's net position is invested in capital assets or otherwise restricted for use.

The most significant portion of the County's net position, \$62,168,587, or 313%, of total net position, reflects its net investment in capital assets (e.g. land, structures and improvements, infrastructure, and equipment), less any outstanding related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**Analysis of Net Position**

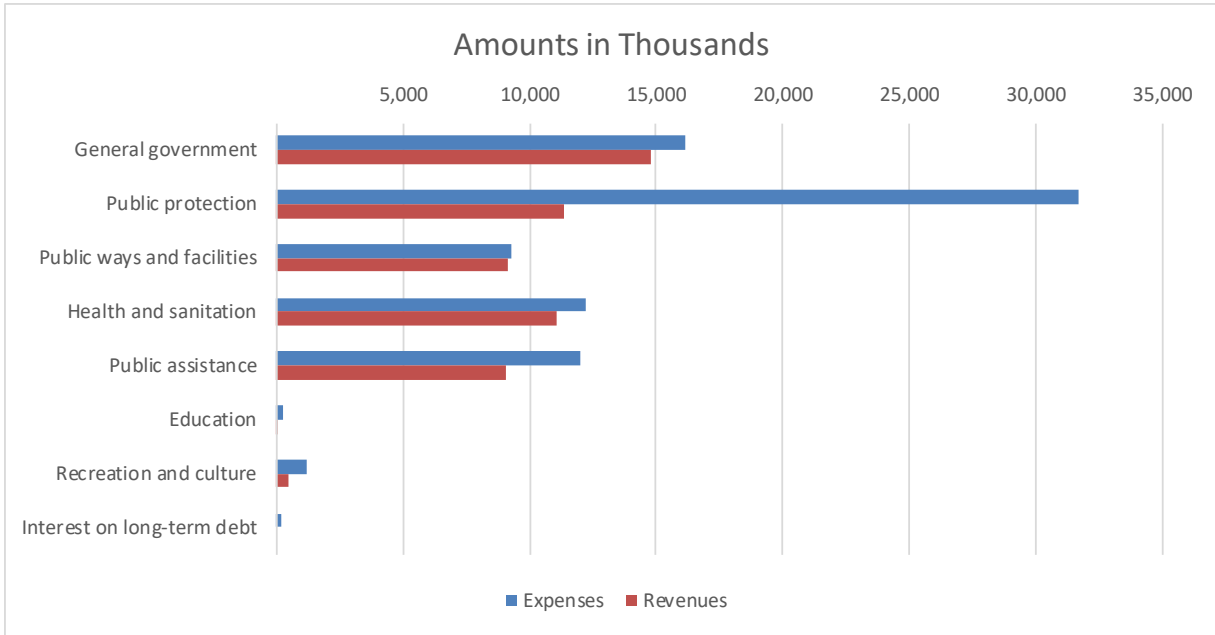
At the end of the fiscal year, the County is able to report positive balances in total net position for both governmental-type. As well as the governmental-type, the business-type net position is also reporting as a positive balance. Following table indicates the changes in net position for governmental and business-type activities.

	<b>Condensed Statement of Changes in Net Position</b>						
	Governmental		Business-Type		Totals		(%)
	Activities		Activities				
2020	2019	2020	2019	2020	2019		
<b>Revenues</b>							
Program revenues:							
Charges for services	\$ 12,730,802	\$ 11,312,357	\$ 4,511,814	\$ 4,503,955	\$ 17,242,616	\$ 15,816,312	9.0%
Operating grants/contributions	41,133,131	41,762,914	279,368	82,896	41,412,499	41,845,810	-1.0%
Capital grants/contributions	2,023,101	2,139,189	5,894,353	361,927	7,917,454	2,501,116	216.6%
General revenues:							
Property taxes	17,029,247	13,916,984	-	-	17,029,247	13,916,984	22.4%
Sales and use taxes	1,615,714	1,617,933	1,479,724	1,620,220	3,095,438	3,238,153	-4.4%
Other taxes	3,209,888	4,208,362	-	-	3,209,888	4,208,362	-23.7%
Miscellaneous	607,499	178,294	2,645	3,999	610,144	182,293	234.7%
Interest and investment earnings	1,669,462	2,527,003	104,833	151,185	1,774,295	2,678,188	-33.8%
Gain (loss) on sale of assets	-	6,977	50,155	-	50,155	6,977	618.9%
Total revenues	<u>80,018,844</u>	<u>77,670,013</u>	<u>12,322,892</u>	<u>6,724,182</u>	<u>92,341,736</u>	<u>84,394,195</u>	<u>9.4%</u>
<b>Expenses</b>							
General government	16,150,083	16,110,531	-	-	16,150,083	16,110,531	0.2%
Public protection	31,692,168	28,000,848	-	-	31,692,168	28,000,848	13.2%
Public ways and facilities	9,295,327	7,780,867	-	-	9,295,327	7,780,867	19.5%
Health and sanitation	12,240,441	11,751,293	-	-	12,240,441	11,751,293	4.2%
Public assistance	11,975,773	9,223,171	-	-	11,975,773	9,223,171	29.8%
Education	256,357	739,104	-	-	256,357	739,104	-65.3%
Recreation and culture	1,208,161	399,430	-	-	1,208,161	399,430	202.5%
Interest on long-term debt	191,844	201,489	-	-	191,844	201,489	-4.8%
Airport	-	-	2,697,067	2,389,236	2,697,067	2,389,236	12.9%
Solid waste	-	-	3,943,222	4,444,713	3,943,222	4,444,713	-11.3%
Water system	-	-	898,959	731,974	898,959	731,974	22.8%
CSA #2	-	-	60,910	88,641	60,910	88,641	-31.3%
Mosquito abatement	-	-	661,061	735,527	661,061	735,527	-10.1%
Total expenses	<u>83,010,154</u>	<u>74,206,733</u>	<u>8,261,219</u>	<u>8,390,091</u>	<u>91,271,373</u>	<u>82,596,824</u>	<u>10.5%</u>
Excess (Deficiency) before transfers	(2,991,310)	3,463,280	4,061,673	(1,665,909)	1,070,363	1,797,371	-40.4%
Transfers	(218,866)	4,164	218,866	(4,164)	-	-	0.0%
Change in net position	(3,210,176)	3,467,444	4,280,539	(1,670,073)	1,070,363	1,797,371	-40.4%
Net position - beginning (restated)	<u>22,129,379</u>	<u>16,905,453</u>	<u>(3,340,798)</u>	<u>(1,670,725)</u>	<u>18,788,581</u>	<u>15,234,728</u>	<u>23.3%</u>
Net position - ending	<u>\$ 18,919,203</u>	<u>\$ 20,372,897</u>	<u>\$ 939,741</u>	<u>\$ (3,340,798)</u>	<u>\$ 19,858,944</u>	<u>\$ 17,032,099</u>	<u>16.6%</u>

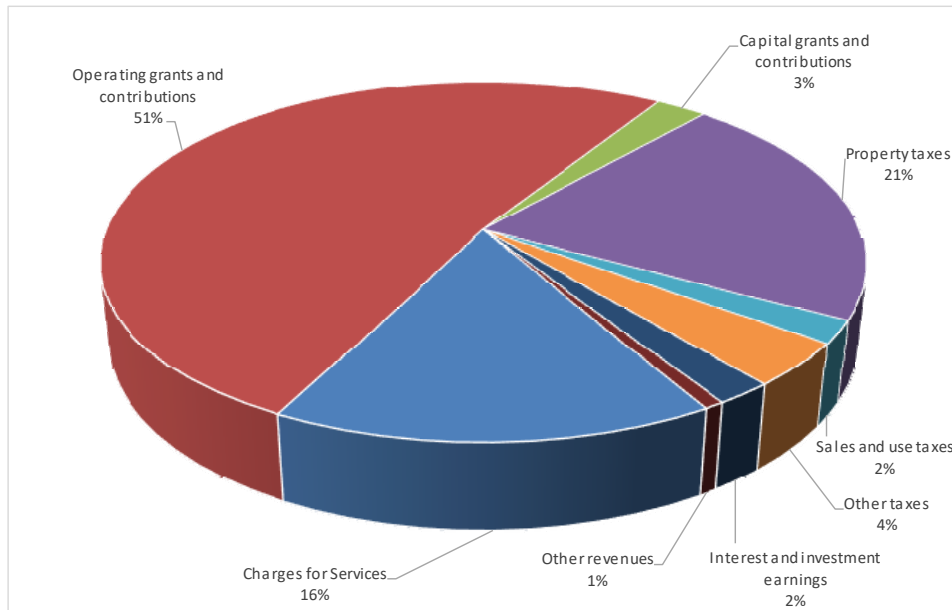
**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Governmental activities experienced a decrease in change in net position of \$1,453,694 due to an increase in expenses of \$8.8 million over the prior year offset by increased revenues.

**Governmental Activities  
Revenue and Expenses by Function**



**Governmental Activities  
Percent of Revenue by Function**



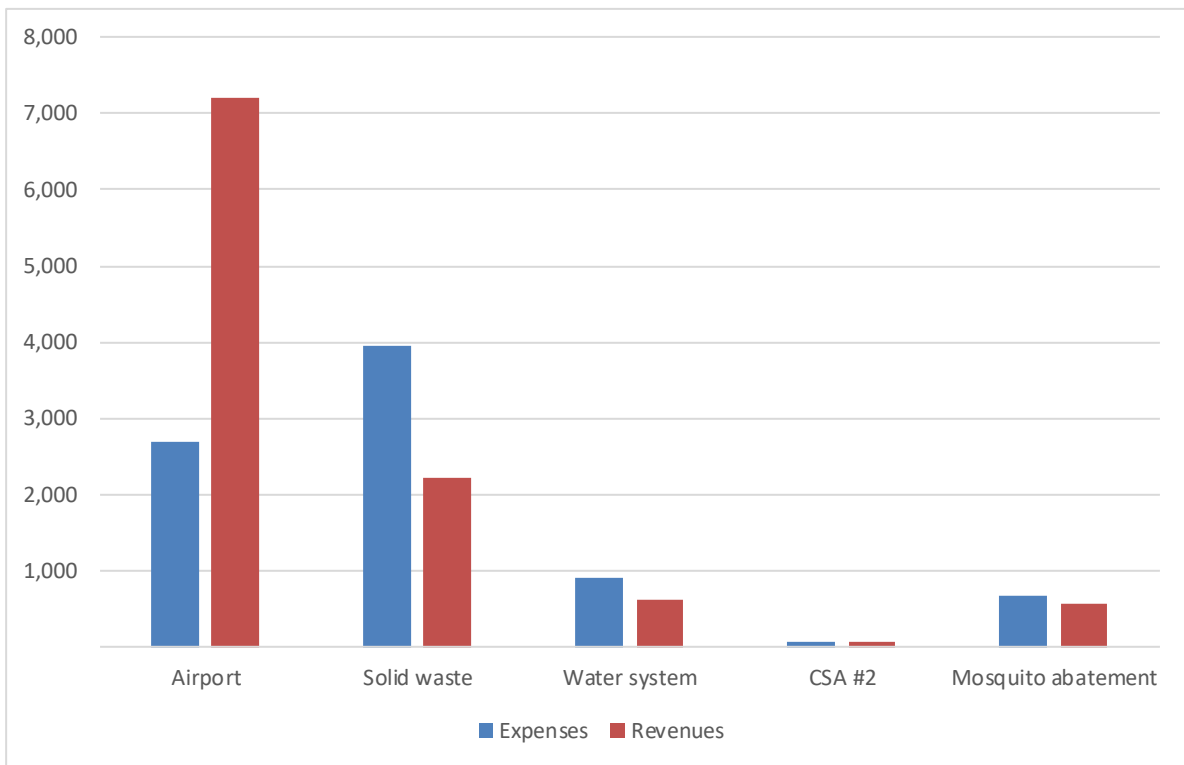
**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Some of the more relevant sections of the chart are highlighted below.

- Operating Grants and Contributions comprise the largest portion of the County's revenue, which indicates a high reliance on state and federal funding to maintain many core programs.
- Charges for services are also a fairly large component of the County's budget and can be used as indicator to see how well the County is recovering many of its program costs that are not mandated.
- Combined taxes continue to generate a large portion of the County's discretionary revenues that are used to fund critical programs.
- Governmental activities expenses totaled \$83,010,154, with public protection expenses of \$31,692,168 being one of the largest components. This is an indication of the County's operating philosophy that the safety and welfare of the County's citizens and residents is very important.

**Business-type activities** expenses and program revenue are shown on the following charts.

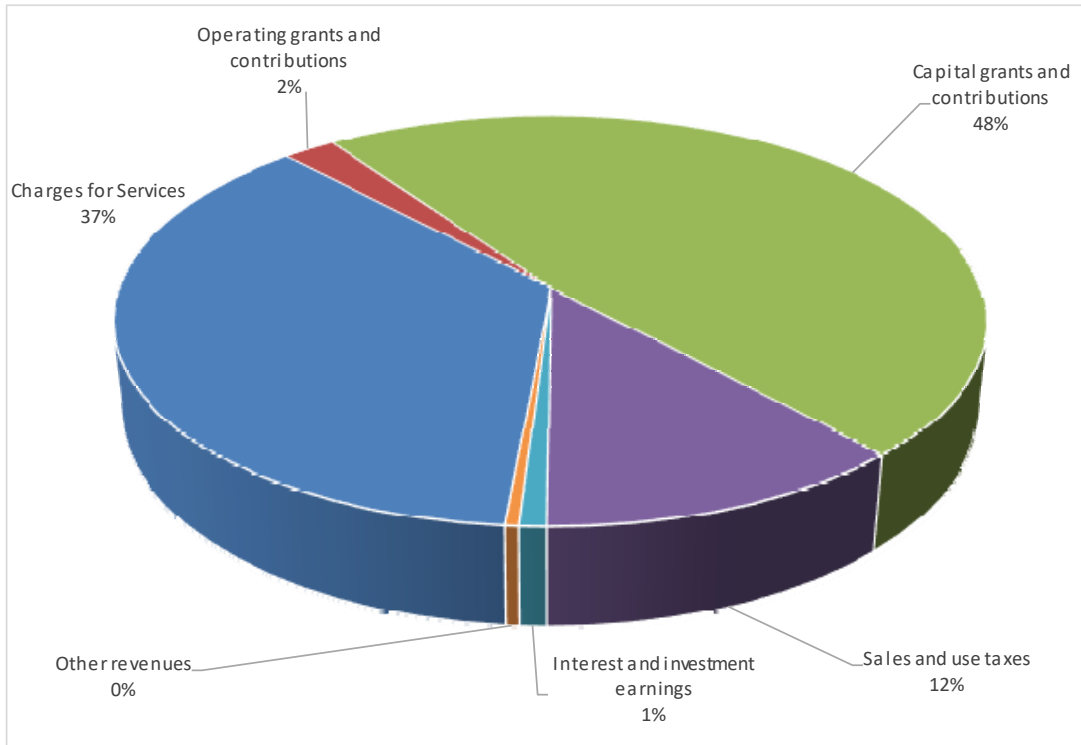
**Business-Type Activities  
Revenue and Expenses by Activity**



Total program revenue for business-type activities was \$10,685,535 and charges for services accounted for \$4,511,814 of the total.

**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Business-Type Activities  
Percent of Revenue by Type**



Operating grants and contributions, other taxes and charges for services provide the largest direct revenue sources for the business-type activities. Operating grants represent state and federal funding for the airports and transit projects. Other taxes reflect the ½% Transaction Use Tax (approved by the voters in October of 1988) that is used to fund the solid waste program.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental funds:** The Governmental funds are accounted for in the General Fund, Road Fund, Grant Programs and Other Governmental funds. The functional areas encompassed by these funds are identified in page 19 of the report. 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

- **Fund Balance:** At June 30, 2020, the County's governmental funds reported combined ending fund balances of \$83,046,309. Fund balance by definition is simply the difference between the assets and liabilities of a governmental fund. Because governmental funds report only financial assets and certain near-term liabilities, it may be tempting to view total fund balance as a measure of expendable available financial resources. However, not all of the financial resources of the fund may be available to liquidate liabilities of the current period. A long-term receivable, for instance, cannot be used to liquidate a liability that is currently due and payable. Consequently, fund balance in total is not a good measure of expendable available financial resources in a governmental fund.



**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**Proprietary funds:** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All proprietary funds, except Solid Waste, had positive net position balances on June 30, 2020. The Statement of Revenues, Expenses and Changes in Net Position for Proprietary Funds can be found on page 22 of this report.

**BUDGETARY HIGHLIGHTS FOR GENERAL FUND**

Differences between the original budget and the final amended budget can be attributed to prior year encumbrances being added into the working budget as well as budget amendments to complete additional projects that have come up throughout the year.

**CAPITAL ASSETS**

The following table shows the County's total investment in capital assets for governmental and proprietary funds.

	<b>Capital Assets</b>					
	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 8,899,171	\$ 8,899,171	\$ 1,851,399	\$ 1,851,399	\$ 10,750,570	\$ 10,750,570
Construction in progress	1,626,941	1,467,476	3,624,862	-	5,251,803	1,467,476
Infrastructure	208,977,837	207,721,159	24,492,874	22,475,783	233,470,711	230,196,942
Land improvements	5,659,316	5,651,410	2,715,663	2,715,663	8,374,979	8,367,073
Structures and improvements	20,373,974	20,408,784	6,045,797	6,045,797	26,419,771	26,454,581
Equipment	<u>20,347,344</u>	<u>19,497,732</u>	<u>5,071,715</u>	<u>4,590,453</u>	<u>25,419,059</u>	<u>24,088,185</u>
Total	265,884,583	263,645,732	43,802,310	37,679,095	309,686,893	301,324,827
Accumulated depreciation	<u>(219,162,233)</u>	<u>(216,723,795)</u>	<u>(26,235,448)</u>	<u>(25,291,675)</u>	<u>(245,397,681)</u>	<u>(242,015,470)</u>
Capital assets, net	<u>\$ 46,722,350</u>	<u>\$ 46,921,937</u>	<u>\$ 17,566,862</u>	<u>\$ 12,387,420</u>	<u>\$ 64,289,212</u>	<u>\$ 59,309,357</u>

**Capital Assets:** The County's investment in capital assets for its governmental and business type activities as of June 30, 2020, amount to \$64,289,212 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, park facilities, roads, highways, and bridges. Additional information on the County's capital assets can be found in Note 4 on pages 54-55 of this report.

