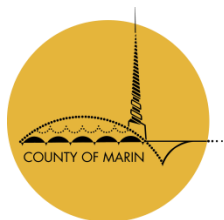


**COUNTY OF MARIN, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**



**COUNTY OF MARIN DEPARTMENT OF FINANCE**

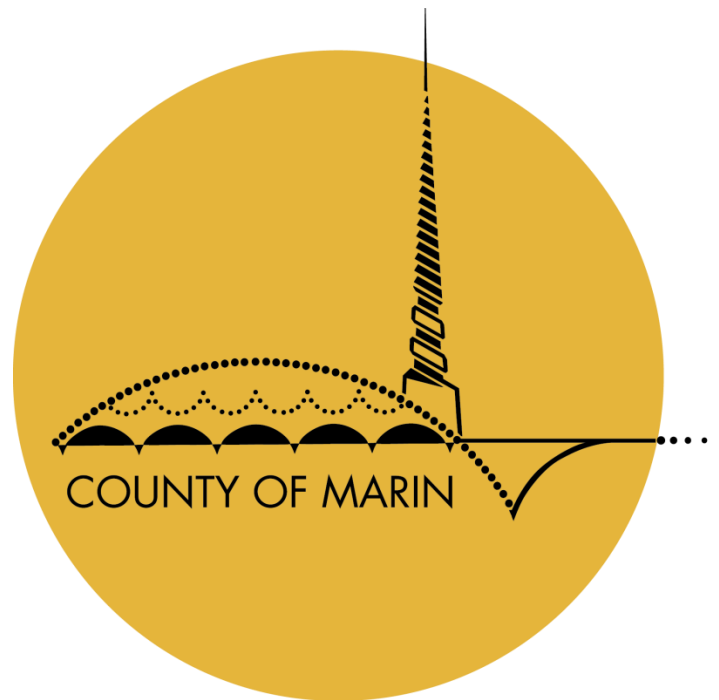


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**COUNTY OF MARIN, CALIFORNIA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**



**County of Marin**  
**Department of Finance**



If you are a person with a disability and require information or materials in alternative formats (such as, Braille, large print, audiocassette or CD-ROM), or if you require accommodation to participate in a county program, service or activity, please contact department staff at 415-473-6154; Voice/CRS dial 711.

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# COUNTY OF MARIN

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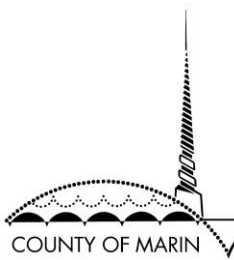
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## **INTRODUCTORY SECTION**

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## DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

Roy Given, CPA  
DIRECTOR

January 30, 2015

Cristine Alilovich  
ASSISTANT DIRECTOR

To the Honorable Members of the Board of Supervisors,  
Citizens of the County of Marin, California:

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We are pleased to present the County of Marin's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. The County of Marin employees remain committed to reach and maintain the highest possible standards in financial reporting now and in the future.

This report was prepared by the County of Marin's Department of Finance in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). Recommended guidelines by the Government Finance Officers Association (GFOA) of the United States and Canada were also followed.

California law requires that every local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. As the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management asserts that, to the best of our knowledge, the information presented in this report is accurate in all material respects and presents fairly the financial position of the various funds and component units of the County of Marin, including all disclosures necessary to understand the County's activities.

The County's financial statements have been audited by Gallina LLP, a registered public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2014 are fairly presented in conformity with GAAP, and are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor rendered an unqualified opinion on the County's financial statements for the fiscal year ended June 30, 2014. The independent auditor's report is presented in the first component of the financial section of this report.

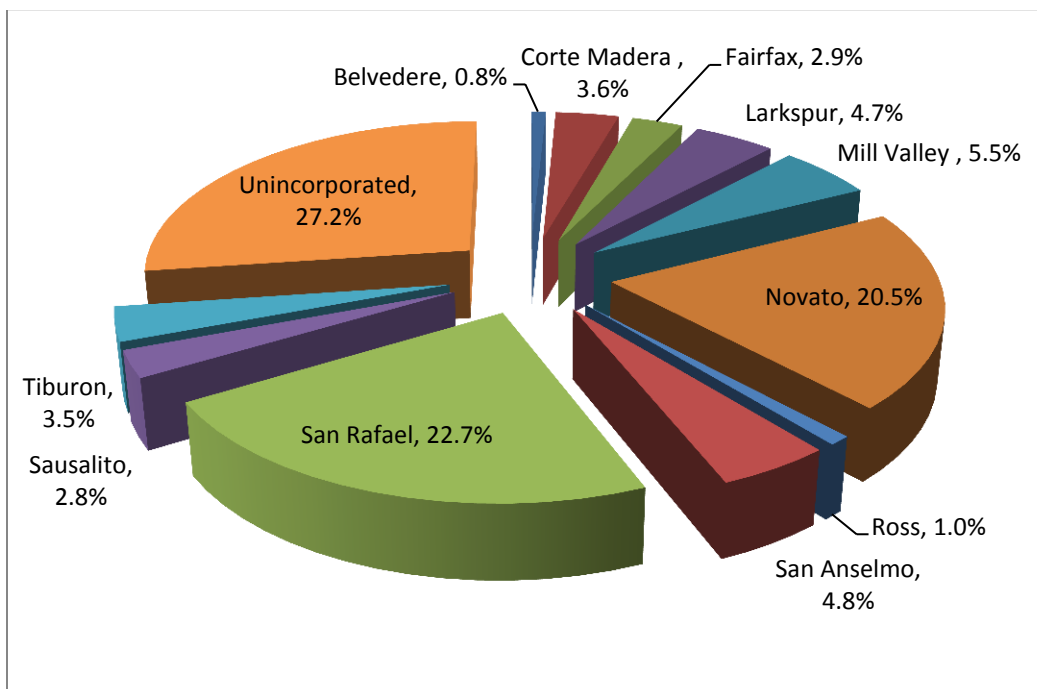
The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the fiscal year. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A), which is presented after the independent auditor's report. This letter of transmittal is designed to complement the MD&A, and therefore should be read in conjunction with it.

## PROFILE OF THE GOVERNMENT

The County of Marin is one of the nine counties in the San Francisco-Oakland Bay Area, and was established in 1850 as one of California's original 27 counties following the adoption of the Constitution of 1849. The County of Marin currently occupies 520 square miles and includes 11 incorporated cities and towns: Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, and Tiburon. The County is linked to San Francisco by the Golden Gate Bridge to the South, Sonoma County to the North, San Pablo Bay and San Francisco Bay to the East, and the Pacific Ocean to the West. Most of the County's 258,365 residents live along the eastern side, with a string of communities running along the San Francisco Bay. The rural coastal corridor and inland valleys feature vast acreage of land in agricultural production, as well as open space for tourism and recreation. Some of the notable attractions that draw visitors to Marin County and its cities include the Golden Gate Bridge, the Marin Headlands, Mount Tamalpais, Muir Woods, and the Point Reyes National Seashore.

The County government functions as a local government body to serve the needs of its residents. As geographical and political subdivisions of the state, counties serve a dual role that differs from cities. The County provides a vast array of services for all residents. This includes social services, public health protection, housing programs, property appraisal and assessments, tax collection, criminal prosecution, administration of the elections, public safety, library services, road maintenance, and fire protection.

The County also provides municipal services in the unincorporated areas and acts as administrative agents for state and federal government programs and services. As illustrated in the chart below, the unincorporated area, for which the County of Marin provides municipal services, represents 26.5% of the total County population. The rest of Marin County's residents of the incorporated areas, as illustrated in the chart below, receive services from one of the 11 different municipal governments within the County.



California Department of Finance May 2014

As a general-law county, Marin County is bound by state law as to the number of duties of County elected officials. The County has five districts that are approximately equal in population with boundaries adjusted every ten years following the latest United States census. Under California's Constitution and laws, the five members of the Marin County Board of Supervisors serve as the legislative and executive Board of Marin County. The members are elected by district based on population, as required by state law, and are required to live in the district they represent. Supervisors are elected to four-year staggered terms.

Supervisors also elect a President, Vice President, and Second Vice President annually amongst themselves. The Board adopts policies, establishes programs, appoints non-elected department heads, and adopts annual budgets for all County departments. The County has three elected department heads: the Assessor-Recorder, District Attorney, and Sheriff-Coroner.

The Board also serves as the governing board for several special districts, including the Open Space District, the Flood Control District, the Housing Authority, and the Marin Transit District. Each special district is separate from the County and has distinct roles, budgets, and staff. The Supervisors also serve on the boards of regional agencies and as ex-officio members on the boards of County service districts.

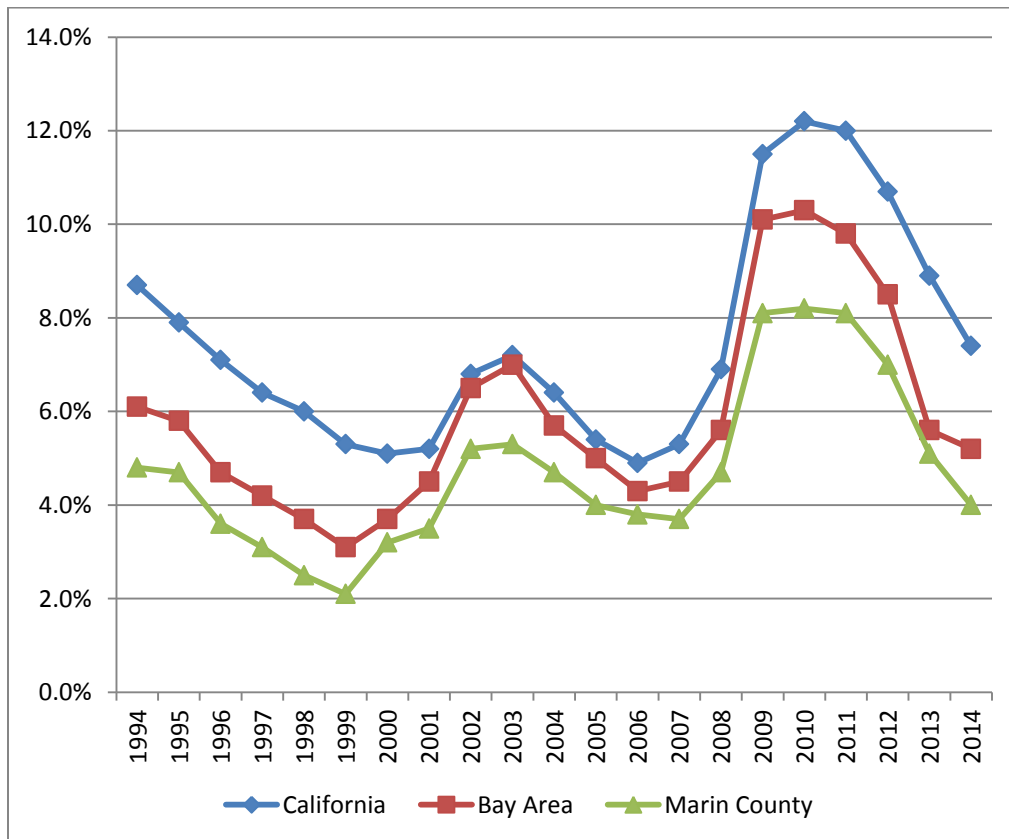
The County's principal functions include seven major areas: general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural services. The State and Federal government mandate certain minimum levels of health and public assistance services to be offered by the County.

**FINANCIAL CONDITION**

Economic Indicators

The local economy in 2014 continues to be in an economic recovery after signs of stabilization appeared in 2011.

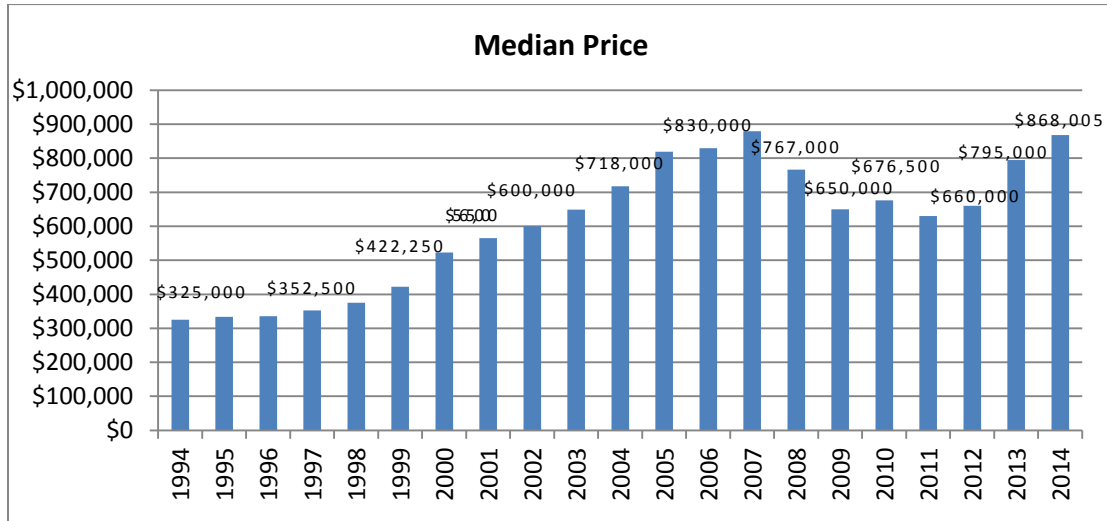
- Employment: By June 30, 2014 the County's unemployment rate was 4% (not seasonally adjusted), which is a 1.1% decline from June 30, 2013, and continues to be lower than the annual national average of 6.8%. The chart below illustrates Marin County's relatively low unemployment rate compared to the Bay Area and California from 1994 through 2014.



U.S. Department of Labor Statistics 2014

At the time of the publication, Marin's December 2014 unemployment rate had fallen to 3.4% - the lowest unemployment rate of all Counties in the State.

- Real Estate: Given that property tax revenues make up the County's largest source of discretionary revenue, the health of the local real estate market and the associated changes in assessed property values are key indicators of the County's financial outlook. Overall, home prices within Marin County increased by 9% from 2013. The chart below demonstrates that the median sale price for detached and attached single-family homes has been steadily increasing since 2012, and prices have surpassed what they were when they started to fall in 2008. The real estate market is recovering in Marin County, and the home prices are increasing again, which will result in higher tax revenue in the upcoming years.



**Marin County Assessor, 2014**

A Balanced Budget

Greater financial stability at the federal and particularly the state level has resulted in more predictable revenues and created an opportunity for a longer term budget. This resulted in County's first two-year budget.

As the economy has improved, property tax and sales tax revenues have rebounded. As a result, the County is projecting moderate revenue growth over the next two years. This growth is offset by estimated salary and benefit costs for the County's workforce - including cost of living adjustments (COLA) for most staff consistent with bargaining agreements through June, 2015. This COLA represents the first COLA for most County staff in five years. The budget also includes annual operating costs at the Marin Commons Emergency Operations Facility for facility maintenance costs for the Sheriff and networking costs for IST, partially offset by lease savings and increased rental revenue.

Over the past several years, the County of Marin has taken several actions to bring the budget into balance, which resulted in structurally sound and a balanced two-year budget. The County has cut ongoing expenses by over \$30 million and reduced the workforce by approximately 10%. The County also adopted a lower-cost retiree health plan for new employees in 2008, negotiated lower pension tiers for new miscellaneous employees in 2011, implemented the Public Employees' Pension Reform Act of 2013, and recently established an Other Post-Employment Benefits (OPEB) trust - setting the County on a path to fully fund its retiree health costs over a 30-year period. In the past year, the County also reduced its unfunded retiree liabilities by \$98 million, leading all three independent bond rating agencies

to give Marin County the highest rating of 'AAA', and making Marin one of only two California counties with an 'AAA' rating from all major rating agencies.

Our goal in preparing the budget is to be open and transparent, make recommendations consistent with our long-term priorities, and to be fiscally responsible to the residents we serve, with the shared goal of making Marin safer, healthier, and more sustainable.

For the first time in five years, the County is not considering service reductions. With a balanced budget plan for the next two years, going forward we will build upon our past successes, continue to adapt our spending priorities to address emerging needs within existing resources, and make investments in technology to meet the expectations of our residents and employees.

## **LONG-TERM FINANCIAL PLANNING**

Just as the County has planned its response to the greatest recession since the Great Depression, we need to look ahead and consider the emerging issues that the County will need to address in the coming years. The County must remain open to new and better ways of achieving our vision of a safe, healthy, and sustainable community. The following is a brief discussion of some of the major emerging policy issues facing the County in the next few years:

### Five Year Business Plan

The services the County provides to the community contribute greatly to the high quality of life Marin residents enjoy. To maintain and enhance the quality of life of the community, the County needs to effectively respond to the future challenges and opportunities. By engaging County's workforce, the Five Year Business Plan will help to identify strategies to respond to the expected retirements of 1 in 3 employees over the next five years. It will also help identify technology investments so that the County can meet the rapidly changing expectations of residents and County's workforce for modern customer service practices. Lastly, it will identify how the County can best adapt to the changes in the community as it grows older and more diverse.

### Addressing Equity Gaps in Health

On an overall basis, the County ranks highest in California in health and life expectancy. But within the County there are differences among our communities that require greater focus. For example, the County is the healthiest County in the state, but life expectancy can vary by as much as 17 years within Marin. How can the County improve longevity and health outcomes for all residents, especially those that are less fortunate? Preventable heart disease is a key cause of Marin's gap in life expectancy. Health Care Reform provides an opportunity to improve health access and the quality of the care provided, but supporting healthy eating and active, tobacco-free lifestyles is even more important. Over the next year, Health and Human Services will work with the Board to adopt targets to reduce childhood obesity and improve access to health care in those communities that are experiencing lower life expectancy.

### Road and Bridge Improvements

The County maintains 419 miles of road, consisting of 1,100 lane miles. Maintaining infrastructure for all modes of public mobility is an essential service and affects nearly every county resident. Last year, the County adopted a policy that, for five years, allocates to the road and bridge capital program 50% of any available year-end General Fund balance in excess of what's required to support the General Fund operating budget. These additional investments are intended to help achieve the goal of improving the County's Pavement Condition Index. The County's budget includes an allocation of \$4 million toward new deferred road and bridge maintenance projects in FY 2014-15, bringing the County's investments over the last six years to approximately \$28 million.



## Partnership Efforts

The County works with a number of non-profit agencies to provide services on behalf of the County. The current budget includes approximately \$500,000 to provide a cost of living adjustment for those community-based organizations that have not received an increase over the past five years. Another example is the ongoing partnership with the Agricultural Institute of Marin to create a plan for a new farmers' market at the Christmas Tree Lot site that includes a market building and a covered market canopy that is consistent with the Civic Center Master Design Guidelines and acceptable to the community.

## Business Process Improvements and Technology Investments

The coming year will also bring important focus to business improvement efforts, including implementation of a new enterprise resource planning (ERP) system to replace SAP. An important part of this implementation will be to use this system replacement project as the opportunity to change County's business processes to better reflect public service best practices. The County has also planned one-time technology investments to begin to meet the growing expectations of the residents and employees, such as business license applications, finding a polling place, building permit applications, or a mobile County Fair application to guide visitors in locating events, exhibits and vendors. The County is also investing in the creation of more fillable forms on the County website.

## Open and Transparent County Budget & Spending

The County also needs to explore more avenues for constructive engagement with residents to continually improve County services, as well as to understand their concerns and priorities, in an era of declining trust in government nationally. One avenue toward enhancing trust and engaging residents includes transparency. As one example, the County introduced this summer a web-based interface called OpenGov to publish the County's budget in a way that allows the public to easily and graphically inquire about the County's budget.

## Continuing Efforts to Reduce Unfunded Liabilities

The County's pension and retiree liabilities came about based on many decisions that were made over the last 40 years. These liabilities cannot be eliminated in five years, but the Board has taken many steps to reduce them now and for future generations. Specifically, the Board has done the following in recent years:

- Created a lower cost retiree health plan for all employees hired after 2008;
- Negotiated with miscellaneous bargaining units a less costly 2% at age 61.25 retirement tier for new employees that became effective in 2012;
- Capped the County's contribution to employees' share of cost to 2% (for miscellaneous) and 3% (for safety) of salary;
- Implemented the California Public Employees' Pension Reform Act of 2013 (PEPRA), which, among other statewide reforms, mandates for new, non-reciprocal employees after January 1, 2013 a 2.0% at age 62 pension plan for non-safety employees and a 2.7% at age 57 formula for new safety employees;
- Adopted a policy to dedicate County PEPRA savings for the first five years toward reducing the County's unfunded liability, estimated to save up to \$3 million over PEPRA's first five years;
- Utilized \$46 million in one-time reserves to pay down our unfunded pension liability and created a retiree health trust to eliminate our unfunded retiree health liability over the next 30 years; and
- Directed staff to begin exploring an employee optional hybrid defined benefit/defined contribution plan to address newer generation interest in the portability of retirement benefits while also better sharing market risk.

## State and Federal Risk Remains

Many of the County's safety net services are largely supported by state and federal funds. Because more than 30% of County services are funded by the state, any additional budget cuts are likely to result in a reduced level of safety net and other services that the County is able to provide to residents. While the County's budget is now more structurally balanced than it has been for some time, the County simply does not have the capacity to backfill the portfolio of programs currently funded by, and often performed on behalf of, the state while continuing to maintain structural balance.

With release of the state's May Revision on May 14th, the state is clearly on better fiscal footing - though uncertainties and risks do remain, most notably including health care costs with implementation of the federal Affordable Care Act. Updated figures reflect increased state revenues of \$2.4 billion. However, these are largely offset by increased state expenditures relating to the costs of health care, drought, and other programs.

The Governor's January Proposal had included various efforts to eliminate what the Governor called the "Wall of Debt" facing the State. Included among these proposals was a scheduled repayment plan of obligations for pre-2004 local government reimbursable mandates starting in FY 2015-16 of about \$900 million statewide, eliminating these obligations entirely by FY 2017-18. The Governor's proposal had implied these would be paid down over two years (about 83% in FY 2015-16 and the remaining 17% in FY 2016-17). The May Revision adjusts that payment plan as follows: \$100 million in 2014-15, \$748 million in 2015-16, and \$52 million in 2016-17.

The proposed \$100 million of repayment in FY 2014-15 includes \$73 million for counties. Marin may receive \$500,000 to \$750,000 of one-time funding in FY 2014-15. The County plans to adopt a policy to deposit these revenues into the County's one-time reserve to ensure that they are appropriately allocated for one-time purposes.

It has also become clear that federal reductions are likely in coming years, as pressure builds to address the nation's growing debt burden. Approximately 10% of the County's budget is dependent upon federal revenues. The County maintains approximately \$5 million in one-time reserves to help establish a glide path in the event the County suffers significant cuts to critical state or federally-funded programs without sufficient time to transition to a lower level of service.

## Future Pension Costs

Although investment earnings have been relatively strong in recent years, the Marin County Employees' Retirement Association (MCERA) Board is scheduled to discuss policy changes later this year which may have an adverse impact on the County's pension expenses. Changes to the discount rate, amortization schedules or mortality assumptions would increase the County's annual required contributions and, if significant, would require expenditure reductions to balance the budget. The impact of these changes is unlikely to be quantifiable until the end of the year.

## **COUNTY STRATEGIC PLAN**

Since 2001, the Board of Supervisors has used the County's Strategic Plan, A Blueprint for Excellence in Public Service, in directing the development and administration of the County organization. The Strategic Plan seeks to align County programs with guiding principles to provide excellent service to the Marin County community, as well as provide a foundation and direction to guide organizational development. The Strategic Plan expresses the County's commitment to build a sustainable community and to encourage the participation of all residents in their county governance. The Strategic Plan is organized into four major strategies: The Customer, The Employee, Communication, and Performance Management. In addition to these strategies, the Strategic Plan articulates desired outcomes and a series of actions to accomplish each strategy.

## Managing for Results

Performance Management, one of the four strategies of the Strategic Plan, involves measuring the effectiveness of County programs in achieving community outcomes. To further define this strategy, the Board of Supervisors expressed its vision to become a “Well-Managed County” with the following elements:

- Results-oriented
- Customer and community focused
- Mission and values-driven
- Collaboration and participation among all levels of the organization
- Cycle and culture of continuous improvement
- Budgets and business systems aligned with overall mission, values and goals.

In 2004, the County developed and implemented Managing for Results (MFR) to achieve the Board's vision. MFR is a tool that helps the County do the most important things well by identifying the County's most important priorities, aligning department and program activities to reflect those priorities, and using measures to track progress in accomplishing them.

A primary focus of MFR is the development and use of performance measures to help assess the quality of County programs and overall progress in achieving the County's most important priorities. Departments have enhanced their efforts in developing meaningful measures to provide key results of program performance. Throughout the year, departments will measure their success and make any necessary adjustments to achieve their program objectives.

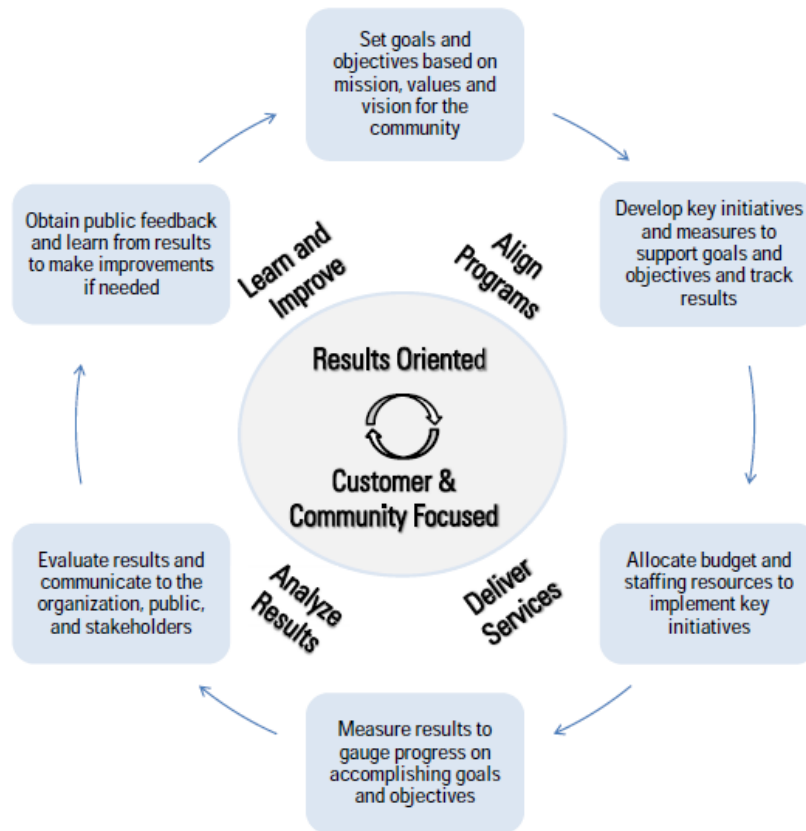
Departments have identified three to five Key Measures that communicate important outcomes and information related to department programs. These high level performance measures are intended to highlight information that is important to County residents, departments, and County policymakers for achieving specific County-wide goals. These measures are located within the department sections of the Proposed Budget document.

With the County having reached a relative level of budget stability after several years of fiscal challenge, the County intends to explore efforts to improve the MFR program to better communicate outcomes, including work with the Board and departments to develop countywide indicators.

As shown in the below diagram, MFR is a dynamic, ongoing process that continues the County's efforts to build a high-performance organization that achieves results in addressing community and organizational needs.

# Managing for Results in Marin County

## Organizational Management Framework













### Countywide Goals and Objectives

As an initial step in implementing MFR, the Board of Supervisors approved a set of countywide goals in December 2004. The Countywide Goals reflect the internal goals from the Strategic Plan and identify the County's community and organizational priorities.

# Countywide Goals

Mission

*The mission of the County of Marin is to provide excellent services that support healthy, safe and sustainable communities; preserve Marin's unique environmental heritage; and encourage meaningful participation in the governance of the County by all*

					
Community Goals	<b>I. Healthy Communities</b>	<b>II. Safe Communities</b>	<b>III. Sustainable Communities</b>	<b>IV. Environmental Preservation</b>	<b>V. Community Participation</b>
	<ul style="list-style-type: none"> <li>a. Public Health Services</li> <li>b. Culture and Lifelong Learning Resources</li> <li>c. Healthy Lifestyles</li> <li>d. Pollution Prevention</li> </ul>	<ul style="list-style-type: none"> <li>a. Crime Prevention</li> <li>b. Emergency Response</li> <li>c. Social Justice</li> <li>d. Safe Roadways</li> <li>e. Emergency Preparedness</li> </ul>	<ul style="list-style-type: none"> <li>a. Affordable Housing</li> <li>b. Diverse Modes of Transportation</li> <li>c. Sustainable Economy</li> <li>d. Efficient Resource Use</li> <li>e. Energy Conservation</li> </ul>	<ul style="list-style-type: none"> <li>a. Environmental Stewardship and Enhancement</li> <li>b. Agricultural Heritage</li> <li>c. Waste management</li> <li>d. Land Use Planning</li> </ul>	<ul style="list-style-type: none"> <li>a. Accessible Public Facilities</li> <li>b. Public Service Opportunities</li> <li>c. Voter Participation</li> <li>d. Diversity in Government</li> </ul>
					
Organizational Goals	<b>VI. Excellent Customer Service</b>	<b>VII. Employer of Choice</b>	<b>VIII. Effective Communication</b>	<b>IX. Managing for Results</b>	<b>X. Financial Responsibility</b>
	<ul style="list-style-type: none"> <li>a. Responsive</li> <li>b. Knowledgeable</li> <li>c. Accountable</li> <li>d. Respectful</li> <li>e. Nondiscriminatory</li> </ul>	<ul style="list-style-type: none"> <li>a. Recruitment and Retention</li> <li>b. Employee Recognition</li> <li>c. Worklife Balance</li> <li>d. Training</li> <li>e. Career Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>a. Employee and Interdepartmental Communication</li> <li>b. Two-Way Public Communication</li> <li>c. County Web Information</li> </ul>	<ul style="list-style-type: none"> <li>a. Results-Based Decision-Making</li> <li>b. Outcome Measurement</li> <li>c. Continuous Improvement</li> </ul>	<ul style="list-style-type: none"> <li>a. Fiscal Management</li> <li>b. Sustainable Resource Management</li> <li>c. Goal-Directed Resource Allocation</li> <li>d. Accountability</li> </ul>

## RELEVANT FINANCIAL POLICIES

### Budget

The County is required by State law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and control. Budgets are adopted for all governmental funds. The County maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of the general and special revenue funds are included in the annually appropriated budget. The legal level of control for appropriations is exercised at the departmental fund level. Appropriations at this level may only be adjusted during the year with approval of the Board. The County Administrator may make adjustments at their discretion below that level. Such adjustments by the Board and the County Administrator are reflected in the revised budgetary data presented in the financial statements.

The annual budget serves as the foundation for the County's financial planning and control of expenditures. The legal level of budgetary control, where expenditures may not exceed appropriations, is at the object level (e.g., salaries and benefits) within a budget unit in a fund. Budget expenditures are enacted into law through the passage of an Appropriation Ordinance. The ordinance sets limits on expenditures, which cannot be changed except by subsequent amendments to the budget.

### Balanced Budget

The annual budget must balance resources with expenditure appropriations in accordance with California State Government Code §29009. The Board requires the County Administrator's Office, in coordination with the Department of Finance, to ensure that expenses are controlled in such a manner that department budgets are not expended above the levels that are appropriated in the annual budget or beyond that which the County has the funds to pay.

### Use of “One-Time” Funds

The Board expects that one-time revenues shall be dedicated for use as one-time expenditures. Annual budgets will not be increased to the point that ongoing operating costs become overly reliant on cyclical or unreliable one-time revenues. In the face of downturns in the economy or any significant state cuts in subventions for locally mandated services, the use of one-time sources of funds will only be used to ease the transition to downsized and/or reorganized organizations.

### Pursuit of New Revenues/Maximizing Use of Non-General Fund Revenues

County departments will pursue revenue sources, when reasonable, in support of the countywide goals. Where not prohibited by law, departments will maximize use of non-General Fund revenues prior to using General Fund money to fund programs. In any case, the Board expects that revenues will only be budgeted when there is substantial assurance of their receipt in the fiscal year that is being considered. The County will continue to advocate for more discretion over its revenue sources and to diversify and maximize discretionary revenue sources to improve the County's ability to manage revenue fluctuations.

### Cost Recovery through Fees

Departments must utilize fees to recover costs where reasonable and after all cost-saving options have been explored. There must be statutory authority for the County to charge a fee and the fee must be approved by the Board of Supervisors, with the exception of those fees in which a statute mandates the imposition of the fee. If permissible by law, fees and charges will cover all costs of the services provided, unless otherwise directed by the Board. Programs financed by charges for services, fees, grants, and special revenue fund sources will pay their full and fair share of all direct and indirect costs to the extent feasible and legally permitted.

### Grants

As required by current Board policy, any new grant award that requires new County funds/matching requirements or other County commitments must be reviewed by the County Administrator. The County Administrator reviews and approves any proposed allocation of grant monies before departmental submission of the grant application to the granting agency. When applying for grants for ongoing programs (as opposed to planning or capital grants), departments should consider how funding will be provided for the duration of the program. To the extent legally possible, all grant applications should be based on full costing, including overhead and indirect costs. Where matching funds are required for grant purposes, departments should provide as much “in-kind” contribution as allowed instead of hard-dollar matches. Unless long-term funding is secure, departments should avoid adding staff to support new grant-supported programs. If it is necessary to add staff, limited term positions should be used to support programs.

### Interest Earnings

Unless otherwise prohibited by law or Generally Accepted Accounting Principles (GAAP), interest earnings in County operating funds are retained in the General Fund.

### Matching Funds/Backfill

In general, federal and state program reductions will not be backfilled with County discretionary revenues except by Board direction. The Board typically does not backfill these programs due to their size and impact on the County's financial position. The Board, at its discretion, may provide County “overmatches” to under-funded programs to ensure or enhance specified levels of service.

### Cost Allocation

Countywide overhead costs are allocated to all County departments based upon the cost allocation and implementation plan developed annually by the Department of Finance.

### Budget Reductions

Reductions shall be evaluated on a programmatic basis to reach the appropriations level required within the available means of financing. When budget reductions are necessary, departments will prioritize their services and programs and propose reductions in areas that have the least impact in achieving countywide and departmental goals. Departments must also consider the potential effects on interrelated or cross-departmental programs when developing budget reductions.

### Non-Emergency Mid-Year Requests

Mid-year budget and capital project requests of a non-immediate nature requiring the use of fund balance are recommended to be referred to the next year's budget deliberations to accommodate prioritization relative to countywide and departmental goals and available financing sources. Midyear requests with other funding sources, or which can be absorbed within a department's budget, will be considered as a component of the County's "Actuals & Expectations" ("A&E") mid-year budget review process. This process is authorized annually by the Board of Supervisors.

Per Government Code §29125, the County Administrator is authorized to approve transfers and revisions of appropriations within a department and fund if overall appropriations of the department are not increased. The Board of Supervisors designates a budget unit at the department and fund level.

### Appropriations from Unanticipated Revenues

Appropriations from departmental unanticipated revenues will not be recommended unless the department is either reaching or exceeding its total departmental revenue estimates on a monthly or quarterly basis, or its revenues are in line with historical revenue trends for that department and the appropriation is consistent with departmental and countywide goals. Grant program revenues and appropriations will be handled separately.

### General Fund Support/Net County Cost

General Fund Support is the amount of General Fund money to a given budget after revenues and other funding sources are subtracted from expenditures. Significant variances from budgeted General Fund Support/Net County Cost (NCC) amounts during the fiscal year may result in a recommendation to reduce expenditures to ensure that the budgeted net costs are achieved by the end of the fiscal year.

### Debt Financing

Debt is incurred for the purpose of spreading capital project costs over the years in which the improvement will provide benefits. Debt is also incurred to reduce future costs such as refinancing (pension obligation bonds, general obligation bonds, certificates of participation) at lower interest rates. The County will consider, finance, and administer debt consistent with Marin County's Debt Policy.

### Workers Compensation Funding

Marin County initiated a self-insured liability program for workers compensation on July 1, 1993. The Board of Supervisors has adopted a funding policy that program assets be maintained at or above the 70% confidence level, including recognition of anticipated investment income.

### General Fund Balance

General Fund balance that is available at the end of any given fiscal year is estimated during the final stages of the budget development process for the following year. Much of this amount is derived from salary savings and other unencumbered balances that are generated in departmental operating budgets. Fund balance will be used to achieve and maintain the County's reserve goals and to balance the next

year's budget. Reliance upon fund balance for budget balancing will be monitored and will not materially deviate from past actual activity. It is the policy of the Board that the County should strive to reduce its reliance upon the prior year's remaining fund balance to finance the next year's operations.

#### Funding of Contingency Reserves and Designations

For the General Fund, the County maintains a minimum of 5% of its operating budget in contingency or budget uncertainty reserves, consistent with best practices and the guidance of credit rating agencies. Contingency reserves may be used in future years to phase into fiscal distress periods in a planned, gradual manner, or to support costs on a one-time basis for the following purposes:

- Impacts of unanticipated reduction in state and/or federal grants and aid;
- Economic recession or depression and corresponding budget actions before the beginning of any one fiscal year;
- Impacts of a natural disaster;
- Unanticipated or unbudgeted lease expense that is necessary for the delivery of local services; or
- Unforeseen events that require the allocation of funds.

Other reserves may be used to designate one-time funds for anticipated events or requirements, or for significant capital projects to minimize debt service and issuance costs ("pay-as-you-go" capital spending).

#### **AWARDS AND ACKNOWLEDGEMENTS**

##### Awards

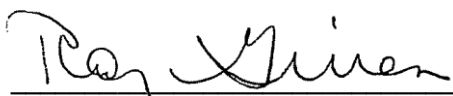
We are pleased that the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Marin for its Comprehensive Annual Financial Report (CAFR) for the prior fiscal year ended June 30, 2013. This was the third year the County issued a CAFR and received this prestigious award for all three years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

##### Acknowledgements

The preparation of this Comprehensive Annual Financial report is made possible by the efficient and dedicated services of the Department of Finance staff. I would like to express my appreciation to my Accounting Division, the various County departments who assisted in the preparation of this report, and also acknowledge the efforts of our independent auditor, Gallina LLP.

Most importantly, I would like to thank the Board of Supervisors, the County Administrator's Office, and the County departments and agencies for their continued efforts in planning and conducting the County's financial operations in a responsible and progressive manner.

Sincerely,



Roy Given, CPA  
Director of Finance





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Marin  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

# COUNTY OF MARIN

## Organizational Chart June 30, 2014

### **ELECTED OFFICIALS**

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Supervisor – First District	Susan L. Adams
Supervisor – Second District	Katie Rice
Supervisor – Third District	Kathrin Sears
Supervisor – Fourth District	Stephen H. Kinsey
Supervisor – Fifth District	Judy Arnold
Assessor-Recorder-County Clerk	Richard N. Benson
District Attorney	Edward S. Berberian
Sheriff-Coroner	Robert T. Doyle
Emergency Services Manager	Christopher Reilly

### **APPOINTED OFFICIALS (by the Board of Supervisors)**

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County Administrator	Matthew H. Hymel
Agricultural Commissioner	Stacy K. Carlsen
Acting Director of Child Support Services	Jill K. Francis
Director of Community Development	Brian Crawford
County Counsel	Steven M. Woodside
Director of Cultural & Visitor's Services	Gabriella Calicchio
Director of Finance	Roy Given, CPA
Farm Advisor/U.C. Cooperative Extension	David Lewis
Fire Chief	Jason Weber
Director of Health & Human Services	Larry Meredith, Ph.D.
Director of County Library Services	Sara Jones
Director of Parks and Open Space	Linda Dahl
Chief Probation Officer	Michael Daly
Public Defender	Jose H. Varela
Director of Public Works	Raul M. Rojas
Registrar of Voters	Lynda Roberts

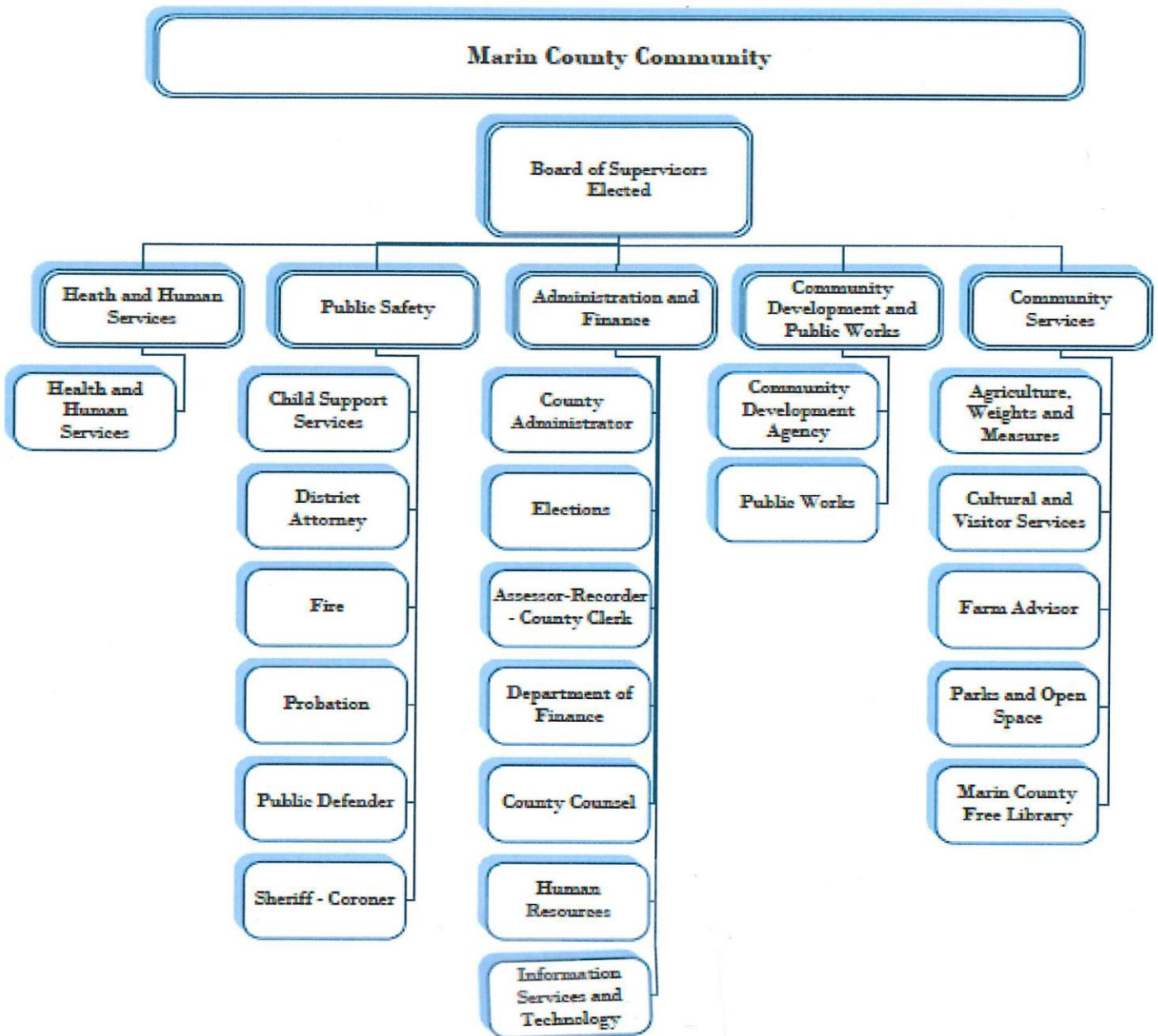
### **APPOINTED OFFICIALS (by the County Administrator)**

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Director of Human Resources	Joanne Peterson
Director of Information Services & Technology	Charlie Haase

# COUNTY OF MARIN

Organizational Chart  
June 30, 2014



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## **FINANCIAL SECTION**

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INDEPENDENT AUDITOR’S REPORT

To the Board of Supervisors
County of Marin
San Rafael, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Marin (County), California, as of and for the year ended June 30, 2014, 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 the financial statements of the Housing Authority of the County of Marin and its aggregate discretely presented component units, and the Marin County Transit District, which represent the following percentages of assets and revenues/additions as of and for the fiscal year ended June 30, 2014:

Table with 3 columns: Opinion Unit, Assets, Revenues/Additions. Rows include Business-Type Activities and Aggregate Discretely Presented Component Units.

Those financial statements were audited by other auditors whose report thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing Authority of the County of Marin, its aggregate discretely presented component units, and the Marin County Transit District is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Board of Supervisors  
County of Marin

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2014, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

### *Other Information*

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Roseville, California  
January 30, 2015

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

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# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

This section presents management's analysis of the County of Marin's (the County) financial condition and activities as of and for the year ended June 30, 2014. Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the County's basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which immediately follow this section.

### I. FINANCIAL HIGHLIGHTS

#### **Government-wide financial analysis**

- At June 30, 2014, the assets and deferred outflows of the County, \$1,960.9 million, exceeded its liabilities by \$1,542.9 million. Of this amount, \$20.0 million in unrestricted net position may be used to meet the County's ongoing obligations to its citizens and creditors; whereas, \$187.5 million is restricted for functional programs with external constraints, debt service, and other restrictions; and \$1,335.4 million is invested in capital assets, net of related debt.
- The County's total net position increased by \$11.7 million, or 0.8%, during the current fiscal year. The increase in net position represents the degree to which revenues exceeded expenses plus special and extraordinary items (if any), and net transfers.
- The County's total expenses were less than total revenues by \$11.7 million. Annual governmental activities resulted in a \$10.4 million excess in revenues over expenses, whereas annual business activities resulted in a \$1.3 million excess in revenues over expenses.
- The program revenues of the primary government's governmental activities were \$273.8 million, which included fees, fines, charges for services, grants and contributions. The general revenues and transfers were \$231.2 million, which included taxes, unrestricted interest and investment earnings, tobacco settlement funds, other miscellaneous revenue and transfers, with overall expenses of \$494.6 million. The resulting \$10.4 million increase in net position was primarily attributable to the County's decrease in program losses of \$23.6 million driven by decrease in expenditures due to continuing County's effort to cut costs, as well as increase in general revenue of \$29.5 million due to improved economy and associated increase in property tax revenue and additional sales tax revenue. Additional sales tax revenue received in the current year amounted to \$14.5 million for Measure A for Parks and Open Space.
- The business-type activities of the County posted net program losses of \$3.0 million before general revenues, primarily due to a \$1.7 million program loss for Housing Authority mainly due to \$0.7 million increase in housing assistance expenses in the Housing Choice Voucher Program and \$1.2 million current year depreciation, and \$0.8 million program loss for Marin County Transit District due to \$2.2 million increase in program expenses, mainly services and supplies expenses, partially offset by \$1.0 million increase in program revenues.

