

# COUNTY OF MARIN, CALIFORNIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016



### COUNTY OF MARIN DEPARTMENT OF FINANCE



Photo: San Quentin Beach, by Yuliya Wiseman, County of Marin, Department of Finance.



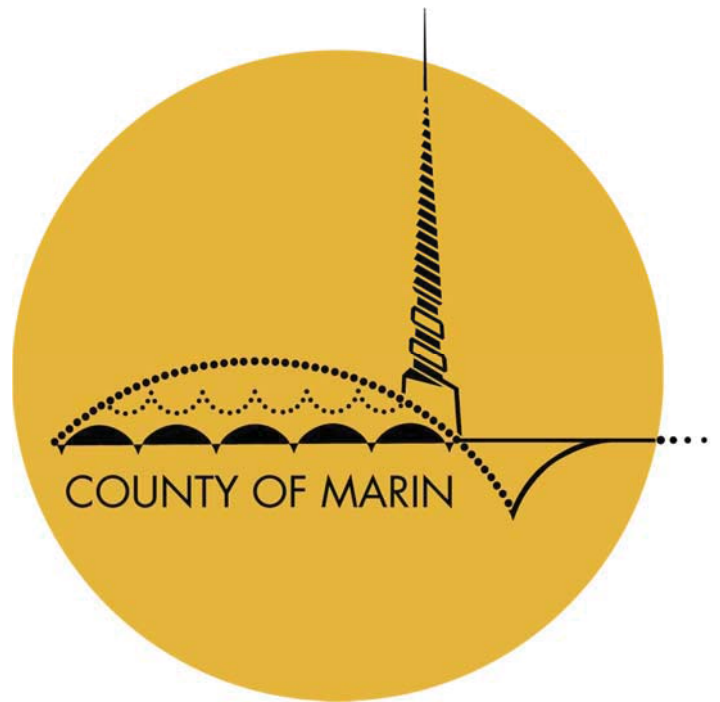
If you are a person with a disability and require information or materials in alternative formats (such as, Braille, large print, audiocassette or CD-ROM), or if you require accommodation to participate in a county program, service or activity, please contact department staff at 415-473-6154; Voice/CRS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

This page intentionally left blank

**COUNTY OF MARIN, CALIFORNIA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**



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

This page intentionally left blank

# COUNTY OF MARIN

## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2016

### Table of Contents

#### **INTRODUCTORY SECTION**

Letter of Transmittal.....	i-xiii
Certificate of Achievement for Excellence in Financial Reporting.....	xiv
Elected and Appointed Public Officials.....	xv
Organizational Chart.....	xvi

#### **FINANCIAL SECTION**

Independent Auditor's Report.....	1-3
-----------------------------------	-----

<b>Management's Discussion and Analysis</b> .....	4-20
---	------

#### **Basic Financial Statements:**

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

Statement of Net Position.....	21
Statement of Activities.....	22-23

##### **Fund Financial Statements:**

###### Governmental Funds:

Balance Sheet.....	24
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position – Governmental Activities.....	25
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities.....	27

###### Proprietary Funds:

Statement of Net Position.....	28
Statement of Revenues, Expenses, and Changes in Net Position.....	29
Statement of Cash Flows.....	30-31

###### Fiduciary Funds:

Statement of Fiduciary Net Position.....	32
Statement of Changes in Fiduciary Net Position.....	33

<b>Notes to the Basic Financial Statements</b> .....	34-77
--	-------

(1) The Financial Reporting Entity.....	34-36
(2) Summary of Significant Accounting Policies.....	36-44
(3) Cash and Investments.....	44-49
(4) Notes Receivable.....	50
(5) Unearned Revenue/Unavailable Revenue.....	51
(6) Interfund Transactions.....	51-52
(7) Capital Assets.....	53-54
(8) Risk Management.....	54-55
(9) Long-Term Obligations.....	56-61
(10) Employees' Retirement Plan.....	62-69
(11) Other Post Employment Benefit (OPEB) Plan.....	69-73
(12) Commitments and Contingent Liabilities.....	74
(13) Fund Balances/Net Position.....	74-77
(14) Subsequent Event.....	77

# COUNTY OF MARIN

## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2016

### Table of Contents

#### **Required Supplementary Information:**

Proportionate Share of the Net Pension Liability.....	78
Schedule of County Contributions – Pension Plan.....	78
Schedule of Funding Progress – Other Post-Employment Benefit Plan.....	79
Budgetary Comparison Schedule:	
General Fund.....	80-82
Note to Required Supplementary Information:	
Budgetary Basis of Accounting.....	83

#### **Combining and Individual Fund Statements and Schedules:**

Non-major Governmental Funds:	
Combining Balance Sheet.....	84
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	85

#### Non-major Special Revenue Funds:

Description.....	86-90
Combining Balance Sheet.....	91-97
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	98-104

#### Budgetary Comparison Schedules:

Road Fund.....	105
Library Fund.....	106
Fish and Game Fund.....	107
Child Support Fund.....	108
Health and Sanitation Fund.....	109
Building Inspection Fund.....	110
Environmental Health Fund.....	111
Fishnet Fund.....	112
HUD Fund.....	113
High Tech Theft Fund.....	114
Sewer Districts Fund.....	115
County Service Areas Fund.....	116-117
Lighting Fund.....	118
Permanent Road Districts Fund.....	119
Tobacco Settlement Fund.....	120
In-Home Supportive Services Fund.....	121
Bay Area Stormwater Management Fund.....	122
Open Space District Fund.....	123
Low-Income Housing Fund.....	124
Flood Control District Zones Fund.....	125
Miscellaneous Special Revenue Fund.....	126
Public Protection Fund.....	127
Public Ways and Facilities Fund.....	128
Restricted Housing Fund.....	129
Recreational and Cultural Services Fund.....	130
Employees' Retirement Operations Fund.....	131
Health Services Fund.....	132