**LONG-TERM LIABILITIES**

The following table depicts the County's long-term obligations for the governmental activities and business-type activities for the past two years. Additional information on long-term liabilities can be found in Notes 6-7 on pages 55-59.

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
	Compensated absences	\$ 1,835,688	\$ 1,523,006	\$ 66,309	\$ 57,581	\$ 1,901,997
Claims liability	165,622	285,000	-	-	165,622	285,000
Net OPEB liability	58,660,306	52,063,599	3,810,733	3,382,192	62,471,039	55,445,791
Net pension liability	67,073,265	64,499,635	2,956,624	2,420,018	70,029,889	66,919,653
Closure/post-closure liability	-	-	17,115,663	16,371,019	17,115,663	16,371,019
Direct borrowing:						
Capital leases	738,067	740,066	149,825	383,506	887,892	1,123,572
Loans payable	<u>4,010,245</u>	<u>4,253,797</u>	<u>481,488</u>	<u>74,406</u>	<u>4,491,733</u>	<u>4,328,203</u>
	<u>\$ 132,483,193</u>	<u>\$ 123,365,103</u>	<u>\$ 24,580,642</u>	<u>\$ 22,688,722</u>	<u>\$ 157,063,835</u>	<u>\$ 146,053,825</u>

**COUNTY OF INYO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**Economic Factors and Next Year's Budget**

- The County is committed to providing services to the citizens of Inyo County with integrity, collaboration, professionalism, and accountability and these values are reflected in the Fiscal Year 2020-2021 budget. This year's budget is unpredictable at best due to the overshadowing effects of the COVID-19 pandemic. The budget is built on very conservative estimates for revenues and also takes in to account the uncertainty of expenses that may need to be made in relation to the pandemic. In contrast to last fiscal year, the estimated revenue growth for the General Fund is only 2.15%. The County continues to focus on completing major projects like the Consolidated Office Building and the Airport Project in Bishop.
- The fiscal year 2020-2021 budget overall provided a significant amount of one-time funding for major projects, like the \$7.8 million for a down-payment to start the lease for the Consolidated Office Building in Bishop, sets aside \$200,000 for development of programs to increase housing stock in Inyo County, \$563,000 in deferred maintenance projects, and a grant match for the Bishop Airport Project.
- Similar to prior years, the number one concern in future budget forecasting is personnel cost. The most significant cost driving personnel increases are unfunded liability cost for pension and pay-as-go health care cost for retirees. Not only will this affect budgets in the immediate future, but it will also affect how the County strategically plans for the long term future since these are long-term liabilities.
- The County continuing to make contributions to the OPEB trust and does not plan on budgeting any withdrawals in the near future in an effort to fund the retiree health benefits and reduce the County's liability.
- The County will continue to keep a close eye on any changes to federal programs that will require scaling back of expenditures.

Of course, as economic factors continue to change, the County will remain vigilant and conservative.

**Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Inyo County Auditor-Controller, at P.O. Drawer R, Independence, CA 93526 or the Inyo County Administrator, at P.O. Drawer N, Independence, CA 93526.

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## **BASIC FINANCIAL STATEMENTS**

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

**COUNTY OF INYO**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	First 5 Inyo
<b>ASSETS</b>				
Cash and investments	\$ 80,298,965	\$ 6,777,791	\$ 87,076,756	\$ 818,843
Cash with fiscal agent	147,351	-	147,351	-
Imprest cash	2,198	1,215	3,413	-
Deposits with others	41,700	-	41,700	-
Restricted cash	-	2,311,104	2,311,104	-
Accounts receivable	2,294,188	525,352	2,819,540	6,966
Due from other agencies	1,706,413	-	1,706,413	-
Due from other governments	3,654,252	4,004,608	7,658,860	-
Loans receivable	780,000	-	780,000	-
Internal balances	2,472,043	(2,472,043)	-	-
Interest receivable	406,933	26,687	433,620	3,851
Prepaid expenses	27,637	-	27,637	-
Inventory	530,562	62,028	592,590	-
Capital assets:				
Nondepreciable	10,526,112	5,476,261	16,002,373	-
Depreciable, net	36,196,238	12,090,601	48,286,839	-
Total assets	<u>139,084,592</u>	<u>28,803,604</u>	<u>167,888,196</u>	<u>829,660</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows from pensions	11,939,622	451,810	12,391,432	-
Deferred outflows from OPEB	6,597,928	428,244	7,026,172	-
Total deferred outflows of resources	<u>18,537,550</u>	<u>880,054</u>	<u>19,417,604</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable	1,749,652	3,959,495	5,709,147	10,261
Accrued salaries and benefits	2,004,712	73,020	2,077,732	5,239
Unearned revenue	295,359	3,833	299,192	-
Due to other governments	-	47,787	47,787	-
Interest payable	8,054	1,279	9,333	-
Noncurrent liabilities:				
Portion due or payable within on year:				
Compensated absences	1,835,688	66,309	1,901,997	2,802
Claims liability	100,000	-	100,000	-
Loan payable	266,246	109,042	375,288	-
Capital leases	313,949	142,098	456,047	-
Portion due or payable after one year:				
Compensated absences	-	-	-	2,801
Claims liability	65,622	-	65,622	-
Loan payable	3,743,999	372,446	4,116,445	-
Capital leases	424,118	7,727	431,845	-
Closure/post-closure liability	-	17,115,663	17,115,663	-
Net OPEB liability	58,660,306	3,810,733	62,471,039	-
Net pension liability	67,073,265	2,956,624	70,029,889	-
Total liabilities	<u>136,540,970</u>	<u>28,666,056</u>	<u>165,207,026</u>	<u>21,103</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows from pensions	2,128,069	76,035	2,204,104	-
Deferred inflows from OPEB	33,900	1,826	35,726	-
Total deferred inflows from pensions	<u>2,161,969</u>	<u>77,861</u>	<u>2,239,830</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	45,233,038	16,935,549	62,168,587	-
Restricted for:				
General government	1,113,340	-	1,113,340	-
Public protection	14,943,323	-	14,943,323	-
Public ways and facilities	8,183,370	-	8,183,370	-
Health and sanitation	19,613,918	-	19,613,918	-
Public assistance	1,351,723	-	1,351,723	-
Recreation and culture	13,602	-	13,602	-
Other purposes	-	-	-	757,000
Unrestricted	(71,533,111)	(15,995,808)	(87,528,919)	51,557
Total net position	<u>\$ 18,919,203</u>	<u>\$ 939,741</u>	<u>\$ 19,858,944</u>	<u>\$ 808,557</u>

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Total	Net (Expense) Revenue and Changes in Net Position			Component Unit
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities	Business-Type Activities	Total	First 5 Inyo
<b>Primary Government:</b>									
Governmental activities:									
General government	\$ 16,150,083	\$ 8,409,822	\$ 6,402,669	\$ -	\$ 14,812,491	\$ (1,337,592)	\$ -	\$ (1,337,592)	\$ -
Public protection	31,692,168	1,839,798	9,480,750	-	11,320,548	(20,371,620)	-	(20,371,620)	-
Public ways and facilities	9,295,327	207,864	6,870,529	2,023,101	9,101,494	(193,833)	-	(193,833)	-
Health and sanitation	12,240,441	1,860,935	9,183,851	-	11,044,786	(1,195,655)	-	(1,195,655)	-
Public assistance	11,975,773	98,350	8,952,074	-	9,050,424	(2,925,349)	-	(2,925,349)	-
Education	256,357	3,809	51,318	-	55,127	(201,230)	-	(201,230)	-
Recreation and culture	1,208,161	310,224	191,940	-	502,164	(705,997)	-	(705,997)	-
Interest on long-term debt	191,844	-	-	-	-	(191,844)	-	(191,844)	-
Total governmental activities	83,010,154	12,730,802	41,133,131	2,023,101	55,887,034	(27,123,120)	-	(27,123,120)	-
Business-type activities:									
Airport	2,697,067	1,275,347	40,000	5,894,353	7,209,700	-	4,512,633	4,512,633	-
Solid waste	3,943,222	2,085,627	128,256	-	2,213,883	-	(1,729,339)	(1,729,339)	-
Water system	898,959	615,881	-	-	615,881	-	(283,078)	(283,078)	-
CSA #2	60,910	56,176	22,738	-	78,914	-	18,004	18,004	-
Mosquito abatement	661,061	478,783	88,374	-	567,157	-	(93,904)	(93,904)	-
Total business-type activities	8,261,219	4,511,814	279,368	5,894,353	10,685,535	-	2,424,316	2,424,316	-
Total primary government	\$ 91,271,373	\$ 17,242,616	\$ 41,412,499	\$ 7,917,454	\$ 66,572,569	(27,123,120)	2,424,316	(24,698,804)	-
<b>Component Unit:</b>									
First 5 Inyo	\$ 405,678	\$ -	\$ 389,614	\$ -					(16,064)
General revenues:									
Taxes:									
Property taxes						17,029,247	-	17,029,247	-
Sales and use taxes						1,615,714	1,479,724	3,095,438	-
Other taxes						3,209,888	-	3,209,888	-
Miscellaneous						607,499	2,645	610,144	-
Unrestricted interest and investment earnings						1,669,462	104,833	1,774,295	14,665
Gain on sale of capital assets						-	50,155	50,155	-
Transfers						(218,866)	218,866	-	-
Total general revenues and transfers						23,912,944	1,856,223	25,769,167	14,665
Change in net position						(3,210,176)	4,280,539	1,070,363	(1,399)
Net position - beginning (restated)						22,129,379	(3,340,798)	18,788,581	809,956
Net position - ending						\$ 18,919,203	\$ 939,741	\$ 19,858,944	\$ 808,557

The notes to the basic financial statements are an integral part of this statement.



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## FUND FINANCIAL STATEMENTS

**COUNTY OF INYO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	General	Road	Grant Programs	Other Governmental	Total
<b>ASSETS</b>					
Cash and investments	\$ 64,214,684	\$ 6,366,635	\$ 2,887,661	\$ 3,103,075	\$ 76,572,055
Restricted assets:					
Cash with fiscal agent	147,351	-	-	-	147,351
Imprest cash	1,758	100	300	40	2,198
Deposits with others	41,700	-	-	-	41,700
Accounts receivable	774,799	935,334	288,615	295,440	2,294,188
Due from other governments	3,189,724	299,586	88,717	76,225	3,654,252
Loans receivable	-	-	780,000	-	780,000
Due from other funds	4,937,784	-	-	-	4,937,784
Due from other agencies	1,706,413	-	-	-	1,706,413
Advances to other funds	125,000	-	-	-	125,000
Interest receivable	353,859	28,592	2,347	10,369	395,167
Prepaid expenses	24,389	208	3,040	-	27,637
Inventory	-	524,817	-	-	524,817
	<u>\$ 75,517,461</u>	<u>\$ 8,155,272</u>	<u>\$ 4,050,680</u>	<u>\$ 3,485,149</u>	<u>\$ 91,208,562</u>
Total assets					
<b>LIABILITIES</b>					
Accounts payable	\$ 1,041,213	\$ 457,717	\$ 96,754	\$ 83,820	\$ 1,679,504
Accrued salaries and benefits	1,749,538	116,004	72,788	57,723	1,996,053
Unearned revenue	291,920	3,439	-	-	295,359
Due to other funds	-	-	1,696,359	329,550	2,025,909
	<u>3,082,671</u>	<u>577,160</u>	<u>1,865,901</u>	<u>471,093</u>	<u>5,996,825</u>
Total liabilities					
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	655,422	928,802	286,032	295,172	2,165,428
	<u>655,422</u>	<u>928,802</u>	<u>286,032</u>	<u>295,172</u>	<u>2,165,428</u>
Total deferred inflows of resources					
<b>FUND BALANCES (DEFICITS)</b>					
Nonspendable	191,089	525,025	3,040	-	719,154
Restricted	33,774,998	6,124,285	2,373,982	1,285,403	43,558,668
Assigned	17,210,189	-	-	1,436,199	18,646,388
Unassigned	20,603,092	-	(478,275)	(2,718)	20,122,099
	<u>71,779,368</u>	<u>6,649,310</u>	<u>1,898,747</u>	<u>2,718,884</u>	<u>83,046,309</u>
Total fund balances					
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 75,517,461</u>	<u>\$ 8,155,272</u>	<u>\$ 4,050,680</u>	<u>\$ 3,485,149</u>	<u>\$ 91,208,562</u>

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
JUNE 30, 2020**

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

Total fund balances - government funds	\$ 83,046,309
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	45,069,635
Pension and OPEB related deferrals are reported as deferred outflows and inflows of resources on the statement of net position.	16,299,283
Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	2,165,428
Interest payable on long-term debt does not require current financial resources; therefore, interest payable is not reported as a liability in the governmental funds balance sheet.	(8,054)
Certain liabilities are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Loans payable	(4,010,245)
Net OPEB Liability	(58,210,514)
Compensated absences	(1,814,445)
Net pension liability	(66,861,301)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities.	<u>3,243,107</u>
Total net position - governmental activities	<u>\$ 18,919,203</u>

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General	Road	Grant Programs	Other Governmental	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 19,320,141	\$ -	\$ 39,757	\$ 79,104	\$ 19,439,002
Intergovernmental	32,394,492	8,405,673	2,937,623	1,680,672	45,418,460
Use of money and property	1,510,914	106,446	12,406	39,696	1,669,462
Licenses and permits	1,052,231	14,354	-	-	1,066,585
Fines, forfeitures, and penalties	1,221,176	-	-	-	1,221,176
Other revenues	555,615	46,324	5,000	1,560	608,499
Charges for services	10,003,442	188,118	19,380	116,300	10,327,240
<b>Total revenues</b>	<b>66,058,011</b>	<b>8,760,915</b>	<b>3,014,166</b>	<b>1,917,332</b>	<b>79,750,424</b>
<b>EXPENDITURES</b>					
Current:					
General government	15,511,900	-	-	103,251	15,615,151
Public protection	24,046,253	-	850,476	1,071,239	25,967,968
Public ways and facilities	-	6,475,897	-	49,904	6,525,801
Health and sanitation	9,112,615	-	753,056	761,986	10,627,657
Public assistance	9,102,919	-	1,469,511	-	10,572,430
Education	682,006	-	-	-	682,006
Recreation and culture	1,138,002	-	-	-	1,138,002
Capital outlay	170,379	2,549,838	119,791	7,906	2,847,914
Debt service:					
Principal	243,552	-	-	-	243,552
Interest	191,844	-	-	-	191,844
<b>Total expenditures</b>	<b>60,199,470</b>	<b>9,025,735</b>	<b>3,192,834</b>	<b>1,994,286</b>	<b>74,412,325</b>
Excess (deficiency) of revenues over (under) expenditures	5,858,541	(264,820)	(178,668)	(76,954)	5,338,099
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	340	-	452,786	599,280	1,052,406
Transfers out	(1,159,421)	-	(170)	(111,681)	(1,271,272)
<b>Total other financing sources (uses)</b>	<b>(1,159,081)</b>	<b>-</b>	<b>452,616</b>	<b>487,599</b>	<b>(218,866)</b>
Net change in fund balances	4,699,460	(264,820)	273,948	410,645	5,119,233
Fund balances - beginning (restated)	67,079,908	6,914,130	1,624,799	2,308,239	77,927,076
Fund balances - ending	\$ 71,779,368	\$ 6,649,310	\$ 1,898,747	\$ 2,718,884	\$ 83,046,309

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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

Net change in fund balances - governmental funds		\$ 5,119,233
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Expenditures for general capital assets, infrastructure, and other related capital asset adjustments.	1,937,534	
Less: current year depreciation	(2,152,643)	(215,109)
<p>Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		(4,671,775)
<p>Changes to OPEB liability and OPEB related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		(4,078,338)
<p>Revenues that have not met the revenue recognition criteria in the fund financial statements are recognized as revenue in the government-wide financial statements. This amount represents the change in unavailable revenue from the prior year.</p>		
		268,405
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces longterm liabilities in the statement of net position.</p>		
Principal retirements		243,552
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences		(310,388)
<p>Internal service funds were used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>		
		434,244
Change in net position of governmental activities		\$ (3,210,176)

The notes to the basic financial statements are an integral part of this statement.