#### **Capital assets and debt administration**

- The County's capital assets, net of accumulated depreciation, increased by \$23.2 million, from \$1,446.3 million to \$1,469.5 million. The increase was largely due to a \$29.8 net increase in construction in progress (CIP) projects, related mostly to the renovation of the County's new Emergency Operations Facility.
- The County's total outstanding balance on long-term debt (e.g. bonds, loans, certificates of participation, and capital leases) decreased by \$4.1 million, from \$243.8 million to \$239.7 million. The decrease was primarily due to current year scheduled debt service payments of \$5.8 million, offset by \$0.6M new loans for Housing Authority to acquire below market rate units in danger of foreclosure, \$0.3M for County for Energy Conservation Loan, and \$0.8 adjustment for accretion for Tobacco Settlement Bonds.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### **Governmental funds financial analysis**

- At June 30, 2014, the County's governmental funds reported combined fund balances of \$346.5 million, which is a decrease of \$11.6 million compared to the prior fiscal year. Of this amount, approximately \$342.6 million or 98.9%, is either non-spendable or for specific uses; and \$3.9 million, or 1.1% is unassigned and available to meet the County's current and future uses.
- The fund balance in the County's primary operating fund, the General Fund, at year-end was \$139.9 million, which is an increase of \$14.6 million compared to the prior fiscal year. Of this amount, approximately \$136.0 million or 97%, is either non-spendable or for specific uses; and \$3.9 million, or 3%, which approximates 1% of the General Fund's total expenditures for the year, is available for appropriations.

## **II. OVERVIEW OF THE FINANCIAL STATEMENTS**

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

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

In addition to these basic financial statements, this report also includes the Required Supplementary Information on pages 71 – 75.

### **Government-wide Financial Statements**

The Government-wide financial statements provide readers with a broad overview of County finances, in a manner similar to a private-sector business, using the full accrual basis of accounting as required by Governmental Accounting Standard Board (GASB) Statement No. 34.

The *Statement of Net Position* presents information on all of the County's assets and liabilities, with the difference between the two reported as 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 of how the County's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes, and earned but unused vacation leave).

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable (known as component units). Some of these entities, although legally separate, function for all practical purposes as departments of the County and therefore have been included as an integral part of the primary government.

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions 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 and cultural services. The business-type activities of the County include the Housing Authority, Marin County Transit District, Gness Airport, Marin County Fair, Marin.Org, Marin Commons Property Management, and Marin Center Promotions.

Pages 21 – 23 of this report display the government-wide financial statements.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate 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** 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 is useful in evaluating the County's near-term financing requirements.

Because the governmental funds' focus is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balance for the General Fund, which is considered to be a major fund. Data from the remaining nonmajor governmental funds are combined into a single, aggregate presentation.

A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with the budget and is located in the Required Supplementary Information section of the report.

Pages 25 – 28 of this report display the governmental funds financial statements.

**Proprietary funds** – The County maintains two different types of proprietary funds: enterprise funds and an internal service fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Housing Authority, Marin County Transit District, Gness Airport, Marin County Fair, Marin.Org, Marin Commons Property Management, and Marin Center Promotions. The internal service fund is an accounting device used to accumulate and allocate costs internally among the County's various functions. The County's internal service fund accounts for internal insurance activities (workers' compensation). Since these services predominantly benefit governmental rather than business-type functions, they are consolidated within the 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 Housing Authority and Marin Transit District, which are considered to be major funds. Data for the nonmajor proprietary funds are combined into a single, aggregate presentation. The County has one internal service fund, presented in a separate column in the governmental activities of the proprietary funds.

Pages 29 – 32 of this report display the proprietary funds financial statements.

**Fiduciary funds** account for resources held for the 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. Fiduciary fund accounting is similar to proprietary fund accounting. Fiduciary funds report the external portions of the Treasurer's investment pool and agency funds.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

Pages 33 – 34 of this report display the fiduciary fund's financial statements.

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

Pages 35 – 70 of this report display the notes to the financial statements.

**Required Supplementary Information** presents certain actuarial information concerning the County's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Budgetary comparison schedules for the major governmental funds are also included as supplementary information to demonstrate compliance with expenditure limits set by the governing board.

Pages 71 – 75 of this report display the Required Supplementary Information.

Combining and individual fund statements and schedules referred to earlier provide information for nonmajor governmental funds, enterprise funds, internal service fund and fiduciary funds and are presented immediately following the required supplementary information.

Pages 77 – 155 of this report display the combining and individual fund statements and schedules.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities by \$1,542.9 million as of June 30, 2014. Further details are provided in the table below.

#### Condensed Statement of Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2013		2013		2013		Dollar	Percent
	2014	Restated	2014	Restated	2014	Restated	Change	Change
<b>Assets:</b>								
Current assets and deferred outflows	\$ 463,894	\$ 480,068	\$ 27,515	\$ 28,002	\$ 491,409	\$ 508,070	\$ (16,661)	-3.3%
Capital assets, net	1,429,621	1,408,334	39,901	37,932	1,469,522	1,446,266	\$ 23,256	1.6%
Total assets and deferred outflows	1,893,515	1,888,402	67,416	65,934	1,960,931	1,954,336	6,595	0.3%
<b>Liabilities:</b>								
Current and other liabilities	54,807	54,644	7,695	7,412	62,502	62,056	446	0.7%
Noncurrent liabilities	349,053	354,481	6,491	6,615	355,544	361,096	(5,552)	-1.5%
Total liabilities	403,860	409,125	14,186	14,027	418,046	423,152	(5,106)	-1.2%
<b>Net position:</b>								
Net investment in capital assets	1,302,696	1,273,345	32,714	32,935	1,335,410	1,306,280	29,130	2.2%
Restricted	180,677	186,873	6,794	7,221	187,471	194,094	(6,623)	-3.4%
Unrestricted	6,282	19,059	13,722	11,751	20,004	30,810	(10,806)	-35.1%
Total net position	\$ 1,489,655	\$ 1,479,277	\$ 53,230	\$ 51,907	\$ 1,542,885	\$ 1,531,184	\$ 11,701	0.8%

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### Governmental Activities

**Total assets and deferred outflows** for governmental activities increased by \$5.1 million, or 0.3%, from the prior fiscal year. The overall increase was attributable to the following:

- Cash and investments in County pool increased by \$5.4 million, from \$306.9 million in the prior year as compared to \$312.3 million in the current year due to increased revenues and decreased expenses as described in the analysis of net position for governmental activities herein.
- Accounts receivables increased by \$3.5 million, from \$7.7 million in the prior year as compared to \$11.3 million in the current year. The increase is mostly attributable to improved economy and associated increase in property tax revenue and sales tax revenue received in the current year for Measure A for Parks and Open Space.
- Due from other Agencies increased by \$8.3 million, from \$24.1 million in the prior year as compared to \$32.5 million in the current year due to timing of receipt of \$3.1 million for Sir Francis Drake Rehabilitation project from Transportation Authority of Marin, and \$5.5 million mostly for health care services from the State.
- Net Pension Assets decreased by \$4.7 million due to current year amortization
- Restricted cash held with trustee decreased by \$28.4 million, from \$44.0 million in the prior year as compared to \$15.6 million in the current year. The decrease was primarily attributable to the current year draw-down of funds from the 2010 Certificates of Participation loan proceeds for the purpose of construction costs related to the County's Emergency Operations Facility. This is offset by corresponding increase in capital assets of \$21.3 million.

**Total liabilities** from governmental activities decreased by \$5.3 million, or 1.3%, from the prior fiscal year. The overall decrease was primarily attributable to scheduled debt service of long-term obligations, mainly \$2.3 million debt service on Pension Obligation Bonds and \$2.4 million debt service on Certificates of Participation.

### Business-type Activities

**Total assets** from the business-type activities increased by \$1.5 million, or 2.2%, from the prior fiscal year. The overall increase was attributable to the Housing Authority's acquisition of energy equipment amounting to \$2.2 million for offset by current year depreciation of \$1.1 million.

**Total liabilities** from the business-type activities increased by \$0.2 million, or 1.1%, from the prior fiscal year, primarily due to the Housing Authority's \$0.2 million increase in payables to other agencies.

### Analysis of Net Position

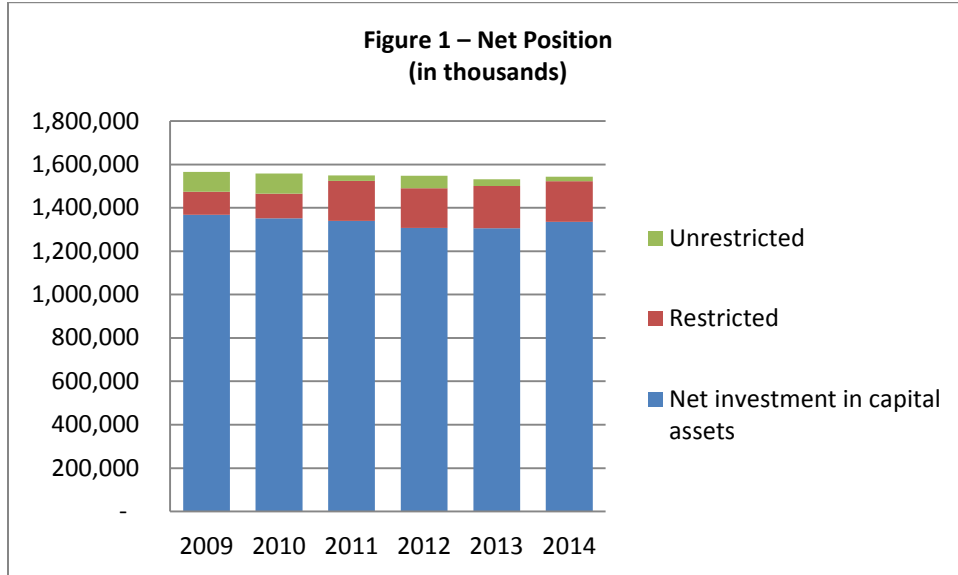
The County's overall net position increased by \$11.7 million, or 0.8%, during the current fiscal year, compared to a \$38.8 million decrease in the prior fiscal year. The County's total net position from governmental and business-type activities can be divided into three portions: net investment in capital assets, restricted net position, and unrestricted net position.

- **Net investment in capital assets** – The County's net investment in capital assets (e.g. land, buildings, roads, bridges, flood control channels and debris basins, machinery, and equipment), is the largest portion of the County's net position, which is \$1,335.4 million, or 86.6%, of the County's total net position of \$1,542.9 million. 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 to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate corresponding liabilities.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

- **Restricted Net Position** – Approximately \$187.5 million, or 12.2%, of the County's net position, represents resources that are subject to external restrictions on how they may be used. Restricted net position funds are restricted for special purposes, enabling legislation, and other outside sources.
- **Unrestricted Net Position** – Approximately \$20.0 million, or 1.3%, of the County's net position, represents funds which may be used to meet the County's ongoing obligations to citizens and creditors.



# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

The following table presents the revenues, expenses, and changes in net position for governmental and business-type activities for the current and prior fiscal years:

### Change in Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2014	2013	2014	2013	2014	2013	Dollar Change	% Change
<b>Revenues:</b>								
Program revenues:								
Fees, fines, and charges for services	\$ 86,470	\$ 81,414	\$ 13,038	\$ 12,753	\$ 99,508	\$ 94,167	\$ 5,341	5.7%
Operating grants and contributions	185,430	176,335	53,957	50,580	239,387	226,915	12,472	5.5%
Capital grants and contributions	1,882	5,790	2,010	4,358	3,892	10,148	(6,256)	-61.6%
Program revenues subtotal:	<u>273,782</u>	<u>263,539</u>	<u>69,005</u>	<u>67,691</u>	<u>342,787</u>	<u>331,230</u>	<u>11,557</u>	<u>3.5%</u>
General revenues:								
Property taxes	198,608	179,526	3,448	3,230	202,056	182,756	19,300	10.6%
Sales and use taxes	18,484	3,881	-	-	18,484	3,881	14,603	376.3%
Other taxes	6,732	6,380	-	-	6,732	6,380	352	5.5%
Unrestricted interest & investment earnings	3,790	2,989	301	616	4,091	3,605	486	13.5%
Gain on sale of capital assets	-	-	143	-	143	-	143	100.0%
Tobacco settlement	2,223	3,411	-	-	2,223	3,411	(1,188)	-34.8%
Miscellaneous	1,347	5,497	435	2,531	1,782	8,028	(6,246)	-77.8%
General revenues subtotal:	<u>231,184</u>	<u>201,684</u>	<u>4,327</u>	<u>6,377</u>	<u>235,511</u>	<u>208,061</u>	<u>27,450</u>	<u>13.2%</u>
Total revenues	<u>504,966</u>	<u>465,223</u>	<u>73,332</u>	<u>74,068</u>	<u>578,298</u>	<u>539,291</u>	<u>39,007</u>	<u>7.2%</u>
<b>Expenses:</b>								
General government	84,027	121,259	-	-	84,027	121,259	(37,232)	-30.7%
Public protection	156,155	156,065	-	-	156,155	156,065	90	0.1%
Public ways and facilities	44,561	32,538	-	-	44,561	32,538	12,023	37.0%
Health and sanitation	89,232	90,854	-	-	89,232	90,854	(1,622)	-1.8%
Public assistance	68,703	63,600	-	-	68,703	63,600	5,103	8.0%
Education	15,812	15,522	-	-	15,812	15,522	290	1.9%
Recreation and cultural services	25,554	17,140	-	-	25,554	17,140	8,414	49.1%
Interest and fiscal charges	10,513	10,937	-	-	10,513	10,937	(424)	-3.9%
Housing Authority	-	-	39,280	39,920	39,280	39,920	(640)	-1.6%
Marin County Transit District	-	-	27,015	24,781	27,015	24,781	2,234	9.0%
Gross Airport	-	-	665	677	665	677	(12)	-1.8%
Marin County Fair	-	-	1,624	1,517	1,624	1,517	107	7.1%
Marin Org	-	-	1,454	1,358	1,454	1,358	96	7.1%
Marin Commons Property Management	-	-	1,398	1,419	1,398	1,419	(21)	-1.5%
Marin Center Promotions	-	-	603	536	603	536	67	100.0%
Total expenses	<u>494,557</u>	<u>507,915</u>	<u>72,039</u>	<u>70,208</u>	<u>566,596</u>	<u>578,123</u>	<u>(11,527)</u>	<u>-2.0%</u>
Excess (deficiency) before special item and transfers								
	10,409	(42,692)	1,293	3,860	11,702	(38,832)	50,534	-130.1%
Transfers, net	<u>(30)</u>	<u>(50)</u>	<u>30</u>	<u>50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
Change in net position before Special item	10,379	(42,742)	1,323	3,910	11,702	(38,832)	50,534	-130.1%
Special item	-	21	-	-	-	21	(21)	100.0%
Change in net position	<u>10,379</u>	<u>(42,721)</u>	<u>1,323</u>	<u>3,910</u>	<u>11,702</u>	<u>(38,811)</u>	<u>50,513</u>	<u>-130.2%</u>
Net position, beginning	1,457,134	1,499,722	52,030	47,744	1,509,164	1,547,466	(38,302)	-2.5%
Prior period adjustment	22,142	133	(122)	376	22,020	509	21,511	4226.1%
Net position, beginning as restated	<u>1,479,276</u>	<u>1,499,855</u>	<u>51,908</u>	<u>48,120</u>	<u>1,531,184</u>	<u>1,547,975</u>	<u>(16,791)</u>	<u>-1.1%</u>
Net position, ending	<u>\$ 1,489,655</u>	<u>\$ 1,457,134</u>	<u>\$ 53,231</u>	<u>\$ 52,030</u>	<u>\$ 1,542,886</u>	<u>\$ 1,509,164</u>	<u>\$ 33,722</u>	<u>2.2%</u>



# COUNTY OF MARIN

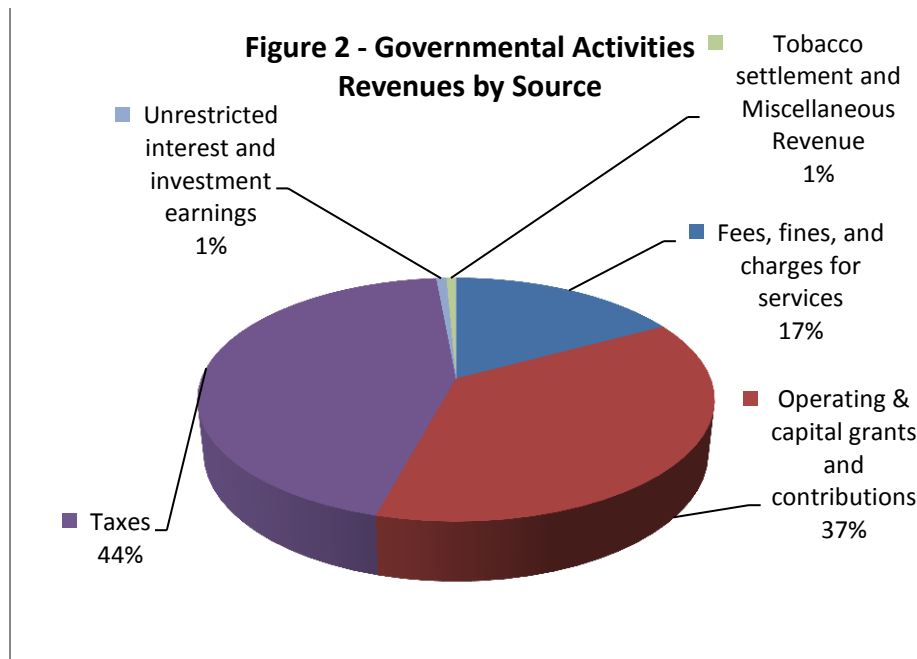
## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### Analysis of Governmental Activities:

Governmental activities increased the County's net position by \$10.4 million, compared to \$42.7 million decrease in the prior year.

Total revenues from governmental activities increased by \$39.7 million, which was mostly attributable to a \$33.7 million increase in property tax revenue due to improved economy, as well as additional sales tax revenue received in the current year for Measure A for Parks and Open Space. The increase was largely attributable to the following items:

- Property taxes increased \$19 million compared to the prior year. The increase is attributable to improved economy and associated increase in assessed property values of approximately 10%, as well as increase in median sales price of approximately 9%.
- Sales and use taxes increased \$14.6 million mostly due to \$14.5 million in sales tax revenue received in the current year pursuant to Measure A passed in Marin County in November 2012. The County receives one-quarter cent retail transactions and use tax to care for Marin's existing parks and open spaces, support regional community parks projects and programs, and further farmland preservation.



Total expenses for governmental activities decreased by \$13.3 million from the prior fiscal year. The overall decrease was primarily due to \$37 million decrease in general government expenses and \$1.6 million decrease in health and sanitation expenses, offset by \$12 million increase in public ways and facilities expenses, \$5.1 million increase in public assistance expenses, and \$8.4 increase in recreation and cultural services expenses.

Decrease in general government expenses was mostly due to the County's \$32.2 million one-time contribution towards the County's unfunded pension liability and \$26.3 million one-time contribution towards Other Post-Employment Benefits (OPEB) liability in the prior year.

Decrease in health and sanitation expense was due to \$2 million intergovernmental transfer (IGT) made to Department of Health Care Services pursuant to section 14164 of the Welfare and Institutions code to help increase State payments to Medi-Cal Managed Care Plans. The county did not enter into IGT agreement in current year.

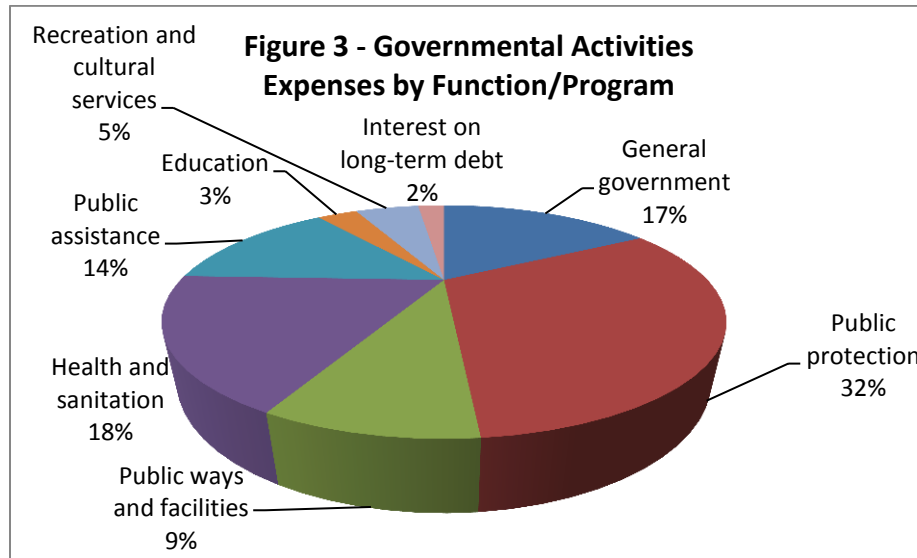
# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

Increase in public ways and facilities expense was driven by \$11 million increase in pavement resurfacing projects and bridge repair projects, and \$1 million increase related to Sir Francis Drake Boulevard rehabilitation project.

Increase in public assistance was attributable to increase in expenses for various programs, including CalWorks Childcare program, public assistance eligibility, AIDS assistance, and employments services programs.

Increase in recreation and a cultural services was mostly due to expenses incurred by Parks and Open Space for Measure A.



### **Analysis of Business-type Activities:**

Business-type activities increased the County's net position by \$1.3 million, compared to a prior year increase in net position of \$3.9 million. Current year revenues decreased by \$0.7 million, while expenses increased by \$1.8 million. The decrease in revenues was primarily attributable to \$2 million decrease in general revenues due to decrease in miscellaneous revenue, offset by \$1.3 increase in program revenues. Increase in program revenues was mainly due to increase in operating grants and contributions of \$3.3 million, offset by \$2.3 million decrease in capital grants and contributions mainly for Housing Authority and Marin Transit District.

Expenses increased mainly due to \$2.2 million increase for Marin Transit District. Increase in expenses for Marin Transit District was due to a \$1.2 million increase in purchased transportation services, \$0.5 million increase in fuel due to a combination of rising fuel costs, and the District directly purchasing more fuel rather than paying for fuel as part of a purchased transportation service contract, and \$0.2 increase in depreciation expense.

### **III. FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS**

The County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

#### **Governmental Funds**

The general government's functions are reported in the general, special revenue, debt service, and capital project funds. Included in these funds are various special districts governed by the Board that are blended into nonmajor governmental funds. 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 current funding requirements. In particular, unassigned fund balance at the end of the fiscal year can serve as a useful measure of the County's net resources available for spending.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

At June 30, 2014, the County's governmental funds reported total assets of \$373.1 million, total liabilities of \$26.6 million, and combined fund balance of \$346.5 million. Current year governmental fund balance of \$346.5 million represents an \$11.6 million decrease from the prior fiscal year fund balance.

**The General Fund** is the primary operating fund of the County. At June 30, 2014, total fund balance increased by \$14.6 million, or 11.6%, to \$139.8 million. Of this amount, \$4.1 million is not in a spendable form, but rather held as deposits, prepaid items, and inventory. The remaining \$135.7 million of fund balance is in a spendable form; however, \$17.7 million of fund balance is restricted, \$77.4 million of fund balance is committed, \$36.8 million of fund balance is assigned, and \$3.9 million of fund balance is unassigned. These fund balance categories may only be appropriated for expenditures that meet the specific level of constraint required by each category of fund balance.

### Revenue:

The following table presents revenue, in thousands, from specific sources as well as changes from the prior year. Further details are provided in Figure 4 and 5 tables.

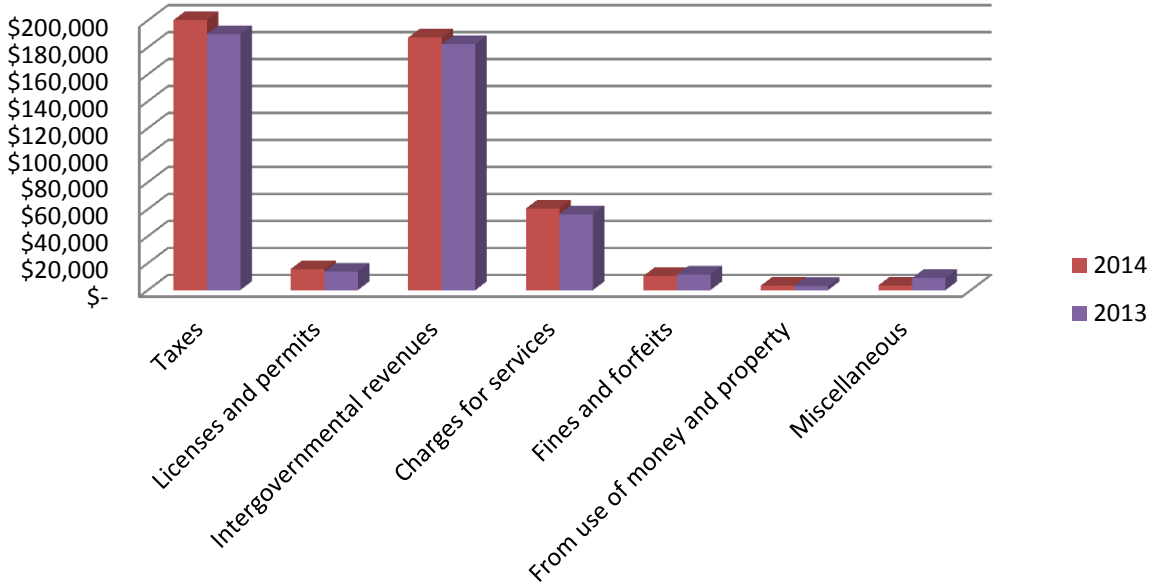
### Revenues Classified by Source Governmental Funds Fund Financial Statements For the Year Ended June 30, 2014 (in thousands)

	FY 2014		FY 2013		Change	
	Amount	% of total	Amount	% of total	Amount	%
Taxes	\$223,824	44.4%	\$ 189,788	40.8%	\$ 34,036	17.9%
Licenses and permits	15,620	3.1%	13,655	2.9%	1,965	14.4%
Intergovernmental revenues	187,312	37.1%	182,124	39.1%	5,188	2.8%
Charges for services	60,471	12.0%	56,322	12.1%	4,149	7.4%
Fines and forfeits	10,437	2.0%	11,505	2.5%	(1,068)	-9.3%
From use of money and property	3,315	0.7%	2,989	0.6%	326	10.9%
Miscellaneous	3,539	0.7%	8,908	1.9%	(5,369)	-60.3%
<b>Total Revenues</b>	<b>\$504,518</b>	<b>100.0%</b>	<b>\$ 465,291</b>	<b>100.0%</b>	<b>\$ 39,227</b>	<b>-16.1%</b>

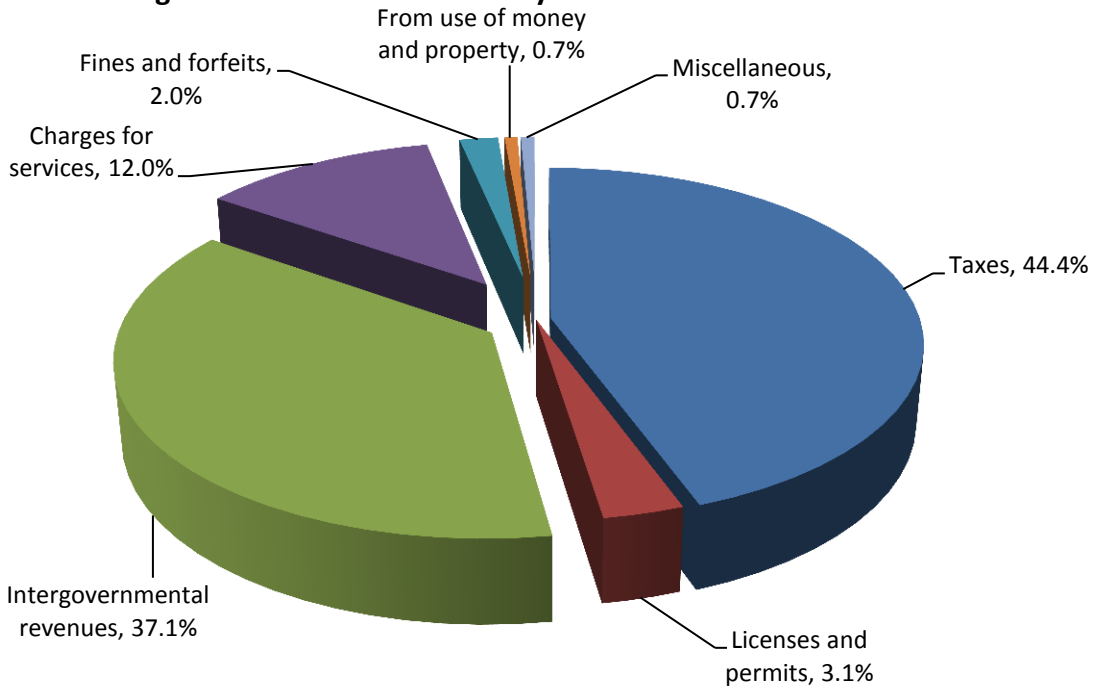
# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

**Figure 4 – Two Year Comparison of Governmental Fund Revenues  
(in thousands)**



**Figure 5 - Revenue Classified by Source - Governmental Funds**



# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

Significant changes in the governmental funds revenue sources are summarized as follows:

- Taxes increased \$34.0 million, or 17.9%, from the prior fiscal year. The increase is attributable to improved economy and associated increase in property tax revenue, as well as additional sales tax revenue received in the current year for Measure A for Parks and Open Space.
- Intergovernmental revenue increased by \$5.2 million, or 2.8%, from the prior fiscal year. The increase was largely attributable to \$1.9M increase in Miscellaneous Capital Project Fund, \$1.5 million increase in Road Fund, and \$2.2 million increase in Employee's Retirement Operations Fund. Increase in Capital Project fund was driven by \$0.7 million increase in revenues received for Measure B for local roads, \$0.8 million for Sir Francis Drake Blvd Rehabilitation Project, and \$0.5 million for San Pedro Road Project. Increase in the Road fund was driven by \$1.5 million increase in Highway User Tax revenues received from the State. Increase in revenue in Employee's Retirement Operations Fund represents reimbursement by Marin County Employees' Retirement Association (MCERA) to cover payroll expenses of county employees working for MCERA.
- Charges for Services increased by \$4.1 million, or 7.4%, from the prior fiscal year. The increase was due to \$2.1 million increase in charges for forestry and fire protection services, \$0.7 million increase in election services related to Uniform District Elections of November 5, 2013, and related charges by the County to cities, towns, schools and special districts, and \$0.5M increase in property tax administration fee revenues pursuant to SB 2557.
- Miscellaneous revenue decreased by \$5.4 million, or 60.3%, from the prior fiscal year. The decrease was primarily due to a \$3.9 million lawsuit settlement the County received from Deloitte Consulting LLP in the prior year.

### Expenditures:

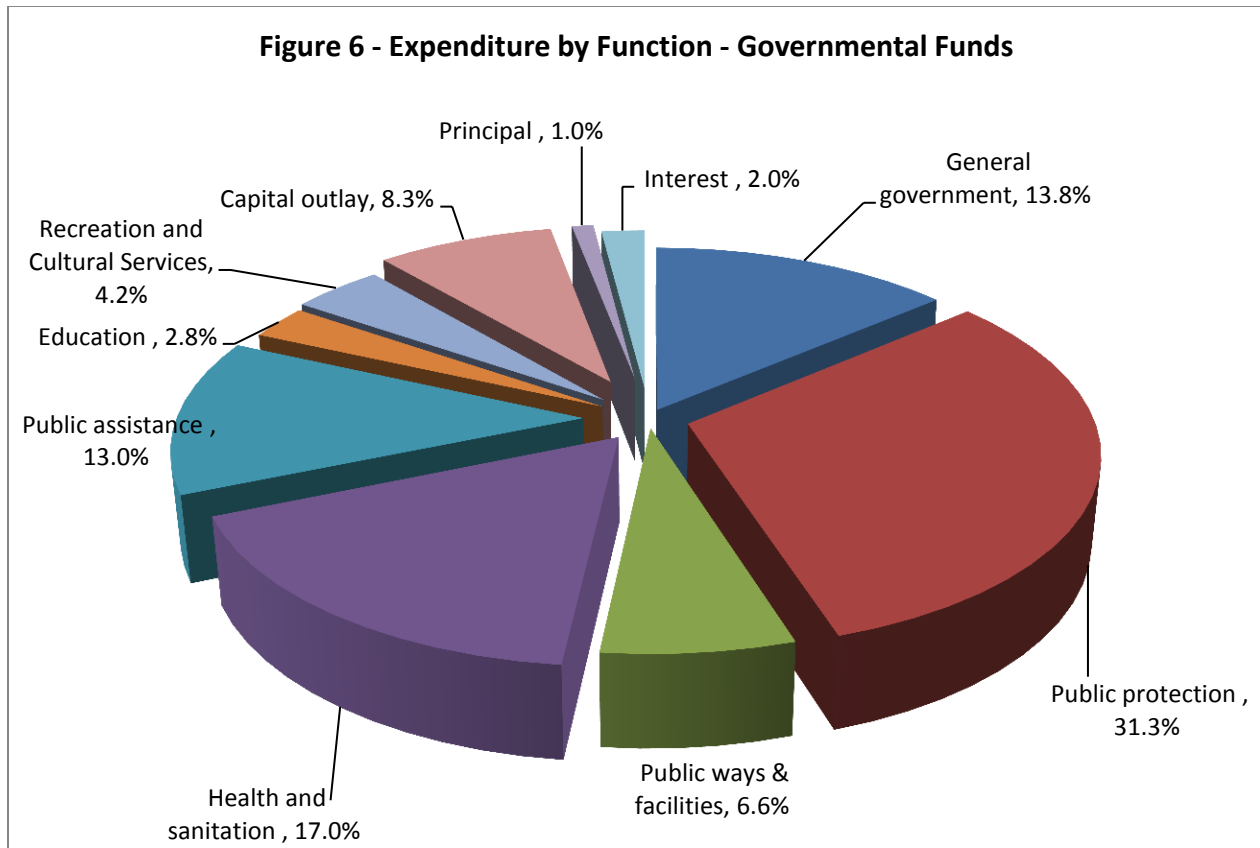
The following table provides a comparison of expenditures by function for governmental funds for the current and prior years. Further details are provided in Figure 6 table.

### Expenditures by Function Including Capital Outlay Governmental Funds Fund Financial Statements For the Year Ended June 30, 2014 (in thousands)

	FY 2014		FY 2013		Change	
	Amount	% of total	Amount	% of total	Amount	% of total
Current:						
General government	\$ 71,713	13.8%	\$ 113,846	22%	\$ (42,133)	-37.0%
Public protection	162,849	31.3%	153,065	30%	9,784	6.4%
Public ways & facilities	34,294	6.6%	22,797	4%	11,497	50.4%
Health and sanitation	88,476	17.0%	90,784	18%	(2,308)	-2.5%
Public assistance	67,607	13.0%	63,497	12%	4,110	6.5%
Education	14,600	2.8%	15,542	3%	(942)	-6.1%
Recreation and cultural services	21,899	4.2%	16,866	3%	5,033	29.8%
Capital outlay	42,901	8.2%	18,257	4%	24,644	135.0%
Debt service:						
Principal	5,215	1.0%	7,797	2%	(2,582)	-33.1%
Interest	10,419	2.0%	10,853	2%	(434)	-4.0%
Debt Issuance Costs	172	0.0%	-	0%	172	0.0%
<b>Total Expenditures</b>	<b>\$ 520,145</b>	<b>100.0%</b>	<b>\$ 513,304</b>	<b>100.0%</b>	<b>\$ 6,841</b>	<b>1.3%</b>

# COUNTY OF MARIN

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)



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

- General government expenditures decreased by \$42.1 million, or 37%, from the prior fiscal year, primarily attributable to the County's \$32.2 million one-time contribution towards the County's unfunded pension liability and \$26.3 million one-time contribution towards Other Post-Employment Benefits (OPEB) liability in the prior year.
- Public protection expenditures increased by \$9.8 million, or 6.4%, from the prior fiscal year, primarily due to higher worker's compensation insurance, increase in various public protections projects, such as the Phoenix Lake Integrated Regional Water Management Retrofit, Safe Pathway to Schools, East Shore Wastewater, and various storm damage projects, and increase in County fire salaries and overtime due to an increase in California state fire reimbursements.
- Public ways and facilities expenditures increased by \$11.5 million, or 50.4%, from the prior fiscal year, attributable to pavement resurfacing, bridge repair projects, and the Sir Francis Drake Boulevard rehabilitation project.
- Recreation and cultural services expenditures increased by \$5 million or 29.8% from the prior fiscal year, primarily attributable to expenses incurred by Parks and Open Space for Measure A.
- Capital outlay expenditures increased by \$24.6 million, or 135%, from the prior fiscal year. This increase was primarily due to construction and management services required to renovate 1600 Los Gamos Drive building in San Rafael, which serves as the County's new Emergency Operations Facility.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### Proprietary Funds

The County's proprietary funds provide the same type of information that can be found in the government-wide financial statements, but in more detail.

#### **Housing Authority of the County of Marin**

- At December 31, 2013, the Authority's total net position was \$26.5 million. Of this amount, net investment in capital assets was \$17 million, or 64% of total fund balance, restricted net position was \$6.8 million, or 25.6% of total fund balance, and unrestricted net position was \$2.7 million, or 10.3% of total fund balance. As a measure of the Authority's liquidity, it may be useful to compare unrestricted net position to total operating expenses. Unrestricted net position of \$2.7 million was 7% of total operating expenses of \$40.7 million, as compared to 6.6% in the prior fiscal year.
- Total net position of the Authority decreased by \$1.6 million mainly due to \$1.2 million annual depreciation of capital assets and the \$0.7 million increase in Housing Assistance Payments (HAP) expenses. The increase in HAP expenses were funded with prior years' restricted net assets.
- The largest portion of the Authority's ending net position, \$17 million, or 64%, represents its investment in capital assets, net of related debt (e.g. land, buildings and improvements, furniture, and equipment, less the corresponding debt issued to acquire those assets). These assets are not available for future spending. At the end of the fiscal year, the Housing Authority reported positive balances in all categories of net position.

#### **Marin County Transit District**

- At June 30, 2014, Marin Transit District's total net position was \$16.4 million. Of this amount, net investment in capital assets was \$7.2 million, or 44% of total fund balance, and unrestricted net position was \$9.2 million, or 56% of total net position. As a measure of the District's liquidity, it may be useful to compare unrestricted net position to total operating expenses. Unrestricted net position of \$9.2 million was 34% of total operating expenses of \$26.9 million.
- Total net position of Marin Transit District increased by \$3.0 million, as a result of a \$3.0 million increase intergovernmental revenues due to increased Measure A operating funds, increased Federal operating grants, and increased state Transportation Development Act funds.
- Marin Transit District's net investment in capital assets of \$7.2 million represents its investment in capital assets, net of related debt (e.g. land, buildings and improvements, furniture, and equipment, less the corresponding debt issued to acquire those assets). These assets are not available for future spending. At the end of the fiscal year, Marin Transit reported positive balances in all categories of net position.

### **IV. Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2014 amounted to \$1,469.5 million (net of accumulated depreciation), which is an increase of \$23.2 million, or 1.6%. This investment is in a broad range of capital assets including land, easements, construction in progress (CIP), structures and improvements, equipment, and infrastructure. The table on the following page provides a comparison of the County's capital assets for the governmental and business-type activities for the current and prior fiscal years. Figures are presented net of accumulated depreciation.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### Capital Assets (Net of Depreciation) (in thousands)

	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	
	2014	2013 Restated	2014	2013	2014	2013 Restated	Amount	% Change
Land	\$ 1,242,630	\$ 1,242,514	\$ 6,274	\$ 6,299	\$ 1,248,904	\$ 1,248,813	\$ 91	0.0%
Easements	8,999	8,999	-	-	8,999	8,999	-	0.0%
Construction in progress	47,005	14,487	4,182	6,934	51,187	21,421	29,766	139.0%
Structures & improvements	95,361	103,523	19,086	17,074	114,447	120,597	(6,150)	-5.1%
Equipment	8,660	9,578	8,473	5,645	17,133	15,223	1,910	12.5%
Infrastructure	26,966	29,232	-	-	26,966	29,232	(2,266)	-7.8%
Other property	-	-	1,886	1,980	1,886	1,980	(94)	-4.7%
<b>Total</b>	<b>\$ 1,429,621</b>	<b>\$ 1,408,333</b>	<b>\$ 39,901</b>	<b>\$ 37,932</b>	<b>\$ 1,469,522</b>	<b>\$ 1,446,265</b>	<b>\$ 23,257</b>	<b>1.6%</b>

The most notable capital asset transactions during the current fiscal year include the following:

- Construction in progress increased by \$29.8 million, or 139%, from the prior fiscal year. The increase was the result of the construction and management services required to renovate 1600 Los Gamos Drive building in San Rafael, which serves as the County's new Emergency Operations Facility.
- Structures and improvements decreased by \$6.1 million, or 5.1%, from the prior fiscal year. The decrease was primarily due to current year depreciation expense of \$9.5 million, offset by \$3.1 million of transfers from construction in progress due to completion of the project by Housing Authority.
- Equipment increased by \$1.9 million, or 12.5% from the prior fiscal year. The increase was primarily attributable to additions of \$6.1 million, offset by current year depreciation expense of \$4.7 million.
- Infrastructure decreased by \$2.3 million, or 7.8%, from the prior fiscal year. The decrease was primarily due to current year depreciation expense of \$10.2 million, offset by \$8 million of transfers from completed construction in progress projects
- Additional capital assets information, including depreciation and remaining construction in progress as of June 30, 2014, can be found in Note 6 to the financial statements on pages 52 – 53.

## V. Debt Administration

### Outstanding Debt (in thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2014	2013	2014	2013	2014	2013	Dollar Change	Percent Change
Bonds payable	\$ 160,798	\$ 162,423	\$ -	\$ -	\$ 160,798	\$ 162,423	\$ (1,625)	-1.0%
Loans payable	2,780	2,766	4,535	4,212	7,315	6,978	337	4.8%
Certificates of participation	68,731	71,097	-	-	68,731	71,097	(2,366)	-3.3%
Capital leases	700	1,103	2,147	2,172	2,847	3,275	(428)	-13.1%
<b>Total</b>	<b>\$ 233,009</b>	<b>\$ 237,389</b>	<b>\$ 6,682</b>	<b>\$ 6,384</b>	<b>\$ 239,691</b>	<b>\$ 243,773</b>	<b>\$ (4,082)</b>	<b>-1.7%</b>



# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

At June 30, 2014, the County's governmental and business-type activities carried an outstanding long-term debt balance in the amount of \$239.7 million as compared to \$243.8 million in the prior fiscal year. The overall decrease of \$4.1 million, or 1.7%, was primarily due to current year scheduled debt service payments of \$5.8 million, offset by \$0.6M new loans for Housing Authority to acquire below market rate units in danger of foreclosure, \$0.3M for County for Energy Conservation Loan, and \$0.8 adjustment for accretion for Tobacco Settlement Bonds.

Additional information on the County's long-term debt can be found in Note 8 to the financial statements on pages 55 – 59.

### VI. GENERAL FUND BUDGETARY HIGHLIGHTS

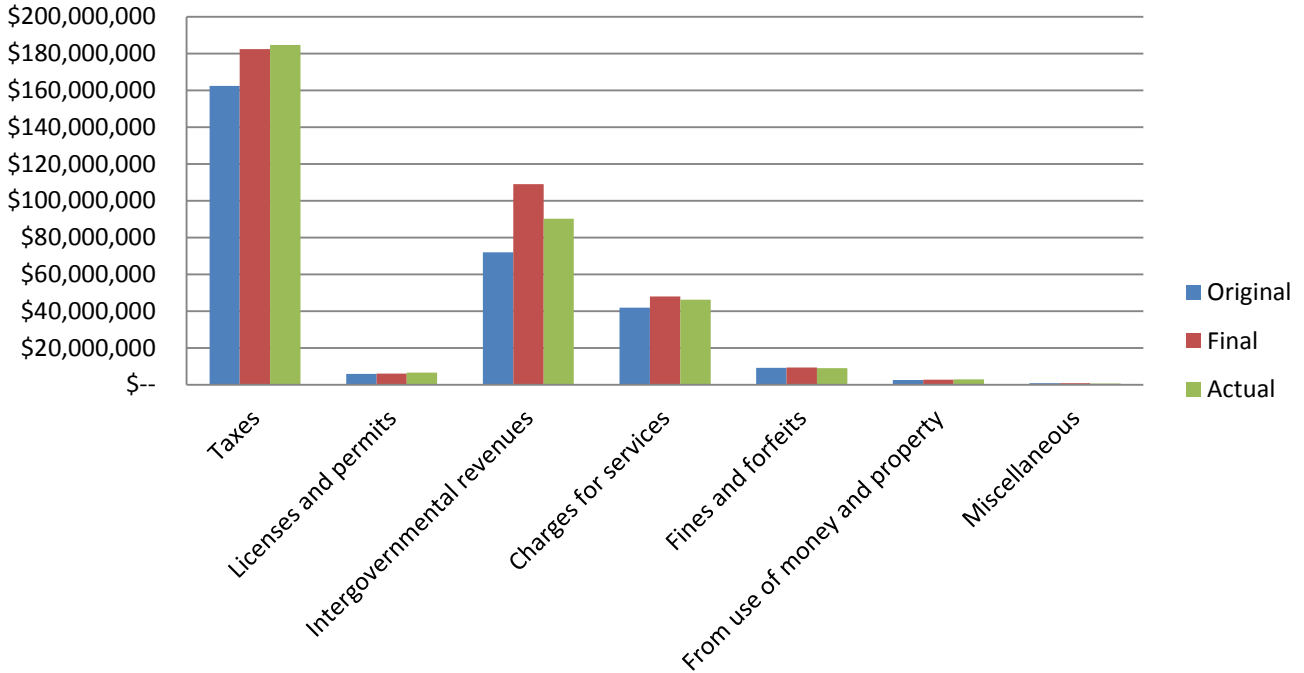
During the current fiscal year, there was \$25.6 million, or 7% increase in appropriations between the original budget and the final amended budget. The major components of the increase were as follows:

- Appropriations for general government function decreased by \$4.8 million. This decrease is the result of the overall decrease in non-department expenditures to support various County's projects.
- Appropriations for public protection function increased by \$16.6 million. This increase is mainly due to the following two major groups of activities: public works projects and public safety programs. Approximately \$8.9 million of this increase was due to the Phoenix Lake Integrated Regional Water Management Retrofit Project, Safe Pathway to Schools program, Proposition 84 ASBS, East Shore Wastewater Phase 2 project, various storm damage projects, the Countywide Watershed Stewardship Plan and the roof replacement project for the County's Emergency Operations Facility. Additionally, there was a \$3.0 million increase in County fire salaries and overtime due to an increase in California state fire reimbursements, and a \$1.0 million increase in the District Attorney Office expenditures.
- Appropriations for public ways and facilities function increased by \$7.6 million. This increase is mainly due to a \$1.3 million increase for the Cal Park Tunnel project, \$2.3 million increase in several multi-use pathways projects, \$0.8 million increase for bike lanes, signs, and facilities projects, and other public work projects. This increase is mainly supported by a one-time \$1 million surplus revenues from educational revenue augmentation fund (ERAF) received in fiscal year 2014 and use of prior year fund balance.
- Appropriations for public assistance function increased by \$4.3 million. This increase is mainly due to \$4.6 million increase in public assistance eligibility, AIDS assistance payments and employments services programs, as a result of the increase in revenues from the Vehicle License Fees, the Public Safety Realignment and the Medi-Cal programs, the later resulting from the Affordable Healthcare Act. This increase is partially offset by a \$0.3 million decrease \$0.3 as a result of cost recoveries in the planning programs.

