

**NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEARS ENDED  
JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**

**Statement of Net Position and Statement of Activities**

The Statement of Net Position and the Statement of Activities present financial data on a full accrual basis. As such, it includes balances that affect the agency over the long-term while the Balance Sheet – Governmental Fund and the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund present balances that are short-term in nature and are used in the annual budgets.

The additional account balances presented in the Statement of Net Position are as follows:

- Compensated absences – The balance in this account represents the estimated value of banked vacation hours that is subject to payout at the time of employee separation.
- Net pension liability – This balance is the difference between the present value of projected benefit payments and the assets set aside in a trust restricted to paying these benefits.
- OPEB liability – This balance is the difference between the present value of projected benefit payments and the assets set aside in a trust restricted to paying these benefits.
- Deferred inflows of resources and deferred outflow of resources for pension and OPEB are actuarial balances that arise from the differences between expected and actual experience, net difference between projected and actual earnings on plan investments, and from changes in plan assumptions. These balances are amortized over time to either pension or OPEB expense.

The variances to these accounts can vary significantly from year-to-year due to changes in actuarial assumptions, plan changes, actual earnings on plan investments, demographic changes, etc. The net liability change (excess inflows and liability over deferred outflows) from FY 2021 to FY 2022 was an increase of \$91,283 for pension balances, \$149,152 for OPEB and \$112 for accrued compensated absences. These balance net changes are reflected as increases in the salaries and benefits expense line-item in the Statement of Activities.

**Governmental Fund Statements**

The Governmental Funds statements, the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance, present financial data on the modified accrual basis which focuses on short-term balances. These are the balances used for budget purposes.

**Summary**

Cash and investments decreased by \$80,571 mostly due expenditures exceeding revenue by \$82,098 partly because of not increasing City and County contributions for the past two years. The fiscal years 2022 and 2021 contributions were more than 6% less than the amount received in FY 2020.

Overall fund balance decreased by \$82,098. The decrease in fund balance is partly due to the use of fund balance instead of raising County and City's annual contribution.

**Revenue:**

FY 2022 total revenues of \$404,713 was \$9,818 less than the prior year due to a decrease in interest income of \$5,498 and in 2021 LAFCo received \$5,221 in Covid relief funds.

Expenditures

Fiscal year 2022 expenditures were \$42,311 higher than the previous year mostly due to increases in salaries and benefits, general administrative expenses, and legal expense, as follows:

	<b>2022</b>	<b>2021</b>	<b>Increase</b>
Salaries and benefits	\$406,575	\$391,111	\$15,464
General and administrative	31,100	13,131	17,969 <sup>i</sup>
Legal	14,883	7,176	7,707 <sup>ii</sup>

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<sup>i</sup> \$12,900 of this was due to LAFCo's audit

<sup>ii</sup> Due to increased services for the Fire Protection Agencies MSR/SOI in FY 21/22

**YOLO COUNTY LOCAL AGENCY FORMATION COMMISSION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**  
**(UNAUDITED)**

	<b>Governmental Activities</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 168,550	\$ 249,121	\$ 277,713
Accounts receivable	100	-	-
Total Assets	<u>168,650</u>	<u>249,121</u>	<u>277,713</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Pension plan	8,994	90,567	73,517
OPEB plan	3,382	22,025	15,543
	<u>12,376</u>	<u>112,592</u>	<u>89,060</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	134	70	155
Accrued payroll	13,892	12,329	10,865
Compensated absences - current	8,196	8,140	6,626
Total current liabilities	<u>22,222</u>	<u>20,539</u>	<u>17,646</u>
Noncurrent liabilities:			
Compensated absences - noncurrent	8,193	8,137	6,625
Net pension liability	400,289	528,211	533,949
OPEB liability	107,394	109,913	120,029
Total noncurrent liabilities	<u>515,876</u>	<u>646,261</u>	<u>660,603</u>
Total Liabilities	<u>538,098</u>	<u>666,800</u>	<u>678,249</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	199,130	61,498	97,094
OPEB	27,558	34,362	35,346
Total Deferred Inflows of Resources	<u>226,688</u>	<u>95,860</u>	<u>132,440</u>
<b>NET POSITION</b>			
Unrestricted (deficit)	(583,760)	(400,947)	(443,916)
Total Net Position	<u>\$ (583,760)</u>	<u>\$ (400,947)</u>	<u>\$ (443,916)</u>

**YOLO COUNTY LOCAL AGENCY FORMATION COMMISSION  
STATEMENT OF ACTIVITIES  
FOR THE THREE YEARS ENDED JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**

	<b>Governmental Activities</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b><u>Program Expenses</u></b>			
Salaries and benefits	\$ 507,290	\$ 318,171	\$ 354,583
General and administrative	31,100	13,132	6,395
Information technology	11,726	7,796	7,644
Legal	14,883	7,176	13,881
Office expense	11,337	11,344	6,021
LAFCo project costs	9,464	13,942	11,604
Training, travel and transportation	1,726	-	4,473
	<b>587,526</b>	<b>371,561</b>	<b>404,601</b>
<b><u>Program Revenues</u></b>			
Intergovernmental revenues:			
County of Yolo	195,121	195,121	207,700
City of West Sacramento	68,210	66,974	67,863
City of Woodland	55,747	55,514	62,627
City of Winters	5,883	6,021	6,787
City of Davis	65,280	66,612	70,423
Federal	-	5,221	-
Charges for services	18,068	17,165	56,548
	<b>408,309</b>	<b>412,628</b>	<b>471,948</b>
<b>Net Program (Expenses) Revenues</b>	<b>(179,217)</b>	<b>41,067</b>	<b>67,347</b>
<b><u>General Revenues</u></b>			
Interest income	(3,596)	1,902	9,033
Total general revenues	<b>(3,596)</b>	<b>1,902</b>	<b>9,033</b>
Change in net position	(182,813)	42,969	76,380
<b>Net Position, Beginning of Year</b>	<b>(400,947)</b>	<b>(443,916)</b>	<b>(520,296)</b>
<b>Net Position, End of Year</b>	<b>\$ (583,760)</b>	<b>\$ (400,947)</b>	<b>\$ (443,916)</b>