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PROPRIETARY FUND FINANCIAL STATEMENTS



**COUNTY OF INYO  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020**

	Business-Type Activities Enterprise Funds			Governmental Activities	
	Airport	Solid Waste	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 2,217,644	\$ 3,378,149	\$ 1,181,998	\$ 6,777,791	\$ 3,726,910
Imprest cash	265	950	-	1,215	-
Accounts receivable	172,019	231,380	121,953	525,352	-
Due from other governments	3,970,875	-	33,733	4,004,608	-
Interest receivable	-	23,759	2,928	26,687	11,766
Inventory	62,028	-	-	62,028	5,745
	-	-	-	-	-
Total current assets	<u>6,422,831</u>	<u>3,634,238</u>	<u>1,340,612</u>	<u>11,397,681</u>	<u>3,744,421</u>
Noncurrent assets:					
Restricted cash	-	2,311,104	-	2,311,104	-
Capital assets:					
Nondepreciable	5,476,261	-	-	5,476,261	6,979
Depreciable, net	8,380,657	1,928,880	1,781,064	12,090,601	1,645,736
	-	-	-	-	-
Total noncurrent assets	<u>13,856,918</u>	<u>4,239,984</u>	<u>1,781,064</u>	<u>19,877,966</u>	<u>1,652,715</u>
Total assets	<u>20,279,749</u>	<u>7,874,222</u>	<u>3,121,676</u>	<u>31,275,647</u>	<u>5,397,136</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows from pensions	57,307	240,024	154,479	451,810	32,391
Deferred outflows from OPEB	54,804	250,132	123,308	428,244	50,589
	-	-	-	-	-
Total deferred outflows of resources	<u>112,111</u>	<u>490,156</u>	<u>277,787</u>	<u>880,054</u>	<u>82,980</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	3,889,664	63,061	6,770	3,959,495	70,148
Accrued salaries and benefits	13,417	31,530	28,073	73,020	8,659
Unearned revenue	3,176	-	657	3,833	-
Due to other governments	2,200	-	45,587	47,787	-
Due to other funds	2,131,532	-	365,264	2,496,796	415,079
Interest payable	-	1,279	-	1,279	-
Compensated absences	6,578	42,348	17,383	66,309	21,243
Liability for self-insurance	-	-	-	-	100,000
Capital leases payable	-	142,098	-	142,098	313,949
Loans payable	-	93,851	15,191	109,042	-
	-	-	-	-	-
Total current liabilities	<u>6,046,567</u>	<u>374,167</u>	<u>478,925</u>	<u>6,899,659</u>	<u>929,078</u>
Noncurrent liabilities:					
Liability for self-insurance	-	-	-	-	65,622
Capital leases payable	-	7,727	-	7,727	424,118
Loans payable	-	327,917	44,529	372,446	-
Advance from other funds	-	-	-	-	125,000
Closure/post closure costs	-	17,115,663	-	17,115,663	-
Net OPEB liability	487,275	2,223,969	1,099,489	3,810,733	449,792
Net pension liability	375,014	1,570,706	1,010,904	2,956,624	211,964
	-	-	-	-	-
Total noncurrent liabilities	<u>862,289</u>	<u>21,245,982</u>	<u>2,154,922</u>	<u>24,263,193</u>	<u>1,276,496</u>
Total liabilities	<u>6,908,856</u>	<u>21,620,149</u>	<u>2,633,847</u>	<u>31,162,852</u>	<u>2,205,574</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows from pensions	11,104	41,852	23,079	76,035	6,424
Deferred inflows from OPEB	278	1,272	276	1,826	258
	-	-	-	-	-
Total deferred inflows of resources	<u>11,382</u>	<u>43,124</u>	<u>23,355</u>	<u>77,861</u>	<u>6,682</u>
<b>NET POSITION (DEFICIT)</b>					
Net investment in capital assets	13,856,918	1,357,287	1,721,344	16,935,549	914,648
Unrestricted	(385,296)	(14,656,182)	(979,083)	(16,020,561)	2,353,212
	-	-	-	-	-
Total net position (deficit)	<u>\$ 13,471,622</u>	<u>\$ (13,298,895)</u>	<u>\$ 742,261</u>	<u>914,988</u>	<u>\$ 3,267,860</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time					
				<u>24,753</u>	
Net position of business-type activities (page 20)				<u>\$ 939,741</u>	

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Enterprise Funds			Governmental
	Airport	Solid Waste	Nonmajor Enterprise Funds	Internal Service Funds
Operating revenues:				
Charges for services	\$ 1,275,347	\$ 1,605,766	\$ 1,150,840	\$ 4,031,953
Fees and permits	-	474,438	-	474,438
Other operating revenue	2,645	-	-	2,645
<b>Total operating revenues</b>	<b>1,277,992</b>	<b>2,080,204</b>	<b>1,150,840</b>	<b>4,509,036</b>
Operating expenses:				
Salaries and benefits	343,259	1,639,001	1,132,749	3,115,009
Services and supplies	1,729,351	1,255,375	407,952	3,392,678
Closure/post closure	-	744,645	-	744,645
Depreciation	626,039	313,429	80,248	1,019,716
<b>Total operating expenses</b>	<b>2,698,649</b>	<b>3,952,450</b>	<b>1,620,949</b>	<b>8,272,048</b>
<b>Operating income (loss)</b>	<b>(1,420,657)</b>	<b>(1,872,246)</b>	<b>(470,109)</b>	<b>(3,763,012)</b>
Nonoperating revenues (expenses):				
Tax revenue	-	1,479,724	-	1,479,724
Intergovernmental revenues	40,000	128,256	111,112	279,368
Investment earnings	3,657	91,507	9,768	104,932
Interest expense	-	(11,580)	(2,344)	(13,924)
Gain (loss) on sale of assets	-	50,155	-	50,155
Other nonoperating revenue	-	5,324	-	5,324
<b>Total nonoperating revenues (expenses)</b>	<b>43,657</b>	<b>1,743,386</b>	<b>118,536</b>	<b>1,905,579</b>
Income (loss) before capital contributions and transfers	(1,377,000)	(128,860)	(351,573)	(1,857,433)
Capital contributions	5,894,353	-	-	5,894,353
Transfers in	218,866	-	-	218,866
<b>Change in net position</b>	<b>4,736,219</b>	<b>(128,860)</b>	<b>(351,573)</b>	<b>4,255,786</b>
Net position, beginning (restated)	8,735,403	(13,170,035)	1,093,834	2,808,866
<b>Net position, ending</b>	<b>\$ 13,471,622</b>	<b>\$ (13,298,895)</b>	<b>\$ 742,261</b>	<b>\$ 3,267,860</b>
Adjustments for the net effect of the current year activity between the internal service funds and the enterprise funds				24,753
Changes in net position of business-type activities (page 21)				\$ 4,280,539

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Enterprise Funds				Governmental Activities
	Airport	Solid Waste	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:					
Cash receipts from customers	\$ 1,158,572	\$ 2,871,778	\$ 1,191,470	\$ 5,221,820	\$ 3,716,479
Cash paid to suppliers for goods and services	(1,528,942)	(2,087,410)	(445,959)	(4,062,311)	(2,221,931)
Cash paid to employees for salaries and benefits	(324,961)	(1,240,736)	(686,402)	(2,252,099)	476,197
Other operating receipts	2,645	-	-	2,645	-
Net cash provided by (used for) operating activities	<u>(692,686)</u>	<u>(456,368)</u>	<u>59,109</u>	<u>(1,089,945)</u>	<u>1,970,745</u>
Cash flows from noncapital financing activities:					
Loans from other funds	1,779,157	-	187,042	1,966,199	(1,550,071)
Transfer from other funds	218,866	-	-	218,866	-
Transfer to other funds	-	-	-	-	-
Grants	39,806	1,607,980	94,758	1,742,544	-
Property taxes	-	-	-	-	-
Other nonoperating cash receipts	-	5,324	2,340	7,664	-
Net cash provided by (used for) noncapital financing activities	<u>2,037,829</u>	<u>1,613,304</u>	<u>284,140</u>	<u>3,935,273</u>	<u>(1,550,071)</u>
Cash flows from capital and related financing activities:					
Proceeds from sale of capital assets	-	51,518	-	51,518	10,204
Principal and interest paid on capital debt, net of new issuance	-	176,507	(17,030)	159,477	738,067
Acquisition or construction of capital assets	(8,212)	(612,221)	-	(620,433)	(703,532)
Net cash provided by (used for) capital and related financing activities	<u>(8,212)</u>	<u>(384,196)</u>	<u>(17,030)</u>	<u>(409,438)</u>	<u>44,739</u>
Cash flows from investing activities:					
Interest received	6,588	90,610	9,463	106,661	39,809
Net cash provided by (used for) investing activities	<u>6,588</u>	<u>90,610</u>	<u>9,463</u>	<u>106,661</u>	<u>39,809</u>
Net increase (decrease) in cash and investments	1,343,519	863,350	335,682	2,542,551	505,222
Cash and investments, beginning	<u>874,390</u>	<u>4,826,853</u>	<u>846,316</u>	<u>6,547,559</u>	<u>3,221,688</u>
Cash and investments, ending	<u>\$ 2,217,909</u>	<u>\$ 5,690,203</u>	<u>\$ 1,181,998</u>	<u>\$ 9,090,110</u>	<u>\$ 3,726,910</u>

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
(Continued)

	Business-Type Activities Enterprise Funds			Total	Governmental
	Airport	Solid Waste	Nonmajor Enterprise Funds		Internal Service Funds
<b>Reconciliation of cash and investments to the statement of net position</b>					
Cash and investments	\$ 2,217,644	\$ 3,378,149	\$ 1,181,998	\$ 6,777,791	\$ 3,726,910
Imprest cash	265	950	-	1,215	-
Restricted cash	-	2,311,104	-	2,311,104	-
<b>Total</b>	<b>\$ 2,217,909</b>	<b>\$ 5,690,203</b>	<b>\$ 1,181,998</b>	<b>\$ 9,090,110</b>	<b>\$ 3,726,910</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used) for operating activities:</b>					
Operating income (loss)	\$ (1,420,657)	\$ (1,872,246)	\$ (470,109)	\$ (3,763,012)	\$ 434,638
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	626,039	313,429	80,248	1,019,716	662,943
Changes in assets, deferred outflows of resources, liabilities, and deferred nflows of resources					
Accounts receivable	(116,775)	46,929	40,630	(29,216)	1,057
Inventory	1,411	-	-	1,411	(2,143)
Deferred outflows of resources	2,060	(35,850)	(70,688)	(104,478)	(1,207)
Accounts payable	198,998	(91,423)	(38,007)	69,568	20,249
Accrued salaries	2,737	-	446	3,183	7,446
Liability for compensated absences	(8,675)	7,091	10,312	8,728	21,243
Closure/post-closure liability	-	744,644	-	744,644	-
Self-insurance liability	-	-	-	-	165,622
Net Pension liability	(30,009)	187,367	450,203	607,561	211,964
Net OPEB liability	54,798	250,099	52,689	357,586	449,792
Deferred inflows of resources	(2,613)	(6,408)	3,385	(5,636)	(860)
<b>Net cash provided by (used for) operating activities</b>	<b>\$ (692,686)</b>	<b>\$ (456,368)</b>	<b>\$ 59,109</b>	<b>\$ (1,089,945)</b>	<b>\$ 1,970,745</b>
<b>Schedule of noncash capital and related financing activities:</b>					
Capital contributions from General Fund	\$ 5,894,353	\$ -	\$ -	\$ 5,894,353	\$ -

The notes to the basic financial statements are an integral part of this statement.

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## FIDUCIARY FUND FINANCIAL STATEMENTS

**COUNTY OF INYO  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020**

	Investment Trust	Agency Funds
<b>ASSETS</b>		
Cash and investments	\$ 59,517,435	\$ 11,893,969
Interest receivable	245,591	27,783
Due from other funds	-	1,975
Taxes receivable	-	2,302,198
	59,763,026	14,225,925
<b>LIABILITIES</b>		
Due to other agencies	-	1,706,413
Agency obligations	-	12,519,512
	-	\$ 14,225,925
<b>NET POSITION</b>		
Held in trust for investment pool participants	59,763,026	
	\$ 59,763,026	

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF INYO  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	Investment Trust
<b>ADDITIONS</b>	
Contributions to investment pool	\$ 42,311,459
Interest and investment income	958,025
Total additions	43,269,484
<b>DEDUCTIONS</b>	
Distributions from investment pool	36,827,496
Change in net position	6,441,988
Net position, beginning	53,321,038
Net position, ending	\$ 59,763,026

The notes to the basic financial statements are an integral part of this statement.



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## NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a Summary of Significant Accounting Policies for the County, and other necessary disclosure of pertinent matter relating to the financial position of the County. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The County of Inyo (the County), the primary government, is a political subdivision of the State of California. It is governed by an elected board of five County Supervisors.

The County defines its reporting entity in accordance with accounting principles generally accepted in the United States of America (GAAP), which provides guidance for determining which governmental activities, organization and functions should be included in the reporting entity. The accompanying financial statements present information on the activities of the reporting entity, including all fund types of the County (the primary government) and its component units.

GAAP requires that the component units be separated into blended, fiduciary or discretely presented units for reporting purposes. Although legally separate entities, blended component units are, in substance, part of the County's operations. Therefore, they are reported as part of the primary government. The primary government is financially accountable for these component units. Discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate from the County. Each blended and discretely presented component unit has a June 30<sup>th</sup> fiscal year end.

***Blended Component Units***

Based on the foregoing criteria, the following entities have been classified as blended component units of the County:

Big Pine District	County Service Area No. 2 (CSA #2)
County of Inyo Capital Asset	Independence Lighting District
Leasing Corporation	Lone Pine Lighting District

The above component units are legally separate entities which are governed by the County's Board of Supervisors; therefore, their financial data has been combined with the County's financial data and presented as blended component units.

Additional detailed information and/or separately issued financial statements for each of these entities can be obtained from the County of Inyo Auditor-Controller's Office located at 168 North Edwards Street, Independence, CA 93526.

***Discretely Presented Component Units***

First 5 Inyo County – First 5 was created in 1998 with the passage of Proposition 10, the California Children and Families Act. First 5's mission is to allocate funds from the California Children and Families Trust Fund and advocate for quality programs and services, supporting children prenatal to age 5, to ensure that every child is healthy and ready to learn in school. First 5 is governed by a six-member commission that includes public officials and community leaders from the fields of early childhood education, health care, and family support. The County can influence the day-to-day operations and financial decisions of First 5 as the County Board of Supervisors appoints all commission members. First 5 is reported as a discretely presented component unit because its governing body is not substantively the same as the County's governing body, and it does not provide services entirely or exclusively to the County.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**B. Basis of Presentation**

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

***Government-Wide Financial Statements***

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

The statement of activities demonstrates the degree to which program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

The County first utilizes restricted resources to finance qualified activities, then unrestricted resources as needed.

***Fund Financial Statements***

Separate fund 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 emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

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

The County reports the following major governmental funds:

*General Fund* accounts 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 legislative and administrative, personnel, finance, counselor, elections, and property management.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**B. Basis of Presentation** (Continued)

***Fund Financial Statements*** (Continued)

*Road Fund* is used to account for money derived from the Highway Users Tax Fund, a portion of Federal Forest Reserve (under Government Code Section 29484) and any other sources of revenue that the Board of Supervisors designates for deposit into the Road fund. Money deposited into the Road Fund is restricted to expenditures made in accordance with Article XIX of the State Constitution and Streets and Highways Code Sections 2101 and 2150.

*Grant Programs Fund* is used to account for programs that receive resources from other governmental units and are required to follow special legal, contractual, accounting or reporting requirements.

The County reports the following major enterprise funds:

*Airport Fund* was established to account for the operations of the Easter Sierra Regional Airport, Lone Pine Airport, and the Shoshone Airport.

*Solid Waste Fund* was established to account for operations of the solid waste handling activity.

The County reports the following additional fund types:

*Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments on a cost-reimbursement basis. The County uses internal service funds to account for its motor pool, purchasing, revolving and self-insurance activities.

*Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school districts, other special districts governed by local boards, regional boards and authorities and pass-through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

*Agency Funds* account for assets held by the County as an agent for various local governments.

**C. Basis of Accounting and Measurement Focus**

The government-wide, proprietary and investment trust fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting.

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

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**C. Basis of Accounting and Measurement Focus** (Continued)

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

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

**D. Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the general purpose financial statements and the reported amount of revenue and expenditures or expense during the reporting period. Actual results could differ from those estimates.

**E. Deposits and Investments**

The County follows the practice of pooling cash and investments of all funds except for funds required to be held outside fiscal agents. Interest income earned on pooled cash and investments is allocated quarterly to the various funds, based on the average daily balances.

The County pool is not registered with the Securities and Exchange Commission as an investment company and does not issue separate investment reports. The County has not provided or obtained any legally binding guarantees to support the value of the shares. County Ordinance #970 requires the formation of an Investment Oversight Committee, which is charged with overseeing activity in the pool for compliance to policy and code requirements.

Certain special districts and all public school districts are required by legal provisions to deposit their funds with the County Treasurer. Participants may withdraw up to the total of their respective shares as displayed on the combined balance sheet.

**F. Cash and Cash Equivalents**

For purposes of the statement of cash flows – proprietary funds, the County considers all short-term highly liquid investments, including restricted cash and investments, to be cash and cash equivalents. Amounts held in the County’s investment pool are available on demand; thus they are considered highly liquid and cash equivalents for purposes of the statement of cash flows – proprietary funds.

**G. Restricted Cash**

The County reports as restricted cash those funds which have been set aside for future costs associated with the closure and post-closure liability of various landfills in the County.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**H. Inventories and Prepaid Items**

Inventory consists of expendable supplies held for consumption. In governmental funds, inventories are valued at cost. In proprietary funds, they are valued at lower of cost or market. Cost is determined by using either the weighted average or the first-in, first-out method. The consumption method of accounting of inventory is used for the governmental fund types and the proprietary fund types. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The inventories and prepaid items recorded in the governmental funds do not reflect current appropriable resources and thus, an equivalent portion of fund balance is reserved.

**I. Receivables**

The County only accrues revenues at fiscal year-end and accrues only those revenues it deems collectible; as such the County has no allowance for doubtful accounts in its governmental funds.

**J. 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) in the balance sheet of governmental funds and statement of net position for proprietary funds. 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 government funds balance sheet, are offset by a fund balance reserve account to indicate that they are not available for appropriation and are not available financial resources.

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

**K. Property and Tax Revenue**

Property taxes attach as an enforceable lien on January 1. Taxes are levied on July 1 and payable in two installments, December 10 and April 10. All general property taxes are then allocated by the County Auditor-Controller’s Office to the various taxing entities per the legislation implementing Proposition 13. The method of allocation used by the county is subject to review by the State of California. County property tax revenues are recognized when levied, under the alternative method for tax allocation (Teeter Plan), to the extent that they are measurable and available.