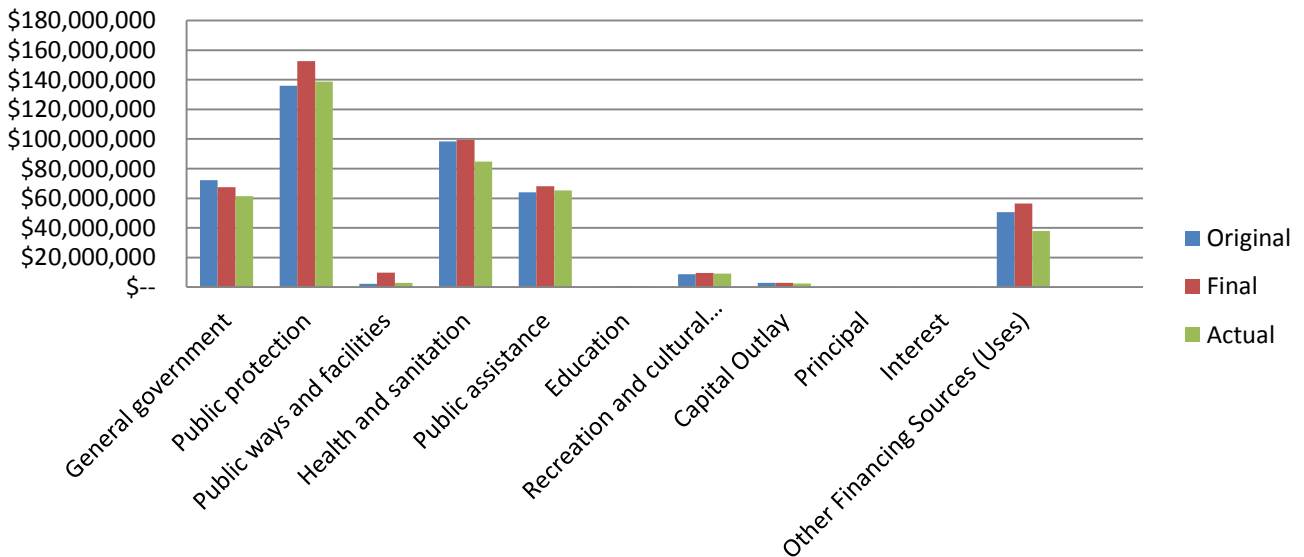
# COUNTY OF MARIN

Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2014  
 (Unaudited)

**Figure 7 - General Fund Revenue Comparison  
 (in thousands)**



**Figure 8 – General Fund Expenditure Comparison  
 (in thousands)**



# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014 (Unaudited)

### ECONOMIC FACTORS AND THE OUTLOOK FOR FY 2014-16 BUDGET

In the context of an improving local economy, the County's budget for FY 2014-16 was prepared in consideration of the following economic factors:

- The County's unemployment rate for June 2014 was 4%, a 1.1% decrease from 5.1% a year ago as a result of the continuing economic recovery.
- The median sales price for a single family residence in Marin County increased by 9% from June 2013 to June 2014. Increases in property values generate higher property tax revenues and reduce the number of property reassessment appeal filings.
- Consistent with the Board's adopted budget policies, the budget reflects payments necessary to fund the County's Other Post-Employment Benefit (OPEB) unfunded liability.
- The State of California adopted the 2014-2015 budget on time. The State's budget includes a continuing source of funds from the Governor-sponsored Proposition 30 tax initiative. The improving condition of State finances has eliminated a significant uncertainty under which past County budgets were adopted.

### VII. REQUEST FOR INFORMATION

This financial report is designed to demonstrate accountability by the Marin County government by providing both long-term and near-term views of the County's finances. Questions or comments regarding any of the information presented in this report or requests for additional financial information should be addressed to:

Director of Finance  
County of Marin  
3501 Civic Center Dr., Room 225  
San Rafael, CA 94903

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

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**COUNTY OF MARIN**

Statement of Net Position  
June 30, 2014

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
<b>ASSETS</b>				
Cash and investments	\$ 312,268,604	\$ 12,677,144	\$ 324,945,748	873,607
Restricted cash	--	3,304,812	3,304,812	--
Other outside investments	--	894,431	894,431	--
Receivables:				
Accounts and other - net	11,255,802	187,729	11,443,531	3,769
Due from other agencies	32,539,120	4,107,417	36,646,537	--
Other loans	26,104,748	5,624,528	31,729,276	--
Inventories	817,457	--	817,457	--
Prepaid items and other assets	2,287,366	1,021,505	3,308,871	20,551
Restricted cash held with trustee	15,569,897	--	15,569,897	34,075
Net pension asset	61,102,690	--	61,102,690	--
Internal balances	922,000	(922,000)	--	--
Property held for resale	--	619,375	619,375	--
Capital assets:				
Nondepreciable	1,298,634,272	10,455,643	1,309,089,915	714,752
Depreciable, net	130,986,455	29,445,194	160,431,649	386,716
<b>Total Assets</b>	<b>1,892,488,411</b>	<b>67,415,778</b>	<b>1,959,904,189</b>	<b>2,033,470</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred fiscal charges - bonds payable, deferral on refunding	1,026,018	--	1,026,018	--
<b>Total Deferred Outflows of Resources</b>	<b>1,026,018</b>	<b>--</b>	<b>1,026,018</b>	<b>--</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	11,832,378	1,882,455	13,714,833	152,959
Salaries and benefits payable	8,400,579	202,701	8,603,280	--
Accrued interest payable	3,724,458	15,299	3,739,757	--
Unearned revenues	3,790,105	345,080	4,135,185	2,384
Other liabilities	2,331,714	998,874	3,330,588	--
Security deposits and escrows payable	--	606,278	606,278	--
Housing loan liability	--	1,732,857	1,732,857	--
Estimated claims				
Due within one year	7,218,000	--	7,218,000	--
Due beyond one year	21,860,000	--	21,860,000	--
Compensated absences:				
Due within one year	10,922,854	76,334	10,999,188	--
Due beyond one year	3,041,776	113,162	3,154,938	65,779
Long-term liabilities:				
Due within one year	6,586,621	740,623	7,327,244	830,611
Due beyond one year	226,422,993	5,941,312	232,364,305	129,281
Deferred interest on long-term debt	--	1,094,421	1,094,421	--
Liability for post-employment benefits	97,728,133	436,168	98,164,301	5,838
<b>Total Liabilities</b>	<b>403,859,611</b>	<b>14,185,564</b>	<b>418,045,175</b>	<b>1,186,852</b>
<b>NET POSITION</b>				
Net investment in capital assets	1,302,696,113	32,713,894	1,335,410,007	205,078
Restricted for:				
General government	23,581,903	--	23,581,903	--
Public protection	43,876,206	--	43,876,206	--
Public ways and facilities	10,583,126	--	10,583,126	--
Health and sanitation	19,139,775	--	19,139,775	--
Public assistance	34,193,553	--	34,193,553	--
Education	4,438,292	--	4,438,292	--
Recreation and cultural services	16,067,587	--	16,067,587	--
Community service area projects	16,426,416	--	16,426,416	--
Debt service	3,872,654	--	3,872,654	--
Capital projects	6,718,691	--	6,718,691	--
Housing	--	6,793,821	6,793,821	--
Other purposes	1,778,784	--	1,778,784	--
Unrestricted	6,281,718	13,722,499	20,004,217	641,540
<b>Total net position</b>	<b>\$ 1,489,654,818</b>	<b>\$ 53,230,214</b>	<b>\$ 1,542,885,032</b>	<b>\$ 846,618</b>

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

**COUNTY OF MARIN**

Statement of Activities  
For the Fiscal Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities:</b>				
General government	\$ 84,027,170	\$ 15,154,492	\$ 16,781,649	\$ --
Public protection	156,154,574	50,836,345	36,495,455	970,306
Public ways and facilities	44,560,810	2,654,410	13,328,212	682,527
Health and sanitation	89,232,186	6,340,033	53,321,143	--
Public assistance	68,703,203	2,573,993	64,840,676	228,996
Education	15,811,986	5,354,335	143,017	--
Recreation and cultural services	25,554,382	3,556,544	519,807	--
Debt Service:				
Interest and fiscal charges	10,512,668	--	--	--
<b>Total governmental activities</b>	<b>494,556,979</b>	<b>86,470,152</b>	<b>185,429,959</b>	<b>1,881,829</b>
<b>Business-Type Activities:</b>				
Housing Authority	39,280,670	2,231,254	35,262,549	47,558
Marin County Transit District	27,015,173	5,657,919	18,559,479	1,962,595
Gnoss Airport	664,892	650,034	58,614	--
Marin County Fair	1,623,950	1,458,004	76,362	--
Marin.Org	1,454,281	1,569,818	--	--
Marin Commons Property Management	1,397,652	909,736	--	--
Marin Center Promotions	602,724	561,307	--	--
<b>Total business-type activities</b>	<b>72,039,342</b>	<b>13,038,072</b>	<b>53,957,004</b>	<b>2,010,153</b>
<b>Total primary government</b>	<b>\$ 566,596,321</b>	<b>\$ 99,508,224</b>	<b>\$ 239,386,963</b>	<b>\$ 3,891,982</b>
<b>Component Units</b>				
Marin County Housing Development Financing Corporation	\$ 128,944	\$ 215,961	\$ --	\$ --
Marin Housing Development Corporation	306,304	449,671	--	--
	<b>\$ 435,248</b>	<b>\$ 665,632</b>	<b>\$ --</b>	<b>\$ --</b>

**General Revenues:**

Taxes:  
 Property taxes  
 Sales and use taxes  
 Other  
 Unrestricted interest and investment earnings  
 Tobacco settlement  
 Gain on sale of capital assets  
 Miscellaneous  
 Transfers  
**Total general revenues and transfers**

**Change in net position**

**Net position, beginning of year - restated**

**Net position, end of year**

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

Net (Expenses) Revenues and  
Changes in Net Position

Governmental Activities	Business- Type Activities	Total Primary Government	Component Unit
\$ (52,091,029)	\$ --	\$ (52,091,029)	\$ --
(67,852,468)	--	(67,852,468)	--
(27,895,661)	--	(27,895,661)	--
(29,571,010)	--	(29,571,010)	--
(1,059,538)	--	(1,059,538)	--
(10,314,634)	--	(10,314,634)	--
(21,478,031)	--	(21,478,031)	--
<u>(10,512,668)</u>	<u>--</u>	<u>(10,512,668)</u>	<u>--</u>
<u>(220,775,039)</u>	<u>--</u>	<u>(220,775,039)</u>	<u>--</u>
--	(1,739,309)	(1,739,309)	--
--	(835,180)	(835,180)	--
--	43,756	43,756	--
--	(89,584)	(89,584)	--
--	115,537	115,537	--
--	(487,916)	(487,916)	--
--	<u>(41,417)</u>	<u>(41,417)</u>	<u>--</u>
<u>--</u>	<u>(3,034,113)</u>	<u>(3,034,113)</u>	<u>--</u>
<u>(220,775,039)</u>	<u>(3,034,113)</u>	<u>(223,809,152)</u>	<u>--</u>
\$ --	\$ --	\$ --	\$ 87,017
--	--	--	143,367
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 230,384</u>
198,608,631	3,447,835	202,056,466	--
18,483,800	--	18,483,800	--
6,731,789	--	6,731,789	--
3,789,580	300,903	4,090,483	1,218
2,223,124	--	2,223,124	--
--	143,249	143,249	--
1,347,052	434,643	1,781,695	--
<u>(30,337)</u>	<u>30,337</u>	<u>--</u>	<u>--</u>
<u>231,153,639</u>	<u>4,356,967</u>	<u>235,510,606</u>	<u>1,218</u>
10,378,600	1,322,854	11,701,454	231,602
<u>1,479,276,218</u>	<u>51,907,360</u>	<u>1,531,183,578</u>	<u>615,016</u>
<u>\$ 1,489,654,818</u>	<u>\$ 53,230,214</u>	<u>\$ 1,542,885,032</u>	<u>\$ 846,618</u>

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



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**BASIC FINANCIAL STATEMENTS –  
FUND FINANCIAL STATEMENTS**

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**COUNTY OF MARIN**

Balance Sheet  
Governmental Funds  
June 30, 2014

	General Fund	Other Governmental Funds	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and investments in County pool	\$ 120,301,418	\$ 167,765,892	\$ 288,067,310
Cash with fiscal agent	--	15,569,897	15,569,897
Accounts receivable	8,102,437	3,153,365	11,255,802
Notes receivable - short term	--	275,000	275,000
Notes receivable - long term	1,139,525	19,862,792	21,002,317
Prepaid items	2,287,366	--	2,287,366
Due from other funds	1,323,506	--	1,323,506
Due from other governmental agencies	24,393,660	8,106,460	32,500,120
Advances to other funds	--	45,400	45,400
Inventory of supplies	711,106	106,351	817,457
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 158,259,018</u>	<u>\$ 214,885,157</u>	<u>\$ 373,144,175</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 5,905,197	\$ 5,817,990	\$ 11,723,187
Accrued salaries and benefits	7,477,531	918,154	8,395,685
Due to other funds	--	362,506	362,506
Advances payable	--	45,400	45,400
Unearned revenue	2,856,153	933,952	3,790,105
Other liabilities	2,180,233	151,481	2,331,714
Total liabilities	<u>18,419,114</u>	<u>8,229,483</u>	<u>26,648,597</u>
<b>FUND BALANCES</b>			
Nonspendable	4,137,997	106,351	4,244,348
Restricted	17,650,224	163,026,763	180,676,987
Committed	77,384,472	525,092	77,909,564
Assigned	36,770,748	42,997,468	79,768,216
Unassigned	3,896,463	--	3,896,463
Total fund balances	<u>139,839,904</u>	<u>206,655,674</u>	<u>346,495,578</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 158,259,018</u>	<u>\$ 214,885,157</u>	<u>\$ 373,144,175</u>

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

**COUNTY OF MARIN**

Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Statement of Net Position - Governmental Activities  
June 30, 2014

Fund Balance - total governmental funds (page 25) \$ 346,495,578

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

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

These assets consist of:

Land	\$ 37,504,730	
Land improvements	1,205,125,438	
Easements	8,999,188	
Construction in progress	47,004,916	
Structures and improvements, net of accumulated depreciation	95,360,747	
Equipment, net of accumulated depreciation	8,660,104	
Infrastructure, net of accumulated depreciation	<u>26,965,604</u>	
Total capital assets		1,429,620,727

Long-term assets used in Governmental Activities, such as the net pension asset and deferred fiscal charges, are not current financial resources and, therefore, are not reported in the Governmental Funds. 62,128,708

Interest on loans receivable is not due in the current period and is not accrued in the governmental funds. Interest is due upon maturity of the notes. Please refer to Note 3 for details. 4,449,118

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

Balances as of June 30 are:

Certificates of participation, bonds and loans payable	(232,309,883)	
Capital leases	(699,731)	
Accrued interest on long-term debt	(3,724,458)	
Compensated absences	(13,964,630)	
Other post employment benefits payable	(97,728,133)	
Claims and judgments	<u>(5,016,000)</u>	
Total long-term liabilities		<u>(353,442,835)</u>

Internal Service Funds assets and liabilities are included in the governmental activities in the Statement of Net Position 403,522

Net position of governmental activities (page 21) \$ 1,489,654,818

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

**COUNTY OF MARIN**

Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2014

	General Fund	Other Governmental Funds	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>			
Taxes	\$ 184,688,938	\$ 39,135,282	\$ 223,824,220
Licenses and permits	6,633,595	8,986,166	15,619,761
Intergovernmental revenues	90,234,890	97,076,899	187,311,789
Charges for services	46,270,795	14,200,352	60,471,147
Fines and forfeits	9,087,740	1,349,274	10,437,014
From use of money and property	2,946,146	368,560	3,314,706
Miscellaneous	660,252	2,879,225	3,539,477
Total revenues	<u>340,522,356</u>	<u>163,995,758</u>	<u>504,518,114</u>
<b>Expenditures:</b>			
Current:			
General government	61,415,053	10,297,810	71,712,863
Public protection	138,828,660	24,020,175	162,848,835
Public ways and facilities	2,909,232	31,385,197	34,294,429
Health and sanitation	84,744,052	3,731,535	88,475,587
Public assistance	65,370,806	2,236,608	67,607,414
Education	633,645	13,966,009	14,599,654
Recreation and cultural services	9,114,900	12,783,909	21,898,809
Capital outlay	2,466,891	40,434,144	42,901,035
Debt Service:			
Principal	166,110	5,048,516	5,214,626
Interest	53,032	10,366,310	10,419,342
Debt issuance costs	--	172,042	172,042
Total expenditures	<u>365,702,381</u>	<u>154,442,255</u>	<u>520,144,636</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,180,025)</u>	<u>9,553,503</u>	<u>(15,626,522)</u>
Other Financing Sources (Uses):			
Refunding debt issued	--	6,413,324	6,413,324
Payment to refunded bond escrow agent	--	(6,003,398)	(6,003,398)
Transfers in	65,883,592	34,312,683	100,196,275
Transfers out	<u>(26,139,576)</u>	<u>(70,435,027)</u>	<u>(96,574,603)</u>
Total other financing sources (uses), net	<u>39,744,016</u>	<u>(35,712,418)</u>	<u>4,031,598</u>
Net change in fund balances	14,563,991	(26,158,915)	(11,594,924)
Fund balances, beginning - restated	<u>125,275,913</u>	<u>232,814,589</u>	<u>358,090,502</u>
Fund balances, end	<u>\$ 139,839,904</u>	<u>\$ 206,655,674</u>	<u>\$ 346,495,578</u>

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

**COUNTY OF MARIN**

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Government-Wide Statement of Activities - Governmental Activities  
For the Fiscal Year Ended June 30, 2014

Net change to fund balance - total governmental funds (page 27)		\$ (11,594,924)
Amounts reported for governmental activities in the statement of activities are different because:		
Interest accrued on loans receivable not recorded in the governmental funds.		474,874
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		
Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	43,452,496	
Less: current year depreciation	<u>(22,165,354)</u>	21,287,142
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position.		
Amortization of bond discount/premium	94,484	
Amortization of loss on refunding	(146,574)	
Refunding bond debt issued	(303,324)	
Accretion of loan payable	(779,647)	
Loans payable issued	(250,000)	
Repayment on loan payable	235,611	
Repayment of bonds and certificates of participation	<u>4,979,020</u>	
Net adjustment		3,829,570
Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability.		
Repayment on capital leases		403,287
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	(73,715)	
Amortization of net pension asset	(4,700,210)	
Other post employment benefits liability	202,309	
Change in claims liability	22,000	
Accrued interest on long-term debt	<u>65,364</u>	
Net adjustment		(4,484,252)
Internal service funds are used by the County to charge the cost of worker's compensation insurance to individual funds. The net revenue (expense) of internal service fund is reported with governmental activities.		
		<u>462,903</u>
Change in net position of governmental activities (pages 22-23)		<u>\$ 10,378,600</u>

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

**COUNTY OF MARIN**

Statement of Net Position  
Proprietary Funds  
June 30, 2014/December 31, 2013

	Business-type Activities				Governmental
	Housing	Marin	Nonmajor	Total	Activities
	Authority	Transit	Enterprise		Workers'
12/31/2013	6/30/2014	6/30/2014		Internal Service	
					6/30/2014
<b>ASSETS</b>					
Current Assets:					
Cash and investments in County pool	\$ --	\$ 6,577,637	\$ 1,596,046	\$ 8,173,683	\$ 24,201,294
Cash with fiscal agent	--	--	894,431	894,431	--
Other cash	4,503,461	--	--	4,503,461	--
Receivables:					
Accounts	78,379	--	--	78,379	--
Other	--	--	109,350	109,350	378,313
Prepaid items and other assets	173,482	48,126	799,897	1,021,505	--
Short-term notes receivable	2,318	--	--	2,318	--
Due from other governments	447,370	3,660,047	--	4,107,417	--
Assets held for resale	619,375	--	--	619,375	--
<b>Total current assets</b>	<b>5,824,385</b>	<b>10,285,810</b>	<b>3,399,724</b>	<b>19,509,919</b>	<b>24,579,607</b>
Noncurrent Assets:					
Restricted cash	3,304,812	--	--	3,304,812	--
Long-term notes receivable	5,622,210	--	--	5,622,210	--
Capital assets:					
Nondepreciable	3,731,249	1,024,112	5,700,282	10,455,643	--
Depreciable, net	20,432,864	6,177,140	2,835,190	29,445,194	--
<b>Total noncurrent assets</b>	<b>33,091,135</b>	<b>7,201,252</b>	<b>8,535,472</b>	<b>48,827,859</b>	<b>--</b>
<b>Total assets</b>	<b>38,915,520</b>	<b>17,487,062</b>	<b>11,935,196</b>	<b>68,337,778</b>	<b>24,579,607</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Vouchers and accounts payable	592,547	885,423	404,485	1,882,455	109,191
Interest payable	8,087	--	7,212	15,299	--
Accrued salaries and benefits	97,057	93,228	12,416	202,701	4,894
Other liabilities	755,210	--	243,664	998,874	--
Due to other funds	--	--	922,000	922,000	--
Unearned revenues	259,452	46,202	39,426	345,080	--
Compensated absences	36,265	24,382	15,687	76,334	--
Mortgages payable	626,012	--	--	626,012	--
Capital leases	114,611	--	--	114,611	--
Estimated claims	--	--	--	--	5,967,000
<b>Total current liabilities</b>	<b>2,489,241</b>	<b>1,049,235</b>	<b>1,644,890</b>	<b>5,183,366</b>	<b>6,081,085</b>
Long-Term Liabilities:					
Security deposits and escrows payable (payable from restricted assets)	606,278	--	--	606,278	--
Compensated absences	108,794	--	4,368	113,162	--
Loan liability	1,732,857	--	--	1,732,857	--
Mortgages payable	3,909,288	--	--	3,909,288	--
Capital leases	2,032,024	--	--	2,032,024	--
Deferred interest due on long-term debt	1,094,421	--	--	1,094,421	--
Other post-employment benefits	436,168	--	--	436,168	--
Estimated claims	--	--	--	--	18,095,000
<b>Total noncurrent liabilities</b>	<b>9,919,830</b>	<b>--</b>	<b>4,368</b>	<b>9,924,198</b>	<b>18,095,000</b>
<b>Total liabilities</b>	<b>12,409,071</b>	<b>1,049,235</b>	<b>1,649,258</b>	<b>15,107,564</b>	<b>24,176,085</b>
<b>NET POSITION</b>					
Net investment in capital assets	16,977,170	7,201,252	8,535,472	32,713,894	--
Restricted for housing	6,793,821	--	--	6,793,821	--
Unrestricted	2,735,458	9,236,575	1,750,466	13,722,499	403,522
<b>Total net position</b>	<b>\$ 26,506,449</b>	<b>\$ 16,437,827</b>	<b>\$ 10,285,938</b>	<b>\$ 53,230,214</b>	<b>\$ 403,522</b>

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



**COUNTY OF MARIN**

Statement of Revenues, Expenses and  
Changes in Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2014/December 31, 2013

	Business-Type Activities			Total	Governmental
	Housing	Marin	Nonmajor		Activities
	Authority	Transit	Enterprise		Workers'
12/31/2013	District	Funds		Internal Service	
	6/30/2014	6/30/2014		6/30/2014	
<b>Operating Revenues:</b>					
Charges for services	\$ 1,521,421	\$ 5,657,919	\$ 5,148,899	\$ 12,328,239	\$ 9,182,478
Other revenue	2,281,671	--	90,127	2,371,798	30,699
<b>Total operating revenues</b>	<b>3,803,092</b>	<b>5,657,919</b>	<b>5,239,026</b>	<b>14,700,037</b>	<b>9,213,177</b>
<b>Operating Expenses:</b>					
Salaries and employee benefits	--	1,423,660	740,515	2,164,175	1,207,389
Services and supplies	--	23,213,898	4,746,908	27,960,806	3,372
Housing assistance	39,555,045	--	--	39,555,045	--
Claims expense	--	--	--	--	3,887,504
Depreciation	1,171,626	937,139	256,076	2,364,841	--
Other operating	--	1,355,476	--	1,355,476	--
<b>Total operating expenses</b>	<b>40,726,671</b>	<b>26,930,173</b>	<b>5,743,499</b>	<b>73,400,343</b>	<b>5,098,265</b>
<b>Operating Income (Loss)</b>	<b>(36,923,579)</b>	<b>(21,272,254)</b>	<b>(504,473)</b>	<b>(58,700,306)</b>	<b>4,114,912</b>
<b>Non-Operating Revenues (Expenses):</b>					
Property tax revenue	--	3,447,835	--	3,447,835	--
Intergovernmental revenue	35,262,549	18,559,479	134,976	53,957,004	--
Advertising revenue	--	344,516	--	344,516	--
Investment income - unrestricted	88,554	5,399	290,610	384,563	--
Interest expense	(209,497)	--	--	(209,497)	--
Sale of capital assets	113,078	30,171	--	143,249	--
Other non-operating expense	--	(85,000)	--	(85,000)	--
<b>Total non-operating revenues</b>	<b>35,254,684</b>	<b>22,302,400</b>	<b>425,586</b>	<b>57,982,670</b>	<b>--</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>(1,668,895)</b>	<b>1,030,146</b>	<b>(78,887)</b>	<b>(717,636)</b>	<b>4,114,912</b>
Capital contributions	47,558	1,962,595	--	2,010,153	--
Transfers in	--	--	50,000	50,000	--
Transfers out	--	(9,820)	(9,843)	(19,663)	(3,652,009)
<b>Change in net position</b>	<b>(1,621,337)</b>	<b>2,982,921</b>	<b>(38,730)</b>	<b>1,322,854</b>	<b>462,903</b>
Net position, beginning - restated	28,127,786	13,454,906	10,324,668	51,907,360	(59,381)
<b>Net position, end</b>	<b>\$ 26,506,449</b>	<b>\$ 16,437,827</b>	<b>\$ 10,285,938</b>	<b>\$ 53,230,214</b>	<b>\$ 403,522</b>

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

**COUNTY OF MARIN**

Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2014/December 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental
	Housing Authority 12/31/2013	Marin Transit District 6/30/2014	Nonmajor Enterprise Funds 6/30/2014	Total	Workers' Compensation Internal Service 6/30/2014
<b>Cash Flows from Operating Activities</b>					
Cash receipts from customers	\$ 2,565,861	\$ 3,719,719	\$ 4,477,442	\$ 10,763,022	\$ --
Cash receipts from internal fund services provided	--	1,906,714	--	1,906,714	8,957,491
Cash paid to suppliers for goods and services	(33,966,508)	(25,292,746)	(4,998,056)	(64,257,310)	(3,847,200)
Cash paid to employees for salaries and benefits	(4,520,880)	(915,680)	(737,434)	(6,173,994)	(1,208,659)
Net cash provided (used) by operating activities	<u>(35,921,527)</u>	<u>(20,581,993)</u>	<u>(1,258,048)</u>	<u>(57,761,568)</u>	<u>3,901,632</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Property tax revenues	--	3,447,835	--	3,447,835	--
Operating grants received	35,599,675	--	--	35,599,675	--
Intergovernmental revenues	--	20,197,699	134,976	20,332,675	--
Repayment of notes receivable	239,100	--	--	239,100	--
Other restricted receipts	7,500	--	--	7,500	--
Interfund loans	--	--	922,000	922,000	--
Notes receivable issued	(758,821)	--	--	(758,821)	--
Interest received on notes receivable	74,788	--	--	74,788	--
Related party transactions	132,105	--	--	132,105	--
Debt issued to acquire assets held for sale	350,000	--	--	350,000	--
Principal paid on debt used to acquire assets held	(165,000)	--	--	(165,000)	--
Funds returned to the granting agency	(19,607)	--	--	(19,607)	--
Interest paid on debt used to acquire assets held	(5,362)	--	--	(5,362)	--
Internal activities - payment to other funds	--	--	50,000	50,000	--
Transfers out	--	(9,820)	(9,843)	(19,663)	(3,652,009)
Transfers in	--	--	50,000	50,000	--
Net cash provided (used) by noncapital financing activities	<u>35,454,378</u>	<u>23,635,714</u>	<u>1,147,133</u>	<u>60,237,225</u>	<u>(3,652,009)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Principal repayments on long-term debt	(154,299)	--	--	(154,299)	--
Capital contributions	47,558	4,403,023	--	4,450,581	--
Interest repayments related to capital purposes	(47,558)	--	--	(47,558)	--
Proceeds from sale of capital assets	198,926	30,171	--	229,097	--
Payments related to the acquisition of capital assets	(2,227,879)	(2,024,684)	(147,063)	(4,399,626)	--
Net cash provided (used) by capital and related financing activities	<u>(2,183,252)</u>	<u>2,408,510</u>	<u>(147,063)</u>	<u>78,195</u>	<u>--</u>
<b>Cash Flows from Investing Activity</b>					
Interest and investments earnings received	9,034	5,399	290,610	305,043	--
Net increase (decrease) in cash and cash equivalents	(2,641,367)	5,467,630	32,632	2,858,895	249,623
Cash and cash equivalents, beginning of year, restated	10,449,640	1,110,007	2,457,845	14,017,492	23,951,671
Cash and cash equivalents, end of year	<u>\$ 7,808,273</u>	<u>\$ 6,577,637</u>	<u>\$ 2,490,477</u>	<u>\$ 16,876,387</u>	<u>\$ 24,201,294</u>

continued

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

**COUNTY OF MARIN**

Statement of Cash Flows (continued)  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2014/December 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental
	Housing Authority 12/31/2013	Marin	Nonmajor	Total	Activities
		Transit District 6/30/2014	Enterprise Funds 6/30/2014		Workers' Compensation Internal Service 6/30/2014
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ (36,923,579)	\$ (21,272,254)	\$ (504,473)	\$ (58,700,306)	\$ 4,114,912
Depreciation	1,171,626	937,139	256,076	2,364,841	--
Funds returned to government entities	185,975	--	--	185,975	--
Bad debt written off	34,534	--	--	34,534	--
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	38,365	(31,486)	(52,759)	(45,880)	(378,313)
Assets held for sale	(336,001)	--	--	(336,001)	--
Prepaid items and other assets	(29,674)	39,700	(799,897)	(789,871)	122,627
Increase (decrease) in:					
Accounts payable	(47,782)	(303,723)	(251,147)	(602,652)	43,676
Salaries payable	(12,078)	68,031	(1,709)	54,244	(1,270)
Unearned revenue	34,546	--	39,426	73,972	--
Liability for compensated absences	(38,407)	(19,400)	4,790	(53,017)	--
Other liabilities	(119,957)	--	51,645	(68,312)	--
Other post-employment benefits liability	75,915	--	--	75,915	--
Deposits and escrow	44,990	--	--	44,990	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (35,921,527)</b>	<b>\$ (20,581,993)</b>	<b>\$ (1,258,048)</b>	<b>\$ (57,761,568)</b>	<b>\$ 3,901,632</b>

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

**COUNTY OF MARIN**

Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2014

<b>ASSETS</b>	<u>Investment Trust Funds</u>	<u>Agency Funds</u>	<u>Private Purpose Trust Funds</u>
Current Assets:			
Cash and investments	\$ 387,093,781	\$ 38,067,670	\$ 1,766,628
Cash with fiscal agent	--	1,080,040	64,775
Taxes receivable	--	19,252,261	--
Accounts receivables	--	644,776	47,250
Prepaid items	--	1,008,665	--
Note receivables	--	--	110,000
Capital assets:			
Nondepreciable	--	--	30,014
Total current assets	<u>387,093,781</u>	<u>60,053,412</u>	<u>2,018,667</u>
<b>LIABILITIES:</b>			
Accounts payable	--	--	182,935
Accrued interest payable	--	--	174,604
Due to other funds	--	39,000	--
Other liabilities	--	--	564,932
Noncurrent liabilities:			
Due within one year	--	--	480,000
Due in more than one year	--	--	9,040,000
Agency funds held for others	--	60,014,412	--
Total liabilities	<u>--</u>	<u>60,053,412</u>	<u>10,442,471</u>
<b>NET POSITION</b>			
Net position (deficit) held in trust for investment pool participants and others	387,093,781	--	(8,423,804)
Total net position	<u>\$ 387,093,781</u>	<u>\$ --</u>	<u>\$ (8,423,804)</u>

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

**COUNTY OF MARIN**

Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2014

	Investment Trust Funds	Private Purpose Trust Funds
<b>Additions:</b>		
Property tax revenue	\$ --	\$ 1,305,166
Contributions to investment pool	1,023,310,533	--
Interest	621,043	890
Agency receipts	--	21,915
Total additions	1,023,931,576	1,327,971
<b>Deductions:</b>		
Distributions from investment pool	1,091,033,919	--
Administrative and other	--	623,834
Interest expense	--	527,594
Total deductions	1,091,033,919	1,151,428
Change in net position	(67,102,343)	176,543
<b>Net position, beginning</b>	454,196,124	(8,600,347)
<b>Net position, ending</b>	\$ 387,093,781	\$ (8,423,804)

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

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**BASIC FINANCIAL STATEMENTS –  
NOTES TO THE BASIC FINANCIAL STATEMENTS**

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# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Marin (the County) conform to accounting principles generally accepted in the United States of America, as applicable to governmental entities. The following is a summary of significant accounting policies:

#### A. *Description of the Reporting Entity*

The reporting entity refers to the scope of activities, organizations, and functions included in the financial statements. The County is a political subdivision created by the State of California, and as such, can exercise the powers specified by the Constitution and laws of the State of California. The County operates under the general laws of the State and is governed by an elected five member Board of Supervisors (the Board).

The governmental reporting entity consists of the County (primary government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

As required by generally accepted accounting principles, these financial statements present the financial activity of the County and its component units. Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities are in substance part of the government's operations, and as such data from these units are combined with data of the primary government for financial reporting purposes. Discretely presented component units, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the primary government. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its discretely presented component units.

#### B. *Discretely Presented Component Units*

##### *Marin County Housing Development Financing Corporation (MCHDFC):*

The Marin County Housing Development Financing Corporation (MCHDFC) is a California non-profit public benefit corporation established to provide assistance to the Housing Authority of the County of Marin, a public body, corporate and politic in the State of California, by financing or carrying out the acquisition, construction, rehabilitation, remodeling and equipping of rental housing units for persons of low income, together with related facilities and improvements as are necessary or convenient or incidental to their use, on sites located in the County of Marin, to develop and construct low-income housing through use of government financing, subsidies and other available resources to alleviate housing problems affecting low and moderate income families, elderly individuals and handicapped citizens. MCHDFC is a nonprofit corporation as described in section 501(c)(4) of the Internal Revenue Code and is exempt from federal income taxes and California franchise taxes. MCHDFC owns a 15-unit property known as Bradley House, located in Tiburon, California. The Board of MCHDFC is made up of nine directors, four of which are employees of the Housing Authority of the County of Marin.

Since MCHDFC and MHDC are other organizations for which the nature and significance of their relationship with the Housing Authority and the County of Marin (County) are such that exclusion from the financial statements would cause the County's financial statements to be misleading or incomplete, these entities have been included in the County's financial statements as discretely presented component units.



# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### B. *Discretely Presented Component Units* (continued)

##### *Marin Housing Development Corporation:*

The Marin Housing Development Corporation (MHDC) is a California non-profit public benefit corporation, was established to maintain, improve, and increase the supply of affordable housing in the County of Marin, California, by financing or carrying out the acquisition, construction, rehabilitation, remodeling and equipping of housing units for persons of low income. MHDC is a nonprofit corporation as described in section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes and California franchise taxes. MHDC owns a 28-unit apartment complex known as the Sundance Apartments, located in San Rafael, California. The Board of MHDC is comprised of nine directors, four of which are current employees of the Housing Authority of the County of Marin.

#### C. *Blended Component Units*

The following blended component units, although legally separate entities, are considered to be part of the primary government for financial reporting purposes because their boards are comprised of County Board members, and/or they provide services exclusively to the County, and/or there exists a financial benefit or burden relationship:

##### *Golden Gate Tobacco Funding Corporation:*

The Golden Gate Tobacco Funding Corporation (the Funding Corporation) is a non-profit public benefit corporation established in June 2002 for the purpose of providing tobacco securitization financing to the County. The Funding Corporation is governed by a three-person board of directors consisting of two directors who are employees of the County and one independent director who is not. The Funding Corporation's asset-backed bonds are secured by tobacco revenues received per the Master Settlement Agreement.

##### *In Home Supportive Services (IHSS) Public Authority of Marin:*

The IHSS Public Authority of Marin assists IHSS clients in finding qualified in-home caregivers. Though a legally separate entity, the IHSS Public Authority is programmatically integrated into the County service systems for aged, blind, and disabled individuals (including children). Its authority is governed by an eleven-member Governing Board appointed in its majority by the County of Marin Board of Supervisors.

##### *Marin County Fair:*

The Marin County Fair is a component unit with a December 31st year-end. The County's Board of Supervisors serves as the governing Board of Marin County Fair. County management conducts the activities of this component unit in essentially the same manner as it manages its own activities.

##### *Housing Authority of the County of Marin:*

The Housing Authority of the County of Marin (the Authority), pursuant to the state of California's Health and Safety Code, was formed in January 1942 by a resolution of the Marin County Board of Supervisors. Its governance structure is comprised of a seven member Board of Commissioners, five of which are the County's Board of Supervisors, plus two tenant Commissioners. The Authority is responsible for the development and implementation of housing programs and activities within the County of Marin. The Authority has a December 31st year-end and issues a separate financial report that can be obtained by contacting the Housing Authority at 4020 Civic Center Drive, San Rafael, CA 94903.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### C. *Blended Component Units* (continued)

##### *Marin County Law Library:*

The Marin County Law Library serves the general public by providing patrons with access to legal information resources in a variety of media with research assistance. Its governance structure is comprised of the County's Board of Supervisors. County management conducts the activities of this component unit in essentially the same manner as it manages its own activities.

##### *Marin County Open Space District:*

The Marin County Open Space District is responsible for planning, acquiring, and managing the County's approximately 15,000 acres of open space and 160 miles of public trails. Its governance structure is comprised of a seven member Parks & Open Space Commission, five seats of which are the County of Marin Board of Supervisors, plus two members of the general public.

##### *Marin County Transit District:*

The Marin County Transit District (Marin Transit District) is an autonomous district created by the authority of the Marin County Transit District Act of 1964. The District's purpose is to develop, finance, organize, and operate local transit service. Its Board of Directors is comprised of the County's Board of Supervisors plus three City Council members. Transit District revenue is derived principally from property taxes, financial aid provided by other governmental entities, transportation contract revenue, and transit fare revenue. The financial statements of the Marin County Transit District are available at 711 Grand Avenue, Suite 110, San Rafael, CA 94901.

##### *Sewer Maintenance, County Service Areas, Lighting, Permanent Road Districts, Flood Control Zone and Water Conservation, and other Special Districts:*

The County Board of Supervisors is the governing body of the Sewer Maintenance, County Service Areas, Lighting, Permanent Road Districts, Flood Control Zone and Water Conservation, and other Special Districts (special districts). Among its duties, the County Board approves the budgets, special taxes, and fees of these special districts. As an integral part of the County, these special districts are reported as non-major special revenue funds in the County's financial statements.

#### D. *Basis of Presentation*

##### *Government-Wide Financial Statements*

*The Statement of Net Position* and *the Statement of Activities* display information about the primary government and its blended 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 are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a great 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 program or function. Interest expense related to long-term debt is reported as a direct expense. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Interfund charges, which equal or approximate the external exchange value of services provided, are reported as program revenues. Interfund reimbursements, repayments from the funds responsible for particular expenses to the funds that initially paid for them, are treated as an adjustment to expenses.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### D. Basis of Presentation, Continued

Program revenues include 1) fees, fines and 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. When both restricted and unrestricted net position is available, unrestricted resources are used only after the restricted resources are depleted.

#### Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

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.

The County reports the following major governmental fund:

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

The County reports the following major enterprise funds:

- The *Housing Authority of the County of Marin* accounts for the activities of the Authority, a blended component unit of the County. The Housing Authority provides housing assistance to low and moderate income residents of Marin County. The Housing Authority's year end was December 31, 2013.
- The *Marin County Transit District* accounts for activities related to the provision of transit services within the County.

The County reports the following additional fund types:

- The *Internal Service Fund* accounts for the financing of goods and services provided by one department or agency to other departments or agencies of the County or other governmental units on a cost reimbursement basis. Activities relate to the County's workers' compensation self-insurance plan.
- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash in the County Treasurer's investment pool. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass-through funds for tax collections for cities and towns. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### D. *Basis of Presentation, Continued*

- *Agency Funds* are custodial in nature and do not involve measurements of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. These funds account for assets held by the County in an agency capacity for various local government units and individuals.
- *Private Purpose Trust Fund* is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefits other governments. This fund reports the assets, liabilities, and activities of the Successor Agency to the County of Marin Redevelopment Agency.

#### E. *Basis of Accounting*

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

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when cash flow occurs. Non-exchange transactions, in which the County provides (or receives) value without directly receiving (or providing) equal value in exchange, include property and sales taxes, grants, entitlements and donations. Under the accrual basis, revenues from property taxes are recognized in the fiscal year for which taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

*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. Most revenue sources, such as sales taxes, interest, certain state and federal grants and charges for services are accrued when services are provided or when taxes are levied. Property taxes revenue, however, is accrued only if funds are expected to be received within sixty days after the end of the fiscal year. 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 asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and therefore have been recognized as revenues in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue in the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

#### F. *Non-Current Governmental Assets/Liabilities*

GASB Statement No. 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide statement of net position.

#### G. *Cash and Cash Equivalents*

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

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### *H. Investments*

Money market funds are carried at cost, which approximates fair value.

#### *I. Receivables*

Accounts receivable are reported net of allowance for uncollectible amounts. The estimated allowance is calculated based on historical experience and collectability analysis.

#### *J. Inventories*

Inventories are valued at the lower of average cost or market. Inventories in governmental funds are recorded as expenditures when consumed. Unconsumed inventories in governmental funds are equally offset by nonspendable fund balance to indicate that portion of fund balance is not in spendable form. Inventories are expensed as the supplies are consumed.

#### *K. Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. In the fund financial statements, prepaid items are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

#### *L. Property Tax Revenue*

The County is responsible for the assessment, collection, and apportionment of property taxes for all taxing jurisdictions within the County including schools, cities and towns, and special districts. Property taxes, for which the lien date is January 1, are payable in two installments, November 1 and February 1, and become delinquent on December 10 and April 10, respectively. Property taxes receivable are recognized on the July 1<sup>st</sup> levy date.

Beginning in 1994, the County adopted the "Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds" provided for in Revenue and Taxation Code Sections 4701-4717, which is commonly known as the "Teeter Plan." The Teeter Plan has no impact on tax rates or collection procedures. It merely changes the way the collections of delinquent taxes and penalties are distributed among the taxing agencies. Those agencies participating in the Teeter Plan receive 100% of the secured property taxes billed each year without regard to delinquencies. The General Fund covers the delinquent amount to all agencies and, in return, receives the delinquent taxes, penalties and interest when collected. As a result of the Teeter Plan, secured property tax receivables are recorded in the General Fund only, and there is no allowance for uncollectible amounts. Penalties and interest are deposited into the Tax Loss Reserve Fund. Once the Tax Loss Reserve Fund balance exceeds 25% of the secured delinquent roll, the excess can be credited to the General Fund.

#### *M. Long-Term Receivables*

Noncurrent portions of receivables for governmental fund types are reported on their balance sheets, despite their measurement focus.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### *N. Capital Assets*

Capital assets (including infrastructure) are recorded at historical cost (or at estimated historical cost if actual historical cost is not available). Donated capital assets are valued at their estimated fair market value on the date donated. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control systems. The County defines capital assets as assets with an initial, unit cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and the proprietary funds.

The estimated useful lives are as follows:

Infrastructure	20 to 50 years
Structures and improvements	10 to 50 years
Equipment	5 to 25 years

#### *O. Compensated Absences*

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation and compensatory time-off balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The current portion of the liability for compensated absences has been estimated based on historical experience.

#### *P. Interfund Transactions*

Interfund transactions are reflected as loans, services provided or used, 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" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur 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 to the government-wide presentation.

