



# County of Fresno

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
June 30, 2017**

# Outline

- CAFR Sections
- Basic Financial Statements
  - Government-wide Statement of Net Position
  - Year over Year Variance Analysis
- GASB Statement No. 54 – Fund Balance
  - Brief overview of Statement No. 54
  - County’s Policy and Management Directive
  - CAFR Fund Balance Note 14



# CAFR Sections

# Comprehensive Annual Financial Report (CAFR) Sections

- **Introductory Section**
  - Letter of Transmittal
  - Organization Chart
  - List of Principal Officials

# Comprehensive Annual Financial Report (CAFR) Sections

(Continued)

- Financial Section
  - Independent Auditor's Report
  - Management's Discussion and Analysis
  - Basic Financial Statements
  - Notes to the Basic Financial Statements
  - Required Supplementary Information
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# Comprehensive Annual Financial Report (CAFR) Sections

(Continued)

- **Statistical Section**
  - Financial Trends
  - Revenue Capacity
  - Debt Capacity
  - Demographic and Economic Information
  - Operating Information
- **Glossary**



# Basic Financial Statements

# Statement of Net Position as of 6/30/17

(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 818,568	\$ 55,041	\$ 873,609
Restricted cash and investments	40,565	36,955	77,520
Receivables			
Accounts (net of allowances for uncollectibles)	130,540	1,173	131,713
Taxes	35,052	-	35,052
Interest	3,257	348	3,605
Loans	46,042	-	46,042
Internal balances	371	(371)	-
Due from other governmental units	6,889	-	6,889
Inventories of supplies	4,746	2	4,748
Capital assets (net of accumulated depreciation):			
Land	17,023	9,183	26,206
Land easements	41,838	-	41,838
Buildings and improvements	309,900	38,141	348,041
Equipment	30,665	5,509	36,174
Construction in progress	13,242	4,137	17,379
Infrastructure	314,977	-	314,977
Infrastructure in progress	13,674	-	13,674
Intangible	700	-	700
Total assets	<u>1,828,049</u>	<u>150,118</u>	<u>1,978,167</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pensions	258,405	2,003	260,408
Total deferred outflows of resources	<u>258,405</u>	<u>2,003</u>	<u>260,408</u>
<b>LIABILITIES</b>			
Accounts payable	62,130	822	62,952
Salaries and benefits payable	25,274	118	25,392
Interest payable	4,178	80	4,258
Due to other governmental units	7,121	-	7,121
Deposits and other liabilities	1,766	1,236	3,002
Unearned revenue	18,597	-	18,597
Noncurrent liabilities:			
Due within one year	76,379	2,085	78,464
Due beyond one year	2,170,917	52,061	2,222,978
Total liabilities	<u>2,366,362</u>	<u>56,402</u>	<u>2,422,764</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred pensions	103,514	802	104,316
Total deferred inflows of resources	<u>103,514</u>	<u>802</u>	<u>104,316</u>
<b>NET POSITION</b>			
Net investment in capital assets	556,268	56,970	613,238
Restricted for:			
Debt service	-	1,589	1,589
Unrestricted	(939,690)	36,358	(903,332)
Total net position	<u>\$ (383,422)</u>	<u>\$ 94,917</u>	<u>\$ (288,505)</u>