**L. 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 acquisition value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, lighting systems, and drainage systems. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**L. Capital Assets** (Continued)

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight line method of the lesser of the capital lease period or their estimated useful lives in the government-wide statements of proprietary funds.

The estimated useful lives are as follows:

Infrastructure (except for the maintained pavement subsystem)	15 to 50 Years
Land improvements	7 to 50 Years
Structures and Improvements	50 Years
Equipment	3 to 20 Years

The County has three networks of infrastructure assets: roads, lighting and drainage.

**M. Unearned Revenue**

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets and grant advances received prior to meeting all eligibility requirements, are offset by a corresponding liability for unearned revenue.

**N. Deferred Outflows/Inflows of Resources**

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

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 represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has deferred inflows of resources related to unavailable revenues reported under the modified accrual basis of accounting in the governmental funds balance sheet and related to pensions and OPEB in its proprietary and government-wide statements. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**O. Encumbrances**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30 or rolled into the next year.

**P. Fund Balance/Net Position**

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based on the extent to which the County is bound to honor various constraints.

*Nonspendable* – amounts that cannot be spent because they are either (1) not in spendable form or (b) legally or contractually required to be maintained intact.



**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**P. Fund Balance/Net Position** (Continued)

*Restricted* – amounts with constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

*Committed* – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority (Board of Supervisors) and which remain in place unless removed by taking the same type of action it employed to commit those amounts. The formal action that commits fund balance to a specific purpose should occur prior to the end of the reporting period.

*Assigned* – amounts that are considered by the County’s intent to be used for specific purposes. Intent should be expressed either by the governing body itself or a body (a budget or finance committee, for example) or official to which the governing body has delegated authority to assign amounts to be used for specific purposes. This is also the classification for residual funds in the County’s special revenue funds.

*Unassigned* – the residual classification for the General Fund that includes amounts not contained in the preceding classification. In other governmental funds, the unassigned classification is used when expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

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

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

*Net investment in capital assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

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

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

**Q. Pensions**

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

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**R. Other Postemployment Benefits**

For purposes of measuring the other postemployment benefits (OPEB) liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County’s plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by Public Agency Retirement Service (PARS). For this purpose, the OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**NOTE 2 – CASH IN TREASURY**

**A. Cash Management**

As provided for by the California Government Code, the cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool (the Pool) is not registered within the Securities and Exchange Commission (SEC) and as suggested by the California Government Code, a treasury oversight committee provides oversight to the management of the pool. The respective funds’ share of the total pool is included in the accompanying combined balance sheet under the caption “Cash and Investments”. Interest earned on these investments is allocated quarterly to certain participating funds based on their cash in County treasury balances.

The County Treasurer determines the fair value of investments annually, at fiscal year-end, for the purpose of financial reporting. Participants may withdraw their investment from the pool on a dollar per dollar basis. School districts are considered involuntary participants in the investment pool and comprise of approximately 20% of the total treasury investment participants in the investment pool which includes County operational funds. Special districts and various trust funds approximate 20% of the investment pool and the extent of involuntary participation cannot be determined at this time. County operational funds and agency funds approximately comprise the remaining 60% of the investment pool.

At June 30, 2020, total County cash and investments were as follows:

Cash:	
Cash on hand	\$ 3,413
Deposits	5,844,135
Cash with fiscal agent	147,351
Less: outstanding checks	<u>(2,148,828)</u>
Total deposits	<u>3,846,071</u>
Investments	<u>157,145,657</u>
Total cash and investments	<u>\$ 160,991,728</u>

Total cash and investments at June 30, 2020 were presented on the County’s financial statements as follows:

Primary government	\$ 89,580,324
Investment trust fund	58,698,592
Agency funds	11,893,969
Discretely presented component unit	<u>818,843</u>
Total cash and investments	<u>\$ 160,991,728</u>

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – CASH IN TREASURY** (Continued)

**A. Cash Management** (Continued)

***Custodial Credit Risk Related to Deposits***

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Pool will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in the Count’s total bank balance, \$250,000 per account is insured by the Federal Depository Insurance Corporation. The remaining \$5,147,495 on deposit is collateralized with securities held by the pledging financial institution’s agent. Per Government Code Section 53652, the depository is required to maintain a market value of at least 110% of the pledged collateral.

At June 30, 2020, the carrying amount of the Pool’s deposits was \$8,214,802 and the corresponding bank balance was \$5,761,409. The difference of \$2,453,392 was principally due to unreceipted deposits and paid warrants not recorded by the County.

***Investments***

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Federal agency obligations	5 years	No limit	No limit
U.S. treasury obligations	5 years	No limit	No limit
State of California obligations	5 years	No limit	No limit
Local agency bonds and obligations	5 years	No limit	No limit
Banker’s acceptances	180 days	40%	30%
Commercial paper - select agencies	270 days	25%	10%
Commercial paper - other agencies	270 days	40%	10%
Negotiable certificates of deposit	5 years	30%	No limit
Non-negotiable certificates of deposit	5 years	No limit	No limit
Repurchase agreements	1 year	No limit	No limit
Reverse repurchase agreements	92 days	20%	No limit
Medium-term corporate notes	5 years	30%	10%
Money market mutual funds	N/A	20%	No limit
Local Agency Investment Fund	N/A	No limit	No limit
California asset management program	N/A	No limit	No limit

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – CASH IN TREASURY** (Continued)

**A. Cash Management** (Continued)

**Investments** (Continued)

At June 30, 2020, the County had the following investments:

	Interest Rates	Maturities	Fair Value	Weighted Avg Maturity (Years)
Pooled investments:				
Federal agency obligations	.0500%-2.80%	7/1/19-6/30/25	\$ 80,731,728	3.38
U.S. treasury notes	1.5%	7/15/19-7/15/20	1,964,688	0.04
Commerical paper	N/A	7/24/20-3/12/21	18,871,614	0.31
Local Agency Investment Fund	Variable	Demand	41,000,000	-
Negotiable certificates of deposit	.60%-3.4%	7/1/20-5/8/25	11,396,000	1.95
Local agency debt			681,627	-
Money market funds	Variable	On Demand	<u>2,500,000</u>	-
Total pooled investments			<u>157,145,657</u>	
Non-pooled investments:				
Cash with fiscal agent	Variable	On Demand	<u>147,351</u>	-
Total investments			<u>\$ 157,293,008</u>	

**Interest Rate Risk**

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

Investment Type	Fair Value	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Federal agency obligations	\$ 80,731,728	\$ 5,983,900	\$ 8,977,328	\$ 11,000,000	\$ 19,000,000	\$ 35,770,500
U.S. treasury notes	1,964,688	1,964,688	-	-	-	-
Commerical paper	18,871,614	18,871,614	-	-	-	-
Local Agency Investment Fund	41,000,000	41,000,000	-	-	-	-
Negotiable certificates of deposit	11,396,000	4,950,000	1,983,000	1,242,000	991,000	2,230,000
Local agency debt	681,627	94,830	-	24,579	59,720	502,498
Money market funds	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$157,145,657</u>	<u>\$ 75,365,032</u>	<u>\$10,960,328</u>	<u>\$ 12,266,579</u>	<u>\$ 20,050,720</u>	<u>\$ 38,502,998</u>

**Credit Risk**

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

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – CASH IN TREASURY** (Continued)

**A. Cash Management** (Continued)

**Credit Risk** (Continued)

At June 30, 2020, the County had the following investments in any one issuer that represent 5% or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

Issuer	Investment Type	Amount Reported	% of Total Investments
Federal Farm Credit Bank	Federal agency obligation	\$ 30,000,000	19.09%
Federal Home Loan Bank	Federal agency obligation	9,977,324	6.35%
Federal Home Loan Mortgage	Federal agency obligation	33,770,500	21.49%

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool’s value at June 30, 2020:

	Credit Quality Ratings		% of Portfolio
	Moody's	S&P	
Federal agency obligations	AAA	AAA	51.37%
US Treasury notes	N/A	N/A	1.25%
Local Agency Investment Fund	Unrated	Unrated	26.09%
Local agency debt	Unrated	Unrated	0.43%
Commercial paper	N/A	N/A	12.01%
Negotiable CDs	N/A	N/A	7.25%
Money market funds	N/A	N/A	1.60%
Total			<u>100%</u>

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. At year-end, the County’s investment pool and specific investments had no securities exposed to custodial credit risk.

**Local Agency Investment Fund**

The County Treasurer’s Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the state Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. 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 (the Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

At June 30, 2020, the County’s investment position in the State of California Local Agency Investment Fund (LAIF) was \$41,000,000, which approximates fair value and is the same as value of the pool shares. The total amount invested by all public agencies in LAIF at June 30,2020, was \$101.1 billion, the majority of which is invested in non-derivative financial products.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 2 – CASH IN TREASURY** (Continued)

**A. Cash Management** (Continued)

***County Investment Pool Condensed Financial Statements***

The following represents a condensed statement of net position and changes in net position for the Treasurer’s investment pool as of June 30, 2020:

**Statement of Net Position**

Net position	<u>\$ 160,991,728</u>
Equity of external investment pool participants	\$ 59,517,435
Equity of internal investment pool participants	<u>101,474,293</u>
Total net position	<u>\$ 160,991,728</u>

**Statement of Changes in Net Position:**

Net position at July 1, 2019	\$ 147,372,702
Net contributions from pool participants	<u>13,619,026</u>
Net position at June 30, 2020	<u>\$ 160,991,728</u>

**B. Allocations of Interest Income Among Funds**

Interest income from pooled investments is allocated first to those funds which are required by law or administrative action to receive interest, and then to the proprietary funds. Interest is allocated on a quarterly basis based on the aggregate daily cash balance in each fund.

Cash and investments held separately from the pool are managed by a trustee or fiscal agent. Investments are stated at fair value.

**C. Authorized Investments**

State statutes and adopted investment policy authorize the County to invest in bonds issued by the County of Inyo, obligations of the U.S. Treasury, its agencies and instrumentality’s, registered warrants and bonds of the State of California, registered warrants and bonds of any local agency in the State of California, commercial paper rated A-1 by Standard & Poor’s Corporation or P-1 by Moody’s Commercial Paper Record’s, certificates of deposit, bankers’ acceptances from banks with ‘A’ ratings or better by nationally recognized rating service, medium term corporate notes issued by companies rated ‘A’ or better by a nationally recognized rating service, mortgage pass-through securities and collateralized mortgage obligations having a rating of ‘AA’ or higher by a nationally recognized rating agency, repurchase agreements and the state Treasurer’s investment pool. The County is also authorized to enter in reverse repurchase agreements. Investments for bond proceeds and funds held by bond fiscal agent or trustees are governed and restricted by the bond documents. The permitted investment language in each bond transaction is usually unique to each transaction and at times can either be more permissive or less permissive than the County’s investment policy over other investments.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – CASH IN TREASURY** (Continued)

**D. Fair Value of Investments**

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The investments in an external investment pool are not subject to reporting within the level hierarchy. The three levels of the fair value hierarchy are described below:

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

*Level 2* – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The County's pooled investments by fair value level as of June 30, 2020 include the following:

	Fair Value	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Investment Type:				
Federal agency obligations	\$ 80,731,728	\$ -	\$ 80,731,728	\$ -
U.S. treasury notes	1,964,688	-	1,964,688	-
Negotiable certificates of deposit	11,396,000	-	11,396,000	-
Commercial paper	18,871,614	-	18,871,614	-
Total investments measured at fair value	112,964,030	\$ -	\$ 112,964,030	\$ -
Investments not subject to hierarchy:				
Local Agency Investment Fund	41,000,000			
Local agency debt	681,627			
Money market funds	2,500,000			
Total investments in investment pool	\$ 157,145,657			

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 3 – INTERFUND TRANSACTIONS**

***Interfund Receivables/Payables***

The composition of interfund balances as of June 30, 2020 was as follows:

*Due to/from other funds:*

Receivable Fund	Payable Fund	Amount	Purpose
Major Fund:	Major Fund:		
General Fund	Grant programs	\$ 1,696,359	Cash flow reimbursement grants
	Nonmajor governmental funds	329,550	Provide short term cash flow
	Airport	2,131,532	Provide short term cash flow
	Nonmajor enterprise funds	365,264	Provide short term cash flow
	Internal service funds	415,079	Provide short term cash flow
	Total	<u>\$ 4,937,784</u>	

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Internal Service Funds	\$ 125,000

The above interfund advances are loans that are not expected to be repaid within one year. The General Fund loaned the Purchasing Revolving fund \$125,000 for working capital purposes several years ago without establishing a repayment plan. The intent was that the monies would be returned to the General Fund when the purchasing revolving function would cease to exist. Currently, there are no plans for the purchasing revolving function to cease to exist.

***Transfers***

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

Transfers Out	Transfers In	Amount	Purpose
General Fund	Grant Programs	\$ 30,987	County required match from realignment
General Fund	Grant Programs	271,510	To augment ongoing operations
General Fund	Grant Programs	55,500	County required General Fund match
General Fund	Grant Programs	94,789	General Fund contribution to cover A87 cost
General Fund	Nonmajor governmental funds	599,280	Future development of commerical air service
General Fund	Airport	107,355	Grant match for County share
		<u>1,159,421</u>	
Grant Programs	General Fund	170	To augment ongoing operations
		<u>170</u>	
Nonmajor governmental funds	Airport	111,511	Grant match for County share
Nonmajor governmental funds	General Fund	170	To augment ongoing operations
		<u>111,681</u>	
	Total	<u>\$ 1,271,272</u>	



**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 4 – CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2020, was as follows:

	Balance June 30, 2019	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2020
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 8,899,171	\$ -	\$ -	\$ -	\$ 8,899,171
Construction in progress	<u>1,467,476</u>	<u>148,220</u>	<u>(54,755)</u>	<u>66,000</u>	<u>1,626,941</u>
Total capital assets, not being depreciated	<u>10,366,647</u>	<u>148,220</u>	<u>(54,755)</u>	<u>66,000</u>	<u>10,526,112</u>
Capital assets, being depreciated:					
Infrastructure	207,721,159	1,256,678	-	-	208,977,837
Land improvements	5,651,410	7,906	-	-	5,659,316
Structures and improvements	20,408,784	-	(34,810)	-	20,373,974
Equipment	<u>19,497,732</u>	<u>1,302,548</u>	<u>(386,936)</u>	<u>(66,000)</u>	<u>20,347,344</u>
Total capital assets, being depreciated	<u>253,279,085</u>	<u>2,567,132</u>	<u>(421,746)</u>	<u>(66,000)</u>	<u>255,358,471</u>
Less accumulated depreciation for:					
Infrastructure	(189,477,589)	(991,869)	-	-	(190,469,458)
Land improvements	(2,431,810)	(140,807)	-	-	(2,572,617)
Structures and improvements	(8,588,877)	(586,129)	15,278	-	(9,159,728)
Equipment	<u>(16,225,519)</u>	<u>(1,096,781)</u>	<u>361,870</u>	<u>-</u>	<u>(16,960,430)</u>
Total accumulated depreciation	<u>(216,723,795)</u>	<u>(2,815,586)</u>	<u>377,148</u>	<u>-</u>	<u>(219,162,233)</u>
Total capital assets, being depreciated, net	<u>36,555,290</u>	<u>(248,454)</u>	<u>(44,598)</u>	<u>(66,000)</u>	<u>36,196,238</u>
Governmental activities capital assets, net	<u>\$ 46,921,937</u>	<u>\$ (100,234)</u>	<u>\$ (99,353)</u>	<u>\$ -</u>	<u>\$ 46,722,350</u>

	Balance June 30, 2019 (Restated)	Additions	Retirements	Balance June 30, 2020
<b>Business-Type Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 1,851,399	\$ -	\$ -	\$ 1,851,399
Construction in progress	<u>-</u>	<u>3,624,862</u>	<u>-</u>	<u>3,624,862</u>
Total capital assets, not being depreciated	<u>1,851,399</u>	<u>3,624,862</u>	<u>-</u>	<u>5,476,261</u>
Capital assets, being depreciated				
Infrastructure	22,475,783	2,017,091	-	24,492,874
Land improvements	2,715,663	-	-	2,715,663
Structures and improvements	6,045,797	-	-	6,045,797
Equipment	<u>4,590,453</u>	<u>558,568</u>	<u>(77,306)</u>	<u>5,071,715</u>
Total capital assets, being depreciated	<u>35,827,696</u>	<u>2,575,659</u>	<u>(77,306)</u>	<u>38,326,049</u>
Less accumulated depreciation for:				
Infrastructure	(16,934,072)	(276,966)	-	(17,211,038)
Land improvements	(2,281,189)	(43,171)	-	(2,324,360)
Structures and improvements	(3,104,881)	(382,006)	-	(3,486,887)
Equipment	<u>(2,971,533)</u>	<u>(317,573)</u>	<u>75,943</u>	<u>(3,213,163)</u>
Total accumulated depreciation	<u>(25,291,675)</u>	<u>(1,019,716)</u>	<u>75,943</u>	<u>(26,235,448)</u>
Total capital assets, being depreciated, net	<u>10,536,021</u>	<u>1,555,943</u>	<u>(1,363)</u>	<u>12,090,601</u>
Business-type activities capital assets, net	<u>\$ 12,387,420</u>	<u>\$ 5,180,805</u>	<u>\$ (1,363)</u>	<u>\$ 17,566,862</u>

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 4 – CAPITAL ASSETS** (Continued)

***Depreciation***

Depreciation expense was charged to governmental functions as follows:

General government	\$ 250,852
Public protection	318,912
Public ways and facilities	1,357,016
Health and sanitation	125,827
Public assistance	14,406
Education	444
Recreation and culture	85,186
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	662,943
 Total depreciation expense - governmental activities	 \$ 2,815,586

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

Airport	\$ 626,039
Solid Waste	313,429
Nonmajor enterprise funds	80,248
 Total depreciation expense - business-type activities	 \$ 1,019,716

**NOTE 5 – LOANS RECEIVABLE**

The County issued four loans as part of the federal HOME program to first time home buyers totaling \$780,000 during the fiscal year ending June 30, 2008. The loans are deferred for a period of 30 years and are due in the event that the property acquired with the proceeds is sold before the deferral period ends. Fund balance for the outstanding loans is reported as restricted. As of June 30, 2020 the balance of \$780,000 remains outstanding.