#### *Q. Deferred Outflows and Inflows of Resources*

Pursuant to GASB Statement Number 63 and GASB Statement Number 65, the County recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### R. *Estimates*

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

#### S. *Net Position and Fund Balances*

The government-wide and proprietary funds utilize a net position presentation. Net position is classified as follows:

- *Net investment in capital assets* is the amount representing all capital assets, net of accumulated depreciation and amortization, and reduced by the outstanding balances of debt that are attributable to the acquisition, construction or improvement of those assets, net of unspent financing proceeds.
- *Restricted net position* is the amount representing the net position which usage is subject to limitation and constraint imposed by either external parties (such as creditors, grantors, other governments) or law through constitutional provisions or enabling legislation.
- *Unrestricted net position* is the amount representing portion of net position that is neither restricted nor invested in capital assets (net of related debt).

As prescribed by Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental funds report fund balance in one of five classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The five fund balance classifications are as follows:

- **Nonspendable fund balances** – Consist of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, if any.
- **Restricted fund balances** – Consist of amounts with constraints placed on their use, imposed either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- **Committed fund balances** – Consist of resource balances with constraints imposed by formal action of the Board of Supervisors (the Board) through public meeting minutes that specifically state the revenue source and purpose of the commitment. Commitments may be modified or rescinded as approved by the Board of Supervisors in a public meeting.
- **Assigned fund balances** – Consist of resource balances intended to be used by the County for specific purposes that do not meet the criteria to be classified as restricted or committed. The County Administrator and Director of Finance can assign fund balance to be used for specific purposes during budget preparation. Budgets recommended by departments require the County’s Board approval.
- **Unassigned fund balances** – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed, or assigned.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### S. *Net Position and Fund Balances, Continued*

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

#### T. *Change in Accounting Principle*

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which is intended to clarify the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The County implemented this statement in the current year financial statements. In order to comply with this statement, the County recorded an adjustment for governmental activities to expense deferred issuance costs of \$2,137,320. In addition, deferred fiscal charges for bonds payable of \$1,026,018 were reclassified from assets to deferred outflows of resources.

#### U. *New Pronouncements*

In June 2012, the GASB issued two new standards, GASB Statement No. 67, *Financial Reporting for Pension Plans-an amendment of GASB Statement No. 25* and GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27* to improve the guidance for accounting and reporting on the pensions that governments provide to their employees.

Key changes include:

- Separating how the accounting and financial reporting is determined from how pensions are funded.
- Employers with defined benefit pension plans will recognize a net pension liability, as defined by the standard, in their government-wide, proprietary and fiduciary fund financial statements.
- Incorporating ad hoc cost-of-living adjustments and other ad hoc postemployment benefit changes into projections of benefit payments, if an employer's past practice and future expectations of granting them indicate they are essentially automatic.
- Using a discount rate that applies (a) the expected long-term rate of return on pension plan investments for which plan assets are expected to be available to make projected benefit payments, and (b) the interest rate on a tax-exempt 20-year AA/Aa or higher rated municipal bond index to projected benefit payments for which plan assets are not expected to be available for long-term investment in a qualified trust.
- Adopting a single actuarial cost allocation method – entry age normal – rather than the current choice among six actuarial cost methods.
- Requiring more extensive note disclosures and required supplementary information.

The statements relate to accounting and financial reporting and do not apply to how governments approach the funding of their pension plans. At present, there generally is a close connection between the ways many governments fund pensions and how they account for and report information about them in audited financial reports. The statements would separate how the accounting and financial reporting is determined from how pensions are funded. Application of Statement 67 is effective for financial statements for the County's fiscal year ending June 30, 2014. Application of Statement 68 is effective for the County's fiscal year ending June 30, 2015.



# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### **NOTE 2: CASH AND INVESTMENTS**

The County maintains a cash and investment pool for the purpose of increasing interest earnings through pooled investment activities. Cash and investments for most County activities are included in the County investment pool. Interest earned on the investment pool is allocated quarterly to the participating funds using the average daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as "Cash and investments in County pool." The funds required to be held by outside fiscal agents do not participate in the pool.

The County investment pool includes both voluntary and involuntary participation from external public entities. Certain special districts and entities are required under state statute to maintain their cash surplus in the pool. As of June 30, 2014, the net asset value of involuntary participation in the investment pool was \$428,072,894 or 55.39% of the pool.

The County's investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are structured in order of priority, safety, liquidity, yield, and public trust. The Board has established a Treasury Oversight Committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The Treasury Oversight Committee and the Board of Supervisors review and approve the Investment Policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and to the investment pool participants on a monthly basis. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

The County Pool has been rated since 1994 by Fitch Ratings and has maintained the highest rating of 'AAA' since inception. The pool's 'AAA' rating reflects the high credit quality of portfolio assets, appropriate management oversight, and operational capabilities. In addition, Fitch ratings rate the pool 'V1' for volatility. This rating reflects low market risk and a capacity to return stable principal value to participants, as well as to meet anticipated cash flow needs, even in adverse interest rate environments.

Fair values were obtained from the County's investment custodian statement for all investments having greater than 90 days to maturity.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 2: CASH AND INVESTMENTS, Continued

Cash and investments at June 30, 2014, consist of the following:

Cash and Investments in County Pool:

Cash	\$ 5,848,289
Investments	761,148,959
	766,997,248
Less outstanding warrants and other reconciling items	(23,367,753)
Total Cash and Investments in County Pool	743,629,495

Cash and Investments Outside County Pool:

Other deposits	7,339,770
Deposits of discretely presented component unit	544,131
Investments of blended component unit	3,686,198
Investments of discretely presented component unit	329,476
Investments with fiscal agent	16,714,572
Deposits with fiscal agent	894,571
Fiscal agent deposits of discretely presented component unit	34,075
Specific investments	523,176
Total Cash and Investments Outside County Pool	30,065,969

Total Cash and Investments	\$ 773,695,464
----------------------------	----------------

Total cash and investments at June 30, 2014 were presented on the County's financial statements as follows:

Primary Government	\$ 344,714,888
Component Units	907,682
Investment Trust Fund	387,093,781
Agency Funds	39,147,710
Private Purpose Trust Fund	1,831,403
	\$ 773,695,464

### Investments

The following table 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.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 2: CASH AND INVESTMENTS, Continued

#### Investments (continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	2 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
State of California Obligations	2 Years	None	None
Banker's Acceptances	180 Days	30%	30%
Commercial Paper	270 Days	40%	10%
Negotiable Certificates of Deposit	2 Years	30%	None
Repurchase Agreements	1 Year	None	None
Medium Term Notes	2 Years	30%	None
Money Market Mutual Funds/Mutual Funds	N/A	20%	10%
Time Deposits	2 Years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

At June 30, 2014, the County's investments consist of the following:

	Interest Rates	Maturities	Par Value	Fair Market Value	Book Carrying Value	WAM (Years)
<b>Pooled Investments</b>						
Federal Agencies	0.02% - 1.20%	7/1/14 to 6/24/16	\$ 740,545,000	\$ 740,519,116	\$ 740,373,735	0.74
Money Market	Variable	On Demand	20,004,200	20,004,200	20,004,200	-
California Local Agency Investment Fund (LAIF)	Variable	On Demand	236,247	236,247	236,247	-
Miscellaneous Securities	3.5% - 3.6%	12/19/15 to 12/19/17	534,777	534,777	534,777	2.45
<b>Total pooled investments</b>			<u>\$ 761,320,224</u>	<u>\$ 761,294,340</u>	<u>\$ 761,148,959</u>	0.72
<b>Investments Outside Investment Pool</b>						
<i>Cash held with fiscal agent</i>						
Money market mutual funds	Variable	On Demand	\$ 14,046,618	\$ 14,046,604	\$ 14,046,618	-
Investment contracts	4.77%	6/1/2047	2,667,968	2,667,968	2,667,968	5.25
			<u>\$ 16,714,586</u>	<u>\$ 16,714,572</u>	<u>\$ 16,714,586</u>	5.26
<b>Specific Investments in Treasury - Non Pooled</b>						
California Local Agency Investment Fund (LAIF)			\$ 523,176	\$ 523,176	\$ 523,176	-
			<u>\$ 523,176</u>	<u>\$ 523,176</u>	<u>\$ 523,176</u>	-

At June 30, 2014, the difference between the book and fair value of cash and investments was not material (book value was 99.98% of fair value). Therefore, an adjustment to fair value was not recorded.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 2: CASH AND INVESTMENTS, Continued

#### Interest Rate Risk

Interest rate risk is the risk where changes in interest rates might adversely affect the fair value of an investment. In accordance with County Investment Policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 1.5 years or less. At June 30, 2014, investment pool had a weighted average maturity of 0.72 years, or approximately 259 days.

#### Credit Risk

Credit risk is the risk where an issuer or other counterparty to an investment might not fulfill its obligations. State law and the County's Investment Policy limit the County's investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

#### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to magnitude of the County's investment in a single issuer of securities. At June 30, 2014, in accordance with State law and the County's Investment Policy, the County did have 10% or more of its net investment in any one money market mutual fund.

At June 30, 2014, 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.

Federal Home Loan Mortgage Corporation	\$ 197,312,894	25.92%
Federal National Mortgage Association	\$ 198,569,681	26.08%
Federal Home Loan Bank	\$ 344,636,541	45.27%

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2014.

	Moody's	S & P	% of Portfolio
<b>Investments in Investment Pool</b>			
Federal Agencies Coupon	Aaa	AAA	24.30%
Federal Agencies Discount: Fed Hom Ln Bk*	Unrated	Unrated	35.42%
Federal Agencies Discount: Fed Home Ln Mtg Corp*	Unrated	Unrated	13.44%
Federal Agencies Discount: Fed Natl Mgt Assn*	Unrated	Unrated	24.11%
Miscellaneous Securities	Unrated	Unrated	0.07%
Money Market/Mutual Funds	Aaa	AAAm	2.63%
California Local Agency Investment Fund (LAIF)	Unrated	Unrated	0.03%
			100.00%

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### **NOTE 2: CASH AND INVESTMENTS, Continued**

- \* Federal Home Loan Bank, Freddie Mac and Fannie Mac issue most of their short term debt as discount notes. Although Moody's and S & P rate their short term debt at 'P-1' and 'A-1+' respectively, their discount notes are not currently rated by individual CUSIP.
- \*\* The Federal Agricultural Mortgage Corporation is a government-sponsored enterprise. While not rated, its charter allows for the U.S. Treasury to provide up to \$1.5 billion in loans to support the guarantees the company extends on farm loans.

#### Custodial Credit Risk

For investments and deposits held with safekeeping agents, 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 deposits that are in the possession of an outside party. The California Government Code and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. At year end, the County's investment pool and cash with fiscal agents 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 Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2014, the County's pooled investment position in the State of California Local Agency Investment Fund (LAIF) was \$236,247 which approximates fair value and is the same as value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$64.8 billion. Of that amount, 98.14% was invested in non-derivative financial products and 1.86% in structured notes and asset-backed securities. Fair value is based on information provided by the State for the Local Agency Investment Fund.

#### Restricted cash

Cash held by the Housing Authority in the amount of \$3.3 million is restricted as to use by grantors.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 2: CASH AND INVESTMENTS, 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, 2014:

#### Statement of Net Position

Equity of internal pool participants	\$ 356,512,968
Equity of external pool participants	387,093,781
Total net position	\$ 743,606,749

#### Statement of Changes in Net Position

Net position, beginning of year	\$ 807,364,368
Net change in investments by pool participants	(63,757,619)
Net position, end of year	\$ 743,606,749

### NOTE 3: NOTES RECEIVABLE

Notes receivable consists of following activities:

	Restated Balance July 1, 2013	Notes Issued	Repayments	Balance June 30, 2014	Short Term Balance June 30, 2014
<b>Governmental Activities:</b>					
<b>General Fund:</b>					
Central Note for McInnis Park Golf Center for \$600,000 with accrued interest of \$3,167. Note is due on July 30, 2014.	\$ 603,167	\$ -	\$ (603,167)	\$ -	\$ -
The County executed a long-term loan agreement with Buckelew Programs to fund the construction of a crisis residential facility funded with Mental Health Services Act (MHSA) funds. Note is due in June 2057.	739,525	-	-	739,525	-
The County executed a long-term loan agreement with Buckelew Programs to fund the construction of a crisis residential facility funded with Mental Health Services Act (MHSA) funds. This is an additional loan amount representing contingency funds to cover any unanticipated costs related to the construction project. This loan does not accrue interest and note is due in October 2032.	400,000	-	-	400,000	-
<b>Subtotal General Fund</b>	1,742,692	-	(603,167)	1,742,692	-
<b>Other Governmental Funds:</b>					
The County provided long-term financing to numerous local based non-profit organizations for affordable housing construction and rehabilitation. These notes are due at various time frames through 2066.	20,862,792	275,000	(1,000,000)	20,137,792	275,000
<b>Total Governmental Activities</b>	\$ 22,605,484	\$ 275,000	\$ (1,603,167)	\$ 21,277,317	\$ 275,000
<b>Business-Type Activities:</b>					
<b>Marin Housing Authority</b>					
Marin Housing Authority manages a portfolio for lending programs to assist qualified homeowners and renters with rehabilitation expenses, down payments on home purchases, and rental security deposits.	\$ 4,967,277	\$ 954,751	\$ (297,500)	\$ 5,624,528	\$ 2,318

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 4: UNEARNED REVENUE/UNAVAILABLE REVENUE

Under both the accrual and modified accrual basis of accounting, revenues are recognized only when earned. Thus, the government-wide statement of net position, governmental funds and enterprise funds defer revenue recognition for resources that have been received at year-end but not yet earned. Assets recognized before the earning process is complete are offset by a corresponding liability as unearned revenues. Under the modified accrual basis of accounting, revenues are recognized when earned and susceptible to accrual. Revenues are considered susceptible to accrual if they are measurable and available to finance expenditures of the current period. Thus, governmental funds defer revenue recognition for revenues not considered available to liquidate liabilities for the current period. As of June 30, 2014, the various components of unearned revenue were as follows:

	Unearned
<b>Governmental Activities:</b>	
<b>General Fund:</b>	
Reimbursable grant advances	\$ 2,735,401
Fees for services	120,752
Total General Fund	2,856,153
<b>Other Governmental Funds:</b>	
Reimbursable grant advances	871,524
Fees for services	62,428
Total Governmental Activities	\$ 3,790,105
<b>Business-Type Activities:</b>	
Fees for service	345,080
Total Business-Type Activities	\$ 345,080

### NOTE 5: INTERFUND TRANSACTIONS

Interfund receivables and payables may result from services rendered by one fund to another fund, or from interfund loans. "Due to other funds" balances are generally used to reflect short-term interfund receivables and payables, whereas "Advances to other funds" balances are for long-term. The composition of interfund balances as of June 30, 2014, is as follows:

#### Due to other funds

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Other Nonmajor Governmental Funds	\$ 362,506	Temporary loans to cover short-term operational deficit
	Nonmajor Enterprise Fund	922,000	Temporary loans to cover short-term operational deficit
	Agency Fund	39,000	Temporary loans to cover short-term operational deficit
		\$ 1,323,506	

#### Advances to other funds

Receivable Fund	Payable Fund	Amount	Purpose
Other Nonmajor Governmental Funds	Other Nonmajor Governmental Funds	\$ 45,400	To cover required reserve for i-Bank loan for 1915 East Shore Wastewater

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 5: INTERFUND TRANSACTIONS, Continued

#### Transfers

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

Transfer from	Transfer to	Amount	Purpose
General Fund	Other Nonmajor Governmental Funds	\$ 4,988,204	Roads and bridges
	Other Nonmajor Governmental Funds	6,800,000	Relocation of County offices and new facilities maintenance
	Other Nonmajor Governmental Funds	100,000	Various program cost reimbursements
	Other Nonmajor Governmental Funds	96,266	Stafford Lake bike project
	Other Nonmajor Governmental Funds	3,877,188	Debt service
	Other Nonmajor Governmental Funds	6,812,620	Allocation of pension obligation costs
	Other Nonmajor Governmental Funds	50,000	Main Commons property management operations
	Other Nonmajor Governmental Funds	1,400,011	Various program cost reimbursements
	Other Nonmajor Governmental Funds	1,753,786	Roads maintenance
	Other Nonmajor Governmental Funds	11,500	Stinson Beach project
	Other Nonmajor Governmental Funds	250,000	Housing trust
		<u>26,139,575</u>	
Marin Transit District	Other Nonmajor Governmental Funds	<u>9,820</u>	Reimbursement for operating expenses
Nonmajor Enterprise Fund	Other Nonmajor Governmental Funds	<u>9,843</u>	Reimbursement for operating expenses
Workers' Compensation	Other Nonmajor Governmental Funds	5,513	Allocation of pension obligation costs
	General Fund	3,646,496	Return of funds floating
		<u>3,652,009</u>	
Other Nonmajor	Other Nonmajor Governmental Funds	450,000	Debt service
	Other Nonmajor Governmental Funds	33,922	Allocation of pension obligation costs
	General Fund	49,290,614	Various program funding and cost reimbursements
	Other Nonmajor Governmental Funds	141,699	Stafford Lake bike project
	Other Nonmajor Governmental Funds	803,423	Allocation of pension obligation costs
	Other Nonmajor Governmental Funds	540,000	Debt service
	General Fund	9,439,047	Various program funding and cost reimbursements
	General Fund	1,760,000	CAD project funding
	General Fund	371,000	Measure M - paramedic special services tax money transfer
	General Fund	523,500	Measure N - Fire suppression special tax money transfer
	General Fund	100,900	Proposition 36 SACP transfer
	General Fund	2,035	Allocation of pension obligation costs
	Other Nonmajor Governmental Funds	6,228,887	Various program funding and cost reimbursements
	General Fund	750,000	Roads and road maintenance
		<u>70,435,027</u>	
	Total	<u>\$ 100,246,274</u>	



# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 6: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	Restated Balance July 1, 2013	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2014
<b>Governmental Activities</b>					
Capital assets, not being depreciated					
Land	\$ 37,504,730	\$ --	\$ --	\$ --	\$ 37,504,730
Land improvements	1,205,009,639	115,799	--	--	1,205,125,438
Easements	8,999,188	--	--	--	8,999,188
Construction in progress	14,486,727	39,987,214	--	(7,469,025)	47,004,916
Total capital assets not being depreciated	<u>1,266,000,284</u>	<u>40,103,013</u>	<u>--</u>	<u>(7,469,025)</u>	<u>1,298,634,272</u>
Capital assets, being depreciated					
Structures and improvements	225,164,056	--	--	113,108	225,277,164
Equipment	45,843,782	2,798,020	(2,111,749)	--	46,530,053
Infrastructure	305,312,495	--	--	7,959,084	313,271,579
Total capital assets being depreciated	<u>576,320,333</u>	<u>2,798,020</u>	<u>(2,111,749)</u>	<u>8,072,192</u>	<u>585,078,796</u>
Less accumulated depreciation for					
Structures and improvements	(121,640,561)	(8,275,856)	--	--	(129,916,417)
Equipment	(36,265,593)	(3,664,401)	2,060,045	--	(37,869,949)
Infrastructure	(276,080,878)	(10,225,097)	--	--	(286,305,975)
Total accumulated depreciation	<u>(433,987,032)</u>	<u>(22,165,354)</u>	<u>2,060,045</u>	<u>--</u>	<u>(454,092,341)</u>
Total capital assets being depreciated, net	<u>142,333,301</u>	<u>(19,367,334)</u>	<u>(51,704)</u>	<u>8,072,192</u>	<u>130,986,455</u>
Governmental activities capital assets, net	<u>\$ 1,408,333,585</u>	<u>\$ 20,735,679</u>	<u>\$ (51,704)</u>	<u>\$ 603,167</u>	<u>\$ 1,429,620,727</u>
<b>Business-Type Activities</b>					
Capital assets, not being depreciated					
Land	\$ 6,299,013	\$ --	\$ --	\$ (25,250)	\$ 6,273,763
Construction in progress	6,933,846	1,009,563	--	(3,761,529)	4,181,880
Total capital assets not being depreciated	<u>13,232,859</u>	<u>1,009,563</u>	<u>--</u>	<u>(3,786,779)</u>	<u>10,455,643</u>
Capital assets, being depreciated					
Structures and improvements	43,041,715	32,638	--	3,196,964	46,271,317
Equipment	9,370,653	3,377,212	(346,688)	492,731	12,893,908
Other property	3,426,892	--	--	--	3,426,892
Total capital assets being depreciated	<u>55,839,260</u>	<u>3,409,850</u>	<u>(346,688)</u>	<u>3,689,695</u>	<u>62,592,117</u>
Less accumulated depreciation for					
Structures and improvements	(25,968,067)	(1,228,133)	11,234	--	(27,184,966)
Equipment	(3,725,302)	(1,042,661)	346,688	--	(4,421,275)
Other property	(1,446,635)	(94,047)	--	--	(1,540,682)
Total accumulated depreciation	<u>(31,140,004)</u>	<u>(2,364,841)</u>	<u>357,922</u>	<u>--</u>	<u>(33,146,923)</u>
Total capital assets being depreciated, net	<u>24,699,256</u>	<u>1,045,009</u>	<u>11,234</u>	<u>3,689,695</u>	<u>29,445,194</u>
Business-type activities capital assets, net	<u>\$ 37,932,115</u>	<u>\$ 2,054,572</u>	<u>\$ 11,234</u>	<u>\$ (97,084)</u>	<u>\$ 39,900,837</u>

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 6: CAPITAL ASSETS, Continued

#### Depreciation

Depreciation expense was charged to functions of the primary government as follows:

##### Governmental activities:

General government	\$ 9,804,324
Public protection	1,649,353
Public ways and facilities	9,770,509
Health and sanitation	366,225
Public assistance	2,386
Education	452,243
Recreation and cultural services	120,314
Total Depreciation Expense - Governmental Activities	\$ 22,165,354

##### Business-type activities:

Housing Authority	\$ 1,171,626
Marin County Transit District	937,139
Gross Airport	94,950
Marin County Fair	73,745
Marin Org	86,335
Marin Commons Property Management	1,046
Total Depreciation Expense - Business-Type Activities	\$ 2,364,841

### NOTE 7: RISK MANAGEMENT

#### Workers' Compensation

The County is permissibly self-insured for the first \$1,000,000 of workers' compensation claims per occurrence. The County provides for excess workers' compensation insurance above the \$1,000,000 retention through a policy with Arch Insurance Company (AM Best Rate A XV) with statutory limits (optimum no limit coverage per claim). The latest independent actuarial analysis (September 2013), concludes that given program assets, as of June 30, 2014 the program is funded below 90% confidence level.

The actuarially determined outstanding claims liability, including incurred but not reported claims at marginally acceptable 70% confidence level, at June 30, 2014 is \$23,969,000. The Board has adopted a funding policy that program assets be maintained at or above the 70% confidence level, including recognition of anticipated investment income.

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

#### Worker's Compensation

	2014	2013
Liability Balance, Beginning of Fiscal Year	\$ 24,062,000	\$ 19,816,000
Current year claims and changes in estimates	3,887,504	7,865,081
Claim payments	(3,887,504)	(3,619,081)
Liability Balance, End of Fiscal Year	\$ 24,062,000	\$ 24,062,000

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 7: RISK MANAGEMENT, Continued

#### General Liability

The County maintains a self-insured retention (SIR) of \$1,000,000 per occurrence for its general liability program. Losses, which exceed the SIR, are covered by an excess insurance policy through Starr Indemnity & Liability Company (AM Best Rated AX) first layer, National Casualty Company (AM Best A+ XV) second layer, and Endurance Risk Solutions Assurance Co. (AM Best Rated A XV) third layer, for a combined limit of \$25 Million. The latest independent actuarial analysis (August 2013), concludes that given program assets, as of June 30, 2014 the program is funded above the 90% confidence level.

The actuarially determined outstanding claims liability, including incurred but not reported claims at 80% confidence level, at June 30, 2014 is \$5,016,000.

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

	<u>2014</u>	<u>2013</u>
Liability Balance, Beginning of Fiscal Year	\$ 5,038,000	\$ 5,593,000
Current year claims and changes in estimates	2,126,283	(91,717)
Claim payments	<u>(2,148,283)</u>	<u>(463,283)</u>
Liability Balance, End of Fiscal Year	<u>\$ 5,016,000</u>	<u>\$ 5,038,000</u>

Settled claims have not exceeded coverage in any of the past three years. Non incremental claims adjustment expenses are included as part of the claims liability.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 8: LONG-TERM OBLIGATIONS

The following table summarizes the changes in the County's long-term obligations for the fiscal year ended June 30, 2014:

	Restated Balance July 1, 2013	Additions	Deletions	Adjustments	Balance June 30, 2014	Amounts Due Within One Year
<b>Governmental Activities</b>						
Bonds payable						
Revenue bonds payable	\$ 5,860,000	\$ 6,163,324	\$ 5,860,000	\$ -	\$ 6,163,324	\$ 420,143
Taxable pension obligation bonds 2003	108,400,000	-	2,315,000	-	106,085,000	2,890,000
Tobacco settlement asset-backed bonds 2007	48,660,860	-	455,000	779,647	48,985,507	326,248
Less: unamortized discount	(497,537)	-	(62,193)	-	(435,344)	(62,193)
Subtotal - Bonds Payable	<u>162,423,323</u>	<u>6,163,324</u>	<u>8,567,807</u>	<u>779,647</u>	<u>160,798,487</u>	<u>3,574,198</u>
Loans payable	<u>2,765,610</u>	<u>250,000</u>	<u>235,611</u>	<u>-</u>	<u>2,779,999</u>	<u>242,747</u>
Certificates of Participation						
Certificates of participation 2001	11,210,000	-	375,000	-	10,835,000	395,000
Certificates of participation 2010	57,605,000	-	1,795,000	-	55,810,000	1,830,000
Add: Unamortized premium	1,410,089	-	156,677	-	1,253,412	156,677
Certificates of participation 2012	872,005	-	39,020	-	832,985	42,088
Subtotal - Certificates of Participation	<u>71,097,094</u>	<u>-</u>	<u>2,365,697</u>	<u>-</u>	<u>68,731,397</u>	<u>2,423,765</u>
Capital leases	1,103,018	-	403,287	-	699,731	345,911
Compensated absences	13,890,915	11,879,046	11,805,331	-	13,964,630	10,922,854
Claims liability	<u>29,100,000</u>	<u>6,013,787</u>	<u>6,035,787</u>	<u>-</u>	<u>29,078,000</u>	<u>7,218,000</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 280,379,960</u>	<u>\$ 24,306,157</u>	<u>\$ 29,413,520</u>	<u>\$ 779,647</u>	<u>\$ 276,052,244</u>	<u>\$ 24,727,475</u>
<b>Business-Type Activities</b>						
Notes payable - HCD	\$ 2,861,319	\$ -	\$ -	\$ -	\$ 2,861,319	\$ 5,462
Mortgages payable - Office building refinance	1,098,235	-	21,754	-	1,076,481	23,050
Line of credit - Housing	87,500	115,000	115,000	-	87,500	87,500
Housing loans from other governmental agencies	165,000	510,000	165,000	-	510,000	510,000
Capital leases	2,172,439	-	25,804	-	2,146,635	114,611
Compensated absences	<u>242,512</u>	<u>160,757</u>	<u>213,773</u>	<u>-</u>	<u>189,496</u>	<u>76,334</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 6,627,005</u>	<u>\$ 785,757</u>	<u>\$ 541,331</u>	<u>\$ -</u>	<u>\$ 6,871,431</u>	<u>\$ 816,957</u>

The compensated absence liabilities attributable to the governmental activities are generally liquidated by the General Fund and related special revenue funds. Claims liability is liquidated by internal service funds for workers compensation claims and the General Fund for general liability claims. In prior years, typically the General Fund and related special revenue funds have been used to liquidate the OPEB obligation for the governmental activities. Under governmental activities, assets required through capital leases obligations represent main server upgrade and computer infrastructure upgrade. Under business-type activities, the purpose of the capital lease was to fund energy conservation improvements to the Public Housing properties. The cost of the equipment installed equaled to the amount financed. Equipment was placed into service in FY2012-13. Upon completion of this lease on December 19, 2027, the title will pass to the Authority.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 8: LONG-TERM OBLIGATIONS, Continued

The following table summarizes the County's long-term obligations as of June 30, 2014:

	Maturity	Date of Issue	Interest Rates	Annual Principal Installments	Amount Authorized	Outstanding at June 30, 2014
<b>Governmental Activities</b>						
<b>Revenue Bonds:</b>						
2002 Open Space Revenue Bonds	2028	2002	3.06%	\$270,309-\$420,143	\$ 6,163,324	\$ 6,163,324
<b>Pension Obligation Bonds:</b>						
Taxable Pension Obligation Bonds Series A (fund pension liability)	2027	2003	4.60%-5.41%	\$50,000-\$14,940,000	112,805,000	106,085,000
<b>Asset-Backed Bonds:</b>						
Tobacco Settlement Asset-Backed Bonds Payable (Series 2007A through F) Unamortized discount	2057	2007	4.63%-6.90%	\$485,000-\$8,350,986	49,870,081 (932,888)	48,985,507 (435,344)
<b>Loans Payable:</b>						
Energy Conservation Loan	2019	2009	3.95%	\$12,102-\$21,517	233,120	95,005
Energy Resource Conservation - Solar Panels	2023	2009	4.50%	\$28,373-\$49,287	553,345	373,663
I - Bank Loan	2027	2009	3.29%	\$47,681-\$49,088	681,600	537,415
Energy Resource Conservation - Auditorium	2025	2011	1.00%	\$12,419-\$15,732	410,781	328,582
Energy Resource Conservation - Exhibit Hall	2023	2008	4.50%	\$6,259-\$14,822	326,477	222,251
California Energy Commission	2023	2012	0.00%	Various	1,054,869	870,661
Energy Efficiency Retrofit	2023	2012	0.00%	\$1,035	124,147	102,422
Energy Conservation \$1.8 m loan	2016	2014	1.00%	N/A-principal due at maturity	1,800,000	250,000
Loans Payable Subtotal					<u>5,184,339</u>	<u>2,779,999</u>
<b>Certificates of Participation:</b>						
2001 Issue (finance capital improvement projects)	2032	2001	4.70%-7.00%	\$215,000-\$880,000	14,100,000	10,835,000
2010 Issue (finance projects)	2040	2010	2.00%-4.375%	\$1,460,000-\$2,855,000	61,540,000	55,810,000
Unamortized Premium					1,880,120	1,253,412
2012 Issue (Homestead)	2027	2012	4.00%	\$16,897-\$45,853	925,000	832,985
<b>Certificates of Participation Subtotal:</b>					<u>78,445,120</u>	<u>68,731,397</u>
<b>Capital Leases:</b>						
Computer Infrastructure Upgrade	2016	2010	3.55%	\$320,066-\$353,820	1,688,596	699,731
<b>Capital Leases Subtotal</b>					<u>1,688,596</u>	<u>699,731</u>
Compensated absences					13,964,630	13,964,630
Claims liabilities					29,078,000	29,078,000
<b>Total Governmental Activities Long-Term Liabilities</b>					<u>\$ 296,266,202</u>	<u>\$ 276,052,244</u>
<b>Business-Type Activities</b>						
Notes payable - HCD	2014	2006	0%-3.00%	Deferred	\$ 2,861,319	\$ 2,861,319
Mortgages Payable - Office building refinance	2022	2012	5.50%	\$81,684 - \$917,282	1,100,000	1,076,481
Line of credit	2013	2012	5.25%	Various	1,450,000	87,500
Housing loans from other governmental agencies	2013	2012	0%	Various	510,000	510,000
Capital leases	2027	2012	4.26%	\$203,832	2,172,439	2,146,635
Compensated absences					189,496	189,496
<b>Total Business-Type Activities Long-Term Liabilities</b>					<u>\$ 8,283,254</u>	<u>\$ 6,871,431</u>

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### **NOTE 8: LONG-TERM OBLIGATIONS, Continued**

#### *(a) Open Space Revenue Bonds*

In August 2013, the Marin County Open Space Finance Authority issued \$6.2 million in revenue bonds, primarily for the purpose of refunding the 2002 bonds. The bonds carry an interest rate 3.06%, and mature in September 2027.

#### *(b) Pension Obligation Bonds Series 2003*

In May 2003, the County issued pension obligation bonds 2003 series in the amount \$112.8 million. The bonds were sold primarily to provide funds to refinance the County's actuarial accrued liability with respect to retirement benefits for County employees and retirees. The bonds are insured by National Public Finance Guarantee Corporation ("NPFGC"). The bonds have a Fitch rating of "AA+." The bonds carry an interest rate range of 4.60% – 5.41% and mature on August 1, 2026.

#### *(c) Tobacco Settlement Asset-Backed Bond Series 2007A-F*

The County is due a portion of receipts from the Tobacco Industry from the sale of tobacco products. This is a continual stream of funds based on the amount of tobacco sales. The County created a not-for-profit public benefit corporation, the Golden Gate Tobacco Funding Corporation (the Corporation), which in turn joined eight other counties in the State of California to form the California Tobacco Securitization Agency (the Agency). The Corporation acquired from the County all rights to future tobacco settlement payments and in June 2006 issued asset-backed bonds Series A through F. Proceeds from the Tobacco Industry are utilized to pay down these bonds. These bonds carry an interest rate range of 4.63% - 6.90% and mature between June 1, 2021 through June 1, 2057.

#### *(d) 2001 Certificates of Participation*

In November 2001, the County issued certificates of participation in the amount of \$14.1 million to finance a building acquisition and various capital projects within the County. The certificates are insured by a policy with Ambac Assurance Corporation, which guarantees the scheduled payments of principal and interest on the certificates when due. The certificates have a Fitch rating of "AA+." The certificates carry interest rates ranging from 4.70% - 7.00% and mature on July 15, 2031.

#### *(e) 2010 Certificates of Participation*

In September 2010, the County issued \$61.5 million in certificates of participation to finance capital improvement projects throughout the County, as well as to refund \$17.5 million of outstanding 1998 Certificates of Participation Series A and B. The certificates were rated "AA+" and "Aa2" from S&P and Moody's, respectively. The certificates carry interest ranging from 2.00% - 4.38% and mature on August 1, 2040.

#### *(f) 2012 Certificates of Participation*

In August 2011, the County issued \$925,000 in certificates of participation to finance improvements to County Service Area No. 14's Homestead Valley Community Center. The certificates carry interest rate of 4% per annum. Bi-annual payments are to be made in March and in September of each year with the last payment due on or before March 1, 2027.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 8: LONG-TERM OBLIGATIONS, Continued

As of June 30, 2014, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30:	Governmental Activities					
	Bonds Payable		Certificates of Participation		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 3,636,391	\$ 7,536,990	\$ 2,267,088	\$ 2,676,748	\$ 242,747	\$ 78,107
2016	4,312,415	7,356,955	2,325,311	2,611,975	499,998	68,873
2017	5,025,700	7,140,563	2,403,695	2,535,349	257,782	60,352
2018	5,873,890	6,884,207	2,487,246	2,455,571	265,705	52,314
2019	6,720,217	6,572,352	2,565,973	2,372,594	273,911	43,990
2020-2024	50,005,396	26,196,302	14,222,462	10,486,652	1,031,706	100,781
2025-2029	47,349,492	10,677,772	11,616,210	7,963,070	208,150	12,346
2030-2034	5,585,000	5,797,500	12,150,000	5,348,481	-	-
2035-2039	6,815,000	4,299,000	11,865,000	2,862,281	-	-
2040-2044	7,800,000	2,477,250	5,575,000	282,125	-	-
2045-2049	5,220,000	530,500	-	-	-	-
2050-2054	-	-	-	-	-	-
2055-2057	12,890,330	179,159,670	-	-	-	-
Less Unamortized Premium (Discount)	(435,344)	-	1,253,412	-	-	-
	<u>\$ 160,798,487</u>	<u>\$ 264,629,061</u>	<u>\$ 68,731,397</u>	<u>\$ 39,594,846</u>	<u>\$ 2,779,999</u>	<u>\$ 416,763</u>

#### Bond Discounts, Bond Premiums, and Issuance Costs

In the governmental funds, bond discounts, bond premiums and issuance costs are treated as period costs in the year of issue. In the proprietary funds (and for the governmental activities in the government-wide statements) bond discounts, bond premiums and issuance costs are deferred and amortized over the term of the debt using the straight line method. Bond discounts and premiums are presented as a reduction and increase, respectively, of the outstanding balance of bonds payable, whereas issuance costs are recorded as deferred charges.

#### Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years.

#### Capital Lease Obligation

The County leases equipment, primarily for data processing and elections under lease obligations accounted for as capital leases. Included in the governmental funds are the following capital asset amounts under capital leases:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Equipment	\$ 747,291	\$ 2,167,469
Less: Accumulated depreciation	(658,553)	(20,834)
Equipment, net, under capital leases	<u>\$ 88,738</u>	<u>\$ 2,146,635</u>

## COUNTY OF MARIN

### Notes to the Basic Financial Statements For the Year Ended June 30, 2014

#### NOTE 8: LONG-TERM OBLIGATIONS, Continued

##### Capital Lease Obligation (continued)

The following is a schedule of future minimum lease payments under capital leases together with the present value of future minimum lease payments as of June 30, 2014:

Year Ending June 30:	Governmental Activities	Business-Type Activities
2015	\$ 359,864	\$ 203,836
2016	359,864	203,836
2017	-	203,836
2018	-	203,836
2019	-	203,836
2020-2024	-	1,019,180
2025-2028	-	815,347
Total minimum lease payments	<u>719,728</u>	<u>2,853,707</u>
Less: Amount representing interest	<u>(19,997)</u>	<u>(707,072)</u>
Total present value of minimum lease payments	<u>\$ 699,731</u>	<u>\$ 2,146,635</u>

##### Operating Lease Obligation

The County is committed under various operating leases for office space and computer equipment. The minimum future lease commitments in these leases are as follows:

Year Ending June 30:	Office Space	Computers & Equipment	Total
2015	\$ 2,408,455	\$ 1,560,782	\$ 3,969,237
2016	1,246,865	1,259,580	2,506,445
2017	327,940	845,144	1,173,084
2018	213,627	365,433	579,060
2019	178,720	86,410	265,130
2020-2021	11,260	-	11,260
Total	<u>\$ 4,386,867</u>	<u>\$ 4,117,349</u>	<u>\$ 8,504,216</u>

#### NOTE 9: EMPLOYEES' RETIREMENT PLAN

##### (a) Plan Description

The County's retirement plan is administered by the Board of Retirement of the Marin County Employees' Retirement Association (MCERA), a multiple-employer retirement system governed by the 1937 Act of the California Government Code. It covers employees eligible for membership and provides retirement, disability, death and survivor benefits based upon specified percentages of final compensation as well as annual cost-of-living adjustments after retirement. Contributions are made by both the County and the employees. Copies of MCERA annual financial reports which include required supplementary information (RSI) for each plan may be obtained from their office at One McInnis Parkway, Suite 100, San Rafael, CA 94903 or online at [www.mcera.org](http://www.mcera.org).



# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

**NOTE 9: EMPLOYEES' RETIREMENT PLAN, Continued**

(a) Plan Description (continued)

In addition to the County's retirement plan, MCERA administers the plans of the City of San Rafael, the Novato Fire Protection District, and several other special districts. Separate actuarial valuations are performed for these other agencies and districts, and the responsibility for funding their plans rest with those entities. Post-retirement benefits are administered by MCERA to qualified retirees.

(b) Funding Policy

Members are required to contribute a percentage of their wages to the County's plan, based on their age at the time of entry into the Plan. Under the provisions of the County's pension plan, pension benefits vest after five years of credited service. The County's annual contributions are actuarially determined. The following assumptions were used in the most recent actuarial valuation as of June 30, 2013:

- The annual real rate of return on plan assets is assumed to be 7.50%, net of investment and administrative expenses.
- The cost of living, as measured by the Consumer Price Index (CPI), will increase at the rate of 3.25% per year.
- Rate of salary increase is assumed to be 3.25% for the general plan and safety plan, plus service-based increases due to longevity and promotion.

The actuarial assumptions used in determining contribution requirements are the same as those used to compute the pension benefit obligation.

(c) Annual Pension Cost

For the fiscal year ended June 30, 2013, the County's annual pension cost was \$82,141,000.

Funding of the Plan is determined under the "entry age normal" method, which provides for funding of annual normal costs and the unfunded prior service costs (unfunded actuarial accrued liability) over a closed period of 17 years as a level percentage of payroll. This includes amortization of the unfunded present value of credited projected benefits.

The employer contribution rate, determined based on actual demographic and asset information, has decreased from 27.82% to 25.78% by 2% of active member payroll. The benefit provisions of the plan remained unchanged from the prior valuation.

Current assumptions are based on actuarial valuation as of June 30, 2013. The study was done by Cheiron.

Three-Year Trend Information (in thousands)

Year Ending June 30:	Annual Required Contribution (ARC)	Actual Contributions	Percentage of ARC Contributed
2013	\$ 49,977	\$ 82,141	164.4%
2012	46,041	47,541	103.3%
2011	45,277	46,777	103.3%

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2014

**NOTE 9: EMPLOYEES' RETIREMENT PLAN, Continued**

(c) Annual Pension Cost (continued)

Three-Year Trend Information (in thousands) (continued)

In addition to the annual required contribution, the County recognized an additional expense of \$4,700,210, the current year amortization relating to the County's net pension asset. The change in the pension asset is as follows:

Net pension asset, beginning of year	\$ 65,802,900
Net pension asset, end of year	\$ 61,102,690

Funded Status of County Defined Benefits Pension Plan (in thousands)

Valuation Date (Most Recent Data Available) June 30:	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
2013	\$ 1,217,739	\$1,560,672	\$342,933	78.0%	\$178,152	192.49%
2012	1,101,390	1,491,924	390,534	73.8%	170,483	229.08%
2011	1,065,255	1,436,008	370,753	74.2%	175,397	211.38%

**NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**

A. *Plan Description*

The County of Marin sponsors, and MCERA provides administrative services for, a single-employer defined-benefit postemployment healthcare plan (the Plan) to provide medical and dental insurance benefits to eligible retired employees. Benefit provisions are established and may be amended by the County.

Under the current practice, the County allows eligible service and disability retirees and their dependents to continue health coverage in the County's medical and dental plans. The County pays a portion of the premiums based on date of hire.

- For retirees hired before October 1, 1987 (Plan 1), the County pays 100% of the eligible retiree's single health plan premiums.
- For retirees hired between October 1, 1987 and September 30, 1993 (Plan 2), the County pays the retiree's single health plan premiums up to \$2,275 per year.
- For retirees hired between October 1, 1993 and December 31, 2007 (Plan 3), the County pays a percentage of the retiree's single premium up to a dollar cap based on years of service at retirement, where the dollar cap is reviewed each year. Through January 1, 2007 the cap was increased to cover single Anthem Blue Cross Prudent Buyer Classic and Delta Dental premiums. Due to the amount of unfunded liability the County faces, the Board of Supervisors has implemented a policy to limit annual increases in the maximum allocation for Plan 3 to no more than 3%, subject to annual approval regarding whether any increase will be granted and, if so, the amount of the increase. Cap increases were 3% effective January 1, 2008 and January 1, 2009. No cap increases have been adopted since that time. Currently, the Plan 3 cap is \$8,853 per year.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

#### A. *Plan Description, Continued*

- For retirees hired on or after January 1, 2008 (Plan 4), the County pays \$150 per year of service up to \$3,000 per year for the retiree's single health plan premiums only.

Retirees eligible for Plans 1 and 2 may elect Plan 3 instead; and retirees eligible for Plans 1, 2, or 3 may elect Plan 4 instead.

Certain County medical plans have premium structures that result in subsidies of retiree claim costs from premiums paid for employees by the County.

The Housing Authority, which is a major fund, provides post-employment medical health care benefit to its retired employees and, in some instances, their spouses. Benefits include coverage in the CALPERS health plan. The Authority pays a portion of the premiums for the medial insurance for retirees. The majority of costs for this medical insurance costs is the responsibility of each retiree.

The Authority's retirees are eligible for membership in the plan upon retirement. Employees are eligible for retirement at age 50 and with 5 years of service or upon disability. As of December 31, 2012, the Authority had eight retirees who were eligible for the program and receiving benefits. The Authority had another forty-one active employees, who are eligible for the program, but are not receiving benefits due to the fact that they are not yet retired from the Authority.

The Marin Transit District provides a Simplified Employee Pension Plan (SEP Plan) and Section 457 deferred compensation plan to its directly hired employees. Marin Transit District contributed 10% of each employee's salary to the SEP plan during the year ended June 30, 2014, which amounted to \$10,772, but made no contributions to the Section 457 plan. In August 2013, Marin Transit District's Board of Directors approved a Section 401(a) deferred contribution plan, to which Marin Transit District may contribute 10% - 15% of each employee's salary. The Section 401(a) plan will replace the SEP plan.

#### B. *Funding Policy*

The contribution policy is determined by the County. The County's Plan has been funded on a pay-as-you-go basis. In February 2013, the County entered into an irrevocable trust agreement with California Employers' Retiree Benefit Trust Program (CERBT) to pre-fund the County's OPEB through CalPERS, in addition to the County's regular pay-as-you go contributions. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 45, funds contributed to the trust are irrevocable and are dedicated to providing benefits to retirees and their beneficiaries in accordance with the terms of the plan. The County began pre-funding the full annual required contribution beginning in fiscal year 2012-13. For fiscal year 2013-14, the County contributed \$12,584,000 to the CERBT, plus \$10,990,309 through the regular pay-as-you go, for a total of \$23,574,309 in premium payments for retirees, plus implied subsidy payments of \$1,681,000 through active employee premiums.

The Housing Authority has adopted an entry age normal cost method to determine the present value of benefits and actuarial accrued liability. The plan currently has no assets. The amortization method is a level percent of payroll, which is identical to CALPERS. The amortization period is thirty years. The Authority has adopted a pay-as-you-go policy and is not currently funding this liability above the monthly requirement. The Authority makes actual monthly payments to its healthcare provider for its portion of the retirees' premiums. The payments for 2013 totaled \$6,544. The Authority accrued the remaining actuarial determined liability of \$76,006, to recognize expense in the current fiscal year.

The Marin Transit District does not currently provide other postemployment benefits (OPEB) to directly hired employees.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

#### C. Annual Other Postemployment Benefit Cost and Net Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the provisions of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) amortized over thirty years. Both the ARC and the funded status information have been based on the assumption that the Plan 3 cap would increase over time to cover increases in Blue Cross Prudent Buyer Classic and Delta Dental premiums.