# Statement of Net Position

## June 30, 2017 and 2016

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	Governmental Activities		Business-type Activities		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Assets:</b>						
Current and other assets	\$ 1,086,030	\$ 1,041,441	\$ 93,148	\$ 88,095	\$ 1,179,178	\$ 1,129,536
Capital assets	742,019	734,033	56,970	59,945	798,989	793,978
Total assets	<u>1,828,049</u>	<u>1,775,474</u>	<u>150,118</u>	<u>148,040</u>	<u>1,978,167</u>	<u>1,923,514</u>
<b>Deferred Outflows of Resources:</b>						
Deferred pensions	258,405	220,693	2,003	1,710	260,408	222,403
Total deferred outflows of resources	<u>258,405</u>	<u>220,693</u>	<u>2,003</u>	<u>1,710</u>	<u>260,408</u>	<u>222,403</u>
<b>Liabilities:</b>						
Other liabilities	195,445	170,854	4,341	2,636	199,786	173,490
Long-term liabilities	2,170,917	1,789,814	52,061	54,383	2,222,978	1,844,197
Total liabilities	<u>2,366,362</u>	<u>1,960,668</u>	<u>56,402</u>	<u>57,019</u>	<u>2,422,764</u>	<u>2,017,687</u>
<b>Deferred Inflows of Resources:</b>						
Deferred pensions	103,514	291,496	802	2,257	104,316	293,753
Total deferred inflows of resources	<u>103,514</u>	<u>291,496</u>	<u>802</u>	<u>2,257</u>	<u>104,316</u>	<u>293,753</u>
<b>Net Position:</b>						
Net investment in capital assets	556,268	539,314	56,970	56,353	613,238	595,667
Restricted	-	-	1,589	1,588	1,589	1,588
Unrestricted	(939,690)	(795,311)	36,358	32,533	(903,332)	(762,778)
Total net position	<u>\$ (383,422)</u>	<u>\$ (255,997)</u>	<u>\$ 94,917</u>	<u>\$ 90,474</u>	<u>\$ (288,505)</u>	<u>\$ (165,523)</u>

# Statement of Net Position

## June 30, 2017 and 2016

	Governmental Activities	
	2016-17	2015-16
<b>Assets:</b>		
Current and other assets	\$ 1,086,030	\$ 1,041,441
Capital assets	742,019	734,033
Total assets	<u>1,828,049</u>	<u>1,775,474</u>
<b>Deferred Outflows of Resources:</b>		
Deferred pensions	258,405	220,693
Total deferred outflows of resources	<u>258,405</u>	<u>220,693</u>
<b>Liabilities:</b>		
Other liabilities	195,445	170,854
Long-term liabilities	2,170,917	1,789,814
Total liabilities	<u>2,366,362</u>	<u>1,960,668</u>
<b>Deferred Inflows of Resources:</b>		
Deferred pensions	103,514	291,496
Total deferred inflows of resources	<u>103,514</u>	<u>291,496</u>
<b>Net Position:</b>		
Net investment in capital assets	556,268	539,314
Restricted	-	-
Unrestricted	(939,690)	(795,311)
Total net position	<u>\$ (383,422)</u>	<u>\$ (255,997)</u>



**Statement No. 54 of the  
Governmental Accounting Standards  
Board (GASB)**

# GASB Statement No. 54

- Fund Balance Reporting
  - Nonspendable
  - Restricted
  - Committed
  - Assigned
  - Unassigned

# GASB Statement No. 54

- **Governmental Fund Type Definitions**
  - General Fund
  - Special Revenue Fund
  - Capital Projects Fund
  - Debt Service Fund
  - Permanent Fund



# County of Fresno Fund Balance Administrative Policy and Management Directive

- Board of Supervisors  
Administrative Policy #74
- County Administrative Office  
Management Directive #780

# CAO Management Directive 780 – Fund Balance Policy

- Purpose
  - To create a fund balance policy as outlined by GASB Statement No. 54
- Minimum Fund Balance
  - Fund balance level in the General Fund of no less than one month of regular operating expenditures
  - One month - \$107 million
  - Current reserve - \$28 million

# CAO Management Directive 780 – Fund Balance Policy

(continued)

- Definitions of the Classifications
- Spending Order
  - Restricted
  - Committed
  - Assigned
  - Unassigned

# CAO Management Directive 780 – Fund Balance Policy

(continued)

- **Authority to Commit Fund Balance**
  - County's highest level of decision-making
    - A 4/5<sup>th</sup> vote by the Board of Supervisors
- **Authority to Assign Fund Balance**
  - Board of Supervisors delegates the authority to the CAO
    - Timely notification to BOS
    - Presented to the Auditor-Controller/Treasurer-Tax Collector by June 15<sup>th</sup>