**NOTE 6 – LONG-TERM LIABILITIES**

***Governmental Long-Term Liabilities***

A summary of changes in long-term liabilities for the year ended June 30, 2020 for governmental activities is as follows:

<u>Type of Indebtedness</u>	<u>Balance June 30, 2019</u>	<u>Additions/ Adjustments</u>	<u>Retirements/ Adjustments</u>	<u>Adjustments</u>	<u>Balance June 30, 2020</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>						
Compensated absences	\$ 1,523,006	\$ 1,518,235	\$ (1,205,553)	\$ -	\$ 1,835,688	\$ 1,835,688
Claims liability	285,000	70,622	(190,000)	-	165,622	100,000
Net OPEB liability	52,063,599	9,665,711	(3,069,004)	-	58,660,306	-
Net pension liability	64,499,635	11,400,499	(8,826,869)	-	67,073,265	-
Direct borrowing:				-		
Capital leases	740,066	373,901	(375,900)	-	738,067	313,949
Loans payable	4,253,797	-	(243,552)	-	4,010,245	266,246
Total long-term liabilities	\$ 123,365,103	\$ 23,028,968	\$(13,910,878)	\$ -	\$ 132,483,193	\$ 2,515,883

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 6 – LONG-TERM LIABILITIES** (Continued)

The compensated absences liability attributable to the governmental activities will be liquidated primarily by the General Fund.

The General Fund and the Motor Pool Internal Service Funds pay for various capital lease obligations attributable to the government activities and the Grants fund pays for the loan payable obligation attributable to the governmental activities.

***Capital Leases (Direct Borrowing) - Governmental***

The County entered into direct borrowing lease agreements as the lessee for financing the acquisition of vehicles used in the County’s Motor Pool Internal Service Fund.

The cost of capital assets under capital leases is as follows:

Equipment	\$	2,150,270
Less: accumulated amortization		<u>(1,397,327)</u>
	\$	<u>752,943</u>

As of June 30, 2020, future minimum lease payments under capital leases were as follows:

Year Ending June 30	Principal	Interest
2021	\$ 313,949	\$ 10,189
2022	157,916	5,961
2023	118,200	3,711
2024	89,841	2,051
2025	<u>58,161</u>	<u>862</u>
Total	<u>\$ 738,067</u>	<u>\$ 22,774</u>

***Loans Payable (Direct Borrowing) - Governmental***

The County entered into a direct borrowing agreement to finance payment to CalPERS to fund an unfunded accrued liability for the County’s pension plan. The loan is secured by a first pledge of all of the gross revenue of the County. The loan agreement contains a provision that in the event of default, the County will be liable for the payment of all remaining outstanding principal and accrued interest.

The County entered into a direct borrowing agreement with the California Energy Commission for financing the installation of photovoltaic electric systems on County-owned facilities. Payments are made semiannually and the final payment is due in December 2028. The loan agreement contains a provision that in the event of default, the County will be liable for the payment of all remaining outstanding principal and accrued interest.

The County entered into a direct borrowing agreement to finance a new property tax management system in December 2012.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 6 – LONG-TERM LIABILITIES** (Continued)

**Loans Payable (Direct Borrowing) - Governmental** (Continued)

Loans payable for governmental activities at June 30, 2020 consisted of the following:

<b>Governmental Activities</b>	Date of Issuance	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at 6/30/2020
CalPERS side fund refunding (to refund unfunded accrued liability for the County's retirement plan)	3/14	5/11 - 5/25	5.50%	\$90,000 - \$479,000	\$ 4,045,000	\$ 3,259,000
CEC solar loan (to finance a photovoltaic solar project)	10/13	12/14 - 12/28	1.00%	\$26,287 - \$36,865	\$ 992,054	\$ 602,369
Loan payable (to finance new property tax management software)	12/12	1/13 - 5/25	5.00%	\$45,992 - \$49,901	\$ 616,258	\$ 148,876

The following is a schedule of debt service requirements to maturity as of June 30, 2020 for the loans payable from direct borrowings for governmental activities.

Years Ending June 30	Governmental Activities	
	Loans from Direct Borrowings	
	Principal	Interest
2021	\$ 266,246	\$ 181,057
2022	340,264	176,390
2023	366,263	160,527
2024	393,212	165,236
2025	373,024	124,434
2026-2030	<u>2,271,236</u>	<u>316,359</u>
Total	<u>\$ 4,010,245</u>	<u>\$ 1,124,003</u>

**Business-Type Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2020 for business-type activities is as follows:

Type of Indebtedness	Balance June 30, 2019	Additions/ Adjustments	Retirements/ Adjustments	Adjustments	Balance June 30, 2020	Amounts Due Within One Year
<b>Business-Type Activities</b>						
Compensated absences	\$ 57,581	\$ 64,345	\$ (55,617)	\$ -	\$ 66,309	\$ 66,309
Net OPEB liability	3,382,192	627,912	(199,371)	-	3,810,733	-
Net pension liability	2,420,018	867,137	(330,531)	-	2,956,624	-
Closure/post-closure liability	16,371,019	744,644	-	-	17,115,663	-
<b>Direct borrowing:</b>						
Capital lease obligations	383,506	-	(138,021)	(95,660)	149,825	142,098
Loans payable	<u>74,406</u>	<u>490,099</u>	<u>(83,017)</u>	<u>-</u>	<u>481,488</u>	<u>109,042</u>
Total long-term liabilities	<u>\$ 22,688,722</u>	<u>\$ 2,794,137</u>	<u>\$ (806,557)</u>	<u>\$ (95,660)</u>	<u>\$ 24,580,642</u>	<u>\$ 317,449</u>

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 6 – LONG-TERM LIABILITIES** (Continued)

**Capital Leases (Direct Borrowing) – Business-Type**

The County entered into a direct borrowing lease agreement as the lessee for financing the acquisition of equipment used in the County's Solid Waste Fund.

The cost of capital assets under capital leases is as follows:

Equipment	\$ 1,060,563
Less: accumulated amortization	<u>(613,010)</u>
	<u>\$ 447,553</u>

As of June 30, 2020, future minimum lease payments under capital leases were as follows:

Year Ending June 30	Principal	Interest
2021	\$ 149,628	\$ 4,215
2022	<u>197</u>	<u>6</u>
Total	<u>\$ 149,825</u>	<u>\$ 4,221</u>

**Loans Payable (Direct Borrowing) – Business-Type**

The Water Enterprise Fund entered into an agreement to borrow \$78,000 from the County Treasury to be used to finance the cost of water system improvements. The loan carries interest of 3.40% with quarterly payments starting on June 30, 2019 with final payment due March 30, 2024.

The Recycling & Waste Management Enterprise Fund entered into an agreement to borrow \$ 490,099 from the County Treasury to be used to finance the cost of a compactor at the Bishop Landfill. The loan carries interest of 3.40% with quarterly payments starting on December 12, 2019 with final payment due September 12, 2024.

The following is a schedule of debt service requirements to maturity as of June 30, 2020 for the loans payable for business-type activities.

Years Ending June 30	Business-Type	
	Loans Payable	
	Principal	Interest
2021	\$ 109,042	\$ 14,989
2022	112,797	11,234
2023	116,682	7,351
2024	116,442	3,333
2025	<u>26,525</u>	<u>225</u>
Total	<u>\$ 481,488</u>	<u>\$ 37,132</u>

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 7 – ESTIMATED LIABILITY FOR SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE MAINTENANCE COSTS**

The County currently owns and maintains five landfill sites. State and federal laws and regulations require that the County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. In addition to operating expenditures related to current activities of the landfill, an estimated liability is being recognized based on the future closure and post closure maintenance costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of the estimated liability for closure and post closure maintenance costs is based on the amount of the landfill used through the end of the fiscal year.

The estimated liability of all County landfill sites for closure and post closure maintenance costs was \$17,115,663 as of the fiscal year end, which is based on the estimated percentage usage (filled), ranging from 37.47% to 69.98%, of each landfill site. It is estimated that an additional \$18,906,898 liability will be recognized as closure and post closure maintenance costs between the date of the balance sheet and the date the landfills are expected to be filled to capacity.

The estimated total current cost of the landfill closure and post closure maintenance costs of \$36,022,562 is based on the amounts that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of the balance sheet date. However, the costs for landfill closure and post closure maintenance costs are based on yearly estimates, reviewed by the California Integrated Waste Management Board, as prepared by the Geo-logic Associates of Claremont, California.

These cost estimates are subject to change based on such factors as inflation or deflation, changes in technology, or changes in federal or state landfill laws and regulations.

The County is required by state and federal laws and regulations to make annual contributions to finance closure and post closure maintenance costs. The County makes deposits into various accounts based on the annual liability amounts calculated by CWA. As of June 30, 2020, a total of \$2,311,104 was deposited into these accounts for the purpose of funding landfill closure costs. This amount is reported as restricted cash in the Solid Waste Fund. A Pledge of Revenue agreement with the California Integrated Waste Management Board has been established as a funding mechanism for the County's landfill post closure costs.

The following is the information for each landfill as of June 30, 2020:

	Percent Filled	Total Closure/ Post-Closure Cost Estimates	Liability June 30, 2020
Bishop Sunland	37.47%	\$ 18,670,934	\$ 6,996,861
Independence	69.98%	5,403,524	3,781,486
Lone Pine	44.47%	6,686,772	2,973,765
Shoshone	64.01%	2,300,599	1,472,712
Tecopa	63.86%	2,960,733	1,890,839
		<u>\$ 36,022,562</u>	<u>\$ 17,115,663</u>

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 8 – FUND BALANCES**

***Classification***

In the fund financial statements, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor the constraints imposed on the use of resources reported in the funds.

Fund balances for all major and nonmajor governmental funds as of June 30, 2020, were distributed as follows:

	General	Roads	Grants Programs	Other Governmental Funds	Total
<b>Nonspendable:</b>					
Prepays	\$ 24,389	\$ 208	\$ 3,040	\$ -	\$ 27,637
Advances and deposits	166,700	-	-	-	166,700
Inventory	-	524,817	-	-	524,817
Total Nonspendable Fund Balance	191,089	525,025	3,040	-	719,154
<b>Restricted:</b>					
General government	797,679	-	1,204	-	798,883
Public protection	12,581,970	-	1,843,113	259,839	14,684,922
Public ways and facilities	26,763	6,124,285	1,700	1,025,564	7,178,312
Health and sanitation	19,085,951	-	445,275	-	19,531,226
Public assistance	1,275,924	-	75,799	-	1,351,723
Recreation and culture	6,711	-	6,891	-	13,602
Total Restricted Fund Balance	33,774,998	6,124,285	2,373,982	1,285,403	43,558,668
<b>Assigned</b>					
General government	12,109,974	-	-	1,436,199	13,546,173
Public protection	1,353,326	-	-	-	1,353,326
Health and sanitation	856,964	-	-	-	856,964
Public assistance	990,704	-	-	-	990,704
Education	716,052	-	-	-	716,052
Recreation and culture	1,183,169	-	-	-	1,183,169
Total Assigned Fund Balance	17,210,189	-	-	1,436,199	18,646,388
<b>Unassigned</b>	20,603,092	-	(478,275)	(2,718)	20,122,099
<b>Total Fund Balances</b>	<u>\$ 71,779,368</u>	<u>\$ 6,649,310</u>	<u>\$ 1,898,747</u>	<u>\$ 2,718,884</u>	<u>\$ 83,046,309</u>

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS**

**AGENT MULTIPLE EMPLOYER PLANS**

**A. General Information**

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the County’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension 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 the Miscellaneous Plan are applied as specified by the Public Employees’ Retirement Law.

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

The Plan’s provisions and benefits in effect at June 30, 2020 are summarized as follows:

	<b>Miscellaneous</b>	
	<u>1st Tier</u>	<u>PEPRA</u>
	Prior to	On or after
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.426%-2.404%	1.00% to 2.50%
Required employee contribution rates	7.000%	7.500%
Required employer contribution rates	9.623%	9.623%



**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**AGENT MULTIPLE EMPLOYER PLANS** (Continued)

**A. General Information** (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund, if applicable. The dollar amounts are billed on a monthly basis. The County’s required contribution for the unfunded liability was \$4,523,494 for the fiscal year ended June 30, 2020.

Employees Covered – At the June 30, 2018 valuation date, the following employees were covered by the benefit terms for the Plan:

	<u>Miscellaneous</u>
Inactive employees or beneficiaries currently receiving benefits	550
Inactive employees entitled to but not yet receiving benefits	134
Active employees	338
Total	1,022

***Contributions***

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

The County’s contributions to the plan recognized as a part of pension expense for the year ended June 30, 2020 were \$6,622,571.

**B. Net Pension Liability**

The County’s net pension liability for its Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**AGENT MULTIPLE EMPLOYER PLANS** (Continued)

**B. Net Pension Liability**

***Actuarial Assumptions***

The total pension liabilities in the June 30, 2018 actuarial variations were determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate Return	7.375% <sup>(1)</sup>
Mortality	Derived using CalPERS' Membership Data for all Funds <sup>(2)</sup>

<sup>(1)</sup> Net of pension plan investment expenses, including inflation

<sup>(2)</sup> The mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

***Discount Rate***

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

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

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**AGENT MULTIPLE EMPLOYER PLANS** (Continued)

**B. Net Pension Liability** (Continued)

***Discount Rate*** (Continued)

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 (PERF) cash flows. Using historical returns of all the funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class <sup>(a)</sup>	Current Target Location	Real Return Years 1-10 <sup>(b)</sup>	Real Return Years 11+ <sup>(c)</sup>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100%</u>		

<sup>(a)</sup> In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>(b)</sup> An expected inflation of 2.00% used for this period.

<sup>(c)</sup> An expected inflation of 2.92% used for this period.

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

The changes in the Net Pension Liability for the County's Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Miscellaneous Plan:</b>			
<b>Balance at June 30, 2018 (Measurement Date)</b>	<u>\$ 181,032,676</u>	<u>\$ 128,933,331</u>	<u>\$ 52,099,345</u>
<b>Changes in the year:</b>			
Service cost	3,469,207	-	3,469,207
Interest on total pension liability	12,973,159	-	12,973,159
Changes of assumptions	-	-	-
Differences between expected and actual experience	1,384,213	-	1,384,213
Plan to plan resource movement	-	-	-
Contributions - employer	-	6,281,979	(6,281,979)
Contributions - employee	-	1,561,750	(1,561,750)
Net investment income	-	8,553,453	(8,553,453)
Benefit payments, including refunds of employee contributions	(10,476,258)	(10,476,258)	-
Administrative expenses	-	(92,989)	92,989
Chages in proportion	2,529,426	1,801,483	727,943
<b>Net changes</b>	<u>9,879,747</u>	<u>7,629,418</u>	<u>2,250,329</u>
<b>Balance at June 30, 2019 (Measurement Date)</b>	<u>\$ 190,912,423</u>	<u>\$ 136,562,749</u>	<u>\$ 54,349,674</u>

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**AGENT MULTIPLE EMPLOYER PLANS** (Continued)

**C. Changes in the Net Pension Liability** (Continued)

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

	1% Decrease 6.15%	Current Discount Rate 7.15%	1% Increase 8.15%
Miscellaneous plan	\$ 82,335,867	\$ 54,349,674	\$ 36,473,384

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

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

For the year ended June 30, 2020, the County recognized pension expense of \$11,610,896. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 7,382,535	\$ -
Changes in assumptions	-	259,591
Differences between actual and expected experience	922,808	508,641
Net differences between projected and actual earnings on plan investments	-	741,057
Change in employer's proportion	-	-
Differences between the employer's actual contributions and the employer's proportionate share of contributions	-	-
Total	\$ 8,305,343	\$ 1,509,289

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**AGENT MULTIPLE EMPLOYER PLANS** (Continued)

**D. Pension Expenses Deferred Outflows/Inflows of Resources Related to Pensions** (Continued)

\$7,382,535 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Deferred Outflows/(Inflows) of Resources
2021	\$ 190,915
2022	(696,482)
2023	(216,870)
2024	135,956
2025	-
Thereafter	-
Total	<u>\$ (586,481)</u>

**E. Payable to the Pension Plan**

The County did not have an outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

**COST-SHARING MULTIPLE-EMPLOYER PLANS**

**A. General Information**

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (sheriff and certain district attorney members) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The County of Inyo (County) sponsors two safety rate plans. Benefit provisions under the Plan are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**COST-SHARING MULTIPLE-EMPLOYER PLANS** (Continued)

**A. General Information** (Continued)

The rate plan provisions and benefits in effect at June 30, 2020 are summarized as follows:

	<b>Safety</b>	
	1st Tier	PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50 - 57
Monthly benefits, as a % of eligible compensation	3.000%	2.0% to 2.7%
Required employee contribution rates	9.000%	12.000%
Required employer contribution rates	21.927%	13.034%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund, if applicable. The dollar amounts are billed on a monthly basis. The County's required contribution for the unfunded liability was \$1,181,638 for the fiscal year ended June 30, 2020.

**Contributions** – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions

The County's contributions to the plan recognized as a part of pension expense for the year ended June 30, 2020 were \$1,793,957.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**COST-SHARING MULTIPLE-EMPLOYER PLANS** (Continued)

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

As of June 30, 2020, the County reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$15,680,214.