The Housing Authority's annual OPEB costs (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. Interest on net OPEB obligation is based on the actuarial interest rate of 4.25% and is computed on the unfunded amount.

The following table presents the components of the County's Annual OPEB Cost for the year, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation.

	Governmental Activities	Business-Type Activities
Annual required contribution	\$ 24,412,000	\$ 94,928
Interest on net OPEB obligation	5,347,000	15,555
Adjustment to annual required contribution	(4,706,000)	(27,933)
Annual OPEB cost (expense)	25,053,000	82,550
Contributions made	(25,255,309)	(6,544)
Net OPEB obligation - beginning of year	97,930,442	366,000
(Decrease)/Increase in net OPEB obligation	(202,309)	76,006
Net OPEB obligation - end of year	\$ 97,728,133	\$ 442,006

The County's annual OPEB cost, the percentage of Annual OPEB Cost contributed to the Plan, and the net postemployment healthcare plan obligation were as follows:

Fiscal Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	End of Year Net OPEB Obligation
2014	\$ 25,053,000	100.81%	\$ 97,728,133
2013	25,218,000	154.15%	97,930,442
2012	27,439,000	43.57%	111,585,180

The Housing Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of December 31, 2013 were as follows:

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

#### C. Annual Other Postemployment Benefit Cost and Net Obligation, Continued

Fiscal Year Ended December 31	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	End of Year Net OPEB Obligation
2013	82,550	7.93%	442,006
2012	114,490	4.80%	360,253
2011	95,887	5.10%	251,253

#### D. Funded Status

The funded status of the plan based on the most recent actuarial valuation as of July 1, 2013, is as follows:

Actuarial Accrued Liability (AAL)	\$ 361,711,000
Actuarial Value of Plan Assets	26,366,000
Unfunded Actuarial Accrued Liability (UAAL)	<u>335,345,000</u>
Funded Ratio (Actuarial value of plan assets/AAL)	7.29%
Covered Payroll (active plan members)	151,988,000
UAAL as a Percentage of Covered Payroll	220.64%

For the Housing Authority, as of January 1, 2013, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$1,041,780, all of which is unfunded. The covered payroll (annual payroll of active employees covered by the plan) for the current fiscal year was \$2.6 million; therefore, unfunded actuarial accrued liability as a percentage of covered payroll is 39.7%.

#### E. Actuarial Methods and Assumptions

Actuarial calculations reflect a long-term perspective. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to constant revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point.

Specific actuarial assumptions selected by the Authority are: a) a discount rate of 4.25% per year, b) salary increases of 3.25% per year, c) funding method is entry age normal, d) the unfunded actuarial liability is amortized as a level percentage of salaries over an open 15-year period, e) mortality and retirement rates are taken from the 2010 CalPERS OPEB assumptions model, f) medical premiums are assumed to increase 4.5% per year after 2014, and g) 70% of future eligible retired employees are assumed to participate in this program.

The Unfunded Actuarial Accrued Liability (UAAL) was amortized over an open period of 29 years as a level percentage of projected payroll.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2014

**NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued**

*E. Actuarial Methods and Assumptions, Continued*

Schedule of Funding Progress Postemployment Healthcare Plan (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/13	\$ 26,366	\$ 361,711	\$ 335,345	7.29%	\$ 151,988	220.64%
7/1/11	-	382,720	382,720	0.00%	150,405	254.46%
7/1/09	-	359,934	359,934	0.00%	161,948	222.25%

For the Housing Authority:

Schedule of Funding Progress Postemployment Healthcare Plan (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/31/13	\$ -	\$ 1,042	\$ 1,042	0.00%	\$ 2,600	39.70%
12/31/11	-	489	489	0.00%	4,000	12.23%
12/31/10	-	489	489	0.00%	3,800	12.87%

**NOTE 11: COMMITMENTS AND CONTINGENT LIABILITIES**

Construction Commitments

At June 30, 2014, the County had ongoing construction commitments that totaled approximately \$15.4 million.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 12: FUND BALANCES/NET POSITION

#### Restatement of Beginning Fund Balances/Net Position

The following table is a summary of the restatement of beginning fund balances/net position:

	Statement of Activities	Proprietary Funds	Governmental Funds	
	Governmental Activities	Internal Service Funds Fund	General Fund	Other Governmental Funds
<b><u>Governmental Activities</u></b>				
Net position/fund balance, beginning of year, as originally reported	\$ 1,457,133,562	\$ --	\$ 125,331,591	\$ 218,393,799
General Fund - To adjust for purchase of McInnis asset in prior year	(603,167)	--	(603,167)	--
General Fund - To adjust for revenue recognition for FY 12/13	548,289	--	548,289	--
Debt Service Fund - To adjust for prior years transfers in	28,452	--	--	28,452
Courthouse Construction Fund - To adjust for revenue recognition for FY 12/13	24,919	--	--	24,919
Restricted Housing Fund - To adjust for matching contribution to Marin Community Foundation	(1,000,000)	--	--	(1,000,000)
Special Revenue Funds - To adjust for revenue recognition for FY 12/13	179,749	--	--	179,749
General and Special Revenue Funds - To reclassify Sheriff's Fees from General Fund to Special Revenue Funds	--	--	(800)	800
Special Revenue Funds - To reclassify funds from Agency into Special Revenue	695,078	--	--	695,078
Internal Service Fund - To adjust for insurance claims expense for FY 12/13	(59,381)	(59,381)	--	--
Government-Wide Adjustment - To adjust for interest on notes receivables	693,618	--	--	--
Government-Wide Adjustment - To record donation in prior years of easement on Luiz Ranch	6,000,000	--	--	--
Government-Wide Adjustment - To write off debt issuance costs per GASB 65*	(2,137,320)	--	--	--
Special Revenue Fund - HUD - To adjust for additional long-term notes receivable that had previously not been included in the County's financial statements	14,491,792	--	--	14,491,792
Government-Wide Adjustment - To adjust for interest on notes receivable	3,280,627	--	--	--
Subtotal	<u>22,142,656</u>	<u>(59,381)</u>	<u>(55,678)</u>	<u>14,420,790</u>
Net position/fund balance, beginning of year, restated	<u>\$ 1,479,276,218</u>	<u>\$ (59,381)</u>	<u>\$ 125,275,913</u>	<u>\$ 232,814,589</u>
<b><u>Business-Type Activities</u></b>		Nonmajor Enterprise Funds		
Net position, beginning of year, as originally reported	\$ 52,029,938	\$ 10,447,246		
Nonmajor Enterprise Funds - To adjust for improper revenue recognition	(122,578)	(122,578)		
Subtotal	<u>(122,578)</u>	<u>(122,578)</u>		
Net position, beginning of year, restated	<u>\$ 51,907,360</u>	<u>\$ 10,324,668</u>		

\* Cumulative effect of a change in accounting principle.

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 12: FUND BALANCES/NET POSITION, Continued

#### Net Position, Net Investment in Capital Assets

Net Position, net investment in capital assets as of June 30, 2014 consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net of accumulated depreciation	\$ 1,429,620,727	\$ 39,900,837
Outstanding principal of capital-related debt	<u>(126,924,614)</u>	<u>(7,186,943)</u>
Net position net investment in capital assets	<u>\$ 1,302,696,113</u>	<u>\$ 32,713,894</u>

#### Fund Balance Classifications

In accordance with the provisions of GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.



# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 12: FUND BALANCES/NET POSITION, Continued

#### Fund Balance Classifications (continued)

Fund Balances are presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned (See Note 1 for a description of these categories). A detailed schedule of fund balances as of June 30, 2014 is as follows:

	General Fund	Other Governmental Funds	Total
Fund balances:			
<b>Non-spendable</b>			
Notes receivable - long term	\$ 1,139,525	\$ -	\$ 1,139,525
Prepaid items	2,287,366	-	2,287,366
Inventory of supplies	711,106	106,351	817,457
Total Nonspendable	<u>4,137,997</u>	<u>106,351</u>	<u>4,244,348</u>
<b>Restricted for:</b>			
General government	17,650,224	2,319,249	19,969,473
Public protection	-	19,950,056	19,950,056
Public ways and facilities	-	6,614,397	6,614,397
Health and sanitation	-	18,123,388	18,123,388
Education	-	4,438,292	4,438,292
Recreation and cultural services	-	236,094	236,094
Courthouse construction	-	773,550	773,550
Fish and game preservation	-	178,402	178,402
Child support services	-	260,075	260,075
Building inspection	-	1,600,352	1,600,352
Environmental health	-	961,666	961,666
Sewage district	-	574,286	574,286
Roads	-	3,602,307	3,602,307
Miscellaneous CSA projects	-	16,426,416	16,426,416
Permanent road district	-	366,422	366,422
Tobacco settlement	-	3,612,430	3,612,430
In-home support services	-	54,721	54,721
Open space district	-	15,831,493	15,831,493
Lighting district	-	1,737,743	1,737,743
Flood control zone projects	-	23,091,739	23,091,739
Affordable housing	-	12,692,148	12,692,148
Debt service reserve	-	3,872,654	3,872,654
Hi tech ID theft	-	18,070	18,070
Stormwater management	-	50	50
Employee retirement obligation	-	5,253,830	5,253,830
Miscellaneous capital projects	-	1,287,734	1,287,734
HUD	-	14,491,792	14,491,792
Other capital projects	-	4,657,407	4,657,407
Total Restricted	<u>17,650,224</u>	<u>163,026,763</u>	<u>180,676,987</u>
<b>Committed to:</b>			
Retiree liability	4,427,001	-	4,427,001
Self insurance	12,320,673	-	12,320,673
Economic uncertainties	22,785,694	-	22,785,694
New financial system	14,057,369	-	14,057,369
Miscellaneous capital projects	18,989,781	-	18,989,781
State budget	4,803,954	-	4,803,954
Road repairs	-	25,092	25,092
Open space district	-	500,000	500,000
	<u>77,384,472</u>	<u>525,092</u>	<u>77,909,564</u>

# COUNTY OF MARIN

## Notes to the Basic Financial Statements For the Year Ended June 30, 2014

### NOTE 12: FUND BALANCES/NET POSITION, Continued

	General Fund	Other Governmental Funds	Total
Fund balances:			
<b>Assigned to:</b>			
General government	6,655,175	182,140	6,837,315
Eliminate subsequent year budget deficit	28,046,088	-	28,046,088
Vehicle and equipment replacement	2,069,485	-	2,069,485
Public protection	-	809,263	809,263
Public ways and facilities	-	19,089	19,089
Health and sanitation	-	11,257,148	11,257,148
Recreation and cultural services	-	265	265
Road repairs	-	1,527,239	1,527,239
Library	-	3,948,183	3,948,183
Fish and game preservation	-	193	193
Child support services	-	1,397	1,397
Debt service	-	207,905	207,905
Building inspection	-	37,906	37,906
Environmental health	-	119,861	119,861
Miscellaneous CSA projects	-	27,490	27,490
Flood control zone projects	-	32,611	32,611
Lighting district	-	3,221	3,221
Sewage district	-	729	729
Affordable housing	-	7,755	7,755
In-home support services	-	446	446
Hi tech ID theft	-	368	368
Courthouse construction	-	614	614
Miscellaneous capital projects	-	21,955,121	21,955,121
Employee retirement obligation	-	1,342	1,342
Tobacco settlement	-	105,296	105,296
Open space district	-	2,751,886	2,751,886
	<u>36,770,748</u>	<u>42,997,468</u>	<u>79,768,216</u>
<b>Unassigned:</b>	<u>3,896,463</u>	<u>-</u>	<u>3,896,463</u>
Total fund balance	<u>\$ 139,839,904</u>	<u>\$ 206,655,674</u>	<u>\$ 346,495,578</u>

### Deficit Net Position

Successor Agency to the Marin County Redevelopment Agency reported deficit net position of (\$8,424,711). This fund accounts for the activities of the Successor Agency to the Marin County Redevelopment Agency. The assets and liabilities of the Former RDA were transferred to the Successor Agency on February 1, 2012 as a result of the dissolution of the Former RDA. The Successor Agency acts in a fiduciary capacity to wind down the affairs of the Former RDA which includes disposing of the assets and liabilities and is reported as a private purpose trust fund.

### NOTE 13: SUBSEQUENT EVENT

The Board of Supervisors approved a project budget to implement a new Enterprise Resource Planning ("ERP") software system to replace the existing SAP system and authorized the Board President to execute a contract with Tyler Technologies for system and implementation services. Tyler Technologies of Texas is the largest company in the nation focused solely on public sector software and services. The Board authorized appropriations of \$14.1 million from available reserves for the project in order to acquire, install and initially staff a new system. Included in the \$14.1 million expense is \$8.2 million to Tyler, \$4.9 million for County staffing for 36 months, and \$1 million for contingency.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**COUNTY OF MARIN**

Schedule of Funding Progress  
For the Year Ended June 30, 2014

**County Employee's Retirement Plan (Defined Benefits Pension Plan)**

The table below shows a three-year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability (UAAL) as a percentage of the annual covered payroll as of June 30:

Funded Status of County Defined Benefits Pension Plan (in thousands)

Valuation Date (Most Recent Data Available June 30:	Actuarial Value of Plan Assets	Actual Accrued Liability	Unfunded Actuarial Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
2013	\$ 1,217,739	\$ 1,560,672	\$ 342,933	78.00%	\$ 178,152	192.49%
2012	1,101,390	1,491,924	390,534	73.80%	170,483	229.08%
2011	1,065,255	1,436,008	370,753	74.20%	175,397	211.38%

Copies of MCERA annual financial reports may be obtained from their office at One McInnis Parkway, Suite 100, San Rafael, CA 94903.

**Other Post Employment Benefits Plan**

The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial liability (UAAL) as a percentage of the annual covered payroll as of the most recent actuarial report:

Schedule of Funding Progress Postemployment Healthcare Plan (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/13	\$ 26,366	\$ 361,711	335,345	7.29%	\$ 151,958	220.64%
7/1/11	-	382,720	382,720	0.00%	150,405	254.46%
7/1/09	-	359,934	359,934	0.00%	161,948	222.25%

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 162,395,429	\$ 182,363,831	\$ 184,688,938	\$ 2,325,107
Licenses and permits	5,942,841	6,142,021	6,633,595	491,574
Intergovernmental revenues	72,078,508	109,137,828	90,234,890	(18,902,938)
Charges for services	41,915,460	48,048,550	46,270,795	(1,777,755)
Fines and forfeits	9,280,453	9,493,474	9,087,740	(405,734)
From use of money and property	2,690,321	2,776,321	2,946,146	169,825
Miscellaneous	942,907	989,114	660,252	(328,862)
Total revenues	<u>295,245,919</u>	<u>358,951,139</u>	<u>340,522,356</u>	<u>(18,428,783)</u>
<b>Expenditures:</b>				
Current:				
General government				
Assessor-Recorder	9,424,210	9,575,205	8,797,707	777,498
Board of Supervisors	3,305,423	3,396,930	3,136,120	260,810
Community Development Agency	885,430	847,405	607,510	239,895
County Administrator	6,535,558	7,101,686	6,631,630	470,056
County Counsel	5,037,376	5,040,503	4,620,891	419,612
Department of Finance	8,690,052	7,706,725	7,324,642	382,083
Elections	3,376,039	3,347,169	2,954,746	392,423
Human Resources	5,748,907	6,045,578	5,791,338	254,240
Information Services & Technology	17,144,766	18,571,616	17,820,169	751,447
Non - Departmental	(792,933)	(5,671,137)	(6,556,751)	885,614
Public Works	12,948,766	11,500,639	10,287,051	1,213,588
Total general government	<u>72,303,594</u>	<u>67,462,319</u>	<u>61,415,053</u>	<u>6,047,266</u>
Public protection				
Agricultural Weights & Measures	2,550,432	2,648,670	2,501,377	147,293
Child Support Services	1,182,529	1,180,888	1,053,037	127,851
Community Development Agency	1,916,464	1,986,577	1,175,216	811,361
County Administrator	3,230,161	3,230,161	3,137,106	93,055
Department of Finance	129	--	--	--
District Attorney	13,397,136	14,477,153	13,535,903	941,250
Fire Department	20,473,889	23,546,358	23,034,044	512,314
Health and Human Services	2,305,724	2,283,658	2,274,759	8,899
Information Service & Technology	729,658	664,565	652,705	11,860
Non - Departmental	2,674,865	2,605,232	2,258,374	346,858
Probation	15,908,263	16,153,458	15,525,008	628,450
Public Defender	7,120,420	7,346,857	7,046,926	299,931
Public Works	7,267,239	16,189,657	7,611,358	8,578,299
Sheriff	57,265,492	60,354,342	59,022,847	1,331,495
Total public protection	<u>136,022,401</u>	<u>152,667,576</u>	<u>138,828,660</u>	<u>13,838,916</u>

continued

**COUNTY OF MARIN**

Budgetary Comparison Schedule (continued)  
 General Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures (continued):</b>				
Public ways and facilities				
Non - Departmental	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Public Works	2,103,404	9,664,157	2,884,232	6,779,925
Total public ways and facilities	<u>2,128,404</u>	<u>9,689,157</u>	<u>2,909,232</u>	<u>6,779,925</u>
Health and sanitation				
Health and Human Services	95,664,197	96,701,964	82,569,452	14,132,512
Non - Departmental	200,000	200,000	146,000	54,000
Public Works	2,428,483	2,497,739	2,028,600	469,139
Total health and sanitation	<u>98,292,680</u>	<u>99,399,703</u>	<u>84,744,052</u>	<u>14,655,651</u>
Public assistance				
Community Development Agency	5,783,568	5,063,628	4,632,590	431,038
Health and Human Services	57,284,592	61,930,396	60,077,320	1,853,076
Non - Departmental	859,001	1,189,001	660,896	528,105
Total public assistance	<u>63,927,161</u>	<u>68,183,025</u>	<u>65,370,806</u>	<u>2,812,219</u>
Education				
Farm Advisor/UC Coop Ext	256,518	290,509	285,545	4,964
Non - Departmental	250,000	354,168	348,100	6,068
Total education	<u>506,518</u>	<u>644,677</u>	<u>633,645</u>	<u>11,032</u>
Recreation and cultural services				
Culture and Visitor Services	3,047,145	3,357,032	3,303,492	53,540
Non - Departmental	55,000	55,000	40,000	15,000
Parks	5,622,548	5,835,336	5,724,620	110,716
Public Works	--	295,830	46,788	249,042
Total recreation and cultural services	<u>8,724,693</u>	<u>9,543,198</u>	<u>9,114,900</u>	<u>428,298</u>
Capital Outlay	2,987,952	2,887,351	2,466,891	420,460
Debt Service:				
Principal	147,641	160,924	166,110	(5,186)
Interest	69,432	58,355	53,032	5,323
Total debt service	<u>217,073</u>	<u>219,279</u>	<u>219,142</u>	<u>137</u>
Total expenditures	<u>385,110,476</u>	<u>410,696,285</u>	<u>365,702,381</u>	<u>44,993,904</u>
Deficiency of revenues under expenditures	<u>(89,864,557)</u>	<u>(51,745,146)</u>	<u>(25,180,025)</u>	<u>(26,565,121)</u>

continued



**COUNTY OF MARIN**

Budgetary Comparison Schedule (continued)  
 General Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses):				
Transfers in	\$ 63,278,577	\$ 77,700,068	\$ 65,883,592	\$ (11,816,476)
Transfers out	(12,704,476)	(21,178,752)	(26,139,576)	(4,960,824)
Total other financing sources, net	<u>50,574,101</u>	<u>56,521,316</u>	<u>39,744,016</u>	<u>(16,777,300)</u>
Net change in fund balances	(39,290,456)	4,776,170	14,563,991	9,787,821
Fund balances, beginning of year, restated	<u>125,276,713</u>	<u>125,276,713</u>	<u>125,275,913</u>	<u>(800)</u>
Fund balances, end of year	<u>\$ 85,986,257</u>	<u>\$ 130,052,883</u>	<u>\$ 139,839,904</u>	<u>\$ 9,787,021</u>

## COUNTY OF MARIN

### Note to Required Supplementary Information For the Fiscal Year Ended June 30, 2014

#### **BUDGETARY BASIS OF ACCOUNTING**

In accordance with the provisions of Sections 29000 through 29144 of the California Government Code, commonly known as the County Budget Act, the County prepares and adopts 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 Governmental Funds. The legal level of control for appropriations is at the departmental fund level. Appropriations at this level may only be changed with the approval of the Board. The County Administrator may make adjustments at their discretion below that level. Budgeted amounts in the budgeted financial schedules are reported as originally adopted and as amended during the fiscal year by the Board of Supervisors and the County Administrator.

The County uses an encumbrances 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 either restricted, committed, or assigned fund balance since they do not constitute expenditures or liabilities. Encumbrances are not 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 General Fund's encumbrances at June 30, 2014 totaled to \$29 million, of which \$9.6 million is related to spending for the Central Marin Ferry Connection project. The remaining \$19.4 million encumbrance balance pertains to various County programs and projects.

The budget to actual comparison schedules are shown using the financial statement approach and GAAP basis.

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**SUPPLEMENTARY INFORMATION**  
**Combining and Individual**  
**Fund Statements and Schedules**

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**NONMAJOR GOVERNMENTAL FUNDS**

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**COUNTY OF MARIN**

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>ASSETS</b>				
Cash and investments in County pool	\$ 142,067,622	\$ 5,941,430	\$ 19,756,840	\$ 167,765,892
Cash with fiscal agent	--	7,720,744	7,849,153	15,569,897
Accounts receivable	3,153,345	--	20	3,153,365
Notes receivable - short term	275,000	--	--	275,000
Notes receivable - long term	19,862,792	--	--	19,862,792
Due from other governmental agencies	3,743,804	--	4,362,656	8,106,460
Advances to other funds	45,400	--	--	45,400
Inventory of supplies	106,351	--	--	106,351
	<u>169,254,314</u>	<u>13,662,174</u>	<u>31,968,669</u>	<u>214,885,157</u>
Total assets	<u>\$ 169,254,314</u>	<u>\$ 13,662,174</u>	<u>\$ 31,968,669</u>	<u>\$ 214,885,157</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,613,571	\$ 6,855	\$ 3,197,564	\$ 5,817,990
Accrued salaries and benefits	882,041	--	36,113	918,154
Due to other funds	362,506	--	--	362,506
Advances payable	--	45,400	--	45,400
Unearned revenue	875,952	--	58,000	933,952
Other liabilities	148,915	--	2,566	151,481
Total liabilities	<u>4,882,985</u>	<u>52,255</u>	<u>3,294,243</u>	<u>8,229,483</u>
<b>FUND BALANCES</b>				
Nonspendable	106,351	--	--	106,351
Restricted	143,013,079	13,294,993	6,718,691	163,026,763
Committed	525,092	--	--	525,092
Assigned	20,726,807	314,926	21,955,735	42,997,468
Total fund balances	<u>164,371,329</u>	<u>13,609,919</u>	<u>28,674,426</u>	<u>206,655,674</u>
Total liabilities and fund balances	<u>\$ 169,254,314</u>	<u>\$ 13,662,174</u>	<u>\$ 31,968,669</u>	<u>\$ 214,885,157</u>



**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2014

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>Revenues:</b>				
Taxes	\$ 39,135,282	\$ --	\$ --	\$ 39,135,282
Licenses and permits	8,986,166	--	--	8,986,166
Intergovernmental revenues	91,644,393	--	5,432,506	97,076,899
Charges for services	13,130,392	732,010	337,950	14,200,352
Fines and forfeits	942,939	--	406,335	1,349,274
From use of money and property	221,951	133,751	12,858	368,560
Miscellaneous	386,184	2,223,124	269,917	2,879,225
Total revenues	<u>154,447,307</u>	<u>3,088,885</u>	<u>6,459,566</u>	<u>163,995,758</u>
<b>Expenditures:</b>				
Current:				
General government	2,786,201	27,350	7,484,259	10,297,810
Public protection	22,740,000	7,642	1,272,533	24,020,175
Public ways and facilities	9,185,066	--	22,200,131	31,385,197
Health and sanitation	3,596,984	--	134,551	3,731,535
Public assistance	2,236,608	--	--	2,236,608
Education	13,966,009	--	--	13,966,009
Recreation and cultural services	11,909,222	777,287	97,400	12,783,909
Capital outlay	1,904,978	--	38,529,166	40,434,144
Debt Service:				
Principal	77,955	4,970,561	--	5,048,516
Debt issuance costs	--	172,042	--	172,042
Interest	47,062	10,319,248	--	10,366,310
Total expenditures	<u>68,450,085</u>	<u>16,274,130</u>	<u>69,718,040</u>	<u>154,442,255</u>
Excess (deficiency) of revenues over (under) expenditures	<u>85,997,222</u>	<u>(13,185,245)</u>	<u>(63,258,474)</u>	<u>9,553,503</u>
Other Financing Sources (Uses):				
Refunding debt issued	--	6,163,324	250,000	6,413,324
Payment to refunded bond escrow agent	--	(6,003,398)	--	(6,003,398)
Transfers in	7,494,184	12,542,330	14,276,169	34,312,683
Transfers out	(69,951,105)	--	(483,922)	(70,435,027)
Total other financing sources (uses), net	<u>(62,456,921)</u>	<u>12,702,256</u>	<u>14,042,247</u>	<u>(35,712,418)</u>
Net change in fund balances	<u>23,540,301</u>	<u>(482,989)</u>	<u>(49,216,227)</u>	<u>(26,158,915)</u>
Fund balances, beginning of year - restated	<u>140,831,028</u>	<u>14,092,908</u>	<u>77,890,653</u>	<u>232,814,589</u>
Fund balances, end of year	<u>\$ 164,371,329</u>	<u>\$ 13,609,919</u>	<u>\$ 28,674,426</u>	<u>\$ 206,655,674</u>

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**NONMAJOR SPECIAL REVENUE FUNDS**

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **NONMAJOR SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than capital projects or debt service. The County's nonmajor special revenue funds are comprised of the following:

#### Road

The Road fund provides for the County Road Program, which protects, preserves, enhances and improves the existing County road system. This fund pays for the construction and maintenance of the road system in the unincorporated areas of the County. The fund receives revenue primarily derived from highway users, including license fees and taxes upon motor vehicles, trailers, and motor fuel. Once moneys are deposited into the Road Fund, it is restricted to expenditures made in compliance with article XIX of the California Constitution and Streets and Highway Code Sections 2101 and 2150.

#### Marin County Free Library (Library)

Funded primarily from its share of property taxes, the Marin County Free Library serves the unincorporated areas of the County, as well as the cities of Fairfax, Novato and Corte Madera. The Library is a special district that operates ten branch libraries within the County under the authority of the County Board of Supervisors. The Board of Supervisors appoints the Director of County Library Services, approves the Library budget, and has the ultimate responsibility for County Library services.

#### Fish and Game

The Fish and Game fund provides for expenditures of funds to projects that benefit fish and wildlife in the County pursuant to California Fish and Game Code Section 13100, to advise and make recommendations to the Board of Supervisors on all matters pertaining to fish and wildlife propagation and habitat conservation. This fund is financed by fines imposed from Fish and Game Code violations.

#### Child Support Services (Child Support)

Child Support Services is a non-general fund County division responsible for establishing and enforcing orders for child support. Its mission is to serve the community and enhance the lives of children through establishing paternity, establishing child support orders and collecting support. Some of the funding is provided from federal and state grants and some of the funding is matched by the County via a transfer from the General Fund. Incentive funds are also provided by the state and federal governments. Such grants are obtained for a specific purpose and may only be used for the purpose obtained with state and federal dollars constituting its revenues.

#### Health and Sanitation

The Health and Sanitation Fund provides for the benefit of well-being of the County residents including administration of federal, state and local entitlement programs, and a vast array of community based health and human services.

#### Building Inspection

The Building Inspection fund was established to account for the provision of building inspection, plan filing, and building permits to the residents of the County and to enforce building code. Funding is provided by fees charged to external users, and all activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, and billing and collection. Any revenues collected in excess of expenditures received in a given year are retained in the fund balance and can be used to cover building inspection costs in future years.

## **NONMAJOR GOVERNMENTAL FUNDS (continued)**

### Environmental Health

The Environmental Health fund accounts for the provision of the County's comprehensive Environmental Health program, which includes the promotion of environmental health, control of communicable diseases and the prolonging of life and the promotion of the well-being of the people of the County. Funding is sourced through Federal grants, fees, and local taxes via contributions from the County. The Environmental Health fund receives funds from the issuance of permits and licenses to fund its inspections for public health protection and the well-being of all Marin County residents, workers, and visitors by preventing injury and the spread of disease by identifying potential dangerous and unhealthy situations and the promotion of sound environmental health practices through education and the enforcement of public health statutes and regulations.

### FishNet 4C (Fishnet)

The FishNet 4C program is a County-based, regional salmon protection and restoration program created under a Memorandum of Agreement between the six Central California Coastal Counties of Marin, Mendocino, Monterey, San Mateo, Santa Cruz, and Sonoma. A prime objective of the FishNet 4C Program has been to evaluate the land management practices of each county and any written policies related to protecting salmonid populations, and to make recommendations for improving these practices and policies. Funds are provided through federal, state, regional, and local governments as well as other private and public organizations.

### Housing and Urban Development Funds (HUD)

This fund was established to account for federal and state grant proceeds and disbursements associated with housing and community development within the County. Such grants are generally obtained from the Department of Housing and Urban Development (HUD), and may only be used for the purposes stipulated in the grant agreement. HUD funds are used to support the development of affordable housing units within the County.

### High Tech Theft

The High Technology Theft Apprehension and Prosecution (HTTAP) program is supported by two grants from the Governor's Office of Emergency Services. The HTTAP program seeks to assist local law enforcement and District Attorneys in providing the tools necessary to successfully prevent high technology crime in the jurisdiction of the five task forces. Investigation and prosecution of identity theft crimes is also a part of this program, including Internet tracing and computer forensics, conducting identity theft "sting" operations, and shutting down fraudulent document printers employed as paper mills.

### Sewer Districts

The Sewer Districts fund is set up to provide maintenance of reliable sanitary sewer systems, providing sensitive sewage treatment and disposal to sewer and sanitary districts within the County. The Sewer District fund is also used to provide other services to specific geographic areas that utilize their own discrete tax base and specific revenue sources earmarked for their own purposes within their geographic location. Revenues are provided by tax assessments and user charges.

### County Service Areas (CSA's)

The County Service Area funds account for special district funds that provide refuse disposal, water, and lighting maintenance services to specific areas in the County. Revenues are derived from user charges and property taxes.

## **NONMAJOR GOVERNMENTAL FUNDS (continued)**

### Lighting Districts (Lighting)

The Lighting Districts fund accounts for special district funds that enhance the safety of residents and businesses by providing adequate lighting systems to street lighting districts within the County. Property taxes are the primary source of revenue.

### Permanent Road Districts (PRD's)

The Permanent Road District (PRD) funds are responsible for routine and emergency road maintenance, performing inspections and issuing permits, constructing and installing sidewalks, signs, road markings, and landscaping maintenance. Revenues primarily come from state highway user taxes and federal grants.

### Tobacco Settlement

The Tobacco Settlement Fund, pursuant to California Health and Safety Code Sections 104555 through 104557 and Senate Bill Number 822, the State of California has collected funds from tobacco manufacturers and apportioned a percentage to the County. Funds collected are used to increase educational efforts related to the adverse health effects of tobacco use and for smoking prevention programs.

### In-Home Supportive Services (IHSS)

In-Home Supportive Services (IHSS) provides in-home care to senior citizens, the blind, and persons with disabilities (including children), who are unable to remain safely in their own homes without assistance. IHSS is an alternative to out-of-home care and is a state-mandated program funded through a combination of federal, state and local funds.

### Bay Area Storm Water Management

The Bay Area Storm Water Management Agencies Association (BASMAA) is a consortium of eight San Francisco Bay Area municipal storm water programs. BASMAA is designed to encourage information sharing and cooperation, and to develop products and programs that would be more cost-effective if done regionally than could be accomplished locally. In addition, BASMAA provides a forum for representing and advocating the common interests of member programs at the regional and state level.

### Open Space District

The Open Space District fund provides support for the Marin County Open Space District. The District is responsible for planning, acquiring, and managing the county's approximately 15,000 acres of open space and 160 miles of public trails. Monies in this fund are used for acquisition and development of parks and open space parcels, for renovation of existing parks and recreation facilities, for maintenance of acquired properties.

### Low-Income Housing

The RDA HELP Loan program is used to account for a \$1.5 million loan received from the State of California. The purpose of the loan is to re-loan the money, at lower than market interest rates, to assist private organizations in financing the construction of low-income housing units to Marin County residents.

### Flood Control Zones

The Flood Control Zones are used to account for the activities of various special districts whose primary purpose is flood control and water conservation. Revenues are used to fund the operating expenses of the Regional Flood Control Districts. Funds are obligated by inter-local contracts among districts of the County for the implementation of regional flood control projects. This fund is financed through property taxes and state and federal grants.

## NONMAJOR GOVERNMENTAL FUNDS (continued)

### Miscellaneous Special Revenue Fund

This fund is used to account for various grant program expenditures, such as adult vaccinations and health studies.

- Social Services Realignment

The State of California provides support to the Social Services Realignment fund through a realignment of funding streams received from vehicle license fees and sales tax allocated to California counties. Funds are allocated based on altered program cost-sharing ratios, to pay for various social services programs, which were shifted from the state to the County to administer.

- Health Services Realignment

The State of California provides support to the Health Services Realignment fund through a realignment of funding streams received from vehicle license fees and sales tax allocated to California counties. Funds are allocated based on altered program cost-sharing ratios, to pay for various health services programs, which were shifted from the state to the County to administer.

- Mental Health Realignment

The State of California provides support to the Mental Health Realignment fund through a realignment of funding streams received from vehicle license fees and sales tax allocated to California counties. Funds are allocated based on altered program cost-sharing ratios, to pay for various mental health programs, which were shifted from the state to the County to administer.

### Public Protection

- District Attorney Sundry Trust – It is administered in accordance with Health & Safety Code section 11489, which established the trust. When the Department participates in an arrest, in which property is seized and forfeited to a local government entity, the money forfeited and or the proceeds received from the sale of forfeited property, and any interest accrued thereon, is to be distributed by the state or local government entity according to the provisions of the Code.
- Proposition 64 Civil Penalties – Prop 64, under Business & Professions Code 17206, requires that civil penalties awarded are to be used exclusively to strengthen enforcement of consumer protection laws.
- Fingerprint ID – It accounts for revenues received from vehicle licensing fees, which is to be used for operation and maintenance of the fingerprinting equipment and the related processes.
- Asset Forfeiture, Sheriff – It is administered in accordance with Health & Safety Code section 11489. When the Department participates in an arrest, in which property is seized and forfeited to a local government entity, the money forfeited and or the proceeds received from the sale of forfeited property, and any interest accrued thereon, is to be distributed by the state or local government entity according to the provisions of the Code. The proceeds can be utilized to supplement and not supplant the Department's expenses.
- CLEEP Law Enforcement Equipment – It accounts for revenues received from the State funding for purpose of the purchase and maintenance of the high-technology equipment.

## NONMAJOR GOVERNMENTAL FUNDS (continued)

- COPS Juvenile Justice (odd & even years) – AB1913 (2000) created the Crime Prevention Act of 2000, which has been re-titled the Juvenile Justice Crime Prevention Act (JJCPA). The JJCPA is a state-funded initiative to support juvenile probation programs with a track record of reducing crime and delinquency among at-risk youth, young offenders, and the families of these youth. The program provides funds to support a broad spectrum of county probation services targeting at-risk youth and juvenile offenders.

### Public Ways and Facilities

- Traffic Mitigation Fees – Funds derived from fees assessed on developers are used to finance construction, betterment and maintenance of the County roads.
- Marin County Storm Water Pollution Prevention Program (MCSTOPPP) – Formed in 1993, MCSTOPPP is a joint effort of Marin's cities, towns and unincorporated areas. Their goal is to prevent storm water pollution, protect and improve water quality in creeks and wetlands, preserve beneficial uses of local waterways, and comply with the State and Federal regulations.

### Restricted Housing

The Restricted Housing Fund is used to provide funds for the development of affordable housing units within the County.

### Recreation and Cultural Services

- Marin County Tourism Business Improvement District – The District receives a percentage of hotel revenues to finance tourism management and marketing efforts in the district.
- Marin Wildlife Grants – State and Federal grants are to be used for the protection of wildlife in the County of Marin.

### Employees' Retirement Operations

The Employees' Retirement Operations Fund provides for the administrative services of employees to maintain the County post-employment benefits.



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**COUNTY OF MARIN**

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2014

	<u>Road</u>	<u>Library</u>	<u>Fish and Game</u>	<u>Child Support</u>
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 5,124,147	\$ 8,712,399	\$ 49,797	\$ 281,016
Accounts receivable	--	34,693	--	69,014
Notes receivable - short term	--	--	--	--
Notes receivable - long term	--	--	--	--
Due from other governmental agencies	300,387	--	--	--
Advances to other funds	--	--	--	--
Inventory of supplies	106,351	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 5,530,885</u>	<u>\$ 8,747,092</u>	<u>\$ 49,797</u>	<u>\$ 350,030</u>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 110,567	\$ 100,097	\$ --	\$ 1,756
Accrued salaries and benefits	155,291	236,235	--	86,412
Due to other funds	--	--	--	--
Unearned revenue	--	--	--	--
Other liabilities	4,447	24,285	650	389
Total liabilities	<u>270,305</u>	<u>360,617</u>	<u>650</u>	<u>88,557</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	106,351	--	--	--
Restricted	3,602,307	4,438,292	49,106	260,076
Committed	25,092	--	--	--
Assigned	1,526,830	3,948,183	41	1,397
Total fund balances	<u>5,260,580</u>	<u>8,386,475</u>	<u>49,147</u>	<u>261,473</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$ 5,530,885</u>	<u>\$ 8,747,092</u>	<u>\$ 49,797</u>	<u>\$ 350,030</u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	Health and Sanitation Fund	Building Inspection	Environmental Health	Fishnet
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 27,554,172	\$ 1,705,120	\$ 519,793	\$ 135,532
Accounts receivable	659,197	40,828	501,949	--
Notes receivable - short term	--	--	--	--
Notes receivable - long term	--	--	--	--
Due from other governmental agencies	1,536,722	2,010	80,416	--
Advances to other funds	--	--	45,400	--
Inventory of supplies	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u><u>\$ 29,750,091</u></u>	<u><u>\$ 1,747,958</u></u>	<u><u>\$ 1,147,558</u></u>	<u><u>\$ 135,532</u></u>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ --	\$ 7,893	\$ 26,458	\$ 6,085
Accrued salaries and benefits	--	101,332	39,352	--
Due to other funds	--	--	--	--
Unearned revenue	352,565	--	--	--
Other liabilities	16,993	473	220	--
Total liabilities	<u><u>369,558</u></u>	<u><u>109,698</u></u>	<u><u>66,030</u></u>	<u><u>6,085</u></u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	--
Restricted	18,123,388	1,600,352	961,667	129,295
Committed	--	--	--	--
Assigned	11,257,145	37,908	119,861	152
Total fund balances	<u><u>29,380,533</u></u>	<u><u>1,638,260</u></u>	<u><u>1,081,528</u></u>	<u><u>129,447</u></u>
Total liabilities and fund balances	<u><u>\$ 29,750,091</u></u>	<u><u>\$ 1,747,958</u></u>	<u><u>\$ 1,147,558</u></u>	<u><u>\$ 135,532</u></u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	<u>HUD Funds</u>	<u>High Tech Theft</u>	<u>Sewer Districts</u>
<b><u>ASSETS</u></b>			
Cash and investments in County pool	\$ --	\$ 263,556	\$ 575,896
Accounts receivable	--	--	--
Notes receivable - short term	--	--	--
Notes receivable - long term	14,491,792	--	--
Due from other governmental agencies	739,122	--	--
Advances to other funds	--	--	--
Inventory of supplies	--	--	--
	<hr/>	<hr/>	<hr/>
Total assets	<u><u>\$ 15,230,914</u></u>	<u><u>\$ 263,556</u></u>	<u><u>\$ 575,896</u></u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 402,446	\$ 245,028	\$ 25
Accrued salaries and benefits	9,670	--	--
Due to other funds	327,006	--	--
Unearned revenue	--	--	--
Other liabilities	--	90	856
Total liabilities	<hr/> <u>739,122</u>	<hr/> <u>245,118</u>	<hr/> <u>881</u>
<b><u>FUND BALANCES</u></b>			
Nonspendable	--	--	--
Restricted	14,491,792	18,070	574,286
Committed	--	--	--
Assigned	--	368	729
Total fund balances	<hr/> <u>14,491,792</u>	<hr/> <u>18,438</u>	<hr/> <u>575,015</u>
Total liabilities and fund balances	<u><u>\$ 15,230,914</u></u>	<u><u>\$ 263,556</u></u>	<u><u>\$ 575,896</u></u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	<u>CSAs</u>	<u>Lighting</u>	<u>PRDs</u>
<b><u>ASSETS</u></b>			
Cash and investments in County pool	\$ 16,484,439	\$ 1,759,055	\$ 366,832
Accounts receivable	--	--	--
Notes receivable - short term	--	--	--
Notes receivable - long term	--	--	--
Due from other governmental agencies	--	--	--
Advances to other funds	--	--	--
Inventory of supplies	--	--	--
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 16,484,439</u>	<u>\$ 1,759,055</u>	<u>\$ 366,832</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 30,044	\$ 9,288	\$ --
Accrued salaries and benefits	--	--	--
Due to other funds	--	--	--
Unearned revenue	90	--	--
Other liabilities	401	8,803	--
Total liabilities	<u>30,535</u>	<u>18,091</u>	<u>--</u>
<b><u>FUND BALANCES</u></b>			
Nonspendable	--	--	--
Restricted	16,426,416	1,737,743	366,422
Committed	--	--	--
Assigned	27,488	3,221	410
Total fund balances	<u>16,453,904</u>	<u>1,740,964</u>	<u>366,832</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 16,484,439</u>	<u>\$ 1,759,055</u>	<u>\$ 366,832</u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	<u>Tobacco Settlement</u>	<u>IHSS</u>	<u>Bay Area Stormwater Management</u>
<b><u>ASSETS</u></b>			
Cash and investments in County pool	\$ 35,515	\$ 101,646	\$ 50
Accounts receivable	--	--	--
Notes receivable - short term	--	--	--
Notes receivable - long term	--	--	--
Due from other governmental agencies	--	--	--
Advances to other funds	--	--	--
Inventory of supplies	--	--	--
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 35,515</u>	<u>\$ 101,646</u>	<u>\$ 50</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ --	\$ 27,962	\$ --
Accrued salaries and benefits	--	15,177	--
Due to other funds	35,500	--	--
Unearned revenue	--	--	--
Other liabilities	--	3,341	--
Total liabilities	<u>35,500</u>	<u>46,480</u>	<u>--</u>
<b><u>FUND BALANCES</u></b>			
Nonspendable	--	--	--
Restricted	15	54,721	50
Committed	--	--	--
Assigned	--	445	--
Total fund balances	<u>15</u>	<u>55,166</u>	<u>50</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 35,515</u>	<u>\$ 101,646</u>	<u>\$ 50</u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	<u>Open Space District</u>	<u>Low-Income Housing</u>	<u>Flood Control Zones</u>
<b><u>ASSETS</u></b>			
Cash and investments in County pool	\$ 17,890,181	\$ 5,201,398	\$ 23,210,454
Accounts receivable	1,843,268	--	--
Notes receivable - short term	--	--	--
Notes receivable - long term	--	4,825,325	--
Due from other governmental agencies	2,693	--	--
Advances to other funds	--	--	--
Inventory of supplies	--	--	--
	<hr/>	<hr/>	<hr/>
Total assets	<u><u>\$ 19,736,142</u></u>	<u><u>\$ 10,026,723</u></u>	<u><u>\$ 23,210,454</u></u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 1,085,984	\$ --	\$ 83,578
Accrued salaries and benefits	116,973	--	--
Due to other funds	--	--	--
Unearned revenue	4,338	--	--
Other liabilities	1,961	--	2,527
Total liabilities	<hr/> <u>1,209,256</u>	<hr/> <u>--</u>	<hr/> <u>86,105</u>
<b><u>FUND BALANCES</u></b>			
Nonspendable	--	--	--
Restricted	15,275,380	10,021,061	23,091,739
Committed	500,000	--	--
Assigned	2,751,506	5,662	32,610
Total fund balances	<hr/> <u>18,526,886</u>	<hr/> <u>10,026,723</u>	<hr/> <u>23,124,349</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u><u>\$ 19,736,142</u></u>	<u><u>\$ 10,026,723</u></u>	<u><u>\$ 23,210,454</u></u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	Miscellaneous Special Revenue Fund	Public Protection	Public Ways and Facilities
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b><u>ASSETS</u></b>			
Cash and investments in County pool	\$ 2,441,747	\$ 21,250,533	\$ 6,292,154
Accounts receivable	--	--	4,396
Notes receivable - short term	--	--	--
Notes receivable - long term	--	--	--
Due from other governmental agencies	696,367	--	346,330
Advances to other funds	--	--	--
Inventory of supplies	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u><u>\$ 3,138,114</u></u>	<u><u>\$ 21,250,533</u></u>	<u><u>\$ 6,642,880</u></u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 47,624	\$ 425,620	\$ 3,116
Accrued salaries and benefits	649	57,885	--
Due to other funds	--	--	--
Unearned revenue	518,959	--	--
Other liabilities	69,493	7,709	6,277
Total liabilities	<u>636,725</u>	<u>491,214</u>	<u>9,393</u>
<b><u>FUND BALANCES</u></b>			
Nonspendable	--	--	--
Restricted	2,319,249	19,950,056	6,614,397
Committed	--	--	--
Assigned	182,140	809,263	19,090
Total fund balances	<u>2,501,389</u>	<u>20,759,319</u>	<u>6,633,487</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u><u>\$ 3,138,114</u></u>	<u><u>\$ 21,250,533</u></u>	<u><u>\$ 6,642,880</u></u>