	<u>General Fund</u>	<u>Debt Service</u>	<u>Behavioral Health - MH</u>	<u>Social Services</u>	<u>Local Health and Welfare</u>	<u>2011 Realignment Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Nonspendable:</b>								
Inventory	\$ 3,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 681	\$ 3,827
Postage/imprest cash	412	-	-	-	-	-	21	433
Low-income housing	40,742	-	-	-	-	-	-	40,742
SJVIA loan	5,000	-	-	-	-	-	-	5,000
CSA loans	436	-	-	-	-	-	-	436
Subtotal	<u>49,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>702</u>	<u>50,438</u>
<b>Restricted for:</b>								
General government	-	-	-	-	-	-	35,463	35,463
Public protection	4,255	-	-	-	-	103,803	27,420	135,478
Public ways and facilities	-	-	-	-	-	-	51,198	51,198
Health, sanitation and public assistance	-	-	105,592	64,948	83,132	-	26,027	279,699
Education	-	-	-	-	-	-	20,331	20,331
Capital projects	-	-	-	-	-	-	15,801	15,801
Debt service	-	53,263	-	-	-	-	-	53,263
Subtotal	<u>4,255</u>	<u>53,263</u>	<u>105,592</u>	<u>64,948</u>	<u>83,132</u>	<u>103,803</u>	<u>176,240</u>	<u>591,233</u>
<b>Committed to:</b>								
General government:								
Reserve	28,024	-	-	-	-	-	-	28,024
Third party	23,288	-	-	-	-	-	-	23,288
SJVIA	3,000	-	-	-	-	-	-	3,000
Public protection:								
West annex	6,190	-	-	-	-	-	-	6,190
Sheriff vehicle replacement	1,600	-	-	-	-	-	-	1,600
Eagle 2 replacement	200	-	-	-	-	-	-	200
Jail modifications	1,000	-	-	-	-	-	-	1,000
Public ways and facilities:								
CSA revolving fund	300	-	-	-	-	-	-	300
Subtotal	<u>63,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,602</u>
<b>Assigned to:</b>								
General government:								
Teeter buy out & ITSD depreciation	707	-	-	-	-	-	-	707
Services & supplies	560	-	-	-	-	-	-	560
Public protection:								
Helicopter	2,600	-	-	-	-	-	-	2,600
Services & supplies	1,363	-	-	-	-	-	-	1,363
Health, sanitation and public assistance:								
Services & supplies	2,709	-	-	-	-	-	-	2,709
Education	-	-	-	-	-	-	-	-
Culture and recreation:								
Services & supplies	715	-	-	-	-	-	-	715
Subtotal	<u>8,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,654</u>
<b>Unassigned</b>	<u>85,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,193</u>
Total	<u>\$ 211,440</u>	<u>\$ 53,263</u>	<u>\$ 105,592</u>	<u>\$ 64,948</u>	<u>\$ 83,132</u>	<u>\$ 103,803</u>	<u>\$ 176,942</u>	<u>\$ 799,120</u>

# CAFR – Note 14 Fund Balance

	<b>General Fund</b>
<b>Nonspendable:</b>	
Inventory	\$ 3,146
Postage/imprest cash	412
Low-income housing	40,742
SJVIA loan	5,000
CSA loans	436
Subtotal	<u>49,736</u>

# CAFR – Note 14 Fund Balance

	<b>General Fund</b>
<b>Restricted for:</b>	
General government	-
Public protection	4,255
Public ways and facilities	-
Health, sanitation and public assistance	-
Education	-
Capital projects	-
Debt service	-
Subtotal	<u>4,255</u>

# CAFR – Note 14 Fund Balance

	<b>General Fund</b>
<b>Committed to:</b>	
General government:	
Reserve	28,024
Third party	23,288
SJVIA	3,000
Public protection:	
West annex	6,190
Sheriff vehicle replacement	1,600
Eagle 2 replacement	200
Jail modifications	1,000
Public ways and facilities:	
CSA revolving fund	300
Subtotal	<u>63,602</u>

# CAFR – Note 14 Fund Balance

	<b>General Fund</b>
<b>Assigned to:</b>	
General government:	
Teeter buy out & ITSD depreciation	707
Services & supplies	560
Public protection:	
Helicopter	2,600
Services & supplies	1,363
Health, sanitation and public assistance:	
Services & supplies	2,709
Education	-
Culture and recreation:	
Services & supplies	715
Subtotal	<u>8,654</u>

# CAFR – Note 14 Fund Balance

	<b>General Fund</b>
<b>Unassigned</b>	<u>85,193</u>
<b>Total</b>	<u><u>\$ 211,440</u></u>



# Questions

County of Fresno  
Statement of Net Position  
June 30, 2017  
(amounts expressed in thousands)

Revised  
1-23-2018  
Item #27

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