The County's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, using standard update procedures. The County's proportionate share of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share of the net pension liability for the Plan as of June 30, 2018 and 2019 was as follows:

Proportion - June 30, 2018	0.2526%
Proportion - June 30, 2019	0.2512%
Change - Increase (Decrease)	-0.0014%

For the year ended June 30, 2020, the County recognized pension expense of \$3,258,843. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 2,244,044	\$ -
Changes in assumptions	642,705	125,423
Differences between actual and expected experience	1,023,777	-
Net differences between projected and actual earnings on plan investments	-	215,708
Change in employer's proportion	175,562	107,777
Differences between the employer's actual contributions and the employer's proportionate share of contributions	-	245,908
Total	<u>\$ 4,086,088</u>	<u>\$ 694,816</u>

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**COST-SHARING MULTIPLE-EMPLOYER PLANS** (Continued)

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions** (Continued)

\$2,244,044 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, 2021. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Deferred Outflows/(Inflows) of Resources
2021	\$ 1,018,806
2022	(57,818)
2023	144,269
2024	41,971
2025	-
Thereafter	-
Total	<u>\$ 1,147,228</u>

**C. Actuarial Assumptions**

The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

	<u>Safety</u>
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate Return	7.15% <sup>(1)</sup>
Mortality	Derived using CalPERS' Membership Data for all Funds <sup>(2)</sup>

<sup>(1)</sup> Net of pension plan investment expenses, including inflation

<sup>(2)</sup> The mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experiences Study can be found on the CalPERS website.



**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**COST-SHARING MULTIPLE-EMPLOYER PLANS** (Continued)

**D. Discount Rate**

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

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected PERF cash flows. 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+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class <sup>(a)</sup>	Current Target Location	Real Return Years 1-10 <sup>(b)</sup>	Real Return Years 11+ <sup>(c)</sup>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100%</u>		

<sup>(a)</sup> In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>(b)</sup> An expected inflation of 2.00% used for this period.

<sup>(c)</sup> An expected inflation of 2.92% used for this period.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 – PENSION PLANS** (Continued)

**COST-SHARING MULTIPLE-EMPLOYER PLANS** (Continued)

**D. Discount Rate** (Continued)

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

Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate +1% 8.15%
\$ 23,736,469	\$ 15,680,214	\$ 9,075,346

**E. Pension Plan Fiduciary Net Position**

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

**F. Payable to the Pension Plan**

The County did not have an outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

**NOTE 10 – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County has risk management funds (Internal Service Funds) to account for the County’s General Liability and Medical Malpractice insurance programs that are self-insured. Beginning with the fiscal year ended June 30, 2014, the County’s Workers’ Compensation liability is no longer self-insured. Risk of insurance has been assumed by a third-party insurer.

Fund revenues are primarily premium charges to other funds and are planned to equal estimated payments resulting from self-insurance programs, liability insurance coverage in excess of the self-insured amounts, and operating expenses.

The County maintains a self-insured retention (SIR) of \$100,000 per occurrence for its general liability program. Losses which exceed the SIR are covered by excess insurance policy up to \$15,000,000 per occurrence.

The County maintains a self-insured retention (SIR) of \$10,000 per occurrence for its medical malpractice coverage. Losses which exceed the SIR are covered by excess insurance policy up to \$10,000,000 per occurrence.

Airport coverage consists of primary insurance with no self-insured retention and a coverage limit of \$10,000,000.

Claim settlements have not exceeded insurance coverage in each of the past three years. Also, non-incremental claims adjustments have been included as part of the liability for unpaid claims.

**COUNTY OF INYO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 10 – RISK MANAGEMENT** (Continued)

It is the County's policy to charge to the expense of the Internal Service Fund the estimated liability for outstanding claims, as determined with the assistance of independent actuaries. The liability for self-insurance coverage reported in the internal service funds is based on the requirements of Governmental Accounting Standards Board Statements No. 10 and 30, which require that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the County's claims liability for the fiscal years ended June 30, 2020 and 2019 were as follows:

	2020	2019
Unpaid claims - beginning of year	\$ 285,000	\$ 285,000
Plus estimated claims incurred	70,622	1,002
Less claims payments	(190,000)	(1,002)
Unpaid claims - end of year	\$ 165,622	\$ 285,000

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. Plan Description**

***Plan Administration***

The County sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act (PEMHCA), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options. The eligibility requirements for retiree health benefits follow the 50 PERS formula (retirement age 50 with at least 5 years of continuous service).

***Benefits Provided***

The County uses the "Unequal Contribution Method" under which the County's contribution for retirees increases each year by 5% of its contribution for active employees. Effective January 1, 2008, the County's contribution for retirees must be at least as great as its contribution for active employees (which varies as described above) multiplied by 5% times the number of years the County has participated in PEMHCA, to a maximum of 100% after 20 years of participation. The percentages are 95% for 2015 and 100% for 2016 and thereafter. Because of a law that limits the increase in employer contribution to \$100/month from one year to the next, some retirees are still contributing a portion of their premium even at the 100% level in 2018. The cap for non-DSA and non-LEAA members is based on the non-Medicare PERS Choice Southern California premium. The cap for non-DSA and non-LEAA members is based on the non-Medicare PORAC premium. The single cap for 2018 and 2019 for non-DSA and non-LEAA members is \$698.96 and \$721.11 respectively. The dual cap for 2018 and 2019 for non-DSA and non-LEAA members is \$1,397.92 and \$1,442.22, respectively. The family cap for 2018 and 2019 for non-DSA and non-LEAA members is \$1,660.55 and \$1,760.55, respectively. The single cap for 2018 and 2019 for DSA and LEAA members is \$734 and \$774, respectively. The dual cap for 2018 and 2019 for DSA and LEAA members is \$1,424.80 and \$1,524.80, respectively. The family cap for 2018 and 2019 for DSA and LEAA members is \$1,605.70 and \$1,705.70, respectively.

The County pays a percent-of-premium administrative fee to PEMHCA for each active employee and retiree (0.23% for 2018; 0.27% for 2019). The County does not contribute dental, vision, or life insurance benefits to retirees.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (Continued)

**B. Funding Policy**

***Contributions***

The County has established an OPEB trust with PARS. For the year ended June 30, 2020, the County contributed \$527,587, in addition to pay-go-costs, which were paid outside the trust.

**C. Plan Membership**

Plan Membership at June 30, 2020 consisted of the following:

Inactives currently receiving benefits	306
Active employees	300
Total	606

**D. Actuarial Methods and Assumptions**

The County's Net OPEB Liability was measured as of June 30, 2020 and the total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2018. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:

Discount Rate	6.00%
Inflation	3.00%
Projected Salary Increase	3.00% per annum, in aggregate
Investment Rate Return	6.0%
Healthcare Cost Trend Rates	5.25% for 2020; 5.00% for 2021 and later years

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2018 valuation were based on a review of plan experience during the period July 1, 2015 to June 30, 2018.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. The calculated investment rate of return was set equal to the expected ten-year compound (geometric) real return plus inflation (rounded to the nearest 25 basis points, where appropriate). The table below provides the long-term expected real rates of return by asset class (based on published capital market assumptions).

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Broad U.S. Equity	50.0%	4.40%
U.S. Fixed	50.0%	1.50%
Total	100%	

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (Continued)

**E. Deferred Inflows/Deferred Outflows of Resources Related to OPEB**

At June 30, 2020, the County reported deferred inflows of resources related to OPEB as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	6,887,743	-
Differences between actual return on investments	<u>138,429</u>	<u>35,726</u>
Total	<u>\$ 7,026,172</u>	<u>\$ 35,726</u>

Amounts reported as deferred inflows/deferred outflows will be amortized as follows:

<u>Year Ending June 30</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2021	\$ 2,722,026
2022	2,722,026
2023	1,390,030
2024	156,364
2025	-
Thereafter	-
	<u>\$ 6,990,446</u>

**F. Changes in the Net OPEB Liability**

**Total OPEB Liability**

Service cost	\$ 2,034,039
Interest	3,244,759
Changes in assumptions	4,991,915
Benefits payments, including refunds*	<u>(2,976,655)</u>
<b>Net change in total OPEB liability</b>	7,294,058
<b>Total OPEB liability - beginning (a)</b>	<u>62,809,906</u>
<b>Total OPEB liability - ending (b)</b>	<u>\$ 70,103,964</u>

**Plan fiduciary net position**

Contributions - employer	\$ 2,976,655
Net investments income	291,720
Benefit payments <sup>1</sup>	(2,976,655)
Administrative expense	<u>(22,909)</u>
<b>Net change in plan fiduciary net position</b>	268,811
<b>Plan fiduciary net position - beginning (c)</b>	<u>7,364,115</u>
<b>Plan fiduciary net position - ending (d)</b>	7,632,926

Net OPEB liability - beginning (a) - (c)	<u>55,445,791</u>
Net OPEB liability - ending (b) - (d)	<u>\$ 62,471,038</u>

<sup>1</sup> Amount includes any implicit subsidy associated with benefits paid.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (Continued)

**G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the Net OPEB Liability of the County, calculated using the discount rate of 4.51 percent, as well as what the liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease 3.51%	Current Discount Rate 4.51%	1% Increase 5.51%
Net OPEB Liability	\$ 7,126,301	\$ 62,471,038	\$ 54,588,395

**H. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

	1% Decrease 4.25% decreasing to 4.00%	Current Healthcare Cost Trend Rates 5.25% decreasing to 5.00%	1% Increase 6.25% decreasing to 6.00%
Net OPEB Liability	\$ 53,058,447	\$ 62,471,038	\$ 74,115,956

**NOTE 12 – DEFICIT FUND BALANCE/NET POSITION**

The following funds had deficit fund balances/net position at June 30, 2020, as follows:

Fund	Deficit
Special revenue funds:	
Alcohol special revenue fund	\$ 2,718
Enterprise funds:	
Solid waste enterprise fund	13,298,895
Mosquito abatement enterprise fund	615,283

The Solid Waste deficit is expected to be eliminated in the future through a restructuring of service at the landfills and retirement of closure/post closure liability.

The deficits in the Mosquito Abatement Fund and the Alcohol Fund are anticipated to be recovered through future years' revenues.

**NOTE 13 – CONTINGENCIES**

**A. Government Programs**

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of June 30, 2020, significant amounts of grant expenditures have not been audited but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

**COUNTY OF INYO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 – CONTINGENCIES** (Continued)

**B. Claims and Assessments**

The County is a defendant in several lawsuits arising in the normal course of business. In the aggregate, these claims seek monetary damages in significant amounts. The outcome of one such litigation matter has been determined to result in a probable loss to the County. The County will vigorously oppose such matter, and at present the County does not have information to reasonably estimate the amount of liability either through settlement or any litigation. The outcome of the remaining claims cannot be determined at this time.

**C. COVID-19**

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus, COVID-19, a pandemic. Accordingly, some functions of the County's operations were limited to protect the health and safety of its employees. The financial impact that could occur as a result of the pandemic is unknown at this time.

**NOTE 14 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE**

**Prior period adjustment**

***Governmental Activities***

Beginning net position of the Governmental Activities on the Government-Wide Statement of Activities has been restated to record a prior period adjustment as presented in the reconciliation below.

***Fund Financial Statements***

The beginning fund balance and net position of the funds has been restated on the fund financial statements as presented in the reconciliation below.

	<u>Government-Wide</u>		<u>Enterprise Funds</u>	
	<u>Governmental</u>	<u>Governmental Fund</u>	<u>Airport</u>	<u>Solid Waste</u>
	<u>Activities</u>	<u>General</u>		
Fund balance/net position, June 30, 2019, as previously reported	\$ 20,372,897	\$ 65,323,426	\$ 9,879,320	\$ (14,313,952)
Prior period adjustments:				
Understatement of revenues	1,756,482	1,756,482	-	-
Understatement of depreciation	-	-	(1,143,917)	-
Overstatement of depreciation	-	-	-	1,143,917
Fund balance/net position, July 1, 2019, as restated	<u>\$ 22,129,379</u>	<u>\$ 67,079,908</u>	<u>\$ 8,735,403</u>	<u>\$ (13,170,035)</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**



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**COUNTY OF INYO**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**AGENT MULTIPLE-EMPLOYER PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**LAST 10 YEARS\***

	Reporting Fiscal Year (Measurement Year)					
	2015 (2014)	2016 (2015)	2017 (2016)	2018 (2017)	2019 (2018)	2020 (2019)
<b>Total Pension Liability:</b>						
Service cost	\$ 3,208,960	\$ 3,277,007	\$ 3,077,612	\$ 3,600,938	\$ 3,418,074	\$ 3,469,207
Interest on total pension liability	10,187,707	11,062,655	11,569,079	11,938,183	12,296,772	12,973,159
Differences between expected and actual experience	-	2,012,865	550,920	(926,084)	(1,504,896)	1,384,213
Changes of assumptions	-	(2,581,231)	-	9,434,400	(768,044)	-
Benefit payments, including refunds of employee contributions	(6,788,054)	(7,772,393)	(8,322,394)	(8,925,231)	(9,911,943)	(10,476,258)
Change in proportion	-	3,191,701	(123,599)	944,983	1,259,061	2,529,426
Net change in total pension liability	6,608,613	9,190,604	6,751,618	16,067,189	4,789,024	9,879,747
Total pension liability - beginning	<u>137,625,628</u>	<u>144,234,241</u>	<u>153,424,845</u>	<u>160,176,463</u>	<u>176,243,652</u>	<u>181,032,676</u>
Total pension liability - ending (a)	<u>\$ 144,234,241</u>	<u>\$ 153,424,845</u>	<u>\$ 160,176,463</u>	<u>\$ 176,243,652</u>	<u>\$ 181,032,676</u>	<u>\$ 190,912,423</u>
<b>Plan Fiduciary Net Position:</b>						
Plan to plan resource movement	\$ -	\$ 40,862	\$ -	\$ -	\$ (300)	\$ -
Differences between expected and actual experience	-	-	-	-	-	-
Contributions - employer	3,085,418	3,167,006	3,565,443	3,730,889	5,202,590	6,281,979
Contributions - employee	1,477,303	1,394,721	1,490,440	1,406,869	1,418,227	1,561,750
Net investment income	17,039,604	2,612,955	596,621	12,525,916	10,339,367	8,553,453
Benefit payments, including refunds of employee contributions	(6,788,056)	(7,772,393)	(8,322,394)	(8,925,231)	(9,911,943)	(10,476,258)
Administrative expenses <sup>1</sup>	-	(130,610)	(70,133)	(166,834)	(553,112)	(92,990)
Change in proportion	-	2,508,226	(92,779)	662,740	868,478	1,801,484
Net change in plan fiduciary net position	14,814,269	1,820,767	(2,832,802)	9,234,349	7,363,307	7,629,418
Plan fiduciary net position beginning	<u>98,533,441</u>	<u>113,347,710</u>	<u>115,168,477</u>	<u>112,335,675</u>	<u>121,570,024</u>	<u>128,933,331</u>
Plan fiduciary net position - ending (b)	<u>113,347,710</u>	<u>115,168,477</u>	<u>112,335,675</u>	<u>121,570,024</u>	<u>128,933,331</u>	<u>136,562,749</u>
Net pension liability - ending (a)-(b)	<u>\$ 30,886,531</u>	<u>\$ 38,256,368</u>	<u>\$ 47,840,788</u>	<u>\$ 54,673,628</u>	<u>\$ 52,099,345</u>	<u>\$ 54,349,674</u>
Plan fiduciary net position as a percentage of the total pension liability	78.59%	75.07%	70.13%	68.98%	71.22%	71.53%
Covered payroll	20,277,786	23,169,925	23,849,570	21,616,400	22,925,440	21,589,489
Net pension liability as a percentage of covered payroll	152.32%	165.11%	200.59%	252.93%	227.26%	251.74%

**Changes in Benefit Terms** - None

**Changes in Assumptions** - None

<sup>1</sup> During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

\*Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**COUNTY OF INYO**  
**SCHEDULE OF CONTRIBUTIONS – AGENT MULTIPLE-EMPLOYER PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**LAST 10 YEARS\***

	Reporting Fiscal Year					
	2015	2016	2017	2018	2019	2020
Actuarially required contribution (actuarially determined)	\$ 3,098,442	\$ 3,568,318	\$ 3,709,008	\$ 5,165,686	\$ 6,195,415	\$ 6,516,566
Contributions in relation to the actuarially determined contributions	<u>3,098,442</u>	<u>3,568,318</u>	<u>3,709,008</u>	<u>5,165,686</u>	<u>6,195,415</u>	<u>6,516,566</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 23,169,925	\$ 23,849,570	\$ 21,616,400	\$ 22,925,440	\$ 21,589,489	\$ 28,218,572
Contributions as a percentage of covered payroll	13.37%	14.96%	17.16%	22.53%	28.70%	23.09%

\* Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF INYO**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) AND**  
**RELATED RATIOS AS OF THE MEASUREMENT DATE**  
**COST-SHARING MULTIPLE-EMPLOYER PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**LAST 10 YEARS\***

	Reporting Fiscal Year (Measurement Year)					
	2015 (2014)	2016 (2015)	2017 (2016)	2018 (2017)	2019 (2018)	2020 (2019)
Proportion of the net pension liability	0.2428%	0.2383%	0.2500%	0.2488%	0.2526%	0.2512%
Proportionate share of the net pension liability	\$9,181,100	\$ 9,818,587	\$12,946,511	\$14,867,488	\$14,820,308	\$15,680,214
Covered payroll	\$3,279,232	\$ 3,305,621	\$ 3,942,738	\$ 4,061,020	\$ 4,182,851	\$ 2,830,470
Proportionate share of the net pension liability as percentage of covered payroll	279.98%	297.03%	328.36%	366.10%	354.31%	553.98%
Plan fiduciary net position as a percentage of the total pension liability	74.56%	80.58%	75.20%	73.42%	73.79%	73.33%