continued



**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2014

	<u>Restricted Housing</u>	<u>Recreation and Cultural Services</u>	<u>Employees' Retirement Operations</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 1,812,748	\$ 236,358	\$ 63,084	\$ 142,067,622
Accounts receivable	--	--	--	3,153,345
Notes receivable - short term	275,000	--	--	275,000
Notes receivable - long term	545,675	--	--	19,862,792
Due from other governmental agencies	39,757	--	--	3,743,804
Advances to other funds	--	--	--	45,400
Inventory of supplies	--	--	--	106,351
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total assets	<u><u>\$ 2,673,180</u></u>	<u><u>\$ 236,358</u></u>	<u><u>\$ 63,084</u></u>	<u><u>\$ 169,254,314</u></u>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ --	\$ --	\$ --	\$ 2,613,571
Accrued salaries and benefits	--	--	63,065	882,041
Due to other funds	--	--	--	362,506
Unearned revenue	--	--	--	875,952
Other liabilities	--	--	--	148,915
Total liabilities	<u>-----</u>	<u>-----</u>	<u>63,065</u>	<u>4,882,985</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	106,351
Restricted	2,671,086	236,094	19	143,013,079
Committed	--	--	--	525,092
Assigned	2,094	264	--	20,726,807
Total fund balances	<u>2,673,180</u>	<u>236,358</u>	<u>19</u>	<u>164,371,329</u>
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total liabilities and fund balances	<u><u>\$ 2,673,180</u></u>	<u><u>\$ 236,358</u></u>	<u><u>\$ 63,084</u></u>	<u><u>\$ 169,254,314</u></u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	<u>Road</u>	<u>Library</u>	<u>Fish and Game</u>	<u>Child Support</u>
<b>Revenues:</b>				
Taxes	\$ --	\$ 9,126,113	\$ --	\$ --
Licenses and permits	--	--	--	--
Intergovernmental revenues	7,536,902	128,329	--	3,686,693
Charges for services	1,688,662	5,143,453	--	116,556
Fines and forfeits	--	210,881	33,470	--
From use of money and property	2,345	23,900	41	659
Miscellaneous	30,541	109,008	--	741
Total revenues	<u>9,258,450</u>	<u>14,741,684</u>	<u>33,511</u>	<u>3,804,649</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	--	20,080	3,720,202
Public ways and facilities	7,951,475	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	13,966,009	--	--
Recreation and cultural services	--	--	--	--
Capital outlay	51,308	777,088	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Total expenditures	<u>8,002,783</u>	<u>14,743,097</u>	<u>20,080</u>	<u>3,720,202</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,255,667</u>	<u>(1,413)</u>	<u>13,431</u>	<u>84,447</u>
Other Financing Sources (Uses):				
Transfers in	2,507,653	172,445	--	--
Transfers out	<u>(134,154)</u>	<u>(227,243)</u>	--	<u>(84,847)</u>
Total other financing sources (uses), net	<u>2,373,499</u>	<u>(54,798)</u>	--	<u>(84,847)</u>
Net change in fund balances	3,629,166	(56,211)	13,431	(400)
Fund balances, beginning of year, restated	<u>1,631,414</u>	<u>8,442,686</u>	<u>35,716</u>	<u>261,873</u>
Fund balances, end of year	<u>\$ 5,260,580</u>	<u>\$ 8,386,475</u>	<u>\$ 49,147</u>	<u>\$ 261,473</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Health and Sanitation Fund	Building Inspection	Environmental Health	Fishnet
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ 91	\$ --
Licenses and permits	--	3,428,361	3,869,881	--
Intergovernmental revenues	48,463,187	--	144,154	--
Charges for services	145,978	56,856	245,222	--
Fines and forfeits	4,081	11,556	38,602	--
From use of money and property	35,769	1,514	476	152
Miscellaneous	19,245	--	750	--
Total revenues	<u>48,668,260</u>	<u>3,498,287</u>	<u>4,299,176</u>	<u>152</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	560,816	--
Public protection	--	2,634,831	2,944,471	--
Public ways and facilities	--	--	--	--
Health and sanitation	8,463	8,575	70,320	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and cultural services	--	--	--	--
Capital outlay	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Total expenditures	<u>8,463</u>	<u>2,643,406</u>	<u>3,575,607</u>	<u>--</u>
Excess of revenues over expenditures	<u>48,659,797</u>	<u>854,881</u>	<u>723,569</u>	<u>152</u>
Other Financing Sources (Uses):				
Transfers in	27	--	--	--
Transfers out	<u>(49,297,521)</u>	<u>(51,073)</u>	<u>(82,218)</u>	<u>--</u>
Total other financing uses, net	<u>(49,297,494)</u>	<u>(51,073)</u>	<u>(82,218)</u>	<u>--</u>
Net change in fund balances	(637,697)	803,808	641,351	152
Fund balances, beginning of year, restated	<u>30,018,230</u>	<u>834,452</u>	<u>440,177</u>	<u>129,295</u>
Fund balances, end of year	<u>\$ 29,380,533</u>	<u>\$ 1,638,260</u>	<u>\$ 1,081,528</u>	<u>\$ 129,447</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	HUD Funds	High Tech Theft	Sewer Districts
<b>Revenues:</b>			
Taxes	\$ --	\$ --	\$ 56,909
Licenses and permits	--	--	--
Intergovernmental revenues	2,008,607	1,290,856	304
Charges for services	--	--	63,720
Fines and forfeits	--	--	--
From use of money and property	--	368	727
Miscellaneous	--	--	--
Total revenues	<u>2,008,607</u>	<u>1,291,224</u>	<u>121,660</u>
<b>Expenditures:</b>			
Current:			
General government	--	--	--
Public protection	--	1,235,336	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	105,910
Public assistance	1,999,940	--	--
Education	--	--	--
Recreation and cultural services	--	--	--
Capital outlay	--	50,015	--
Debt Service:			
Principal	--	--	--
Interest	--	--	--
Total expenditures	<u>1,999,940</u>	<u>1,285,351</u>	<u>105,910</u>
Excess of revenues over expenditures	<u>8,667</u>	<u>5,873</u>	<u>15,750</u>
Other Financing Sources (Uses):			
Transfers in	--	--	--
Transfers out	<u>(8,667)</u>	<u>--</u>	<u>--</u>
Total other financing uses, net	<u>(8,667)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	5,873	15,750
Fund balances, beginning of year, restated	<u>14,491,792</u>	<u>12,565</u>	<u>559,265</u>
Fund balances, end of year	<u>\$ 14,491,792</u>	<u>\$ 18,438</u>	<u>\$ 575,015</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	<u>CSAs</u>	<u>Lighting</u>	<u>PRDs</u>
<b>Revenues:</b>			
Taxes	\$ 3,921,528	\$ 774,568	\$ 56,817
Licenses and permits	--	--	--
Intergovernmental revenues	19,248	3,566	338
Charges for services	1,706,061	84,283	29,463
Fines and forfeits	4,460	--	--
From use of money and property	27,487	3,221	410
Miscellaneous	--	--	--
Total revenues	<u>5,678,784</u>	<u>865,638</u>	<u>87,028</u>
<b>Expenditures:</b>			
Current:			
General government	--	--	--
Public protection	2,426,332	--	--
Public ways and facilities	34,338	627,868	60,333
Health and sanitation	41,058	--	--
Public assistance	--	--	--
Education	--	--	--
Recreation and cultural services	1,700,683	--	--
Capital outlay	115,799	--	--
Debt Service:			
Principal	39,016	38,939	--
Interest	34,502	11,588	--
Total expenditures	<u>4,391,728</u>	<u>678,395</u>	<u>60,333</u>
Excess of revenues over expenditures	<u>1,287,056</u>	<u>187,243</u>	<u>26,695</u>
Other Financing Sources (Uses):			
Transfers in	11,500	--	--
Transfers out	<u>(896,079)</u>	--	--
Total other financing uses, net	<u>(884,579)</u>	--	--
Net change in fund balances	402,477	187,243	26,695
Fund balances, beginning of year, restated	<u>16,051,427</u>	<u>1,553,721</u>	<u>340,137</u>
Fund balances, end of year	<u>\$ 16,453,904</u>	<u>\$ 1,740,964</u>	<u>\$ 366,832</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Tobacco Settlement	IHSS	Bay Area Stormwater Management
<b>Revenues:</b>			
Taxes	\$ --	\$ --	\$ --
Licenses and permits	--	--	--
Intergovernmental revenues	150,000	1,770,226	--
Charges for services	1,450	--	--
Fines and forfeits	--	--	--
From use of money and property	91	446	--
Miscellaneous	--	--	--
Total revenues	<u>151,541</u>	<u>1,770,672</u>	<u>--</u>
<b>Expenditures:</b>			
Current:			
General government	--	--	--
Public protection	--	--	--
Public ways and facilities	--	--	--
Health and sanitation	--	2,092,581	--
Public assistance	--	--	--
Education	--	--	--
Recreation and cultural services	--	--	--
Capital outlay	--	--	--
Debt Service:			
Principal	--	--	--
Interest	--	--	--
Total expenditures	<u>--</u>	<u>2,092,581</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>151,541</u>	<u>(321,909)</u>	<u>--</u>
Other Financing Sources (Uses):			
Transfers in	35,500	322,355	--
Transfers out	<u>(187,026)</u>	<u>--</u>	<u>--</u>
Total other financing sources (uses), net	<u>(151,526)</u>	<u>322,355</u>	<u>--</u>
Net change in fund balances	15	446	--
Fund balances, beginning of year, restated	<u>--</u>	<u>54,720</u>	<u>50</u>
Fund balances, end of year	<u>\$ 15</u>	<u>\$ 55,166</u>	<u>\$ 50</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Open Space District	Low-Income Housing	Flood Control Zones
<b>Revenues:</b>			
Taxes	\$ 20,398,298	\$ --	\$ 4,800,958
Licenses and permits	--	382,370	--
Intergovernmental revenues	304,839	--	61,561
Charges for services	--	--	2,411,245
Fines and forfeits	24,305	--	10,801
From use of money and property	35,208	5,662	32,613
Miscellaneous	225,899	--	--
Total revenues	<u>20,988,549</u>	<u>388,032</u>	<u>7,317,178</u>
<b>Expenditures:</b>			
Current:			
General government	--	--	--
Public protection	--	--	4,669,676
Public ways and facilities	--	--	--
Health and sanitation	--	--	--
Public assistance	--	21,351	--
Education	--	--	--
Recreation and cultural services	10,208,539	--	--
Capital outlay	201,326	--	15,917
Debt Service:			
Principal	--	--	--
Interest	--	--	972
Total expenditures	<u>10,409,865</u>	<u>21,351</u>	<u>4,686,565</u>
Excess of revenues over expenditures	<u>10,578,684</u>	<u>366,681</u>	<u>2,630,613</u>
Other Financing Sources (Uses):			
Transfers in	17,400	250,000	--
Transfers out	(267,471)	(175,047)	(76,970)
Total other financing sources (uses), net	<u>(250,071)</u>	<u>74,953</u>	<u>(76,970)</u>
Net change in fund balances	10,328,613	441,634	2,553,643
Fund balances, beginning of year, restated	<u>8,198,273</u>	<u>9,585,089</u>	<u>20,570,706</u>
Fund balances, end of year	<u>\$ 18,526,886</u>	<u>\$ 10,026,723</u>	<u>\$ 23,124,349</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Miscellaneous Special Revenue Fund	Public Protection	Public Ways and Facilities
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Revenues:</b>			
Taxes	\$ --	\$ --	\$ --
Licenses and permits	--	--	1,305,554
Intergovernmental revenues	1,696,746	21,455,131	718,805
Charges for services	498,349	381,259	557,835
Fines and forfeits	--	592,772	12,011
From use of money and property	3,492	25,925	19,088
Miscellaneous	--	--	--
Total revenues	<u>2,198,587</u>	<u>22,455,087</u>	<u>2,613,293</u>
<b>Expenditures:</b>			
Current:			
General government	5,000	7,248	68,357
Public protection	832,294	3,505,911	750,867
Public ways and facilities	--	--	511,052
Health and sanitation	577,282	692,795	--
Public assistance	--	215,317	--
Education	--	--	--
Recreation and cultural services	--	--	--
Capital outlay	139,685	421,610	132,230
Debt Service:			
Principal	--	--	--
Interest	--	--	--
Total expenditures	<u>1,554,261</u>	<u>4,842,881</u>	<u>1,462,506</u>
Excess of revenues over expenditures	<u>644,326</u>	<u>17,612,206</u>	<u>1,150,787</u>
Other Financing Sources (Uses):			
Transfers in	--	3,827,516	299,688
Transfers out	(892,865)	(14,419,825)	(3,089,978)
Total other financing uses, net	<u>(892,865)</u>	<u>(10,592,309)</u>	<u>(2,790,290)</u>
Net change in fund balances	(248,539)	7,019,897	(1,639,503)
Fund balances, beginning of year, restated	<u>2,749,928</u>	<u>13,739,422</u>	<u>8,272,990</u>
Fund balances, end of year	<u>\$ 2,501,389</u>	<u>\$ 20,759,319</u>	<u>\$ 6,633,487</u>

continued



**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	<u>Restricted Housing</u>	<u>Recreation and Cultural Services</u>	<u>Employees' Retirement Operations</u>	<u>Total</u>
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ 39,135,282
Licenses and permits	--	--	--	8,986,166
Intergovernmental revenues	--	--	2,204,901	91,644,393
Charges for services	--	--	--	13,130,392
Fines and forfeits	--	--	--	942,939
From use of money and property	2,094	263	--	221,951
Miscellaneous	--	--	--	386,184
<b>Total revenues</b>	<u>2,094</u>	<u>263</u>	<u>2,204,901</u>	<u>154,447,307</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	2,144,780	2,786,201
Public protection	--	--	--	22,740,000
Public ways and facilities	--	--	--	9,185,066
Health and sanitation	--	--	--	3,596,984
Public assistance	--	--	--	2,236,608
Education	--	--	--	13,966,009
Recreation and cultural services	--	--	--	11,909,222
Capital outlay	--	--	--	1,904,978
Debt Service:				
Principal	--	--	--	77,955
Interest	--	--	--	47,062
<b>Total expenditures</b>	<u>--</u>	<u>--</u>	<u>2,144,780</u>	<u>68,450,085</u>
Excess of revenues over expenditures	<u>2,094</u>	<u>263</u>	<u>60,121</u>	<u>85,997,222</u>
Other Financing Sources (Uses):				
Transfers in	--	--	50,100	7,494,184
Transfers out	--	--	(60,121)	(69,951,105)
<b>Total other financing uses, net</b>	<u>--</u>	<u>--</u>	<u>(10,021)</u>	<u>(62,456,921)</u>
Net change in fund balances	2,094	263	50,100	23,540,301
Fund balances, beginning of year, restated	<u>2,671,086</u>	<u>236,095</u>	<u>(50,081)</u>	<u>140,831,028</u>
Fund balances, end of year	<u>\$ 2,673,180</u>	<u>\$ 236,358</u>	<u>\$ 19</u>	<u>\$ 164,371,329</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Road Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 6,713,154	\$ 6,713,154	\$ 7,536,902	\$ 823,748
Charges for services	396,860	1,845,790	1,688,662	(157,128)
From use of money and property	3,800	3,800	2,345	(1,455)
Miscellaneous	60,000	60,000	30,541	(29,459)
Total revenues	<u>7,173,814</u>	<u>8,622,744</u>	<u>9,258,450</u>	<u>635,706</u>
<b>Expenditures:</b>				
Current:				
Public ways and facilities				
Public Works	<u>10,324,577</u>	<u>11,227,647</u>	<u>7,951,475</u>	<u>3,276,172</u>
Total public ways and facilities	<u>10,324,577</u>	<u>11,227,647</u>	<u>7,951,475</u>	<u>3,276,172</u>
Capital Outlay	<u>250,000</u>	<u>82,425</u>	<u>51,308</u>	<u>31,117</u>
Total expenditures	<u>10,574,577</u>	<u>11,310,072</u>	<u>8,002,783</u>	<u>3,307,289</u>
Excess of revenues over expenditures	<u>(3,400,763)</u>	<u>(2,687,328)</u>	<u>1,255,667</u>	<u>3,942,995</u>
Other Financing Sources (Uses):				
Transfers in	1,514,282	2,625,673	2,507,653	(118,020)
Transfers out	--	--	(134,154)	(134,154)
Total other financing sources, net	<u>1,514,282</u>	<u>2,625,673</u>	<u>2,373,499</u>	<u>(252,174)</u>
Net change in fund balances	(1,886,481)	(61,655)	3,629,166	3,690,821
Fund balances, beginning of year	<u>1,631,414</u>	<u>1,631,414</u>	<u>1,631,414</u>	<u>--</u>
Fund balances, end of year	<u>\$ (255,067)</u>	<u>\$ 1,569,759</u>	<u>\$ 5,260,580</u>	<u>\$ 3,690,821</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Library Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 8,671,732	\$ 8,698,732	\$ 9,126,113	\$ 427,381
Intergovernmental revenues	114,000	114,000	128,329	14,329
Charges for services	5,116,890	5,121,466	5,143,453	21,987
Fines and forfeits	234,200	234,200	210,881	(23,319)
From use of money and property	18,200	4,700	23,900	19,200
Miscellaneous	62,910	143,966	109,008	(34,958)
Total revenues	<u>14,217,932</u>	<u>14,317,064</u>	<u>14,741,684</u>	<u>424,620</u>
<b>Expenditures:</b>				
Current:				
Education				
Law Library	210,000	210,000	211,068	(1,068)
Marin County Free Library	15,541,387	16,082,873	13,754,941	2,327,932
Total education	<u>15,751,387</u>	<u>16,292,873</u>	<u>13,966,009</u>	<u>2,326,864</u>
Capital Outlay	<u>230,974</u>	<u>88,496</u>	<u>777,088</u>	<u>(688,592)</u>
Total expenditures	<u>15,982,361</u>	<u>16,381,369</u>	<u>14,743,097</u>	<u>1,638,272</u>
Deficiency of revenues under expenditures	<u>(1,764,429)</u>	<u>(2,064,305)</u>	<u>(1,413)</u>	<u>2,062,892</u>
Other Financing Sources (Uses):				
Transfers in	160,000	177,813	172,445	(5,368)
Transfers out	--	(17,813)	(227,243)	(209,430)
Total other financing sources (uses), net	<u>160,000</u>	<u>160,000</u>	<u>(54,798)</u>	<u>(214,798)</u>
Net change in fund balances	(1,604,429)	(1,904,305)	(56,211)	1,848,094
Fund balances, beginning of year, restated	<u>8,442,686</u>	<u>8,442,686</u>	<u>8,442,686</u>	<u>--</u>
Fund balances, end of year	<u>\$ 6,838,257</u>	<u>\$ 6,538,381</u>	<u>\$ 8,386,475</u>	<u>\$ 1,848,094</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Fish and Game Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeits	\$ 25,000	\$ 25,000	\$ 33,470	\$ 8,470
Miscellaneous	--	--	41	41
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>33,511</u>	<u>8,511</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Non - Departmental	25,000	25,000	20,080	4,920
Total public protection	<u>25,000</u>	<u>25,000</u>	<u>20,080</u>	<u>4,920</u>
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>20,080</u>	<u>4,920</u>
Net change in fund balances	--	--	13,431	13,431
Fund balances, beginning of year, restated	<u>35,716</u>	<u>35,716</u>	<u>35,716</u>	<u>--</u>
Fund balances, end of year	<u>\$ 35,716</u>	<u>\$ 35,716</u>	<u>\$ 49,147</u>	<u>\$ 13,431</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Child Support Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 3,808,270	\$ 3,870,560	\$ 3,686,693	\$ (183,867)
Charges for services	121,447	123,290	116,556	(6,734)
From use of money and property	3,000	3,000	659	(2,341)
Miscellaneous	683	683	741	58
Total revenues	<u>3,933,400</u>	<u>3,997,533</u>	<u>3,804,649</u>	<u>(192,884)</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Child Support Services	3,933,400	3,997,533	3,720,202	277,331
Total public protection	<u>3,933,400</u>	<u>3,997,533</u>	<u>3,720,202</u>	<u>277,331</u>
Total expenditures	<u>3,933,400</u>	<u>3,997,533</u>	<u>3,720,202</u>	<u>277,331</u>
Excess (deficiency) of revenues over (under) expenditures	<u>--</u>	<u>--</u>	<u>84,447</u>	<u>84,447</u>
Other Financing Sources (Uses):				
Transfers out	<u>--</u>	<u>--</u>	<u>(84,847)</u>	<u>(84,847)</u>
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(84,847)</u>	<u>(84,847)</u>
Net change in fund balances	<u>--</u>	<u>--</u>	<u>(400)</u>	<u>(400)</u>
Fund balances, beginning of year	<u>261,873</u>	<u>261,873</u>	<u>261,873</u>	<u>--</u>
Fund balances, end of year	<u>\$ 261,873</u>	<u>\$ 261,873</u>	<u>\$ 261,473</u>	<u>\$ (400)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Health and Sanitation  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 57,386,407	\$ 63,488,010	\$ 48,463,187	\$ (15,024,823)
Charges for services	101,800	704,470	145,978	(558,492)
Fines and forfeits	--	10,000	4,081	(5,919)
From use of money and property	--	--	35,769	35,769
Miscellaneous	--	--	19,245	19,245
Total revenues	<u>57,488,207</u>	<u>64,202,480</u>	<u>48,668,260</u>	<u>(15,534,220)</u>
<b>Expenditures:</b>				
Health and sanitation				
Health and Human Services	--	20,653	8,463	(12,190)
Total health and sanitation	<u>--</u>	<u>20,653</u>	<u>8,463</u>	<u>(12,190)</u>
Total expenditures	<u>--</u>	<u>20,653</u>	<u>8,463</u>	<u>(12,190)</u>
Other Financing Sources (Uses):				
Transfers in	--	--	27	27
Transfers out	<u>(57,488,207)</u>	<u>(64,181,827)</u>	<u>(49,297,521)</u>	<u>14,884,306</u>
Total other financing sources (uses), net	<u>(57,488,207)</u>	<u>(64,181,827)</u>	<u>(49,297,494)</u>	<u>14,884,333</u>
Net change in fund balances	--	--	(637,697)	(637,697)
Fund balances, beginning of year, restated	<u>29,963,283</u>	<u>29,963,283</u>	<u>30,018,230</u>	<u>54,947</u>
Fund balances, end of year	<u>\$ 29,963,283</u>	<u>\$ 29,963,283</u>	<u>\$ 29,380,533</u>	<u>\$ (582,750)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Building Inspection Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 2,438,103	\$ 2,626,862	\$ 3,428,361	\$ 801,499
Intergovernmental revenues	--	11,000	--	(11,000)
Charges for services	53,141	53,141	56,856	3,715
Fines and forfeits	--	--	11,556	11,556
From use of money and property	--	--	1,514	1,514
Miscellaneous	2,500	2,500	--	(2,500)
Total revenues	<u>2,493,744</u>	<u>2,693,503</u>	<u>3,498,287</u>	<u>804,784</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Community Development Agency	2,528,827	2,687,944	2,634,831	53,113
Total public protection	<u>2,528,827</u>	<u>2,687,944</u>	<u>2,634,831</u>	<u>53,113</u>
Health and sanitation				
Community Development Agency	--	11,000	8,575	2,425
Total health and sanitation	<u>--</u>	<u>11,000</u>	<u>8,575</u>	<u>2,425</u>
Total expenditures	<u>2,528,827</u>	<u>2,698,944</u>	<u>2,643,406</u>	<u>55,538</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,083)</u>	<u>(5,441)</u>	<u>854,881</u>	<u>860,322</u>
Other Financing Uses:				
Transfers out	--	--	(51,073)	(51,073)
Total other financing uses	<u>--</u>	<u>--</u>	<u>(51,073)</u>	<u>(51,073)</u>
Net change in fund balances	(35,083)	(5,441)	803,808	809,249
Fund balances, beginning of year	<u>834,452</u>	<u>834,452</u>	<u>834,452</u>	<u>--</u>
Fund balances, end of year	<u>\$ 799,369</u>	<u>\$ 829,011</u>	<u>\$ 1,638,260</u>	<u>\$ 809,249</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Environmental Health Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ 91	\$ 91
Licenses and permits	3,290,492	3,287,492	3,869,881	582,389
Intergovernmental revenues	110,000	186,620	144,154	(42,466)
Charges for services	241,200	298,083	245,222	(52,861)
Fines and forfeits	--	--	38,602	38,602
From use of money and property	--	--	476	476
Miscellaneous	--	750	750	-
Total revenues	<u>3,641,692</u>	<u>3,772,945</u>	<u>4,299,176</u>	<u>526,231</u>
<b>Expenditures:</b>				
Current:				
General government				
Community Development Agency	512,090	422,090	560,816	(138,726)
Total general government	<u>512,090</u>	<u>422,090</u>	<u>560,816</u>	<u>(138,726)</u>
Public protection				
Community Development Agency	3,208,968	3,218,473	2,944,471	274,002
Total public protection	<u>3,208,968</u>	<u>3,218,473</u>	<u>2,944,471</u>	<u>274,002</u>
Health and sanitation				
Health and Human Services	--	70,320	70,320	--
Total health and sanitation	<u>--</u>	<u>70,320</u>	<u>70,320</u>	<u>--</u>
Total expenditures	<u>3,721,058</u>	<u>3,710,883</u>	<u>3,575,607</u>	<u>135,276</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(79,366)</u>	<u>62,062</u>	<u>723,569</u>	<u>661,507</u>
Other Financing Sources (Uses):				
Transfers in	--	10,000	--	(10,000)
Transfers out	--	--	(82,218)	(82,218)
Total other financing sources (uses), net	<u>--</u>	<u>10,000</u>	<u>(82,218)</u>	<u>(92,218)</u>
Net change in fund balances	(79,366)	72,062	641,351	569,289
Fund balances, beginning of year	<u>440,177</u>	<u>440,177</u>	<u>440,177</u>	<u>--</u>
Fund balances, end of year	<u>\$ 360,811</u>	<u>\$ 512,239</u>	<u>\$ 1,081,528</u>	<u>\$ 569,289</u>



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Fishnet Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ --	\$ --	\$ 152	\$ 152
Total revenues	<u>    --</u>	<u>    --</u>	<u>    152</u>	<u>    152</u>
Net change in fund balances	--	--	152	152
Fund balances, beginning of year	<u>129,295</u>	<u>129,295</u>	<u>129,295</u>	<u>    --</u>
Fund balances, end of year	<u>\$ 129,295</u>	<u>\$ 129,295</u>	<u>\$ 129,447</u>	<u>\$ 152</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 HUD Funds  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 2,099,091	\$ 4,814,943	\$ 2,008,607	\$ (2,806,336)
Total revenues	<u>2,099,091</u>	<u>4,814,943</u>	<u>2,008,607</u>	<u>(2,806,336)</u>
<b>Expenditures:</b>				
Current:				
Public assistance				
Community Development Agency	519,461	4,858,035	1,999,940	2,858,095
Total public assistance	<u>519,461</u>	<u>4,858,035</u>	<u>1,999,940</u>	<u>2,858,095</u>
Capital Outlay	<u>1,579,630</u>	<u>(68,910)</u>	<u>--</u>	<u>(68,910)</u>
Total expenditures	<u>2,099,091</u>	<u>4,789,125</u>	<u>1,999,940</u>	<u>2,789,185</u>
Excess of revenues over expenditures	<u>--</u>	<u>25,818</u>	<u>8,667</u>	<u>(17,151)</u>
Other Financing Uses:				
Transfers out	<u>--</u>	<u>--</u>	<u>(8,667)</u>	<u>(8,667)</u>
Total other financing uses	<u>--</u>	<u>--</u>	<u>(8,667)</u>	<u>(8,667)</u>
Net change in fund balances	<u>--</u>	<u>25,818</u>	<u>--</u>	<u>(25,818)</u>
Fund balances, beginning of year, restated	<u>--</u>	<u>--</u>	<u>14,491,792</u>	<u>14,491,792</u>
Fund balances, end of year	<u>\$ --</u>	<u>\$ 25,818</u>	<u>\$ 14,491,792</u>	<u>\$ 14,465,974</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
High Tech Theft Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 3,079,748	\$ 3,079,748	\$ 1,290,856	\$ (1,788,892)
From use of money and property	--	--	368	368
Total revenues	<u>3,079,748</u>	<u>3,079,748</u>	<u>1,291,224</u>	<u>(1,788,524)</u>
<b>Expenditures:</b>				
Current:				
Public protection				
District Attorney	3,080,958	3,053,046	1,235,336	1,817,710
Total public protection	<u>3,080,958</u>	<u>3,053,046</u>	<u>1,235,336</u>	<u>1,817,710</u>
Capital Outlay	<u>22,670</u>	<u>50,016</u>	<u>50,015</u>	<u>1</u>
Total expenditures	<u>3,103,628</u>	<u>3,103,062</u>	<u>1,285,351</u>	<u>1,817,711</u>
Net change in fund balances	(23,880)	(23,314)	5,873	29,187
Fund balances, beginning of year	<u>12,565</u>	<u>12,565</u>	<u>12,565</u>	<u>--</u>
Fund balances, end of year	<u>\$ (11,315)</u>	<u>\$ (10,749)</u>	<u>\$ 18,438</u>	<u>\$ 29,187</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Sewer Districts  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 48,410	\$ 48,410	\$ 56,909	\$ 8,499
Intergovernmental revenues	310	310	304	(6)
Charges for services	68,048	68,048	63,720	(4,328)
From use of money and property	680	680	727	47
Total revenues	<u>117,448</u>	<u>117,448</u>	<u>121,660</u>	<u>4,212</u>
<b>Expenditures:</b>				
Current:				
Health and sanitation				
SMD Murray Park	121,092	121,092	105,910	15,182
SMD San Quentin	118,645	81,112	--	81,112
Total health and sanitation	<u>239,737</u>	<u>202,204</u>	<u>105,910</u>	<u>96,294</u>
Total expenditures	<u>239,737</u>	<u>202,204</u>	<u>105,910</u>	<u>96,294</u>
Net change in fund balances	(122,289)	(84,756)	15,750	100,506
Fund balances, beginning of year	<u>559,265</u>	<u>559,265</u>	<u>559,265</u>	<u>--</u>
Fund balances, end of year	<u>\$ 436,976</u>	<u>\$ 474,509</u>	<u>\$ 575,015</u>	<u>\$ 100,506</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
County Service Areas  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 3,573,497	\$ 3,573,497	\$ 3,921,528	\$ 348,031
Intergovernmental revenues	20,010	20,010	19,248	(762)
Charges for services	1,756,439	1,756,439	1,706,061	(50,378)
Fines and Forfeits	750	750	4,460	3,710
From use of money and property	23,770	23,770	27,487	3,717
Total revenues	<u>5,374,466</u>	<u>5,374,466</u>	<u>5,678,784</u>	<u>304,318</u>
<b>Expenditures:</b>				
Current:				
Public protection				
CSA#13 Marin County Upper Lucas	647,101	638,046	552,527	85,519
CSA#17 Kentfield	160,152	160,152	160,151	1
CSA#19 Fire Pr Svcs	1,847,876	1,847,876	1,573,453	274,423
CSA#29 Paradise Cay	484,000	476,261	129,635	346,626
CSA#6 Santa Venetia	21,868	21,868	10,566	11,302
Total public protection	<u>3,160,997</u>	<u>3,144,203</u>	<u>2,426,332</u>	<u>717,871</u>
Public ways and facilities				
CSA#1 Loma Verde	91,675	91,675	12,644	79,031
CSA#9 Northbridge	45,921	45,921	21,694	24,227
Total public ways and facilities	<u>137,596</u>	<u>137,596</u>	<u>34,338</u>	<u>103,258</u>
Health and sanitation				
CSA#27 Ross Vly Par	34,650	37,000	34,650	2,350
CSA#28 W Marin Para	6,408	6,408	6,408	--
Total health and sanitation	<u>41,058</u>	<u>43,408</u>	<u>41,058</u>	<u>2,350</u>
Recreation and cultural services				
CSA#14 Homestead Vly	1,095,229	1,027,389	978,376	49,013
CSA#16 Greenbrae	581,169	535,889	268,999	266,890
CSA#17 Kentfield	998,915	986,809	324,605	662,204
CSA#18 Gallinas Vil	284,461	148,090	106,363	41,727
CSA#20 Indian Villy	100,084	100,084	84	100,000
CSA#33 Stinson Bch	37,155	29,377	22,256	7,121
Total recreation and cultural svcs	<u>3,097,013</u>	<u>2,827,638</u>	<u>1,700,683</u>	<u>1,126,955</u>
Capital Outlay	200,000	336,371	115,799	426,984
Debt Service:				
Principal	39,020	39,020	39,016	4
Interest	34,498	34,498	34,502	(4)
Total debt service	<u>73,518</u>	<u>73,518</u>	<u>73,518</u>	<u>--</u>
Total expenditures	<u>6,710,182</u>	<u>6,562,734</u>	<u>4,391,728</u>	<u>2,377,418</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,335,716)</u>	<u>(1,188,268)</u>	<u>1,287,056</u>	<u>2,475,324</u>
Other Financing Sources (Uses):				
Transfers in	11,500	11,500	11,500	--
Transfers out	(950,892)	(952,471)	(896,079)	56,392
Total other financing uses, net	<u>(939,392)</u>	<u>(940,971)</u>	<u>(884,579)</u>	<u>56,392</u>
Net change in fund balances	<u>(2,275,108)</u>	<u>(2,129,239)</u>	<u>402,477</u>	<u>2,531,716</u>
Fund balances, beginning of year	<u>16,051,427</u>	<u>16,051,427</u>	<u>16,051,427</u>	<u>--</u>
Fund balances, end of year	<u>\$ 13,776,319</u>	<u>\$ 13,922,188</u>	<u>\$ 16,453,904</u>	<u>\$ 2,531,716</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Lighting  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 705,810	\$ 705,810	\$ 774,568	\$ 68,758
Intergovernmental revenues	3,579	3,579	3,566	(13)
Charges for services	83,336	83,336	84,283	--
From use of money and property	1,628	1,628	3,221	1,593
Total revenues	<u>794,353</u>	<u>794,353</u>	<u>865,638</u>	<u>70,338</u>
<b>Expenditures:</b>				
Current:				
Public Ways and Facilities:				
Marin County Lighting	754,572	754,572	517,346	341,684
Rush Creek Lighting	249,471	245,421	110,522	101,628
Total public ways and facilities	<u>1,004,043</u>	<u>999,993</u>	<u>627,868</u>	<u>443,312</u>
Debt Service:				
Principal	36,586	36,586	38,939	(2,353)
Interest	13,942	13,942	11,588	2,354
Total debt service	<u>50,528</u>	<u>50,528</u>	<u>50,527</u>	<u>1</u>
Total expenditures	<u>1,054,571</u>	<u>1,050,521</u>	<u>678,395</u>	<u>443,313</u>
Net change in fund balances	(260,218)	(256,168)	187,243	443,411
Fund balances, beginning of year	<u>1,553,721</u>	<u>1,553,721</u>	<u>1,553,721</u>	<u>--</u>
Fund balances, end of year	<u>\$ 1,293,503</u>	<u>\$ 1,297,553</u>	<u>\$ 1,740,964</u>	<u>\$ 443,411</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Permanent Road Districts  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 52,418	\$ 52,418	\$ 56,817	\$ 4,399
Intergovernmental revenues	335	335	338	3
Charges for services	32,928	32,928	29,463	(3,465)
From use of money and property	383	383	410	27
Total revenues	<u>86,064</u>	<u>86,064</u>	<u>87,028</u>	<u>964</u>
<b>Expenditures:</b>				
Current:				
Public ways and facilities				
PRD Bolinas Highland	17,005	17,005	--	17,005
PRD Inverness Div#2	5,050	5,050	--	5,050
PRD Monte Cristo	25,070	25,070	--	25,070
PRD Mt. View Ave. Lagunitas	7,000	7,000	19,621	(12,621)
PRD Paradise Estates	40,810	40,810	40,712	98
Total public ways and facilities	<u>94,935</u>	<u>94,935</u>	<u>60,333</u>	<u>34,602</u>
Total expenditures	<u>94,935</u>	<u>94,935</u>	<u>60,333</u>	<u>34,602</u>
Net change in fund balances	(8,871)	(8,871)	26,695	35,566
Fund balances, beginning of year	<u>340,137</u>	<u>340,137</u>	<u>340,137</u>	<u>--</u>
Fund balances, end of year	<u>\$ 331,266</u>	<u>\$ 331,266</u>	<u>\$ 366,832</u>	<u>\$ 35,566</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Tobacco Settlement Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 150,000	\$ 150,000	\$ 150,000	\$ --
Charges for services	--	--	1,450	1,450
From use of money and property	--	--	91	91
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>151,541</u>	<u>1,541</u>
Excess of revenues over expenditures	<u>150,000</u>	<u>150,000</u>	<u>151,541</u>	<u>1,541</u>
Other Financing Sources (Uses):				
Transfers in	--	--	35,500	35,500
Transfers out	(150,000)	(150,000)	(187,026)	(37,026)
Total other financing uses, net	<u>(150,000)</u>	<u>(150,000)</u>	<u>(151,526)</u>	<u>(1,526)</u>
Net change in fund balances	--	--	15	15
Fund balances, beginning of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 15</u>	<u>\$ 15</u>



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 IHSS Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 2,140,000	\$ --	\$ 1,770,226	\$ 1,770,226
From use of money and property	3,000	3,000	446	(2,554)
Total revenues	<u>2,143,000</u>	<u>3,000</u>	<u>1,770,672</u>	<u>1,767,672</u>
<b>Expenditures:</b>				
Current:				
Health and sanitation				
IHSS Public Auth	2,143,000	2,143,000	2,092,581	50,419
Total health and sanitation	<u>2,143,000</u>	<u>2,143,000</u>	<u>2,092,581</u>	<u>50,419</u>
Total expenditures	<u>2,143,000</u>	<u>2,143,000</u>	<u>2,092,581</u>	<u>50,419</u>
Deficiency of revenues under expenditures	<u>--</u>	<u>(2,140,000)</u>	<u>(321,909)</u>	<u>1,818,091</u>
Other Financing Sources:				
Transfers in	--	2,140,000	322,355	(1,817,645)
Total other financing sources	<u>--</u>	<u>2,140,000</u>	<u>322,355</u>	<u>(1,817,645)</u>
Net change in fund balances	--	--	446	446
Fund balances, beginning of year	<u>54,720</u>	<u>54,720</u>	<u>54,720</u>	<u>--</u>
Fund balances, end of year	<u>\$ 54,720</u>	<u>\$ 54,720</u>	<u>\$ 55,166</u>	<u>\$ 446</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Bay Area Stormwater Management Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ --	\$ --	\$ --	\$ --
Total revenues	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
<b>Expenditures:</b>				
Current:				
General government				
Public Works	--	--	--	--
Total general government	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
Total expenditures	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>
Net change in fund balances	--	--	--	--
Fund balances, beginning of year	<u>    --</u>	<u>    --</u>	<u>    50</u>	<u>    50</u>
Fund balances, end of year	<u>\$    --</u>	<u>\$    --</u>	<u>\$    50</u>	<u>\$    50</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Open Space District  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 5,617,791	\$ 5,617,791	\$ 20,398,298	\$ 14,780,507
Intergovernmental revenues	10,090,822	10,090,822	304,839	(9,785,983)
Fines and forfeits	--	--	24,305	24,305
From use of money and property	52,434	52,434	35,208	(17,226)
Miscellaneous	207,000	207,000	225,899	18,899
Total revenues	<u>15,968,047</u>	<u>15,968,047</u>	<u>20,988,549</u>	<u>5,020,502</u>
<b>Expenditures:</b>				
Current:				
Recreation and cultural services				
Parks	6,652,600	6,314,428	3,958,510	2,355,918
Open Space	7,234,633	6,382,416	6,250,029	132,387
Total recreation and cultural svcs	<u>13,887,233</u>	<u>12,696,844</u>	<u>10,208,539</u>	<u>2,488,305</u>
Capital Outlay	<u>199,000</u>	<u>201,349</u>	<u>201,326</u>	<u>23</u>
Total expenditures	<u>14,086,233</u>	<u>12,898,193</u>	<u>10,409,865</u>	<u>2,488,328</u>
Excess of revenues over expenditures	<u>1,881,814</u>	<u>3,069,854</u>	<u>10,578,684</u>	<u>7,508,830</u>
Other Financing Sources (Uses):				
Transfers in	--	17,400	17,400	--
Transfers out	--	(141,699)	(267,471)	(125,772)
Total other financing uses, net	<u>--</u>	<u>(124,299)</u>	<u>(250,071)</u>	<u>(125,772)</u>
Net change in fund balances	1,881,814	2,945,555	10,328,613	7,383,058
Fund balances, beginning of year	<u>8,198,273</u>	<u>8,198,273</u>	<u>8,198,273</u>	<u>--</u>
Fund balances, end of year	<u>\$ 10,080,087</u>	<u>\$ 11,143,828</u>	<u>\$ 18,526,886</u>	<u>\$ 7,383,058</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Low-Income Housing Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 100,000	\$ 100,000	\$ 382,370	\$ 282,370
From use of money and property	--	--	5,662	5,662
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>388,032</u>	<u>288,032</u>
<b>Expenditures:</b>				
Current:				
Public assistance				
Community Development Agency	179,314	160,928	21,351	139,577
Total public assistance	<u>179,314</u>	<u>160,928</u>	<u>21,351</u>	<u>139,577</u>
Total expenditures	<u>179,314</u>	<u>160,928</u>	<u>21,351</u>	<u>139,577</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(79,314)</u>	<u>(60,928)</u>	<u>366,681</u>	<u>427,609</u>
Other Financing Sources (Uses):				
Transfers in	250,000	250,000	250,000	--
Transfers out	<u>(175,047)</u>	<u>(175,047)</u>	<u>(175,047)</u>	<u>--</u>
Total other financing sources, net	<u>74,953</u>	<u>74,953</u>	<u>74,953</u>	<u>--</u>
Net change in fund balances	(4,361)	14,025	441,634	427,609
Fund balances, beginning of year	<u>9,585,089</u>	<u>9,585,089</u>	<u>9,585,089</u>	<u>--</u>
Fund balances, end of year	<u>\$ 9,580,728</u>	<u>\$ 9,599,114</u>	<u>\$ 10,026,723</u>	<u>\$ 427,609</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Flood Control Zones  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,408,887	\$ 4,408,887	\$ 4,800,958	\$ 392,071
Intergovernmental revenues	44,966	44,966	61,561	16,595
Charges for services	2,637,594	2,637,594	2,411,245	(226,349)
Fines and forfeits	900	900	10,801	9,901
From use of money and property	36,428	36,428	32,613	(3,815)
Total revenues	<u>7,128,775</u>	<u>7,128,775</u>	<u>7,317,178</u>	<u>188,403</u>
<b>Expenditures:</b>				
Current:				
Public protection				
FCZ#1 Novato	1,744,793	1,630,543	1,181,447	449,096
FCZ#3 Richardson Bay	2,819,257	2,482,721	988,289	1,494,432
FCZ#4 and FCZ#4A	706,663	657,743	346,077	311,666
FCZ#5 Stinson Beach	159,157	160,669	107,621	53,048
FCZ#6 S R Meadows	25,505	24,992	18,851	6,141
FCZ#7 Santa Venetia	952,807	1,109,716	1,006,826	102,890
FCZ#9 and FCZ#9A	4,743,024	5,527,334	1,016,452	4,510,882
FCZ#10 Inverness	16,526	10,726	4,113	6,613
Total public protection	<u>11,167,732</u>	<u>11,604,444</u>	<u>4,669,676</u>	<u>6,934,768</u>
Capital Outlay	<u>--</u>	<u>16,000</u>	<u>15,917</u>	<u>83</u>
Debt Service:				
Principal	520,000	520,000	--	520,000
Interest	78,000	78,000	972	77,028
Total debt service	<u>598,000</u>	<u>598,000</u>	<u>972</u>	<u>597,028</u>
Total expenditures	<u>11,765,732</u>	<u>12,218,444</u>	<u>4,686,565</u>	<u>7,531,879</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,636,957)</u>	<u>(5,089,669)</u>	<u>2,630,613</u>	<u>7,720,282</u>
Other Financing Uses:				
Transfers out	<u>--</u>	<u>(76,970)</u>	<u>(76,970)</u>	<u>--</u>
Total other financing uses	<u>--</u>	<u>(76,970)</u>	<u>(76,970)</u>	<u>--</u>
Net change in fund balances	(4,636,957)	(5,166,639)	2,553,643	7,720,282
Fund balances, beginning of year, restated	<u>20,570,706</u>	<u>20,570,706</u>	<u>20,570,706</u>	<u>--</u>
Fund balances, end of year	<u>\$ 15,933,749</u>	<u>\$ 15,404,067</u>	<u>\$ 23,124,349</u>	<u>\$ 7,720,282</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Miscellaneous Special Revenue Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ --	\$ 2,655,191	\$ 1,696,746	\$ (958,445)
Charges for services	464,106	615,333	498,349	(116,984)
From use of money and property	--	--	3,492	3,492
Total revenues	<u>464,106</u>	<u>3,270,524</u>	<u>2,198,587</u>	<u>(1,071,937)</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	5,000	(5,000)
Total general government	<u>--</u>	<u>--</u>	<u>5,000</u>	<u>(5,000)</u>
Public protection				
Health and Human Services	45,051	715,697	468,911	246,786
Fire	--	--	20,082	(20,082)
Sheriff	59,837	515,769	343,301	172,468
Total public protection	<u>104,888</u>	<u>1,231,466</u>	<u>832,294</u>	<u>399,172</u>
Health and sanitation				
Health and Human Services	116,795	663,351	577,282	86,069
Total health and sanitation	<u>116,795</u>	<u>663,351</u>	<u>577,282</u>	<u>86,069</u>
Capital Outlay				
	<u>25,224</u>	<u>215,839</u>	<u>139,685</u>	<u>76,154</u>
Total expenditures	<u>246,907</u>	<u>2,110,656</u>	<u>1,554,261</u>	<u>556,395</u>
Excess of revenues over expenditures	<u>217,199</u>	<u>1,159,868</u>	<u>644,326</u>	<u>(515,542)</u>
Other Financing Uses:				
Transfers out	<u>(464,106)</u>	<u>(937,358)</u>	<u>(892,865)</u>	<u>44,493</u>
Total other financing uses	<u>(464,106)</u>	<u>(937,358)</u>	<u>(892,865)</u>	<u>44,493</u>
Net change in fund balances	(246,907)	222,510	(248,539)	(471,049)
Fund balances, beginning of year, restated	<u>2,734,388</u>	<u>2,734,388</u>	<u>2,749,928</u>	<u>15,540</u>
Fund balances, end of year	<u>\$ 2,487,481</u>	<u>\$ 2,956,898</u>	<u>\$ 2,501,389</u>	<u>\$ (455,509)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Public Protection  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 4,344,119	\$ 9,734,135	\$ 21,455,131	\$ 11,720,996
Charges for services	3,909,014	4,764,630	381,259	(4,383,371)
Fines and forfeits	540,000	722,000	592,772	(129,228)
From use of money and property	--	--	25,925	25,925
Total revenues	<u>8,793,133</u>	<u>15,220,765</u>	<u>22,455,087</u>	<u>7,234,322</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	--	7,250	7,248	2
Total general government	<u>--</u>	<u>7,250</u>	<u>7,248</u>	<u>2</u>
Public protection				
Probation	1,849,341	2,503,580	2,431,830	71,750
Sheriff	1,164,467	1,233,562	1,074,081	159,481
Total public protection	<u>3,013,808</u>	<u>3,737,142</u>	<u>3,505,911</u>	<u>231,231</u>
Health and sanitation				
Health and Human Services	699,399	764,439	692,795	71,644
Total health and sanitation	<u>699,399</u>	<u>764,439</u>	<u>692,795</u>	<u>71,644</u>
Public assistance				
Health and Human Services	143,207	248,823	215,317	33,506
Total public assistance	<u>143,207</u>	<u>248,823</u>	<u>215,317</u>	<u>33,506</u>
Capital Outlay				
	<u>75,000</u>	<u>427,606</u>	<u>421,610</u>	<u>5,996</u>
Total expenditures	<u>3,931,414</u>	<u>5,185,260</u>	<u>4,842,881</u>	<u>342,379</u>
Excess of revenues over expenditures	<u>4,861,719</u>	<u>10,035,505</u>	<u>17,612,206</u>	<u>7,576,701</u>
Other Financing Sources (Uses):				
Transfers in	3,167,985	3,996,705	3,827,516	(169,189)
Transfers out	(7,964,202)	(16,325,498)	(14,419,825)	1,905,673
Total other financing uses, net	<u>(4,796,217)</u>	<u>(12,328,793)</u>	<u>(10,592,309)</u>	<u>1,736,484</u>
Net change in fund balances	65,502	(2,293,288)	7,019,897	9,313,185
Fund balances, beginning of year, restated	<u>12,861,311</u>	<u>12,861,311</u>	<u>13,739,422</u>	<u>878,111</u>
Fund balances, end of year	<u>\$ 12,926,813</u>	<u>\$ 10,568,023</u>	<u>\$ 20,759,319</u>	<u>\$ 10,191,296</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Public Ways and Facilities  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 703,609	\$ 703,609	\$ 1,305,554	\$ 601,945
Intergovernmental revenues	--	2,977,977	718,805	(2,259,172)
Charges for services	687,874	687,874	557,835	(130,039)
Fines and forfeits	7,000	6,000	12,011	6,011
From use of money and property	37,871	37,871	19,088	(18,783)
Total revenues	<u>1,436,354</u>	<u>4,413,331</u>	<u>2,613,293</u>	<u>(1,800,038)</u>
<b>Expenditures:</b>				
Current:				
General government				
Public Works	78,046	66,255	68,357	(2,102)
Total general government	<u>78,046</u>	<u>66,255</u>	<u>68,357</u>	<u>(2,102)</u>
Public protection				
Community Development Agency	47,026	40,254	28,370	11,884
Entities Managed by DPW	813,207	786,330	719,922	66,408
Public Works	-	3,033	2,575	458
Total public protection	<u>860,233</u>	<u>829,617</u>	<u>750,867</u>	<u>78,750</u>
Public ways and facilities				
Public Works	340,420	3,527,000	511,052	3,015,948
Total public ways and facilities	<u>340,420</u>	<u>3,527,000</u>	<u>511,052</u>	<u>3,015,948</u>
Capital Outlay				
	--	--	132,230	(132,230)
Total expenditures	<u>1,278,699</u>	<u>4,422,872</u>	<u>1,462,506</u>	<u>2,960,366</u>
Excess (deficiency) of revenues over (under) expenditures	<u>157,655</u>	<u>(9,541)</u>	<u>1,150,787</u>	<u>1,160,328</u>
Other Financing Sources (Uses):				
Transfers in	153,468	153,468	299,688	146,220
Transfers out	(978,964)	(3,260,355)	(3,089,978)	170,377
Total other financing uses, net	<u>(825,496)</u>	<u>(3,106,887)</u>	<u>(2,790,290)</u>	<u>316,597</u>
Net change in fund balances	(667,841)	(3,116,428)	(1,639,503)	1,476,925
Fund balances, beginning of year	<u>8,272,990</u>	<u>8,272,990</u>	<u>8,272,990</u>	<u>--</u>
Fund balances, end of year	<u>\$ 7,605,149</u>	<u>\$ 5,156,562</u>	<u>\$ 6,633,487</u>	<u>\$ 1,476,925</u>