**YOLO COUNTY LOCAL AGENCY FORMATION COMMISSION**  
**BALANCE SHEET - GOVERNMENTAL FUND**  
**JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**  
**(UNAUDITED)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>			
Cash and investments	\$ 168,550	\$ 249,121	\$ 277,713
Accounts receivable	100	-	-
	<u>168,650</u>	<u>249,121</u>	<u>277,713</u>
Total Assets	<u><u>168,650</u></u>	<u><u>249,121</u></u>	<u><u>277,713</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 134	\$ 70	\$ 157
Accrued payroll	13,892	12,329	10,865
	<u>14,026</u>	<u>12,399</u>	<u>11,022</u>
Total Liabilities	<u><u>14,026</u></u>	<u><u>12,399</u></u>	<u><u>11,022</u></u>
<b>FUND BALANCE</b>			
Assigned - Capital asset replacement	-	2,805	2,805
Assigned - General reserve	3,750		
Unassigned	150,874	233,917	263,886
	<u>154,624</u>	<u>236,722</u>	<u>266,691</u>
Total Fund Balance	<u><u>154,624</u></u>	<u><u>236,722</u></u>	<u><u>266,691</u></u>
<b>Total Fund Balance and Liabilities</b>	<u><u>\$ 168,650</u></u>	<u><u>\$ 249,121</u></u>	<u><u>\$ 277,713</u></u>

**YOLO COUNTY AGENCY FORMATION COMMISSION**  
**RECONCILIATION OF THE BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**  
**(UNAUDITED)**

	<b>Governmental Activities</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Fund Balance - Governmental Fund	\$ 154,624	\$ 236,722	\$ 266,693
Amounts reported for governmental activities in the statement of net position are different because:			
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and therefore are not reported in governmental funds:			
Deferred outflows related to pensions	12,376	90,567	73,517
Deferred outflows related to OPEB	-	22,025	15,543
Deferred inflows related to pensions	(199,130)	(61,498)	(97,094)
Deferred inflows related to OPEB	(27,558)	(34,362)	(35,346)
Long-term liabilities are not due and payable in the current period, and therefore are not reported in governmental funds:			
Net pension liability	(400,289)	(528,211)	(533,949)
OPEB liability	(107,394)	(109,913)	(120,029)
Compensated absences	(16,389)	(16,277)	(13,251)
Net position (deficit) of Governmental Activities	\$ (583,760)	\$ (400,947)	\$ (443,916)

**YOLO COUNTY LOCAL AGENCY FORMATION COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND  
FOR THE THREE YEARS ENDED JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><u>Revenues</u></b>			
Intergovernmental revenues:			
County of Yolo	\$ 195,121	\$ 195,121	\$ 207,700
City of West Sacramento	68,210	66,974	67,863
City of Woodland	55,747	55,514	62,627
City of Winters	5,883	6,021	6,787
City of Davis	65,280	66,612	70,423
State	-	5,221	-
LAFCo fees	16,505	13,016	52,548
CalLAFCo DEO stipend	1,333	4,000	4,000
Interest	(3,596)	1,902	9,033
Other	230	150	-
	<u>404,713</u>	<u>414,531</u>	<u>480,981</u>
<b><u>Expenditures</u></b>			
Salaries and benefits	406,575	391,111	349,938
General and administrative	31,100	13,131	6,397
Information technology	11,726	7,796	7,644
Legal	14,883	7,176	13,881
Office expense	11,337	11,344	6,021
LAFCo project costs	9,464	13,942	11,604
Training, travel and transportation	1,726	-	4,473
	<u>486,811</u>	<u>444,500</u>	<u>399,958</u>
<b>Net Change in Fund Balance</b>	(82,098)	(29,969)	81,023
<b>Fund Balance, Beginning of Year</b>	<u>236,722</u>	<u>266,691</u>	<u>185,668</u>
<b>Fund Balance, End of Year</b>	<u>\$ 154,624</u>	<u>\$ 236,722</u>	<u>\$ 266,691</u>

**YOLO COUNTY AGENCY FORMATION COMMISSION**  
**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENTS OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE TO THE GOVERNMENT-WIDE STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2022, JUNE 30, 2021 AND JUNE 30, 2020**  
**(UNAUDITED)**

	<b>Governmental Activities</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Change in fund balances - Governmental Fund	\$ (82,098)	\$ (29,969)	\$ 81,023
Amounts reported for governmental activities in the statement of activities are different because:			
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds:			
Change in pension liability	(91,283)	58,382	(3,550)
Change in OPEB liability	(9,320)	17,582	4,507
Change in compensated absences	(112)	(3,026)	(5,600)
Change in net position of Governmental Activities	\$ (182,813)	\$ 42,969	\$ 76,380