**Notes to Schedule:**

**Changes in Benefit Terms** - None

**Changes of Assumptions** - None

\*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF INYO**  
**SCHEDULE OF CONTRIBUTIONS – COST-SHARING MULTIPLE-EMPLOYER PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**LAST 10 YEARS\***

	Reporting Fiscal Year					
	2015	2016	2017	2018	2019	2020
<b>Multiple-Employer Defined Benefit Pension Plan</b>						
Actuarially required contribution (actuarially determined)	\$ 928,922	\$ 1,064,571	\$ 1,126,306	\$ 1,520,177	\$ 1,793,957	\$ 1,961,108
Contributions in relation to the actuarially determined contributions	<u>928,922</u>	<u>1,064,571</u>	<u>1,126,306</u>	<u>1,520,177</u>	<u>1,793,957</u>	<u>1,961,108</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,305,621	\$ 3,942,738	\$ 4,061,020	\$ 4,182,851	\$ 2,830,470	\$ 3,835,500
Contributions as a percentage of covered payroll	28.10%	27.00%	27.73%	36.34%	63.38%	51.13%

\*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF INYO**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS – RETIREE**  
**HEALTHCARE PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**LAST 10 YEARS\***

	2018	2019	2020
<b>Total OPEB Liability:</b>			
Service cost	\$ 1,708,944	\$ 1,760,212	\$ 2,034,039
Interest on total OPEB liability	3,081,369	3,193,471	3,244,759
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	6,078,479	4,991,915
Changes in benefit terms	-	-	-
Benefit payments, including refunds of employee contributions	<u>(2,989,912)</u>	<u>(2,852,000)</u>	<u>(2,976,655)</u>
Net change in total OPEB liability	1,800,401	8,180,162	7,294,058
Total OPEB liability - beginning	<u>52,829,343</u>	<u>54,629,744</u>	<u>62,809,906</u>
Total OPEB liability - ending (a)	<u>\$ 54,629,744</u>	<u>\$ 62,809,906</u>	<u>\$ 70,103,964</u>
<b>Plan Fiduciary Net Position:</b>			
Contributions - employer (including implicit rate subsidy)	\$ 3,162,561	\$ 3,053,677	\$ 2,976,655
Net investment income	404,495	479,554	291,720
Benefit payments <sup>1</sup>	(2,989,912)	(2,852,000)	(2,976,655)
Trustee fees	-	-	-
Administrative expenses	<u>(19,216)</u>	<u>(19,643)</u>	<u>(22,909)</u>
Net change in plan fiduciary net position	557,928	661,588	268,811
Plan fiduciary net position beginning	<u>6,144,599</u>	<u>6,702,527</u>	<u>7,364,115</u>
Plan fiduciary net position - ending (b)	<u>6,702,527</u>	<u>7,364,115</u>	<u>7,632,926</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 47,927,217</u>	<u>\$ 55,445,791</u>	<u>\$ 62,471,038</u>
Plan fiduciary net position as a percentage of the total OPEB liability	12.27%	11.72%	10.89%
Covered payroll	\$ 24,620,499	\$ 25,786,167	\$ 29,653,657
Net OPEB liability as a percentage of covered payroll	194.66%	215.02%	210.67%

<sup>1</sup> Amount includes any implicit subsidy associated with benefits paid.

**Changes in Assumptions** - None

\* Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF INYO  
SCHEDULE OF CONTRIBUTIONS – RETIREE HEALTHCARE PLAN (OPEB)  
FOR THE YEAR ENDED JUNE 30, 2020  
LAST 10 YEARS\***

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially required contribution (actuarially determined)	\$ 4,134,592	\$ 4,250,416	\$ 4,377,928
Contributions in relation to the actuarially determined contributions	<u>3,162,561</u>	<u>3,053,677</u>	<u>2,976,655</u>
Contribution deficiency (excess)	<u>\$ 972,031</u>	<u>\$ 1,196,739</u>	<u>\$ 1,401,273</u>

\* Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF INYO  
BUDGETARY COMPARISON SCHEDULES  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 17,741,862	\$ 17,490,862	\$ 19,320,141	\$ 1,829,279
Intergovernmental	31,453,700	31,566,791	32,394,492	827,701
Use of money and property	683,102	683,914	1,510,914	827,000
Licenses and permits	692,330	680,057	1,052,231	372,174
Fines, forfeitures, and penalties	1,108,129	1,113,443	1,221,176	107,733
Other revenues	46,045	53,974	555,615	501,641
Charges for services	<u>10,471,561</u>	<u>10,362,866</u>	<u>10,003,442</u>	<u>(359,424)</u>
 Total revenues	 <u>62,196,729</u>	 <u>61,951,907</u>	 <u>66,058,011</u>	 <u>4,106,104</u>
<b>EXPENDITURES</b>				
Current:				
General government	19,564,128	20,099,974	15,511,900	4,588,074
Public protection	26,829,095	27,131,153	24,046,253	3,084,900
Health and sanitation	10,177,921	10,476,652	9,112,615	1,364,037
Public assistance	10,049,367	10,139,709	9,102,919	1,036,790
Education	729,627	734,677	682,006	52,671
Recreation and culture	1,343,008	1,350,841	1,138,002	212,839
Capital outlay	745,540	1,741,486	170,379	1,571,107
Debt service:				
Principal	243,552	243,552	243,552	-
Interest	<u>191,844</u>	<u>191,844</u>	<u>191,844</u>	<u>-</u>
 Total expenditures	 <u>69,874,082</u>	 <u>72,109,888</u>	 <u>60,199,470</u>	 <u>11,910,418</u>
 Revenues over (under) expenditures	 <u>(7,677,353)</u>	 <u>(10,157,981)</u>	 <u>5,858,541</u>	 <u>16,016,522</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,731,405	11,409,837	340	(11,409,497)
Transfers out	<u>(6,525,967)</u>	<u>(12,488,132)</u>	<u>(1,159,421)</u>	<u>11,328,711</u>
 Total other financing sources (uses)	 <u>4,205,438</u>	 <u>(1,078,295)</u>	 <u>(1,159,081)</u>	 <u>(80,786)</u>
 Net change in fund balance	 <u>\$ (3,471,915)</u>	 <u>\$(11,236,276)</u>	 4,699,460	 <u>\$ 15,935,736</u>
 Fund balances - beginning (restated)			 <u>67,079,908</u>	
 Fund balance, ending			 <u>\$ 71,779,368</u>	



**COUNTY OF INYO  
BUDGETARY COMPARISON SCHEDULES  
ROAD FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 9,611,249	\$ 9,772,382	\$ 8,405,673	\$ (1,366,709)
Use of money and property	50,000	50,000	106,446	56,446
Licenses and permits	25,000	10,000	14,354	4,354
Other revenues	32,000	32,000	46,324	14,324
Charges for services	<u>217,300</u>	<u>125,500</u>	<u>188,118</u>	<u>62,618</u>
 Total revenues	 <u>9,935,549</u>	 <u>9,989,882</u>	 <u>8,760,915</u>	 <u>(1,228,967)</u>
<b>EXPENDITURES</b>				
Current:				
Public ways and facilities	6,654,960	7,584,224	6,475,897	1,108,327
Capital outlay	<u>3,889,400</u>	<u>4,313,553</u>	<u>2,549,838</u>	<u>1,763,715</u>
 Total expenditures	 <u>10,544,360</u>	 <u>11,897,777</u>	 <u>9,025,735</u>	 <u>2,872,042</u>
 Net change in fund balance	 <u>\$ (608,811)</u>	 <u>\$ (1,907,895)</u>	 (264,820)	 <u>\$ 1,643,075</u>
 Fund balance, beginning			 <u>6,914,130</u>	
 Fund balance, ending			 <u>\$ 6,649,310</u>	

**COUNTY OF INYO  
BUDGETARY COMPARISON SCHEDULES  
GRANT PROGRAMS FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 41,999	\$ 41,999	\$ 39,757	\$ (2,242)
Intergovernmental	3,350,569	3,217,804	2,937,623	(280,181)
Use of money and property	6,300	6,646	12,406	5,760
Other revenues	5,000	5,000	5,000	-
Charges for services	45,000	65,913	19,380	(46,533)
Total revenues	3,448,868	3,337,362	3,014,166	(323,196)
<b>EXPENDITURES</b>				
Current:				
Public protection	1,672,130	1,427,079	850,476	576,603
Health and sanitation	1,087,562	1,087,677	753,056	334,621
Public assistance	1,213,922	1,558,701	1,469,511	89,190
Capital outlay	307,200	374,335	119,791	254,544
Total expenditures	4,280,814	4,447,792	3,192,834	1,254,958
Excess (deficiency) of revenues over (under) expenditures	(831,946)	(1,110,430)	(178,668)	931,762
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	556,127	560,965	452,786	(108,179)
Transfers out	(170)	(170)	(170)	-
Total other financing sources (uses)	555,957	560,795	452,616	(108,179)
Net change in fund balance	\$ (275,989)	\$ (549,635)	273,948	\$ 823,583
Fund balance, beginning			1,624,799	
Fund balance, ending			\$ 1,898,747	

**COUNTY OF INYO**  
**NOTE TO BUDGETARY COMPARISON SCHEDULES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

In accordance with the provisions of Sections 2900 and 29143, inclusive of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

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 legally not exceed appropriations. The Auditor-Controller approves any budget amendments transferring appropriation within object categories such as salaries and benefits or services and supplies. The County Administrator approves budget amendments transferring appropriation between object categories. The Board of Supervisors approves budget amendments transferring appropriation between budget, units, departments, or funds. The Board of Supervisors also approves appropriations from unappropriated reserves and unanticipated revenues received during the year. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year.

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

The budget approved by the Board of Supervisors for the General Fund includes budgeted expenditures and reimbursements for amounts disbursed on behalf of other Governmental Funds. Actual reimbursements for these items have been eliminated in the accompanying budgetary financial schedules. Accordingly, the related budgets for these items have also been eliminated in order to provide meaningful comparison of actual and budgeted results of operations.

Accounting principles applied for purposes of developing data on a budgetary basis are materially the same as those used to present financial statements in conformity with generally accepted accounting principles (GAAP), except that transfers in are regarded as inflows of resources for budgetary purposes and not revenues for GAAP financial statement presentation and transfers out are considered outflows of resources for budgetary purposes but not expenditures for GAAP financial statement presentation.

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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## NONMAJOR GOVERNMENTAL FUNDS

Capital project funds are used to account for all financial resources that are restricted, committed or assigned to expenditure for capital outlays.

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

**COUNTY OF INYO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	Capital Projects	Special Revenue Funds				Total
	Accumulative Capital Outlay	Recorder's Micro- graphics	Alcohol	Child Support Services	Special Districts Under the Board	
<b>ASSETS</b>						
Cash and investments	\$ 1,510,184	\$ 159,514	\$ 271,041	\$ 139,193	\$ 1,023,143	\$ 3,103,075
Cash with fiscal agent	-	-	-	-	-	-
Imprest cash	-	-	-	40	-	40
Deposits with others	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-
Accounts receivable	-	268	295,172	-	-	295,440
Allowance for doubtful accounts	-	-	-	-	-	-
Due from other governments	-	-	76,225	-	-	76,225
Interest receivable	4,363	685	77	785	4,459	10,369
<b>Total assets</b>	<b>\$ 1,514,547</b>	<b>\$ 160,467</b>	<b>\$ 642,515</b>	<b>\$ 140,018</b>	<b>\$ 1,027,602</b>	<b>\$ 3,485,149</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 78,348	\$ -	\$ 1,021	\$ 2,639	\$ 1,812	\$ 83,820
Accrued salaries and benefits	-	117	19,490	37,890	226	57,723
Due to other funds	-	-	329,550	-	-	329,550
<b>Total liabilities</b>	<b>78,348</b>	<b>117</b>	<b>350,061</b>	<b>40,529</b>	<b>2,038</b>	<b>471,093</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	-	-	295,172	-	-	295,172
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>295,172</b>	<b>-</b>	<b>-</b>	<b>295,172</b>
<b>FUND BALANCES (DEFICIT)</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	160,350	-	99,489	1,025,564	1,285,403
Committed	-	-	-	-	-	-
Assigned	1,436,199	-	-	-	-	1,436,199
Unassigned	-	-	(2,718)	-	-	(2,718)
<b>Total fund balances (deficit)</b>	<b>1,436,199</b>	<b>160,350</b>	<b>(2,718)</b>	<b>99,489</b>	<b>1,025,564</b>	<b>2,718,884</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ 1,514,547</b>	<b>\$ 160,467</b>	<b>\$ 642,515</b>	<b>\$ 140,018</b>	<b>\$ 1,027,602</b>	<b>\$ 3,485,149</b>

**COUNTY OF INYO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	Capital Projects	Special Revenue Funds				Total
	Accumulative Capital Outlay	Recorder's Micro- graphics	Alcohol	Child Support Services	Special Districts Under the Board	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 79,104	\$ 79,104
Intergovernmental	-	-	680,428	999,782	462	1,680,672
Use of money and property	18,810	2,783	(2,721)	2,536	18,288	39,696
Other revenues	-	1,560	-	-	-	1,560
Charges for services	-	29,187	86,163	950	-	116,300
Total revenues	<u>18,810</u>	<u>33,530</u>	<u>763,870</u>	<u>1,003,268</u>	<u>97,854</u>	<u>1,917,332</u>
<b>EXPENDITURES</b>						
Current:						
General government	103,251	-	-	-	-	103,251
Public protection	-	30,180	-	1,041,059	-	1,071,239
Public ways and facilities	-	-	-	-	49,904	49,904
Health and sanitation	-	-	761,986	-	-	761,986
Capital outlay	7,906	-	-	-	-	7,906
Total expenditures	<u>111,157</u>	<u>30,180</u>	<u>761,986</u>	<u>1,041,059</u>	<u>49,904</u>	<u>1,994,286</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(92,347)</u>	<u>3,350</u>	<u>1,884</u>	<u>(37,791)</u>	<u>47,950</u>	<u>(76,954)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	599,280	-	-	-	-	599,280
Transfers out	(111,511)	-	(170)	-	-	(111,681)
Total other financing sources (uses)	<u>487,769</u>	<u>-</u>	<u>(170)</u>	<u>-</u>	<u>-</u>	<u>487,599</u>
Net changes in fund balances	395,422	3,350	1,714	(37,791)	47,950	410,645
Fund balances - beginning	<u>1,040,777</u>	<u>157,000</u>	<u>(4,432)</u>	<u>137,280</u>	<u>977,614</u>	<u>2,308,239</u>
Fund balances - ending	<u>\$ 1,436,199</u>	<u>\$ 160,350</u>	<u>\$ (2,718)</u>	<u>\$ 99,489</u>	<u>\$ 1,025,564</u>	<u>\$ 2,718,884</u>



**COUNTY OF INYO  
COMBINING BALANCE SHEET  
SPECIAL DISTRICTS UNDER THE BOARD  
JUNE 30, 2020**

	Special Revenue Funds			
	Big Pine Lighting	Independence Lighting	Lone Pine Lighting	Total Special Districts Under the Board
<b>ASSETS</b>				
Cash and investments	\$ 373,166	\$ 416,808	\$ 233,169	\$ 1,023,143
Interest receivable	1,626	1,816	1,017	4,459
Total assets	<u>\$ 374,792</u>	<u>\$ 418,624</u>	<u>\$ 234,186</u>	<u>\$ 1,027,602</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 420	\$ 351	\$ 1,041	\$ 1,812
Accrued salaries and benefits	67	92	67	226
Total liabilities	487	443	1,108	2,038
<b>FUND BALANCES</b>				
Restricted	374,305	418,181	233,078	1,025,564
Total fund balances	374,305	418,181	233,078	1,025,564
Total liabilities and fund balances	<u>\$ 374,792</u>	<u>\$ 418,624</u>	<u>\$ 234,186</u>	<u>\$ 1,027,602</u>

**COUNTY OF INYO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
SPECIAL DISTRICTS UNDER THE BOARD  
JUNE 30, 2020**

	Special Revenue Funds			Total Special Districts Under the Board
	Big Pine Lighting	Independence Lighting	Lone Pine Lighting	
<b>REVENUES</b>				
Taxes	\$ 26,539	\$ 27,864	\$ 24,701	\$ 79,104
Intergovernmental	156	163	143	462
Use of money and property	<u>6,623</u>	<u>7,523</u>	<u>4,142</u>	<u>18,288</u>
Total revenues	<u>33,318</u>	<u>35,550</u>	<u>28,986</u>	<u>97,854</u>
<b>EXPENDITURES</b>				
Current:				
Public ways and facilities	<u>13,551</u>	<u>16,542</u>	<u>19,811</u>	<u>49,904</u>
Total expenditures	<u>13,551</u>	<u>16,542</u>	<u>19,811</u>	<u>49,904</u>
Net changes in fund balances	19,767	19,008	9,175	47,950
Fund balances - beginning	<u>354,538</u>	<u>399,173</u>	<u>223,903</u>	<u>977,614</u>
Fund balances - ending	<u>\$ 374,305</u>	<u>\$ 418,181</u>	<u>\$ 233,078</u>	<u>\$ 1,025,564</u>

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## NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the County has decided that periodic determination of net income is appropriate for accountability purposes.