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Restricted Low-Income Housing  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ --	\$ --	\$ 2,094	\$ 2,094
Total revenues	<u>    --</u>	<u>    --</u>	<u>    2,094</u>	<u>    2,094</u>
Net change in fund balances	<u>    --</u>	<u>    --</u>	<u>    2,094</u>	<u>    2,094</u>
Fund balances, beginning of year	<u>2,671,086</u>	<u>2,671,086</u>	<u>2,671,086</u>	<u>    --</u>
Fund balances, end of year	<u><u>\$2,671,086</u></u>	<u><u>\$ 2,671,086</u></u>	<u><u>\$ 2,673,180</u></u>	<u><u>\$ 2,094</u></u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Recreational and Cultural Services  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ --	\$ --	\$ 263	\$ 263
Total revenues	<u>--</u>	<u>--</u>	<u>263</u>	<u>263</u>
Net change in fund balances	--	--	263	263
Fund balances, beginning of year	<u>236,095</u>	<u>236,095</u>	<u>236,095</u>	<u>--</u>
Fund balances, end of year	<u><u>\$ 236,095</u></u>	<u><u>\$ 236,095</u></u>	<u><u>\$ 236,358</u></u>	<u><u>\$ 263</u></u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Employees' Retirement Operations  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,766,777	\$ --	\$ 2,204,901	\$ 2,204,901
Total revenues	<u>3,766,777</u>	<u>--</u>	<u>2,204,901</u>	<u>2,204,901</u>
<b>Expenditures:</b>				
Current:				
General government				
Retirement	3,766,777	2,366,170	2,144,780	221,390
Total general government	<u>3,766,777</u>	<u>2,366,170</u>	<u>2,144,780</u>	<u>221,390</u>
Total expenditures	<u>3,766,777</u>	<u>2,366,170</u>	<u>2,144,780</u>	<u>221,390</u>
Excess (deficiency) of revenues over (under) expenditures	<u>--</u>	<u>(2,366,170)</u>	<u>60,121</u>	<u>2,426,291</u>
Other Financing Sources (Uses):				
Transfers in	--	--	50,100	50,100
Transfers out	--	--	(60,121)	(60,121)
Total other financing uses, net	<u>--</u>	<u>--</u>	<u>(10,021)</u>	<u>(10,021)</u>
Net change in fund balances	--	(2,366,170)	50,100	2,416,270
Fund balances, beginning of year	<u>(50,081)</u>	<u>(50,081)</u>	<u>(50,081)</u>	<u>--</u>
Fund balances, end of year	<u>\$ (50,081)</u>	<u>\$ (2,416,251)</u>	<u>\$ 19</u>	<u>\$ 2,416,270</u>

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**NONMAJOR CAPITAL PROJECTS FUNDS**

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **NONMAJOR CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for financial resources that are restricted, committed or assigned to expenditures for the acquisition of major capital assets other than those financed by proprietary funds. Funding may only be used for the purpose obtained.

#### Courthouse Construction

This fund provides for the appropriation of Court Construction Funds, restricted by law to be used for the development, rehabilitation and/or enhancement of Court facilities.

#### Miscellaneous Capital Projects

This fund was established to centrally budget major capital improvements in the County. It accounts for appropriations for county capital improvement projects.

#### Other Capital Projects

This fund is used primarily to finance or reimburse the financing of various County improvements, including the renovation, acquisition and construction of capital projects.

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**COUNTY OF MARIN**

Combining Balance Sheet  
Nonmajor Capital Project Funds  
June 30, 2014

	<u>Courthouse Construction</u>	<u>Miscellaneous Capital Projects Fund</u>	<u>Other Capital Projects</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 774,164	\$ 17,467,191	\$ 1,515,485	\$ 19,756,840
Cash with fiscal agent	--	7,849,153	--	7,849,153
Accounts receivable	--	--	20	20
Due from other governmental agencies	--	5,000	4,357,656	4,362,656
	<u>774,164</u>	<u>25,321,344</u>	<u>5,873,161</u>	<u>31,968,669</u>
Total assets	<u>\$ 774,164</u>	<u>\$ 25,321,344</u>	<u>\$ 5,873,161</u>	<u>\$ 31,968,669</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ --	\$ 1,984,307	\$ 1,213,257	\$ 3,197,564
Accrued salaries and benefits	--	36,113	--	36,113
Unearned revenue	--	58,000	--	58,000
Other liabilities	--	69	2,497	2,566
Total liabilities	<u>--</u>	<u>2,078,489</u>	<u>1,215,754</u>	<u>3,294,243</u>
<b><u>FUND BALANCES</u></b>				
Restricted	773,550	1,287,734	4,657,407	6,718,691
Assigned	614	21,955,121	--	21,955,735
Total fund balances	<u>774,164</u>	<u>23,242,855</u>	<u>4,657,407</u>	<u>28,674,426</u>
Total liabilities and fund balances	<u>\$ 774,164</u>	<u>\$ 25,321,344</u>	<u>\$ 5,873,161</u>	<u>\$ 31,968,669</u>



**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Capital Project Funds  
June 30, 2014

	Courthouse Construction	Miscellaneous Capital Projects Fund	Other Capital Projects	Total
<b>Revenues:</b>				
Charges for services	\$ --	\$ 58,262	\$ 279,688	\$ 337,950
Intergovernmental revenues	--	110,035	5,322,471	5,432,506
Fines and forfeits	404,160	2,175	--	406,335
Use of money and property	614	12,244	--	12,858
Miscellaneous	--	269,917	--	269,917
Total revenues	<u>404,774</u>	<u>452,633</u>	<u>5,602,159</u>	<u>6,459,566</u>
<b>Expenditures:</b>				
Current:				
General government	--	7,484,259	--	7,484,259
Public protection	--	1,272,533	--	1,272,533
Public ways and facilities	--	168,698	22,031,433	22,200,131
Health and Sanitation	--	134,551	--	134,551
Recreation and cultural events	--	97,400	--	97,400
Capital outlay	--	38,481,781	47,385	38,529,166
Total expenditures	<u>--</u>	<u>47,639,222</u>	<u>22,078,818</u>	<u>69,718,040</u>
Excess (deficiency) of revenues over (under) expenditures	<u>404,774</u>	<u>(47,186,589)</u>	<u>(16,476,659)</u>	<u>(63,258,474)</u>
Other Financing Sources (Uses):				
Debt issued	--	250,000	--	250,000
Transfers in	--	7,137,965	7,138,204	14,276,169
Transfers out	(450,000)	(33,922)	--	(483,922)
Total other financing sources (uses), net	<u>(450,000)</u>	<u>7,354,043</u>	<u>7,138,204</u>	<u>14,042,247</u>
Net change in fund balances	(45,226)	(39,832,546)	(9,338,455)	(49,216,227)
Fund balances, beginning of year - restated	<u>819,390</u>	<u>63,075,401</u>	<u>13,995,862</u>	<u>77,890,653</u>
Fund balances, end of year	<u>\$ 774,164</u>	<u>\$ 23,242,855</u>	<u>\$ 4,657,407</u>	<u>\$ 28,674,426</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Courthouse Construction  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeits	\$ 450,000	\$ 450,000	\$ 404,160	\$ (45,840)
From use of money and property	--	--	614	614
Total revenues	<u>450,000</u>	<u>450,000</u>	<u>404,774</u>	<u>(45,226)</u>
Excess of revenues over expenditures	<u>450,000</u>	<u>450,000</u>	<u>404,774</u>	<u>(45,226)</u>
Other Financing Uses:				
Transfers out	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>--</u>
Total other financing uses	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>--</u>
Net change in fund balances	--	--	(45,226)	(45,226)
Fund balances, beginning of year	<u>819,390</u>	<u>819,390</u>	<u>819,390</u>	<u>--</u>
Fund balances, end of year	<u>\$ 819,390</u>	<u>\$ 819,390</u>	<u>\$ 774,164</u>	<u>\$ (45,226)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Miscellaneous Capital Project Fund  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ --	\$ 213,484	\$ --	\$ (213,484)
Intergovernmental revenues	--	10,000	110,035	100,035
Charges for services	10,000	--	58,262	58,262
From use of money and property	--	--	12,244	12,244
Fines and forfeits	--	--	2,175	2,175
Miscellaneous	--	269,917	269,917	--
Total revenues	<u>10,000</u>	<u>493,401</u>	<u>452,633</u>	<u>(42,943)</u>
<b>Expenditures:</b>				
Current:				
General government				
Public Works	<u>25,251,478</u>	<u>51,137,486</u>	<u>7,484,259</u>	<u>43,653,227</u>
Total general government	<u>25,251,478</u>	<u>51,137,486</u>	<u>7,484,259</u>	<u>43,653,227</u>
Public protection				
Public Works	<u>240,583</u>	<u>2,709,915</u>	<u>1,272,533</u>	<u>1,437,382</u>
Total public protection	<u>240,583</u>	<u>2,709,915</u>	<u>1,272,533</u>	<u>1,437,382</u>
Public ways and facilities				
Public Works	<u>23,753</u>	<u>2,588,011</u>	<u>168,698</u>	<u>2,419,313</u>
Total public ways and facilities	<u>23,753</u>	<u>2,588,011</u>	<u>168,698</u>	<u>2,419,313</u>
Health and sanitation				
Public Works	<u>--</u>	<u>224,996</u>	<u>134,551</u>	<u>90,445</u>
Total health and sanitation	<u>--</u>	<u>224,996</u>	<u>134,551</u>	<u>90,445</u>
Education				
Public Works	<u>--</u>	<u>84,347</u>	<u>--</u>	<u>84,347</u>
Total education	<u>--</u>	<u>84,347</u>	<u>--</u>	<u>84,347</u>
Recreation and cultural services				
Parks	150,412	2,146,338	48,433	2,097,905
Public Works	11,178	234,199	48,967	185,232
Total recreation and cultural svcs	<u>161,590</u>	<u>2,380,537</u>	<u>97,400</u>	<u>2,283,137</u>
Capital Outlay	<u>2,962,169</u>	<u>--</u>	<u>38,481,781</u>	<u>(38,481,781)</u>
Total expenditures	<u>28,639,573</u>	<u>59,125,292</u>	<u>47,639,222</u>	<u>11,486,070</u>
Deficiency of revenues under expenditures	<u>(28,629,573)</u>	<u>(58,631,891)</u>	<u>(47,186,589)</u>	<u>(11,443,127)</u>

continued

**COUNTY OF MARIN**

Budgetary Comparison Schedule (continued)  
 Miscellaneous Capital Project Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses):				
Debt issued	\$ --	\$ 1,371,100	\$ 250,000	\$ (1,121,100)
Transfers in	4,000,000	7,367,611	7,137,965	(229,646)
Transfers out	--	--	(33,922)	(33,922)
Total other financing sources, net	<u>4,000,000</u>	<u>8,738,711</u>	<u>7,354,043</u>	<u>(1,384,668)</u>
Net change in fund balances	(24,629,573)	(49,893,180)	(39,832,546)	10,060,634
Fund balances, beginning of year	<u>63,075,401</u>	<u>63,075,401</u>	<u>63,075,401</u>	--
Fund balances, end of year	<u>\$ 38,445,828</u>	<u>\$ 13,182,221</u>	<u>\$ 23,242,855</u>	<u>\$ 10,060,634</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Other Capital Projects  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ --	\$ --	\$ 279,688	\$ 279,688
Intergovernmental revenues	--	6,278,444	5,322,471	(955,973)
Total revenues	<u>--</u>	<u>6,278,444</u>	<u>5,602,159</u>	<u>(676,285)</u>
<b>Expenditures:</b>				
Current:				
Public ways and facilities				
Public Works	12,057,599	24,928,153	22,031,433	2,896,720
Total public ways and facilities	<u>12,057,599</u>	<u>24,928,153</u>	<u>22,031,433</u>	<u>2,896,720</u>
Capital Outlay	--	--	47,385	(47,385)
Total expenditures	<u>12,057,599</u>	<u>24,928,153</u>	<u>22,078,818</u>	<u>2,849,335</u>
Deficiency of revenues under expenditures	<u>(12,057,599)</u>	<u>(18,649,709)</u>	<u>(16,476,659)</u>	<u>2,173,050</u>
Other Financing Sources:				
Transfers in	2,900,000	7,138,204	7,138,204	--
Total other financing sources	<u>2,900,000</u>	<u>7,138,204</u>	<u>7,138,204</u>	<u>--</u>
Net change in fund balances	(9,157,599)	(11,511,505)	(9,338,455)	2,173,050
Fund balances, beginning of year	<u>13,995,862</u>	<u>13,995,862</u>	<u>13,995,862</u>	<u>--</u>
Fund balances, end of year	<u>\$ 4,838,263</u>	<u>\$ 2,484,357</u>	<u>\$ 4,657,407</u>	<u>\$ 2,173,050</u>

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**NONMAJOR DEBT SERVICE FUNDS**

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## NONMAJOR GOVERNMENTAL FUNDS

### DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of, principal and interest on the County's general long-term debt and related costs.

#### Open Space Debt Service

The Open Space Debt Service fund is used to account for the accumulation of resources for the payment of the 2002 Open Space Revenue Bonds debt principal, interest, and related costs.

#### Pension Obligation Bond (2003 POB)

The Pension Obligation Bond fund is used to accumulate resources for the payment of principal and interest and related costs of the Taxable Pension Obligation Bond of 2003 debt. The bonds were sold primarily to provide funds to refinance the County's actuarial accrued liability with respect to retirement benefits for County employees and retirees.

#### Debt Service

The Debt Service fund is used to account for the accumulation of resources for and the payment of principal and interest on the County's general long-term debt and related costs.

#### Tobacco Securitization

The Tobacco Securitization debt service fund is used to account for the County's portion of receipts from the Tobacco Industry from the sale of tobacco products and the payment of Tobacco Settlement Asset-Backed Bonds of 2007 debt principal, interest and related costs.



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**COUNTY OF MARIN**

Combining Balance Sheet  
Nonmajor Debt Service Funds  
June 30, 2014

	<u>Open Space Debt Service</u>	<u>2003 POB</u>	<u>Debt Service</u>	<u>Tobacco Securitization</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and investments in County pool	\$ 563,228	\$ 5,255,153	\$ 122,531	\$ 518	\$ 5,941,430
Cash with fiscal agent	--	--	4,003,550	3,717,194	7,720,744
	<u>563,228</u>	<u>5,255,153</u>	<u>4,126,081</u>	<u>3,717,712</u>	<u>13,662,174</u>
Total assets	<u>\$ 563,228</u>	<u>\$ 5,255,153</u>	<u>\$ 4,126,081</u>	<u>\$ 3,717,712</u>	<u>\$ 13,662,174</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 6,733	\$ --	\$ 122	\$ --	\$ 6,855
Advances payable	--	--	45,400	--	45,400
Total liabilities	<u>6,733</u>	<u>--</u>	<u>45,522</u>	<u>--</u>	<u>52,255</u>
<b>FUND BALANCES</b>					
Restricted	556,113	5,253,811	3,872,654	3,612,415	13,294,993
Assigned	382	1,342	207,905	105,297	314,926
Total fund balances	<u>556,495</u>	<u>5,255,153</u>	<u>4,080,559</u>	<u>3,717,712</u>	<u>13,609,919</u>
Total liabilities and fund balances	<u>\$ 563,228</u>	<u>\$ 5,255,153</u>	<u>\$ 4,126,081</u>	<u>\$ 3,717,712</u>	<u>\$ 13,662,174</u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Debt Service Funds  
For the Fiscal Year Ended June 30, 2014

	Open Space Debt Service	2003 POB	Debt Service	Tobacco Securitization	Total
<b>Revenues:</b>					
Charges for services	\$ 660,566	\$ --	\$ 71,444	\$ --	\$ 732,010
From use of money and property	383	3,369	2,703	127,296	133,751
Miscellaneous	--	--	--	2,223,124	2,223,124
Total revenues	<u>660,949</u>	<u>3,369</u>	<u>74,147</u>	<u>2,350,420</u>	<u>3,088,885</u>
<b>Expenditures:</b>					
Current:					
General government	--	2,027	3,323	22,000	27,350
Public protection	--	--	7,642	--	7,642
Recreation and cultural services	777,287	--	--	--	777,287
Debt Service:					
Principal	--	2,315,000	2,200,561	455,000	4,970,561
Interest	109,492	5,679,278	2,712,215	1,818,263	10,319,248
Debt issuance costs	172,042	--	--	--	172,042
Total expenditures	<u>1,058,821</u>	<u>7,996,305</u>	<u>4,923,741</u>	<u>2,295,263</u>	<u>16,274,130</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(397,872)</u>	<u>(7,992,936)</u>	<u>(4,849,594)</u>	<u>55,157</u>	<u>(13,185,245)</u>
Other Financing Sources (Uses):					
Refunding debt issued	6,163,324	--	--	--	6,163,324
Payment to refunded bond escrow agent	(6,003,398)	--	--	--	(6,003,398)
Transfers in	--	7,675,141	4,867,189	--	12,542,330
Total other financing sources (uses), net	<u>159,926</u>	<u>7,675,141</u>	<u>4,867,189</u>	<u>--</u>	<u>12,702,256</u>
Net change in fund balances	(237,946)	(317,795)	17,595	55,157	(482,989)
Fund balances, beginning of year - restated	<u>794,441</u>	<u>5,572,948</u>	<u>4,062,964</u>	<u>3,662,555</u>	<u>14,092,908</u>
Fund balances, end of year	<u>\$ 556,495</u>	<u>\$ 5,255,153</u>	<u>\$ 4,080,559</u>	<u>\$ 3,717,712</u>	<u>\$ 13,609,919</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Open Space Debt Service Fund  
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ --	\$ --	\$ 660,566	\$ 660,566
From use of money and property	--	--	383	383
Total revenues	<u>--</u>	<u>--</u>	<u>660,949</u>	<u>660,949</u>
<b>Expenditures:</b>				
Current:				
Recreation and cultural services				
Non - Departmental	--	--	777,287	(777,287)
Total general government	<u>--</u>	<u>--</u>	<u>777,287</u>	<u>(777,287)</u>
Debt Service:				
Interest	--	--	109,492	(109,492)
Debt issuance costs	--	--	172,042	(172,042)
Total debt service	<u>--</u>	<u>--</u>	<u>281,534</u>	<u>(281,534)</u>
Total expenditures	<u>--</u>	<u>--</u>	<u>1,058,821</u>	<u>(1,058,821)</u>
Deficiency of revenues over expenditures	<u>--</u>	<u>--</u>	<u>(397,872)</u>	<u>(397,872)</u>
Other Financing Sources (Uses):				
Debt issued	--	--	6,163,324	6,163,324
Refunding to bond escrow agent	--	--	(6,003,398)	(6,003,398)
Total other financing sources, net	<u>--</u>	<u>--</u>	<u>159,926</u>	<u>159,926</u>
Net change in fund balances	--	--	(237,946)	(237,946)
Fund balances, beginning of year	<u>794,441</u>	<u>794,441</u>	<u>794,441</u>	<u>--</u>
Fund balances, end of year	<u>\$ 794,441</u>	<u>\$ 794,441</u>	<u>\$ 556,495</u>	<u>\$ (237,946)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
2003 Pension Obligation Bonds  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ 20,000	\$ 20,000	\$ 3,369	\$ (16,631)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>3,369</u>	<u>(16,631)</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	10,000	10,000	2,027	7,973
Total general government	<u>10,000</u>	<u>10,000</u>	<u>2,027</u>	<u>7,973</u>
Debt Service:				
Principal	2,315,000	2,315,000	2,315,000	--
Interest	5,679,278	5,679,278	5,679,278	--
Total debt service	<u>7,994,278</u>	<u>7,994,278</u>	<u>7,994,278</u>	<u>--</u>
Total expenditures	<u>8,004,278</u>	<u>8,004,278</u>	<u>7,996,305</u>	<u>7,973</u>
Deficiency of revenues under expenditures	<u>(7,984,278)</u>	<u>(7,984,278)</u>	<u>(7,992,936)</u>	<u>(8,658)</u>
Other Financing Sources:				
Transfers in	7,984,278	7,984,278	7,675,141	(309,137)
Total other financing sources	<u>7,984,278</u>	<u>7,984,278</u>	<u>7,675,141</u>	<u>(309,137)</u>
Net change in fund balances	--	--	(317,795)	(317,795)
Fund balances, beginning of year	<u>5,572,948</u>	<u>5,572,948</u>	<u>5,572,948</u>	<u>--</u>
Fund balances, end of year	<u>\$ 5,572,948</u>	<u>\$ 5,572,948</u>	<u>\$ 5,255,153</u>	<u>\$ (317,795)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Other Debt Service  
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 58,200	\$ 58,200	\$ 71,444	\$ 13,244
From use of money and property	--	--	2,703	2,703
Total revenues	<u>58,200</u>	<u>58,200</u>	<u>74,147</u>	<u>15,947</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	35,001	35,001	3,323	31,678
Total general government	<u>35,001</u>	<u>35,001</u>	<u>3,323</u>	<u>31,678</u>
Public protection				
Community Development Agency	10,200	10,200	7,642	2,558
Total public protection	<u>10,200</u>	<u>10,200</u>	<u>7,642</u>	<u>2,558</u>
Debt Service:				
Principal	2,199,000	2,199,000	2,200,561	(1,561)
Interest	2,714,689	2,714,689	2,712,215	2,474
Total debt service	<u>4,913,689</u>	<u>4,913,689</u>	<u>4,912,776</u>	<u>913</u>
Total expenditures	<u>4,958,890</u>	<u>4,958,890</u>	<u>4,923,741</u>	<u>35,149</u>
Deficiency of revenues under expenditures	<u>(4,900,690)</u>	<u>(4,900,690)</u>	<u>(4,849,594)</u>	<u>51,096</u>
Other Financing Sources:				
Transfers in	4,900,690	4,900,690	4,867,189	(33,501)
Total other financing sources	<u>4,900,690</u>	<u>4,900,690</u>	<u>4,867,189</u>	<u>(33,501)</u>
Net change in fund balances	--	--	17,595	17,595
Fund balances, beginning of year	<u>4,062,964</u>	<u>4,062,964</u>	<u>4,062,964</u>	<u>--</u>
Fund balances, end of year	<u>\$ 4,062,964</u>	<u>\$ 4,062,964</u>	<u>\$ 4,080,559</u>	<u>\$ 17,595</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Tobacco Securitization  
For the Fiscal Year Ended June 30, 2014

	<u>Budgeted</u>	<u>Amounts</u>	<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b>Revenues:</b>				
From use of money and property	\$ 125,000	\$ 125,000	\$ 127,296	\$ 2,296
Miscellaneous	2,391,000	2,391,000	2,223,124	(167,876)
Total revenues	<u>2,516,000</u>	<u>2,516,000</u>	<u>2,350,420</u>	<u>(165,580)</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	25,000	25,000	22,000	3,000
Total general government	<u>25,000</u>	<u>25,000</u>	<u>22,000</u>	<u>3,000</u>
Debt Service:				
Principal	600,000	600,000	455,000	145,000
Interest	1,891,000	1,891,000	1,818,263	72,737
Total debt service	<u>2,491,000</u>	<u>2,491,000</u>	<u>2,273,263</u>	<u>217,737</u>
Total expenditures	<u>2,516,000</u>	<u>2,516,000</u>	<u>2,295,263</u>	<u>220,737</u>
Net change in fund balances	--	--	55,157	55,157
Fund balances, beginning of year	<u>3,662,555</u>	<u>3,662,555</u>	<u>3,662,555</u>	--
Fund balances, end of year	<u>\$ 3,662,555</u>	<u>\$ 3,662,555</u>	<u>\$ 3,717,712</u>	<u>\$ 55,157</u>

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**NONMAJOR ENTERPRISE FUNDS**

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## NONMAJOR ENTERPRISE FUNDS

### 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 to have the costs of providing goods or services (including depreciation and amortization) to the general public on a continuing basis be financed primarily through user charges; or where the County has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise Funds should generate revenue sufficient, as a goal, to support the full operating costs of these funds.

#### Gross Airport

The Gross Airport fund is used to account for the general airport operations, office and administrative expenses and the maintenance of airport facilities, including the replacement of exterior lighting fixtures, runway, taxiway and ramp lighting, heating and air conditioning service. Major revenue sources include fuel flow fees, rents, land leases, airport royalties and interest earnings.

#### Marin County Fair

The Marin County Fair fund was established to provide for operations of the annual Marin County Fair. It is used to account for both revenues and expenses generated by the annual Marin County Fair.

#### Marin.Org

Marin.Org was initially created from the use of grant funds to inform Marin County citizens and visitors of government services provided in the County, as well as a community calendar of events. Once the grant funding was used, the County established Marin.Org as an enterprise fund and began charging a membership fee for both government and business members for their participation in the community calendar of events.

#### Marin Commons Property Management

The Marin Commons Property Management enterprise fund was established to account for the property management activities of 1600 Los Gamos Blvd. in San Rafael, the location of the County's Emergency Operations Facility.

#### Marin Center Promotions

The Marin Center Promotions fund was established to account for the revenues and expenses of the performance productions at Marin Veteran's Memorial Auditorium venue.

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**COUNTY OF MARIN**

Combining Statement of Net Position  
Nonmajor Enterprise Funds  
June 30, 2014

	Gross Airport	Marin County Fair	Marin Org.	Marin Commons Property Management	Marin Center Promotions	Total
<b>ASSETS</b>						
Current Assets:						
Cash and investments in County pool	\$ 370,937	\$ 256,022	\$ 910,655	\$ 68	\$ 58,364	\$ 1,596,046
Cash with a fiscal agent	--	--	--	894,431	--	894,431
Other receivables	--	76,362	--	32,988	--	109,350
Prepaid items	--	711,548	--	88,349	--	799,897
Total current assets	<u>370,937</u>	<u>1,043,932</u>	<u>910,655</u>	<u>1,015,836</u>	<u>58,364</u>	<u>3,399,724</u>
Noncurrent Assets:						
Capital assets:						
Nondepreciable	3,922,623	1,777,659	--	--	--	5,700,282
Depreciable, net	1,914,422	811,192	100,682	8,894	--	2,835,190
Total noncurrent assets	<u>5,837,045</u>	<u>2,588,851</u>	<u>100,682</u>	<u>8,894</u>	<u>--</u>	<u>8,535,472</u>
<b>Total assets</b>	<u>6,207,982</u>	<u>3,632,783</u>	<u>1,011,337</u>	<u>1,024,730</u>	<u>58,364</u>	<u>11,935,196</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Vouchers and accounts payable	\$ 30,840	\$ 196,905	\$ 3,510	\$ 171,250	\$ 1,980	\$ 404,485
Interest payable	--	--	7,212	--	--	7,212
Due to other funds	--	922,000	--	--	--	922,000
Unearned revenue	--	39,426	--	--	--	39,426
Accrued salaries and benefits	5,018	--	7,398	--	--	12,416
Other liabilities	--	--	--	243,664	--	243,664
Compensated absences	15,687	--	--	--	--	15,687
Total current liabilities	<u>51,545</u>	<u>1,158,331</u>	<u>18,120</u>	<u>414,914</u>	<u>1,980</u>	<u>1,644,890</u>
Long-Term Liabilities:						
Compensated absences	4,368	--	--	--	--	4,368
Total noncurrent liabilities	<u>4,368</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,368</u>
Total liabilities	<u>55,913</u>	<u>1,158,331</u>	<u>18,120</u>	<u>414,914</u>	<u>1,980</u>	<u>1,649,258</u>
<b>NET POSITION</b>						
Net investment in capital assets	5,837,045	2,588,851	100,682	8,894	--	8,535,472
Unrestricted	315,024	(114,399)	892,535	600,922	56,384	1,750,466
Total net position	<u>\$ 6,152,069</u>	<u>\$ 2,474,452</u>	<u>\$ 993,217</u>	<u>\$ 609,816</u>	<u>\$ 56,384</u>	<u>\$ 10,285,938</u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenses and  
Changes in Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended June 30, 2014

	Gross Airport	Marin County Fair	Marin Org.	Marin Commons Property Management	Marin Center Promotions	Total
<b>Operating Revenues:</b>						
Charges for services	\$ 650,034	\$ 1,458,004	\$ 1,569,818	\$ 909,736	\$ 561,307	\$ 5,148,899
Other revenue	10,612	76,248	--	3,267	--	90,127
<b>Total operating revenues</b>	<b>660,646</b>	<b>1,534,252</b>	<b>1,569,818</b>	<b>913,003</b>	<b>561,307</b>	<b>5,239,026</b>
<b>Operating Expenses:</b>						
Salaries and employee benefits	187,493	366,025	186,997	--	--	740,515
Services and supplies	382,449	1,184,180	1,180,949	1,396,606	602,724	4,746,908
Depreciation	94,950	73,745	86,335	1,046	--	256,076
<b>Total operating expenses</b>	<b>664,892</b>	<b>1,623,950</b>	<b>1,454,281</b>	<b>1,397,652</b>	<b>602,724</b>	<b>5,743,499</b>
<b>Operating Income (Loss)</b>	<b>(4,246)</b>	<b>(89,698)</b>	<b>115,537</b>	<b>(484,649)</b>	<b>(41,417)</b>	<b>(504,473)</b>
<b>Non-Operating Revenues:</b>						
Intergovernmental revenue	58,614	76,362	--	--	--	134,976
Investment income - unrestricted	395	287,444	894	413	1,464	290,610
<b>Total non-operating revenues</b>	<b>59,009</b>	<b>363,806</b>	<b>894</b>	<b>413</b>	<b>1,464</b>	<b>425,586</b>
<b>Income (Loss) Before Transfers:</b>	<b>54,763</b>	<b>274,108</b>	<b>116,431</b>	<b>(484,236)</b>	<b>(39,953)</b>	<b>(78,887)</b>
Transfers in	--	--	--	50,000	--	50,000
Transfers out	(4,010)	--	(5,833)	--	--	(9,843)
<b>Change in net position</b>	<b>50,753</b>	<b>274,108</b>	<b>110,598</b>	<b>(434,236)</b>	<b>(39,953)</b>	<b>(38,730)</b>
Net position, beginning of year - restated	6,101,316	2,200,344	882,619	1,044,052	96,337	10,324,668
<b>Net position, end of year</b>	<b>\$ 6,152,069</b>	<b>\$ 2,474,452</b>	<b>\$ 993,217</b>	<b>\$ 609,816</b>	<b>\$ 56,384</b>	<b>\$ 10,285,938</b>

**COUNTY OF MARIN**

Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended June 30, 2014

	Gross Airport	Marin County Fair	Marin. Org.
<b>Cash Flows from Operating Activities</b>			
Cash receipts from customers	\$ 688,353	\$ 785,768	\$ 1,566,681
Cash paid to suppliers for goods and services	(356,163)	(1,453,982)	(1,179,791)
Cash paid to employees for salaries and benefits	<u>(183,741)</u>	<u>(366,025)</u>	<u>(187,668)</u>
Net cash provided (used) by operating activities	<u>148,449</u>	<u>(1,034,239)</u>	<u>199,222</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Intergovernmental revenues	58,614	76,362	--
Transfers in	--	--	--
Transfers out	(4,010)	--	(5,833)
Interfund loans	--	922,000	--
Internal activities - payment to other funds	<u>--</u>	<u>--</u>	<u>--</u>
Net cash provided (used) by noncapital financing activities	<u>54,604</u>	<u>998,362</u>	<u>(5,833)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Payments related to the acquisition of capital assets	<u>(147,063)</u>	<u>--</u>	<u>--</u>
Net cash used by capital and related financing activities	<u>(147,063)</u>	<u>--</u>	<u>--</u>
<b>Cash Flows from Investing Activity</b>			
Interest and investments earnings received	<u>395</u>	<u>287,444</u>	<u>894</u>
Net increase in cash and cash equivalents	56,385	251,567	194,283
Cash and cash equivalents, beginning of year	<u>314,552</u>	<u>4,455</u>	<u>716,372</u>
Cash and cash equivalents, end of year	<u><u>\$ 370,937</u></u>	<u><u>\$ 256,022</u></u>	<u><u>\$ 910,655</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ (4,246)	\$ (89,698)	\$ 115,537
Depreciation	94,950	73,744	86,335
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	27,707	(76,362)	(3,137)
Prepaid items and other assets	--	(711,548)	--
Increase (decrease) in:			
Accounts payable	26,286	(269,801)	1,158
Salaries payable	(1,038)	--	(671)
Unearned revenue	--	39,426	--
Other liabilities	--	--	--
Liability for compensated absences	<u>4,790</u>	<u>--</u>	<u>--</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>\$ 148,449</u></u>	<u><u>\$ (1,034,239)</u></u>	<u><u>\$ 199,222</u></u>

continued

**COUNTY OF MARIN**

Combining Statement of Cash Flows (continued)  
 Nonmajor Enterprise Funds  
 For the Fiscal Year Ended June 30, 2014

	Marin Commons Property Manalement	Marin Center Promotions	Total
<b>Cash Flows from Operating Activities</b>			
Cash receipts from customers	\$ 875,333	\$ 561,307	\$ 4,477,442
Cash paid to suppliers for goods and services	(1,405,396)	(602,724)	(4,998,056)
Cash paid to employees for salaries and benefits	--	--	(737,434)
	<u>(530,063)</u>	<u>(41,417)</u>	<u>(1,258,048)</u>
<b>Net cash used by operating activities</b>			
<b>Cash Flows from Noncapital Financing Activities</b>			
Intergovernmental revenues	--	--	134,976
Transfers in	50,000	--	50,000
Transfers out	--	--	(9,843)
Interfund loans	--	--	922,000
Internal activities - payment to other funds	50,000	--	50,000
	<u>100,000</u>	<u>--</u>	<u>1,147,133</u>
<b>Net cash provided by noncapital financing activities</b>			
<b>Cash Flows from Capital and Related Financing Activities</b>			
Payments related to the acquisition of capital assets	--	--	(147,063)
	<u>--</u>	<u>--</u>	<u>(147,063)</u>
<b>Net cash used by capital and related financing activities</b>			
<b>Cash Flows from Investing Activity</b>			
Interest and investments earnings received	413	1,464	290,610
	<u>413</u>	<u>1,464</u>	<u>290,610</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(429,650)</u>	<u>(39,953)</u>	<u>32,632</u>
Cash and cash equivalents, beginning of year	1,324,149	98,317	2,457,845
	<u>1,324,149</u>	<u>98,317</u>	<u>2,457,845</u>
Cash and cash equivalents, end of year	<u>\$ 894,499</u>	<u>\$ 58,364</u>	<u>\$ 2,490,477</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ (484,649)	\$ (41,417)	\$ (504,473)
Depreciation	1,047	--	256,076
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(967)	--	(52,759)
Prepaid items and other assets	(88,349)	--	(799,897)
Increase (decrease) in:			
Accounts payable	(8,790)	--	(251,147)
Salaries payable	--	--	(1,709)
Unearned revenue	--	--	39,426
Other liabilities	51,645	--	51,645
Liability for compensated absences	--	--	4,790
	<u>(530,063)</u>	<u>(41,417)</u>	<u>(1,258,048)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>			

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## **FIDUCIARY FUNDS**

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## **FIDUCIARY FUNDS**

### **INVESTMENT TRUST FUNDS**

These funds are used by the County to account for the assets of legally separate entities who deposit cash with the County Treasurer. These include school and community college districts, other special districts governed by local boards, regional boards and authorities, courts 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.

#### **School Districts**

The school districts are legally separate primary governmental units. The financial reporting for these governmental entities, which are independent of the County of Marin, is limited to the total amount of cash and investments and the related fiduciary responsibilities of the County for disbursement of these assets. Activities of the school districts are administered by boards which are separately elected and which are independent of the County Board of Supervisors and have been excluded from the County's basic financial statements.

#### **Special Districts**

The special districts are legally separate primary governmental units. The financial reporting for these governmental entities, which are independent of the County of Marin, is limited to the total amount of cash and investments and the related fiduciary responsibilities of the County for disbursement of these assets. Activities of the local board governed districts are administered by boards which are separately elected and which are independent of the County Board of Supervisors and have been excluded from the County's basic financial statements.

### **AGENCY FUNDS**

Agency funds account for assets held by the County as an agent for various local governments and individuals in a custodial capacity.

### **PRIVATE PURPOSE TRUST FUNDS**

These funds are utilized to account for various assets held in trust for others.

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**COUNTY OF MARIN**

Combining Statement of Fiduciary Net Position  
Investment Trust Funds  
June 30, 2014

	<u>Special Districts</u>	<u>School Districts</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	<u>\$ 103,917,238</u>	<u>\$ 283,176,543</u>	<u>\$ 387,093,781</u>
Total assets	<u>103,917,238</u>	<u>283,176,543</u>	<u>387,093,781</u>
<b>NET POSITION</b>			
Net position held in trust for investment pool participants	<u>103,917,238</u>	<u>283,176,543</u>	<u>387,093,781</u>
Total net position	<u>\$ 103,917,238</u>	<u>\$ 283,176,543</u>	<u>\$ 387,093,781</u>

**COUNTY OF MARIN**

Combining Statement of Changes in Fiduciary Net Position  
Investment Trust Funds  
For the Year Ended June 30, 2014

	<u>Special Districts</u>	<u>School Districts</u>	<u>Total</u>
<b>Additions:</b>			
Contributions to investment pool	\$ 371,967,538	\$ 651,342,995	\$ 1,023,310,533
Interest	298,948	322,095	621,043
Total additions	<u>372,266,486</u>	<u>651,665,090</u>	<u>1,023,931,576</u>
<b>Deductions:</b>			
Distributions from investment pool	390,810,646	700,223,273	1,091,033,919
Total deductions	<u>390,810,646</u>	<u>700,223,273</u>	<u>1,091,033,919</u>
Change in net position	(18,544,160)	(48,558,183)	(67,102,343)
<b>Net position, beginning of the year</b>	<u>122,461,398</u>	<u>331,734,726</u>	<u>454,196,124</u>
<b>Net position, ending of the year</b>	<u><b>\$ 103,917,238</b></u>	<u><b>\$ 283,176,543</b></u>	<u><b>\$ 387,093,781</b></u>

**COUNTY OF MARIN**

Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended June 30, 2014

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2014</u>
<b>MCRDA Marin City Mello-Roos</b>				
Assets				
Cash	\$ 37,718	\$ --	\$ --	\$ 37,718
Cash with fiscal agent	1,080,040	--	--	1,080,040
Total Assets	<u>1,117,758</u>	<u>--</u>	<u>--</u>	<u>1,117,758</u>
Liabilities				
Agency funds held for others	<u>1,117,758</u>	--	--	<u>1,117,758</u>
Total Liabilities	<u>1,117,758</u>	<u>--</u>	<u>--</u>	<u>1,117,758</u>
<b>County Agency Funds</b>				
Assets				
Cash	41,360,207	6,090,611,741	6,093,941,996	38,029,952
Taxes receivable	19,698,846	811,983,053	812,429,638	19,252,261
Other receivable	320,649	4,510,170	4,186,043	644,776
Prepaid items	--	1,008,665	--	1,008,665
Total Assets	<u>61,379,702</u>	<u>6,908,113,629</u>	<u>6,910,557,677</u>	<u>58,935,654</u>
Liabilities				
Agency funds held for others	<u>61,379,702</u>	<u>6,908,113,629</u>	<u>6,910,557,677</u>	<u>58,935,654</u>
Total Liabilities	<u>\$ 61,379,702</u>	<u>\$ 6,908,113,629</u>	<u>\$ 6,910,557,677</u>	<u>\$ 58,935,654</u>
<b>Agency Funds combined</b>				
Assets				
Cash	\$ 41,397,925	\$ 6,090,611,741	\$ 6,093,941,996	\$ 38,067,670
Cash with fiscal agent	1,080,040	--	--	1,080,040
Taxes receivable	19,698,846	811,983,053	812,429,638	19,252,261
Other receivable	320,649	4,510,170	4,186,043	644,776
Prepaid items	--	1,008,665	--	1,008,665
Total Assets	<u>62,497,460</u>	<u>6,908,113,629</u>	<u>6,910,557,677</u>	<u>60,053,412</u>
Liabilities				
Agency funds held for others	<u>62,497,460</u>	<u>6,908,113,629</u>	<u>6,910,557,677</u>	<u>60,053,412</u>
Total Liabilities	<u>\$ 62,497,460</u>	<u>\$ 6,908,113,629</u>	<u>\$ 6,910,557,677</u>	<u>\$ 60,053,412</u>







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**STATISTICAL SECTION**

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## Statistical Section

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### CONTENTS

<u>Financial Trends</u>	Pages
This segment contains trend information to help the reader understand how the County's financial performance and well-being have changed over time.	158-161
<u>Revenue Capacity</u>	
This segment includes information to help the reader assess the County's most significant local revenue source, property tax.	162-165
<u>Debt Capacity</u>	
This segment presents information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	166-168
<u>Economic and Demographic Information</u>	
This segment depicts demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	169-171
<u>Operating information</u>	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial reports relates to the services the County provides and the activities it performs.	172-173

**COUNTY OF MARIN**  
**Government-wide Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Governmental activities</b>										
Net investment in capital assets <sup>1</sup>	\$ 1,361,328,015	\$ 1,353,606,333	\$ 1,366,596,633	\$ 1,339,735,080	\$ 1,340,606,232	\$ 1,323,738,129	\$ 1,311,853,403	\$ 1,276,774,561	\$ 1,273,344,540	\$ 1,302,696,113
Restricted	105,940,775	95,461,868	106,455,016	90,025,545	96,059,870	104,933,566	173,980,351	2,861,133	164,729,907	180,676,987
Unrestricted	(45,913,888)	102,481,396	106,421,484	120,604,017	77,080,634	78,853,651	11,266,738	48,905,187	19,059,115	6,281,718
Total governmental activities net position	<u>\$ 1,421,354,902</u>	<u>\$ 1,551,549,597</u>	<u>\$ 1,579,473,133</u>	<u>\$ 1,550,364,642</u>	<u>\$ 1,513,746,736</u>	<u>\$ 1,507,525,346</u>	<u>\$ 1,497,100,492</u>	<u>\$ 1,328,540,881</u>	<u>\$ 1,457,133,562</u>	<u>\$ 1,489,654,818</u>
<b>Business-type activities</b>										
Net investment in capital assets <sup>1</sup>	\$ 6,479,735	\$ 7,945,295	\$ 26,603,775	\$ 26,484,886	\$ 27,414,256	\$ 28,492,170	\$ 28,317,111	\$ 30,730,037	\$ 32,934,675	\$ 32,713,894
Restricted	0	0	5,504,054	8,346,472	9,883,350	8,565,480	9,403,055	9,071,725	7,343,795	6,793,821
Unrestricted	1,133,630	1,298,644	8,661,640	12,108,240	14,933,495	12,796,903	13,712,010	7,942,516	11,751,468	13,722,499
Total business-type activities net position	<u>\$ 7,613,365</u>	<u>\$ 9,243,939</u>	<u>\$ 40,769,469</u>	<u>\$ 46,939,598</u>	<u>\$ 52,231,101</u>	<u>\$ 49,854,553</u>	<u>\$ 51,432,176</u>	<u>\$ 47,744,278</u>	<u>\$ 52,029,938</u>	<u>\$ 53,230,214</u>
<b>Primary government</b>										
Net investment in capital assets <sup>1</sup>	\$ 1,367,807,750	\$ 1,361,551,628	\$ 1,393,200,408	\$ 1,366,219,966	\$ 1,368,020,488	\$ 1,352,230,299	\$ 1,340,170,514	\$ 1,307,504,598	\$ 1,306,279,215	\$ 1,335,410,007
Restricted	105,940,775	95,461,868	111,959,070	98,372,017	105,943,220	113,499,046	183,383,406	11,932,858	172,073,702	187,470,808
Unrestricted	(44,780,258)	103,780,040	115,083,124	132,712,257	92,014,129	91,650,554	24,978,748	56,847,703	30,810,583	20,004,217
Total primary government net position <sup>2</sup>	<u>\$ 1,428,968,267</u>	<u>\$ 1,560,793,536</u>	<u>\$ 1,620,242,602</u>	<u>\$ 1,597,304,240</u>	<u>\$ 1,565,977,837</u>	<u>\$ 1,557,379,899</u>	<u>\$ 1,548,532,668</u>	<u>\$ 1,376,285,159</u>	<u>\$ 1,509,163,500</u>	<u>\$ 1,542,885,032</u>
Percent of increase (decrease) in primary government net position	2.91%	9.23%	3.81%	-1.42%	-1.96%	-0.55%	-0.57%	-11.12%	9.65%	2.23%

Notes:

<sup>1</sup> Capital assets include land, land improvement, easements, construction in progress, structures and improvements, equipment, infrastructure, and other property.

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

Source: Comprehensive Annual Financial Reports - County of Marin, California

COUNTY OF MARIN

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Expenses</b>										
<b>Governmental activities</b>										
General government	\$ 69,162,557	\$ 106,491,393	\$ 89,662,322	\$ 95,010,097	\$ 78,944,173	\$ 71,617,475	\$ 78,174,626	\$ 77,172,865	\$ 121,258,708	\$ 84,027,170
Public protection	121,678,566	153,128,925	128,292,008	159,494,067	169,921,297	169,011,775	160,691,198	158,129,592	156,064,850	156,154,574
Public ways and facilities	15,768,290	17,253,370	36,194,234	41,518,385	40,003,824	35,134,260	33,946,789	26,208,192	32,538,571	44,560,810
Health and sanitation	81,599,867	105,809,981	86,269,400	97,826,891	96,157,874	94,895,462	87,682,812	89,241,808	90,853,837	89,232,186
Public assistance	51,926,504	53,549,563	53,747,450	61,789,547	64,310,157	73,137,027	73,445,107	68,793,982	63,600,190	68,703,203
Education	9,840,596	10,525,176	12,685,835	13,346,183	13,376,491	13,025,776	13,415,872	13,348,168	15,521,694	15,811,986
Recreational and cultural services	8,091,660	9,106,603	14,395,195	17,274,181	17,060,038	15,941,380	16,854,659	16,191,066	17,139,646	25,554,382
Debt service:										
Interest and fiscal charges	9,698,538	10,713,008	8,816,207	12,155,613	11,312,313	11,190,274	11,751,268	12,017,811	10,936,573	10,512,668
Total governmental activities expense	367,766,578	466,578,019	430,062,651	498,414,964	491,086,167	483,953,429	475,962,331	461,103,484	507,914,069	494,556,979
<b>Business-type activities</b>										
Housing authority	804,556	557,785	33,441,426	33,585,123	36,119,347	36,591,718	39,403,887	41,825,266	39,919,898	39,280,670
Other business-type activities	1,544,819	1,706,708	27,634,512	27,413,673	30,357,102	31,891,178	32,205,334	32,475,679	30,287,766	32,758,672
Total business-type activities expenses	2,349,375	2,264,493	61,075,938	60,998,796	66,476,449	68,482,896	71,609,221	74,300,945	70,207,664	72,039,342
Total primary government expenses	\$ 370,115,953	\$ 468,842,512	\$ 491,138,589	\$ 559,413,760	\$ 557,562,616	\$ 552,436,325	\$ 547,571,552	\$ 535,404,429	\$ 578,121,733	\$ 566,596,321
<b>Program Revenues</b>										
<b>Governmental activities</b>										
<b>Charges for services</b>										
General government	\$ 15,749,638	\$ 14,530,721	\$ 27,098,290	\$ 29,213,708	\$ 29,853,998	\$ 24,023,409	\$ 28,148,514	\$ 25,973,978	\$ 24,598,118	\$ 15,154,492
Public protection	13,666,453	15,379,202	23,839,244	28,126,901	31,585,415	38,555,176	38,912,554	36,397,954	37,629,406	50,836,345
Other activities	6,106,578	6,197,439	10,642,233	11,772,651	11,220,698	15,028,100	15,681,773	18,715,086	19,186,522	20,479,315
Operating grants and contributions	188,916,073	200,849,076	179,763,216	178,914,115	165,629,111	172,043,483	167,332,764	169,407,784	176,334,689	185,429,959
Capital grants and contributions	-	-	-	-	10,764,586	21,165,980	15,331,128	2,134,985	5,789,750	1,881,829
Total governmental activities program revenues	224,438,742	236,956,438	241,342,983	248,027,375	249,053,808	270,816,148	265,406,733	252,629,787	263,538,485	273,781,940
<b>Business-type activities</b>										
<b>Charges for services</b>										
Housing authority	573,632	581,770	2,492,476	2,804,727	3,880,406	2,960,138	4,359,716	1,804,211	1,557,962	2,231,254
Other business-type activities	1,661,001	1,640,641	12,020,341	11,754,323	12,705,975	12,119,158	13,710,708	11,074,217	11,194,640	10,806,818
Operating grants and contributions	-	-	44,180,894	47,461,190	48,705,910	45,471,438	50,103,335	49,918,083	50,579,746	53,957,004
Capital grants and contributions	346,708	1,652,309	1,085,801	548,994	13,659,585	2,138,810	1,628,485	3,603,727	4,358,421	2,101,153
Total business-type activities program revenues	2,581,341	3,874,720	59,779,512	62,569,234	78,951,876	62,689,544	69,802,244	66,400,238	67,690,769	69,005,229
Total primary government program revenues	\$ 227,020,083	\$ 240,831,158	\$ 301,122,495	\$ 310,596,609	\$ 328,005,684	\$ 333,505,692	\$ 335,208,977	\$ 319,030,025	\$ 331,229,254	\$ 342,787,169
<b>Net (Expense)/Revenue<sup>1</sup></b>										
<b>Governmental activities</b>										
Governmental activities	\$ (143,327,836)	\$ (229,621,581)	\$ (188,719,668)	\$ (250,387,589)	\$ (242,032,359)	\$ (213,137,281)	\$ (210,555,598)	\$ 208,473,697	\$ (244,375,584)	\$ (220,775,039)
Business-type activities	231,966	1,610,227	(1,296,426)	1,570,438	1,710,841	(5,793,352)	(1,806,977)	7,900,707	(2,516,895)	(3,034,113)
Total primary government net expense	\$ (143,095,870)	\$ (228,011,354)	\$ (190,016,094)	\$ (248,817,151)	\$ (240,321,518)	\$ (218,930,633)	\$ (212,362,575)	\$ 216,374,404	\$ (246,892,479)	\$ (223,809,152)
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities</b>										
<b>Taxes</b>										
Property taxes	\$ 96,073,467	\$ 129,167,317	\$ 165,848,803	\$ 195,047,145	\$ 183,657,725	\$ 189,146,127	\$ 181,655,215	\$ 183,586,166	\$ 179,525,969	\$ 198,608,631
Sales and use taxes	2,610,033	2,204,765	2,980,581	2,920,483	2,627,825	2,617,299	3,843,242	3,784,814	3,881,496	18,483,800
Other	36,675,385	10,221,974	9,830,520	8,438,480	3,952,498	3,912,590	3,595,633	4,398,288	6,380,276	6,731,789
Unrestricted interest and investment earnings	8,084,787	12,126,671	14,711,655	13,928,177	9,082,873	6,053,144	4,785,362	2,956,134	2,988,564	3,789,580
Miscellaneous	40,099,801	83,885,177	14,525,509	3,538,084	2,962,336	2,561,688	2,036,152	3,389,105	5,496,912	2,223,124
Tobacco Settlement	-	2,545,345	2,856,389	2,856,389	3,131,196	2,632,091	2,199,785	2,243,241	3,410,665	1,347,052
Transfers	-	-	-	-	-	(7,048)	86,461	19,615	(50,000)	(30,337)
Total governmental activities	183,543,473	237,605,904	210,442,413	226,728,758	205,414,453	206,915,891	198,201,850	200,377,363	201,633,882	231,153,639
<b>Business-type activities</b>										
Taxes	-	-	2,906,523	3,233,545	3,225,852	3,258,947	3,141,177	3,168,788	3,229,758	3,447,835
Investment earnings	10,034	20,347	534,171	382,508	803,328	150,809	40,958	289,122	616,378	300,903
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	143,249
Related party contribution	-	-	-	-	-	-	-	400,000	-	-
Miscellaneous	-	-	-	510,973	64,679	-	-	2,763,769	2,531,026	434,643
Transfers	-	-	-	-	-	7,048	(86,461)	(19,615)	50,000	30,337
Total business-type activities	10,034	20,347	3,440,694	4,127,026	4,093,859	3,416,804	3,095,674	6,602,064	6,427,162	4,356,967
Total primary government	\$ 183,553,507	\$ 237,626,251	\$ 213,883,107	\$ 230,855,784	\$ 209,508,312	\$ 210,332,695	\$ 201,297,524	\$ 206,979,427	\$ 208,061,044	\$ 235,510,606
<b>Change in Net Position</b>										
<b>Governmental activities</b>										
Governmental activities	\$ 40,215,637	\$ 7,984,323	\$ 21,722,745	\$ (23,658,831)	\$ (36,617,906)	\$ (6,221,390)	\$ (12,353,748)	\$ (8,096,334)	\$ (42,720,952)	\$ 10,378,600
<b>Business-type activities</b>										
Business-type activities	242,000	1,630,574	2,144,268	5,697,464	5,804,700	(2,376,548)	1,288,697	(1,298,643)	3,910,267	1,322,854
Total primary government	\$ 40,457,637	\$ 9,614,897	\$ 23,867,013	\$ (17,961,367)	\$ (30,813,206)	\$ (8,597,938)	\$ (11,065,051)	\$ (9,394,977)	\$ (38,810,685)	\$ 11,701,454

Notes:  
<sup>1</sup> Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses are net revenues, indicating program revenues were greater than expenses.

Source: Comprehensive Annual Financial Reports - County of Marin, California

COUNTY OF MARIN

Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(in thousands)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 <sup>2</sup>	2011-12	2012-13	2013-14
General Fund										
Reserved	\$ 62,111	\$ 46,361	\$ 18,454	\$ 16,378	\$ 28,289	\$ 32,956				
Unreserved	88,686	162,990	125,326	142,742	143,216	156,096				
Total general fund	\$ 150,797	\$ 209,351	\$ 143,780	\$ 159,120	\$ 171,505	\$ 189,052				
Capital Projects Fund										
Reserved	\$ 1,500	\$ 3,429	\$ 9,178	\$ 5,155	\$ -	\$ -				
Unreserved	39,334	22,121	51,384	33,334	-	-				
Total capital projects fund	\$ 40,834	\$ 25,550	\$ 60,562	\$ 38,489	\$ -	\$ -				
Flood Control Zones										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 2,225	\$ 866				
Unreserved	-	-	-	-	11,828	15,446				
Total flood control zones	\$ -	\$ -	\$ -	\$ -	\$ 14,053	\$ 16,312				
All Other Governmental Funds <sup>1</sup>										
Reserved	\$ 791	\$ 1,094	\$ 11,627	\$ 11,469	\$ 14,479	\$ 14,547				
Unreserved, reported in	34,173	36,864	78,178	85,570	4,485	-				
Special revenue funds	-	-	-	-	61,455	76,563				
Capital projects funds	-	-	-	-	11,865	15,968				
Debt service funds	-	-	-	-	11,699	12,209				
Total all other governmental funds	\$ 34,964	\$ 37,958	\$ 89,805	\$ 97,039	\$ 103,983	\$ 119,287				
General Fund										
Nonspendable							\$ 1,765	\$ 3,939,117	\$ 4,719,830	\$ 4,137,997
Restricted							10,097	12,093,012	10,740,177	17,650,224
Committed							118,593	114,628,535	68,600,588	77,384,472
Assigned							48,097	44,626,225	37,094,588	36,770,748
Unassigned							14,837	6,588,685	4,176,408	3,896,463
Total general fund							\$ 193,389	\$ 181,875,574	\$ 125,331,591	\$ 139,839,904
Other Major Special Revenue Funds										
Nonspendable							\$ -	\$ -	\$ 13,276	
Restricted							1,637	30,353,031	18,747,903	
Assigned							-	-	11,202,104	
Total miscellaneous special revenue fund							\$ 1,637	\$ 30,353,031	\$ 29,963,283	
Miscellaneous Capital Projects Fund										
Nonspendable							\$ -	\$ 1,000,000	\$ 1,000,000	
Restricted							39,282	39,669,936	24,629,572	
Committed							-	4,700	-	
Assigned							19,684	18,795,613	37,445,829	
Total miscellaneous capital projects fund							\$ 58,966	\$ 59,470,249	\$ 63,075,401	
All Other Governmental Funds <sup>1</sup>										
Nonspendable							\$ 6,327	\$ 6,273,145	\$ 112,376	\$ 106,351
Restricted							114,873	91,926,263	110,612,255	163,026,763
Committed							1,164	2,459,990	500,000	525,092
Assigned							20,708	22,975,609	14,130,484	42,997,468
Total all other governmental funds							\$ 143,072	\$ 123,635,007	\$ 125,355,115	\$ 206,655,674

Notes:

<sup>1</sup> Governmental funds include general fund, special revenue funds, debt service funds, and capital project funds.

<sup>2</sup> GASB Statement No. 54, which became effective in fiscal year 2010-11, requires that fund balance be categorized on a prospective basis as either: nonspendable, restricted, committed, assigned, or unassigned.

Source: Comprehensive Annual Financial Reports - County of Marin, California

COUNTY OF MARIN

Changes in Fund Balance, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(in thousands)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Revenues</b>										
Taxes	\$ 135,359	\$ 141,594	\$ 177,646	\$ 206,032	\$ 190,740	\$ 195,676	\$ 189,886	\$ 192,014	\$ 189,788	\$ 223,824
Licenses, fees and permits	9,037	9,631	8,921	9,272	9,280	10,385	11,395	12,884	13,655	15,620
Fines, forfeits and penalties	9,276	8,861	8,177	7,566	176,194	188,421	13,768	12,217	182,124	187,312
Use of money and property	7,822	11,555	14,712	13,928	54,587	56,828	4,785	2,956	56,322	60,471
Aid from other governments	188,916	200,849	170,387	188,291	9,559	12,695	182,664	171,543	11,505	10,437
Charges for services	16,266	17,616	41,554	52,907	9,083	6,053	58,234	55,986	2,989	3,315
Miscellaneous	40,100	83,885	17,050	6,394	6,093	4,726	4,181	5,632	8,908	3,539
<b>Total revenues</b>	<b>406,776</b>	<b>473,991</b>	<b>438,447</b>	<b>484,390</b>	<b>455,536</b>	<b>474,784</b>	<b>464,913</b>	<b>453,232</b>	<b>465,291</b>	<b>504,518</b>
<b>Expenditures</b>										
<b>Current</b>										
General government	63,276	99,450	84,264	83,507	62,051	54,432	59,576	60,063	113,846	71,713
Public protection	121,202	149,988	125,217	145,944	153,674	155,404	154,993	147,075	153,065	162,849
Public ways and facilities	6,111	7,937	26,947	29,552	27,787	24,321	23,885	16,038	22,797	34,294
Health and sanitation	81,457	104,075	85,683	93,272	90,416	91,008	85,285	85,864	90,784	88,476
Public assistance	51,892	52,128	53,709	57,190	59,671	68,972	67,638	65,988	63,496	67,607
Education	9,734	10,161	12,689	12,276	12,589	12,136	12,898	12,677	15,542	14,600
Recreational and cultural studies	7,768	8,329	13,830	15,411	15,116	14,722	15,869	15,105	16,866	21,899
Capital outlay	4,812	4,712	29,087	28,837	25,312	4,550	5,575	37,594	18,257	42,901
Debt service:										
Principal	3,754	3,901	3,893	4,243	4,657	4,744	5,259	5,130	7,548	5,215
Interest	10,896	10,732	8,496	10,313	10,227	10,162	10,590	11,261	11,103	10,419
Bond issuance costs	-	-	-	-	-	-	1,062	-	-	172
Administration and arbitrage fees	-	-	628	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>360,902</b>	<b>451,413</b>	<b>444,443</b>	<b>480,545</b>	<b>461,500</b>	<b>440,451</b>	<b>442,630</b>	<b>456,795</b>	<b>513,304</b>	<b>520,145</b>
Excess of revenue over (under) expenditures	45,874	22,578	(5,996)	3,845	(5,964)	34,333	22,283	(3,563)	(48,013)	(15,627)
<b>Other Financing Sources (Uses)</b>										
Inception of capital lease	-	974	-	-	-	96	1,689	-	-	-
Sale of capital assets	-	-	20	5	-	-	-	1,989	6	-
Debt refunding to escrow agent	-	-	(32,767)	-	-	-	(17,465)	-	-	-
Proceeds from borrowing	-	-	48,937	-	858	682	63,885	1,980	124	6,413
Payment refunded to escrow agent	-	-	-	-	-	-	-	-	-	(6,003)
Transfers in	19,010	35,698	78,075	41,235	21,824	33,776	136,668	114,039	110,017	100,196
Transfers out	(19,010)	(35,698)	(78,075)	(41,235)	(21,824)	(33,778)	(136,577)	(114,014)	(113,713)	(96,575)
<b>Total other financing sources (uses), net</b>	<b>-</b>	<b>974</b>	<b>16,190</b>	<b>5</b>	<b>858</b>	<b>776</b>	<b>48,200</b>	<b>3,994</b>	<b>(3,566)</b>	<b>4,032</b>
<b>Net change in fund balances before extraordinary/special items</b>	<b>45,874</b>	<b>23,552</b>	<b>10,194</b>	<b>3,850</b>	<b>(5,106)</b>	<b>35,109</b>	<b>70,483</b>	<b>431</b>	<b>(51,579)</b>	<b>(11,595)</b>
<b>Extraordinary item/special item:</b>										
RDA dissolution	-	-	-	-	-	-	-	(600)	-	-
Special item	-	-	-	-	-	-	-	-	21	-
<b>Net change in fund balances</b>	<b>\$ 45,874</b>	<b>\$ 23,552</b>	<b>\$ 10,194</b>	<b>\$ 3,850</b>	<b>\$ (5,106)</b>	<b>\$ 35,109</b>	<b>\$ 70,483</b>	<b>\$ (169)</b>	<b>\$ (51,558)</b>	<b>\$ (11,595)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>4.11%</b>	<b>3.28%</b>	<b>2.98%</b>	<b>3.22%</b>	<b>3.41%</b>	<b>3.42%</b>	<b>3.63%</b>	<b>3.91%</b>	<b>3.77%</b>	<b>3.28%</b>

Source: Comprehensive Annual Financial Reports - County of Marin, California



**COUNTY OF MARIN**

**Assessed Valuation of Taxable Property  
Last Ten Fiscal Years  
(in thousands)**

<b>Fiscal Year</b>	<b>Secured<sup>1</sup></b>	<b>Unsecured<sup>2</sup></b>	<b>Exempt<sup>3</sup></b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2004-05	41,305,379	1,455,846	1,397,808	41,363,417	1.00%
2005-06	45,027,710	1,475,509	1,480,652	45,022,567	1.00%
2006-07	49,034,110	1,429,601	1,591,866	48,871,845	1.00%
2007-08	52,421,716	1,409,966	1,669,047	52,162,635	1.00%
2008-09	55,451,069	1,449,359	1,731,004	55,169,424	1.00%
2009-10	56,421,874	1,488,475	1,825,610	56,084,739	1.00%
2010-11	55,762,678	1,467,396	1,850,867	55,379,207	1.00%
2011-12	56,212,206	1,462,190	1,906,079	55,768,317	1.00%
2012-13	56,725,179	1,470,366	1,958,091	56,237,454	1.00%
2013-14	58,938,343	1,480,668	2,013,902	58,405,109	1.00%

Notes:

<sup>1</sup> Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines

<sup>2</sup> Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.

<sup>3</sup> Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.

Source: Department of Finance - County of Marin, California

**COUNTY OF MARIN**

**Direct and Overlapping Property Tax Rates<sup>1</sup>  
Last Ten Fiscal Years  
(rate per \$100 of assessed value)**

<b>Fiscal Year</b>	<b>County Direct Rate</b>	<b>Overlapping Rates<sup>2</sup></b>			<b>Total Direct and Overlapping<sup>2</sup></b>
		<b>Local Special Districts</b>	<b>Schools</b>	<b>Cities</b>	
2004-05	1.0000%	0.6010%	0.6010%	0.2606%	2.4626%
2005-06	1.0000%	0.6258%	0.5872%	0.2508%	2.4638%
2006-07	1.0000%	0.6782%	0.6230%	0.2679%	2.5691%
2007-08	1.0000%	0.6924%	0.6186%	0.2778%	2.5888%
2008-09	1.0000%	0.7121%	0.5836%	0.2734%	2.5691%
2009-10	1.0000%	0.6741%	0.6468%	0.2757%	2.5966%
2010-11	1.0000%	0.7677%	0.7423%	0.2860%	2.7960%
2011-12	1.0000%	0.8093%	0.7808%	0.2523%	2.8424%
2012-13	1.0000%	0.7721%	0.7884%	0.2522%	2.8127%
2013-14	1.0000%	0.7850%	0.7775%	0.2601%	2.3252%

Notes:

<sup>1</sup> On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies may not levy property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978 and that each County will levy the maximum tax permitted by Article XIII A of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value, pursuant to Senate Bill 1656, Statutes of 1978. The rates shown above are percentages of assessed valuation.

<sup>2</sup> These rates represent the maximum rate charged to taxpayers if all rates applied to them. In reality, the rates applicable to tax rate areas will vary at amounts lower than these totals.

Source: Department of Finance - County of Marin, California

**COUNTY OF MARIN**

**Principal Revenue Taxpayers  
Current Year and Nine Years Ago**

**June 30, 2014**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Total Taxes<sup>1</sup></u>	<u>Percentage of Total County Taxes</u>
Pacific Gas and Electric Company	Utilities	\$ 4,443,111	0.55%
Skywalker Properties LTD	Film and Entertainment	2,278,086	0.28%
JCC Cal Properties LLC	Commercial Rental Property	1,904,905	0.24%
Corte Madera Village LLC	Commercial Rental Property	1,815,522	0.22%
Novato FF Property LLC	Commercial Rental Property	1,774,785	0.22%
Northgate Mall Association	Mall	1,628,582	0.20%
Hamilton Marin LLC	Commercial Rental Property	1,585,049	0.20%
770 Tamalpais Dr., Inc.	Commercial Rental Property	1,276,508	0.16%
Sutter Health	Health Services	1,212,747	0.15%
BioMarin Pharmaceutical, Inc.	Pharmaceutical	1,006,758	0.12%
Total		<u>\$ 18,926,053</u>	
<b>Total taxes of all taxpayers</b>		<u>\$ 810,341,722</u>	

**June 30, 2005**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Total Taxes<sup>1</sup></u>	<u>Percentage of Total County Taxes</u>
Skywalker Properties LTD	Film and Entertainment	\$ 2,327,008	0.44%
Pacific Gas and Electric Company	Utilities	2,116,808	0.40%
McVay W H Trust L/L ETAL	Commercial Rental Property	1,915,430	0.37%
Corte Madera Village LLC	Commercial Rental Property	1,380,599	0.26%
San Marin Assurance Company	Insurance	1,274,203	0.24%
Spieker Properties	Commercial Rental Property	1,136,857	0.22%
Pacific Bell	Utilities	860,752	0.16%
Northgate Mall Association	Mall	843,490	0.16%
770 Tamalpais Dr., Inc.	Commercial Rental Property	721,369	0.14%
Hamilton Marin LLC	Commercial Rental Property	703,463	0.13%
Total		<u>\$ 13,279,979</u>	
<b>Total taxes of all taxpayers</b>		<u>\$ 524,690,020</u>	

Notes:

<sup>1</sup> Taxable assessed secured amounts

Source: Department of Finance - County of Marin, California

**COUNTY OF MARIN**

**Property Tax Levies and Collections  
Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30,</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>		<b>Total Cumulative Uncollected Taxes</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>	<b>Amount</b>	<b>Percentage of Levy</b>
2005	529,139,506	523,219,068	98.88%	5,826,512	529,045,580	99.98%	93,926	0.02%
2006	582,453,699	574,813,365	98.69%	7,331,797	582,145,162	99.95%	308,537	0.05%
2007	635,311,778	624,278,658	98.26%	10,702,619	634,981,277	99.95%	330,501	0.05%
2008	684,007,251	667,706,143	97.62%	15,807,449	683,513,592	99.93%	493,659	0.07%
2009	717,958,385	696,748,890	97.05%	18,915,787	715,664,677	99.68%	2,293,708	0.32%
2010	746,290,576	727,942,762	97.54%	16,792,110	744,734,872	99.79%	1,555,704	0.21%
2011	755,085,588	740,943,048	98.13%	12,432,663	753,375,711	99.77%	1,709,877	0.23%
2012	769,537,466	757,441,903	98.43%	10,316,570	767,758,473	99.77%	1,778,993	0.23%
2013	782,812,148	773,795,588	98.85%	4,187,199	777,982,787	99.38%	4,829,361	0.62%
2014	817,201,889	808,364,147	98.92%	-	808,364,147	98.92%	8,837,742	1.08%

Source: Department of Finance - County of Marin, California

COUNTY OF MARIN

Ratios of Total Debt Outstanding by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities							Business-Type Activities			Primary Government			
	Revenue Bonds	Pension Obligation Bonds	Asset Backed Bonds	Certificates of Participation	Term Loan Payable	Capital Leases	Less: Restricted for Repayment of Principal	Subtotal	Term Loan Payable	Capital Leases	Subtotal	Total Primary Government Net Bonded Debt	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
2004-05	12,355	112,805	32,196	47,675	-	2,258	(7,181)	200,108	-	213	213	200,321	1.01%	\$821
2005-06	12,150	112,805	31,369	44,940	213	2,353	(13,058)	190,772	-	160	160	190,932	0.88%	\$781
2006-07	11,925	112,805	48,999	42,085	1,803	1,405	(10,888)	208,134	3,998	104	4,102	212,236	0.94%	\$862
2007-08	11,670	112,805	48,884	39,110	1,838	913	(11,211)	204,009	5,150	46	5,196	209,205	0.90%	\$842
2008-09	11,390	112,755	48,502	36,005	2,398	882	(10,999)	200,933	5,107	-	5,107	206,040	0.92%	\$822
2009-10	11,080	112,325	48,481	32,760	3,062	558	(10,721)	197,545	5,674	-	5,674	203,219	0.97%	\$804
2010-11	10,740	111,480	48,779	75,178	3,453	1,955	(14,463)	237,122	6,061	202	6,263	243,385	1.11%	\$954
2011-12 <sup>2</sup>	6,185	110,185	48,999	73,410	4,722	1,536	(13,691)	231,346	5,169	-	5,169	236,515	0.99%	\$924
2012-13	5,860	108,400	48,163	71,097	2,766	1,103	(13,948)	223,441	4,212	2,172	6,384	229,825	0.92%	\$890
2013-14	6,163	106,085	48,550	68,731	2,780	700	(13,295)	219,714	4,535	2,147	6,682	226,396	unavailable	unavailable

Notes:

<sup>1</sup> See the Demographic and Economic Statistics Schedule for personal income and population data used to calculate these ratios. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>2</sup> In accordance with the Redevelopment Agency Dissolution Act, the Marin County Redevelopment Agency (RDA) was dissolved on February 1, 2012. Upon dissolution, all assets and liabilities of the former RDA were removed from the County's financial statements and transferred to the successor agency, which is not a component unit of the County.

Source: Comprehensive Annual Financial Reports - County of Marin, California

**COUNTY OF MARIN**

**Legal Debt Margin Information  
As of June 30, 2014  
(in thousands)**

	<b>Fiscal Year 2014</b>	
	<u><b>1.25%</b></u>	<u><b>3.75%</b></u>
Debt limit	\$ 730,064	\$ 2,190,192
Total net debt applicable to limit	<u>223,531</u>	<u>223,531</u>
Legal debt margin	<u><u>\$ 506,533</u></u>	<u><u>\$ 1,966,661</u></u>
Total net debt applicable to the limit as a percentage of debt limit	30.62%	10.21%
<b>Legal Debt Margin Calculation for Fiscal Year 2013</b>		
Assessed value	\$ 60,419,011	\$ 60,419,011
Less: Exempt real property	<u>(2,013,902)</u>	<u>(2,013,902)</u>
Total assessed value	<u><u>\$ 58,405,109</u></u>	<u><u>\$ 58,405,109</u></u>
<b>CERTIFICATES OF PARTICIPATION</b>		
Debt limit (1.25% and 3.75% of total assessed value) <sup>1</sup>	<u>\$ 730,064</u>	<u>\$ 2,190,192</u>
Debt applicable to limit:		
Certificates of Participation	68,731	68,731
Less: Amount set aside for repayment of outstanding debt	<u>(2,424)</u>	<u>(2,424)</u>
Total net debt applicable to limit	<u><u>66,307</u></u>	<u><u>66,307</u></u>
<b>OTHER BONDED DEBT</b>		
Debt applicable to limit:		
Revenue Bonds	6,163	6,163
Pension Obligation Bonds	106,085	106,085
Tobacco Settlement Asset-Backed Bonds	48,550	48,550
Less: Amount set aside for repayment of outstanding debt	<u>(3,574)</u>	<u>(3,574)</u>
Total net debt applicable to limit	<u><u>157,224</u></u>	<u><u>157,224</u></u>
Legal debt margin	<u><u>\$ 953,595</u></u>	<u><u>\$ 2,413,723</u></u>

Notes:

<sup>1</sup> Using the California Attorney General's Opinion regarding Revenue and Tax Code section 135 and applying that opinion to the California Government Code section 29909, the County of Marin's outstanding bonded debt should not exceed 1.25% of total assessed property value. However, for flood control purposes, Marin County's outstanding bonded debt may exceed 1.25% but shall not exceed 3.75% of the total assessed property value. By law, the bonded debt subject to these limitations may be offset by amounts set aside for repaying bonded debt. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Source: Department of Finance - County of Marin, California

COUNTY OF MARIN

Direct and Overlapping Debt  
As of June 30, 2014

Assessed Valuation (including unitary utility valuation)	\$	59,234,373,192
Less: Redevelopment incremental valuation		3,796,465,909
Adjusted assessed valuation	\$	<u>55,437,907,283</u>

	<u>Percentage Applicable (1)</u>	<u>County's Share of Overlapping Debt</u>
<b>OVERLAPPING TAX AND ASSESSMENT DEBT</b>		
School Districts		
Marin Community College District	100.000%	\$ 220,770,000
Novato Unified School District	100.000%	87,310,000
Shoreline Joint Unified School District	55.651%	7,457,234
Petaluma Joint Union High School District	0.993%	266,599
San Rafael High School District	100.000%	45,315,315
Tamalpais Union High School District	100.000%	143,535,000
Kentfield School District	100.000%	16,380,000
Mill Valley School District	100.000%	66,708,984
Reed Union School District	100.000%	35,380,000
San Rafael School District	100.000%	53,105,819
Other School Districts	0.145-100%	128,165,092
Cities		
Town of Fairfax	100.000%	5,786,500
City of Novato	100.000%	14,555,000
City of San Anselmo	100.000%	7,275,000
City of Sausalito	100.000%	12,898,894
Special Districts		
Strawberry Recreation and Park District Zone No. 4	100.000%	945,000
Public Utility Districts	100.000%	133,766
County Water Districts	100.000%	164,000
Community Facilities Districts	100.000%	78,395,690
1915 Act Bonds	100.000%	25,747,843
Total Overlapping Tax and Assessment Debt		<u>950,295,536</u>
<b>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>		
Direct General Fund Obligation Debt		
<b>Marin County General Fund Obligations</b>	<b>100.000%</b>	<b>\$ 71,687,267 (2)</b>
<b>Marin County Pension Obligations</b>	<b>100.000%</b>	<b><u>106,085,000</u></b>
Total Direct General Fund Obligation Debt		<u>177,772,267</u>
Overlapping General Fund Obligation Debt		
School Districts		
Marin Community College District General Fund Obligations	100.000%	2,675,834
San Rafael School District General Fund Obligations	100.000%	3,765,000
Sausalito School District Certificates of Participation	100.000%	4,675,000
Other School District General Fund Obligations	0.145-0.980%	68,174
Cities		
Town of Corte Madera General Fund Obligations	100.000%	9,646,651
City of Novato Certificates of Participation and Pension Obligations	100.000%	18,917,249
City of San Rafael General Fund and Pension Obligations	100.000%	13,115,739
Other Cities and Towns General Fund and Pension Obligations	100.000%	11,406,540
Special Districts		
Marin County Transit District General Fund Obligations	100.000%	169,271
Marinwood Community Services District Certificates of Participation	100.000%	543,367
Fire Protection District Certificates of Participation	100.000%	5,991,752
Other Special District General Fund Obligations	100.000%	679,953
Total Direct and Overlapping General Fund Obligation Debt		<u>\$ 249,426,797</u>
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)		\$ 72,164,004
<b>TOTAL DIRECT DEBT</b>		<b>\$ 177,772,267</b>
<b>TOTAL OVERLAPPING DEBT</b>		<b>\$ 1,094,114,070</b>
<b>COMBINED TOTAL DEBT</b>		<b>\$ 1,271,886,337 (3)</b>

Notes:

- (1) The percentage of overlapping debt applicable to the County is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the County divided by the district's total taxable assessed value
- (2) Includes share of Marin's Emergency Radio Authority Bonds.
- (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratio to 2012-13 Assessed Valuation:

Total Overlapping Tax and Assessment Debt .....	1.60%
<b>Total Direct Debt .....</b>	<b>0.30%</b>
Combined Total Debt .....	2.15%

Ratios to Redevelopment Incremental Valuation:

Total Overlapping Tax Increment Debt .....	1.90%
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Source: California Municipal Statistics, Inc.

**COUNTY OF MARIN**

**Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30,</b>	<b>Population<sup>1</sup></b>	<b>Personal Income<sup>1</sup></b>	<b>Per Capita Personal Income<sup>1</sup></b>	<b>School Enrollment<sup>2</sup></b>	<b>Unemployment Rate<sup>3</sup></b>
2005	244,024	19,919,117,000	81,628	28,429	4.00%
2006	244,336	21,793,982,000	89,197	28,764	3.80%
2007	246,100	22,574,434,000	91,729	29,081	3.70%
2008	248,345	23,161,297,000	93,263	29,100	4.70%
2009	250,750	22,351,575,000	89,139	29,615	8.10%
2010	252,789	20,854,466,000	82,498	30,140	8.20%
2011	255,031	21,871,623,000	85,761	30,574	8.10%
2012	256,069	23,918,732,000	93,407	31,868	7.00%
2013	258,365	25,093,401,000	97,124	32,793	5.10%
2014	unavailable	unavailable	unavailable	unavailable	4.00%

Sources:

<sup>1</sup> US Department of Commerce, Bureau of Economic Analysis - [www.bea.gov](http://www.bea.gov)

<sup>2</sup> California Department of Education, Educational Demographics Office - [www.ed-data.k12.ca.us](http://www.ed-data.k12.ca.us)

<sup>3</sup> Employment Development Department, Labor Market Information - [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)



**COUNTY OF MARIN**

**Principal Employers  
Current Year and Nine Years Ago**

<b>2014</b>			<b>2005</b>		
<b>Employer</b>	<b>Employees</b>	<b>Percentage of Total County Employment</b>	<b>Employer</b>	<b>Employees</b>	<b>Percentage of Total County Employment</b>
County of Marin	2,065	1.51%	County of Marin	2,036	1.64%
San Quentin State Prison	1,832	1.34%	Fireman's Fund	1,793	1.45%
Marin General Hospital	1,654	1.21%	San Quentin Prison	1,638	1.32%
Kaiser Permanente Medical Center	1,637	1.19%	Kaiser Permanente	1,295	1.05%
Autodesk, Inc.	1,095	0.80%	Lucasfilm Ltd.	1,209	0.98%
BioMarin Parmaceutical	850	0.62%	Marin General Hospital	876	0.71%
Novato Unified School District	812	0.59%	Autodesk, Inc.	840	0.68%
Fireman's Fund Insurance Co.	750	0.55%	Novato Unified School District	825	0.67%
Lucasfilm Ltd.	400	0.29%	Golden Gate Transit	593	0.48%
Bradley Real Estate	385	0.28%	Safeway, Inc.	579	0.47%
<b>Total</b>	<b>11,480</b>	<b>8.38%</b>		<b>11,684</b>	<b>9.44%</b>
<b>Total County Employment</b>	<b>137,000</b>		<b>Total County Employment</b>	<b>123,800</b>	

Sources:

Community Profile, County of Marin

Employment Development Department, Labor Market Information - [www.Labormarketinfo.edd.ca.gov](http://www.Labormarketinfo.edd.ca.gov)

**COUNTY OF MARIN**

**Full-time Equivalent County Government Employees by Function  
Last Ten Fiscal Years**

Function/program	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
General government	331.92	345.87	362.12	363.12	362.82	362.57	356.73	354.15	354.58	360.20
Public protection	720.46	727.11	731.90	740.70	723.29	709.97	681.58	663.16	666.91	663.03
Public ways and facilities	284.93	300.08	314.58	315.83	324.10	321.03	304.53	300.78	307.93	312.53
Health and sanitation	368.64	375.33	388.20	387.33	391.53	376.34	352.66	338.50	340.22	360.58
Public assistance	245.76	250.22	258.80	258.22	261.02	250.89	235.10	225.67	226.81	240.39
Education	89.16	89.91	92.12	95.12	96.76	95.93	94.83	94.95	100.11	98.95
Recreational and cultural studies	74.00	76.00	78.00	82.25	81.75	81.00	77.50	76.50	87.80	93.92
Total full-time equivalent employees:	<u>2,114.87</u>	<u>2,164.52</u>	<u>2,225.72</u>	<u>2,242.57</u>	<u>2,241.27</u>	<u>2,197.73</u>	<u>2,102.93</u>	<u>2,053.71</u>	<u>2,084.36</u>	<u>2,129.60</u>

Source: Department of Finance - County of Marin, California

**COUNTY OF MARIN**

**Operating Indicators by Function  
Last Six Fiscal Years**

	Fiscal Year					
	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14
<b>Public Protection</b>						
<u>Sheriff</u>						
Jail Bookings	8,034	7,881	7,638	7,761	7,619	7,511
Jail Average Daily Population	330	288	295	289	289	287
Average Daily Dispatch Calls	87	82	82	83	83	82
Number of Major Crimes Task Force Cases Assigned	243	235	144	134	98	126
Number of Physical Arrests	8,034	7,881	7,638	7,761	7,619	7,511
Number of Parking Violations	5,466	4,442	5,454	5,650	3,506	5,125
Number of Fire or Emergency Medical Calls Received	26,747	26,661	23,718	23,739	24,796	24,903
<u>District Attorney</u>						
Number of Felony Referrals	2,969	3,099	3,172	2,912	2,600	2,579
Number of Misdemeanor Referrals	5,875	5,795	5,374	5,706	5,412	5,404
Number of Felony Cases Filed	826	883	853	832	843	909
Number of Misdemeanor Cases Filed	4,519	4,645	4,357	3,705	3,113	3,120
DUI's Cases Referred	1,593	1,544	1,436	1,251	1,320	1,347
DUI's Cases Filed	1,570	1,424	1,343	1,155	1,228	1,275
Domestic Violence Cases Referred	799	861	828	874	813	838
Domestic Violence Cases Filed	336	404	308	329	272	297
<u>Probation</u>						
Probation Investigations and Reports	814	538	582	536	486	542
Juvenile Hall Average Daily Population	25	22	22	16	12	9
Number of Adult Probation Cases Supervised	3,174	2,754	2,522	2,566	2,024	2,289
<u>Environmental Health</u>						
Food Facility Operating Permits Issued	1,532	1,615	1,680	1,535	1,545	1,545
Housing and Institution Operating Permits Issued	617	630	646	686	679	679
Recreational Health Operating Permits Issued	552	548	549	548	548	578
Liquid Waste Operating Permits Issued	249	265	295	307	318	318
<b>Health and Sanitation</b>						
<u>Youth and Family Services</u>						
Number of Children Assessed who Need Treatment	467	485	435	450	187	272
Total Days in Residential Treatment	5,754	5,699	3,516	5,850	3,961	3,359
<u>Mental Health</u>						
Total Number of Medi-Cal beneficiaries	19,973	21,646	22,963	24,147	23,261	25,855
Number of Children and Adolescents Admitted to Psychiatric Emergency Services	155	118	147	112	153	135
Number of Adults Admitted to Psychiatric Emergency Services	983	961	931	924	865	982
<b>Public Ways and Facilities</b>						
<u>Roads</u>						
Street Resurfacing (miles)	7	2	13	6.4	48	68
Potholes Repaired	1,800	1,800	1,800	1,800	1,800	1,800
<b>Public Assistance</b>						
<u>Social Services</u>						
Number of new applications received for food stamps	5,056	5,285	7,713	5,850	6,814	6,446
Percent of new food stamp applications approved	0.62	0.63	0.61	0.62	0.57%	0.58%
Number of new applications received for Medi-Cal	9,808	9,356	13,709	8,950	9,371	17,141
Percent of new Medi-Cal applications approved	0.56	0.57	0.62	0.57	0.58%	0.62%
Number of Children Served by Child Welfare Services	127	105	99	176	142	157
Number of Adoptive parents served in Adoption Assitant Program Families	221	221	235	207	227	223
<b>Education</b>						
<u>Library</u>						
Number of virtual visits	513,900	721,361	883,862	300,304	414,820	412,733
Number of community outreach activities	386	359	300	989	897	256
Number of community partnerships	16	34	35	75	93	149
Number of items circulated	1,931,476	2,081,173	2,100,000	1,717,470	2,197,422	2,335,607
Number of visits to all branch libraries	1,143,414	1,179,867	1,450,000	1,134,067	1,046,825	961,943
<b>Recreation and Cultural Services</b>						
<u>Parks</u>						
Number of Park Passes Issued	225	291	321	315	348	348
<b>Transit District</b>						
<u>Buses</u>						
Total Number of Passengers	3,406,115	3,327,621	3,376,520	3,376,520	3,410,383	3,546,112
Service Hours	189,921	192,318	188,287	188,287	194,563	204,500
Total Number of Routes	32	26	26	26	25	30

Source: Various Marin County departments

Combined by Heather Burton, CAO's office

Information for Transit was provided by Amber Johnson of Transit

COUNTY OF MARIN

Capital Asset Statistics by Function  
Last Six Fiscal Years

Function	Fiscal Year					
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Public Protection						
Sheriff						
Stations (Headquarters and Substations)	4	4	4	4	4	4
Patrol Units	31	31	31	31	31	31
Marine Crafts	2	2	2	2	2	2
Fire Stations						
Stations	6	6	6	6	6	6
Lookouts	2	2	2	2	2	2
Type 1 Fire Engines	8	7	7	7	7	7
Type 3 Fire Engines	12	11	12	11	11	11
Type 4 Fire Engines	1	1	1	1	1	1
Ambulances	5	5	5	5	5	5
Graders	1	1	1	1	1	1
Dozers	1	1	1	1	1	1
Water Tenders	3	3	3	3	3	3
USAR Support Vehicles	1	1	1	1	1	1
Heavy Rescue Vehicles	2	2	2	2	2	2
Transport	1	1	1	1	1	1
Crew Carrier	1	1	1	-	1	1
Utilities/Support Vehicles	23	24	23	23	23	23
ATV	-	-	-	2	3	3
Corrections						
Capacity of All Correctional Facilities	376	376	376	376	376	376
Public Ways and Facilities						
Roads						
Streets (Miles)	420	420	420	420	420	420
Bridges	65	65	65	65	65	65
Street Light	2,025	2,025	2,025	2,025	2,025	2,025
Traffic Signals	13	13	13	13	13	13
Education						
Library						
Number of Library Branches	12	11	11	11	11	11
Recreation and Cultural Services						
Parks & Open Space						
Number of Open Space Acres Maintained	15,299	15,299	15,067	15,087	15,109	15,113
Number of Parks Acres Maintained	921	923	934	934	934	942
Transit District						
Buses						
Total Number of Buses	50	49	50	50	58	64

Source: Various Marin County departments

Combined by Heather Burton, CAO's office  
Information for Transit was provided by Amber Johnson of Transit