**COUNTY OF INYO**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**JUNE 30, 2020**

	<u>CSA #2</u>	<u>Mosquito Abatement</u>	<u>Water System</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 375,049	\$ 387,047	\$ 419,902	\$ 1,181,998
Accounts receivable	-	27,179	94,774	121,953
Due from other governments	-	33,611	122	33,733
Interest receivable	1,598	1,015	315	2,928
	<u>376,647</u>	<u>448,852</u>	<u>515,113</u>	<u>1,340,612</u>
Total current assets				
Noncurrent assets:				
Capital assets:				
Depreciable, net	248,697	22,635	1,509,732	1,781,064
	<u>248,697</u>	<u>22,635</u>	<u>1,509,732</u>	<u>1,781,064</u>
Total noncurrent assets				
	<u>625,344</u>	<u>471,487</u>	<u>2,024,845</u>	<u>3,121,676</u>
Total assets				
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows from pensions	1,662	59,798	93,019	154,479
Deferred outflows from OPEB	-	70,965	52,343	123,308
	<u>1,662</u>	<u>130,763</u>	<u>145,362</u>	<u>277,787</u>
Total deferred outflows of resources				
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	5,878	479	413	6,770
Accrued salaries and benefits	135	14,758	13,180	28,073
Unearned revenue	-	-	657	657
Due to other governments	-	-	45,587	45,587
Due to other funds	-	160,000	205,264	365,264
Compensated absences	-	8,870	8,513	17,383
Loans payable	-	-	15,191	15,191
	<u>6,013</u>	<u>184,107</u>	<u>288,805</u>	<u>478,925</u>
Total current liabilities				
Noncurrent liabilities:				
Loans payable	-	-	44,529	44,529
OPEB liability	-	630,957	468,532	1,099,489
Net pension liability	10,870	391,318	608,716	1,010,904
	<u>10,870</u>	<u>1,022,275</u>	<u>1,121,777</u>	<u>2,154,922</u>
Total noncurrent liabilities				
	<u>16,883</u>	<u>1,206,382</u>	<u>1,410,582</u>	<u>2,633,847</u>
Total liabilities				
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows from pensions	302	10,790	11,987	23,079
Deferred inflows from OPEB	-	361	(85)	276
	<u>302</u>	<u>11,151</u>	<u>11,902</u>	<u>23,355</u>
Total deferred inflows of resources				
<b>NET POSITION (DEFICIT)</b>				
Net investment in capital assets	248,697	22,635	1,450,012	1,721,344
Unrestricted	361,124	(637,918)	(702,289)	(979,083)
	<u>\$ 609,821</u>	<u>\$ (615,283)</u>	<u>\$ 747,723</u>	<u>\$ 742,261</u>
Total net position (deficit)				

**COUNTY OF INYO  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>CSA #2</u>	<u>Mosquito Abatement</u>	<u>Water System</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 56,176	\$ 478,783	\$ 615,881	\$ 1,150,840
Total operating revenues	<u>56,176</u>	<u>478,783</u>	<u>615,881</u>	<u>1,150,840</u>
Operating expenses:				
Salaries and benefits	6,463	447,140	679,146	1,132,749
Services and supplies	41,705	206,232	160,015	407,952
Depreciation	12,754	9,322	58,172	80,248
Total operating expenses	<u>60,922</u>	<u>662,694</u>	<u>897,333</u>	<u>1,620,949</u>
Operating income (loss)	<u>(4,746)</u>	<u>(183,911)</u>	<u>(281,452)</u>	<u>(470,109)</u>
Nonoperating revenues (expenses):				
Intergovernmental revenues	22,738	88,374	-	111,112
Investment earnings	6,315	2,711	742	9,768
Interest expense	<u>-</u>	<u>-</u>	<u>(2,344)</u>	<u>(2,344)</u>
Total nonoperating revenues (expenses)	<u>29,053</u>	<u>91,085</u>	<u>(1,602)</u>	<u>118,536</u>
Change in net position	24,307	(92,826)	(283,054)	(351,573)
Net position, beginning	<u>585,514</u>	<u>(522,457)</u>	<u>1,030,777</u>	<u>1,093,834</u>
Net position, ending	<u>\$ 609,821</u>	<u>\$ (615,283)</u>	<u>\$ 747,723</u>	<u>\$ 742,261</u>

**COUNTY OF INYO  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	CSA #2	Mosquito Abatement	Water System	Total
<b>Cash flows from operating activities:</b>				
Cash receipts from customers	\$ 56,176	\$ 490,755	\$ 644,539	\$ 1,191,470
Cash paid to suppliers for goods and services	(50,267)	(209,624)	(186,068)	(445,959)
Cash paid to employees for salaries and benefits	(3,433)	(367,748)	(315,221)	(686,402)
<b>Net cash provided by (used for) operating activities</b>	<b>2,476</b>	<b>(86,617)</b>	<b>143,250</b>	<b>59,109</b>
<b>Cash flows from noncapital financing activities:</b>				
Loans from other funds	-	-	187,042	187,042
Grants	22,738	71,485	535	94,758
Other nonoperating cash receipts	-	-	2,340	2,340
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>22,738</b>	<b>71,485</b>	<b>189,917</b>	<b>284,140</b>
<b>Cash flows from capital and related financing activities:</b>				
Principal and interest paid on capital debt	-	-	(17,030)	(17,030)
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>-</b>	<b>-</b>	<b>(17,030)</b>	<b>(17,030)</b>
<b>Cash flows from investing activities:</b>				
Interest received	6,445	2,890	128	9,463
<b>Net cash provided by (used for) investing activities</b>	<b>6,445</b>	<b>2,890</b>	<b>128</b>	<b>9,463</b>
<b>Net increase (decrease) in cash and investments</b>	<b>31,659</b>	<b>(12,242)</b>	<b>316,265</b>	<b>335,682</b>
<b>Cash and investments, beginning</b>	<b>343,390</b>	<b>399,289</b>	<b>103,637</b>	<b>846,316</b>
<b>Cash and investments, ending</b>	<b>\$ 375,049</b>	<b>\$ 387,047</b>	<b>\$ 419,902</b>	<b>\$ 1,181,998</b>
<b>Reconciliation of cash and investments to the statement of net position</b>				
Cash and investments	\$ 375,049	\$ 387,047	\$ 419,902	\$ 1,181,998
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ (4,746)	\$ (183,911)	\$ (281,452)	\$ (470,109)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation	12,754	9,322	58,172	80,248
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources				
Accounts receivable	-	11,972	28,658	40,630
Deferred outflows of resources	(83)	(7,586)	(63,019)	(70,688)
Accounts payable	(8,562)	(3,392)	(26,053)	(38,007)
Accrued salaries	10	(3,839)	4,275	446
Liability for compensated absences	-	1,799	8,513	10,312
Net Pension liability	2,892	90,488	356,823	450,203
Net OPEB liability	-	-	52,689	52,689
Deferred inflows of resources	211	(1,470)	4,644	3,385
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 2,476</b>	<b>\$ (86,617)</b>	<b>\$ 143,250</b>	<b>\$ 59,109</b>
<b>Schedule of noncash capital and related financing activities:</b>				
Capital contributions from General Fund	\$ -	\$ -	\$ -	\$ -

## INTERNAL SERVICE FUNDS

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

**Motor Pool Fund** – This fund is used to account for the rental of motor vehicles to other departments and related costs.

**Purchasing Revolving Fund** – This fund is used to account for the accumulation and allocation of costs associated with office supplies.

**Insurance Funds** – These funds are used to account for workers' compensation, liability and medical malpractice insurance expense.



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**COUNTY OF INYO  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2020**

	<u>Purchasing Revolving</u>	<u>Motor Pool</u>	<u>Workers' Compensation</u>	<u>County Liability</u>	<u>Medical Malpractice</u>	<u>Total</u>
<b>ASSETS</b>						
Current assets:						
Cash and investments	\$ 142,423	\$ 1,729,399	\$ 660,481	\$ 1,149,656	\$ 44,951	\$ 3,726,910
Interest receivable	-	6,590	470	4,542	164	11,766
Inventory	5,745	-	-	-	-	5,745
Total current assets	<u>148,168</u>	<u>1,735,989</u>	<u>660,951</u>	<u>1,154,198</u>	<u>45,115</u>	<u>3,744,421</u>
Noncurrent assets:						
Nondepreciable	-	6,979	-	-	-	6,979
Depreciable, net	-	1,645,736	-	-	-	1,645,736
Total noncurrent assets	<u>-</u>	<u>1,652,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,652,715</u>
Total assets	<u>148,168</u>	<u>3,388,704</u>	<u>660,951</u>	<u>1,154,198</u>	<u>45,115</u>	<u>5,397,136</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows from pensions	-	32,391	-	-	-	32,391
Deferred outflows from OPEB	-	50,589	-	-	-	50,589
Total deferred outflows of resources	<u>-</u>	<u>82,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,980</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	4,915	59,771	-	5,462	-	70,148
Accrued salaries and benefits	-	8,659	-	-	-	8,659
Due to other funds	-	-	415,079	-	-	415,079
Compensated absences	-	21,243	-	-	-	21,243
Liability for self-insurance	-	-	-	100,000	-	100,000
Capital leases payable	-	313,949	-	-	-	313,949
Total current liabilities	<u>4,915</u>	<u>403,622</u>	<u>415,079</u>	<u>105,462</u>	<u>-</u>	<u>929,078</u>
Noncurrent liabilities:						
Liability for self-insurance	-	-	-	65,622	-	65,622
Capital leases payable	-	424,118	-	-	-	424,118
Advance from other funds	125,000	-	-	-	-	125,000
Net OPEB Liability	-	449,792	-	-	-	449,792
Net pension liability	-	211,964	-	-	-	211,964
Total noncurrent liabilities	<u>125,000</u>	<u>1,085,874</u>	<u>-</u>	<u>65,622</u>	<u>-</u>	<u>1,276,496</u>
Total liabilities	<u>129,915</u>	<u>1,489,496</u>	<u>415,079</u>	<u>171,084</u>	<u>-</u>	<u>2,205,574</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows from pensions	-	6,424	-	-	-	6,424
Deferred inflows from OPEB	-	258	-	-	-	258
Total deferred inflows of resources	<u>-</u>	<u>6,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,682</u>
<b>NET POSITION</b>						
Net investment in capital assets	-	914,648	-	-	-	914,648
Unrestricted	18,253	1,060,858	245,872	983,114	45,115	2,353,212
Total net position	<u>\$ 18,253</u>	<u>\$ 1,975,506</u>	<u>\$ 245,872</u>	<u>\$ 983,114</u>	<u>\$ 45,115</u>	<u>\$ 3,267,860</u>

**COUNTY OF INYO  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Purchasing Revolving</u>	<u>Motor Pool</u>	<u>Workers' Compensation</u>	<u>County Liability</u>	<u>Medical Malpractice</u>	<u>Total</u>
Operating revenues:						
Charges for services	\$ 106,664	\$ 1,694,997	\$ 977,244	\$ 842,556	\$ 93,961	\$ 3,715,422
Total operating revenues	<u>106,664</u>	<u>1,694,997</u>	<u>977,244</u>	<u>842,556</u>	<u>93,961</u>	<u>3,715,422</u>
Operating expenses:						
Salaries and benefits	-	212,182	-	-	-	212,182
Services and supplies	107,486	811,265	925,272	476,139	85,497	2,405,659
Depreciation	<u>-</u>	<u>662,943</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>662,943</u>
Total operating expenses	<u>107,486</u>	<u>1,686,390</u>	<u>925,272</u>	<u>476,139</u>	<u>85,497</u>	<u>3,280,784</u>
Operating income (loss)	<u>(822)</u>	<u>8,607</u>	<u>51,972</u>	<u>366,417</u>	<u>8,464</u>	<u>434,638</u>
Nonoperating revenues (expenses):						
Investment earnings	-	27,968	(3,551)	14,280	521	39,218
Gain (loss) on sale of assets	<u>-</u>	<u>(14,862)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,862)</u>
Total nonoperating revenues (expenses)	<u>-</u>	<u>13,106</u>	<u>(3,551)</u>	<u>14,280</u>	<u>521</u>	<u>24,356</u>
Change in net position	(822)	21,713	48,421	380,697	8,985	458,994
Net position, beginning	<u>19,075</u>	<u>1,953,793</u>	<u>197,451</u>	<u>602,417</u>	<u>36,130</u>	<u>2,808,866</u>
Net position, ending	<u>\$ 18,253</u>	<u>\$ 1,975,506</u>	<u>\$ 245,872</u>	<u>\$ 983,114</u>	<u>\$ 45,115</u>	<u>\$ 3,267,860</u>

**COUNTY OF INYO  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

	Purchasing Revolving	Motor Pool	Workers' Compensation	County Liability	Medical Malpractice	Total
<b>Cash flows from operating activities:</b>						
Cash receipts from customers	\$ 107,721	\$ 1,694,997	\$ 977,244	\$ 842,556	\$ 93,961	\$ 3,716,479
Cash paid to suppliers for goods and services	(111,763)	(785,578)	(925,772)	(313,321)	(85,497)	(2,221,931)
Cash paid to employees for salaries and benefits	-	476,197	-	-	-	476,197
<b>Net cash provided by (used for) operating activities</b>	<b>(4,042)</b>	<b>1,385,616</b>	<b>51,472</b>	<b>529,235</b>	<b>8,464</b>	<b>1,970,745</b>
<b>Cash flows from noncapital financing activities:</b>						
Loans from other funds	-	(1,400,150)	135,079	(285,000)	-	(1,550,071)
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>-</b>	<b>(1,400,150)</b>	<b>135,079</b>	<b>(285,000)</b>	<b>-</b>	<b>(1,550,071)</b>
<b>Cash flows from capital and related financing activities:</b>						
Proceeds from sale of capital assets	-	10,204	-	-	-	10,204
Principal and interest paid on capital debt	-	738,067	-	-	-	738,067
Acquisition or construction of capital assets	-	(703,532)	-	-	-	(703,532)
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>-</b>	<b>44,739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,739</b>
<b>Cash flows from investing activities:</b>						
Interest received	-	29,148	(3,665)	13,819	507	39,809
<b>Net cash provided by (used for) investing activities</b>	<b>-</b>	<b>29,148</b>	<b>(3,665)</b>	<b>13,819</b>	<b>507</b>	<b>39,809</b>
<b>Net increase (decrease) in cash and investments</b>	<b>(4,042)</b>	<b>59,353</b>	<b>182,886</b>	<b>258,054</b>	<b>8,971</b>	<b>505,222</b>
Cash and investments, beginning	146,465	1,670,046	477,595	891,602	35,980	3,221,688
<b>Cash and investments, ending</b>	<b>\$ 142,423</b>	<b>\$ 1,729,399</b>	<b>\$ 660,481</b>	<b>\$ 1,149,656</b>	<b>\$ 44,951</b>	<b>\$ 3,726,910</b>
<b>Reconciliation of cash and investments to the statement of net position</b>						
Cash and investments	\$ 142,423	\$ 1,729,399	\$ 660,481	\$ 1,149,656	\$ 44,951	\$ 3,726,910
<b>Reconciliation of operating income (loss) to net cash provided by (used) for operating activities:</b>						
Operating income (loss)	\$ (822)	\$ 8,607	\$ 51,972	\$ 366,417	\$ 8,464	\$ 434,638
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>						
Depreciation	-	662,943	-	-	-	662,943
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources						
Accounts receivable	1,057	-	-	-	-	1,057
Inventory	(2,143)	-	-	-	-	(2,143)
Deferred outflows of resources	-	(1,207)	-	-	-	(1,207)
Accounts payable	(2,134)	25,687	(500)	(2,804)	-	20,249
Accrued salaries	-	7,446	-	-	-	7,446
Liability for compensated absences	-	21,243	-	-	-	21,243
Self-insurance liability	-	-	-	165,622	-	165,622
Net Pension liability	-	211,964	-	-	-	211,964
Net OPEB liability	-	449,792	-	-	-	449,792
Deferred inflows of resources	-	(860)	-	-	-	(860)
<b>Net cash provided by (used for) operating activities</b>	<b>\$ (4,042)</b>	<b>\$ 1,385,616</b>	<b>\$ 51,472</b>	<b>\$ 529,235</b>	<b>\$ 8,464</b>	<b>\$ 1,970,745</b>
<b>Schedule of noncash capital and related financing activities:</b>						
Capital contributions from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## FIDUCIARY FUNDS

Investment trust funds are used to account for the assets of legally separate entities that deposit cash with the County Treasurer in an investment pool. These include school districts and other special districts by local boards.

**COUNTY OF INYO  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 INVESTMENT TRUST FUND  
 JUNE 30, 2020**

	Special Districts Governed by <u>Local Boards</u>	<u>School Districts</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 32,481,755	\$ 27,035,680	\$ 59,517,435
Interest receivable	<u>120,682</u>	<u>124,909</u>	<u>245,591</u>
 Total assets	 <u>\$ 32,602,437</u>	 <u>\$ 27,160,589</u>	 <u>\$ 59,763,026</u>
<b>NET POSITION</b>			
Net position held in trust for investment pool participants	 <u>\$ 32,602,437</u>	 <u>\$ 27,160,589</u>	 <u>\$ 59,763,026</u>
 Total net position	 <u>\$ 32,602,437</u>	 <u>\$ 27,160,589</u>	 <u>\$ 59,763,026</u>

**COUNTY OF INYO  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
INVESTMENT TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Districts Governed by Local Boards	School Districts	Total
Additions			
Contributions	\$ 14,397,240	\$ 27,914,219	\$ 42,311,459
Interest and investment income	<u>527,835</u>	<u>430,190</u>	<u>958,025</u>
Total additions	<u>14,925,075</u>	<u>28,344,409</u>	<u>43,269,484</u>
Deductions			
Distributions from pooled investment	<u>13,335,987</u>	<u>23,491,509</u>	<u>36,827,496</u>
Change in net position	1,589,088	4,852,900	6,441,988
Net position - beginning	<u>31,013,349</u>	<u>22,307,689</u>	<u>53,321,038</u>
Net position - ending	<u>\$ 32,602,437</u>	<u>\$ 27,160,589</u>	<u>\$ 59,763,026</u>