#### Non-major Debt Service Funds:

Description.....	133
Combining Balance Sheet.....	134
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	135
Budgetary Comparison Schedules:	
Open Space Debt Service Fund.....	136
Pension Obligation Bond Fund.....	137
Debt Service Fund.....	138
Tobacco Securitization Fund.....	139



# COUNTY OF MARIN

## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2016

### Table of Contents

#### **Combining and Individual Fund Statements and Schedules (continued):**

Non-major Capital Projects Funds:	
Description .....	140
Combining Balance Sheet .....	141
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	142
Budgetary Comparison Schedules:	
Courthouse Construction Fund .....	143
Miscellaneous Capital Project Fund .....	144-145
Other Capital Projects Fund .....	146
Non-major Enterprise Funds:	
Description .....	147
Combining Statement of Net Position .....	148
Combining Statement of Revenues, Expenses, and Changes in Net Position .....	149
Combining Statement of Cash Flows .....	150-151
Fiduciary Funds:	
Description .....	152
Combining Statement of Fiduciary Net Position – Investment Trust Funds .....	153
Combining Statement of Changes in Fiduciary Net Position – Investment Trust Funds .....	154
Statement of Changes in Assets and Liabilities – Agency Funds .....	155
Statement of Net Position – Private-Purpose Trust Funds .....	156
Statement of Changes in Net Position – Private-Purpose Trust Funds .....	157

#### **STATISTICAL SECTION**

Description .....	158
Government-wide Net Position by Component – Last Ten Fiscal Years .....	159
Changes in Net Position – Last Ten Fiscal Years .....	160
Fund Balances, Governmental Funds – Last Ten Fiscal Years .....	161
Changes in Fund Balance, Governmental Funds – Last Ten Fiscal Years .....	162
Assessed Valuation of Taxable Property – Last Ten Fiscal Years .....	163
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years .....	164
Principal Revenue Taxpayers – Current Fiscal Year and Ten Years Ago .....	165
Property Tax Levies and Collections – Last Ten Fiscal Years .....	166
Ratios of Total Debt Outstanding by Type – Last Ten Fiscal Years .....	167
Legal Debt Margin Information .....	168
Direct and Overlapping Debt .....	169
Demographic and Economic Statistics – Last Ten Fiscal Years .....	170
Principal Employers – Most Recent Year and Ten Years Ago .....	171
Full-time Equivalent County Government Employees by Function – Last Ten Fiscal Years .....	172
Operating Indicators by Function – Last Seven Fiscal Years .....	173
Capital Asset Statistics by Function – Last Seven Fiscal Years .....	174

This page intentionally left blank

---

## **INTRODUCTORY SECTION**

---

This page intentionally left blank



# DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

Roy Given, CPA  
DIRECTOR

Mina Martinovich, CPA  
ASSISTANT DIRECTOR

Marin County Civic Center  
3501 Civic Center Drive  
Suite 225  
San Rafael, CA 94903  
415 473 6154 T  
415 473 3680 F  
CRS Dial 711  
[www.marincounty.org/dof](http://www.marincounty.org/dof)

January 30, 2017

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

We are pleased to present the County of Marin's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. 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, 2016.

Management assumes full responsibility for the completeness and reliability of the information contained in the CAFR, 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 Clifton Larsen Allen, 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, 2016 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 unmodified ("clean") opinion on the County's financial statements for the fiscal year ended June 30, 2016. The independent auditor's report is presented in the first component of the financial section of this report.

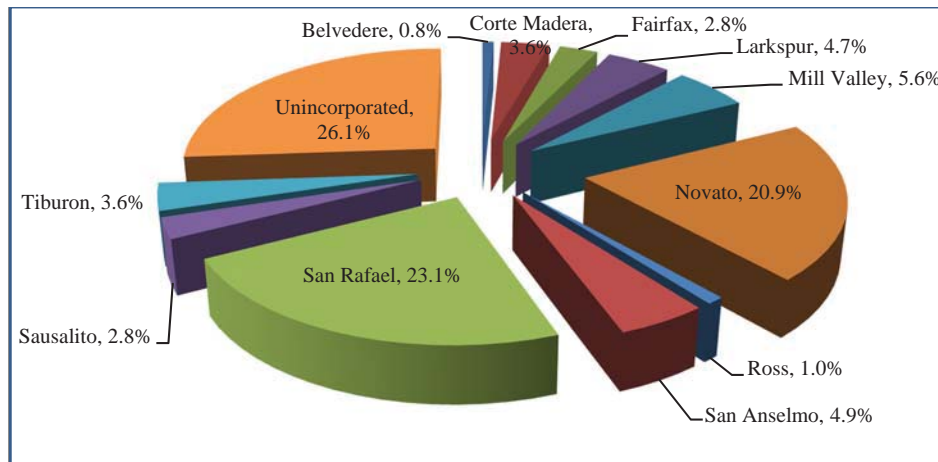
The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the fiscal year. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and 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 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 262,274 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 and towns 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 a geographical and political subdivision of the State of California, counties serve a dual role that differs from cities. Cities generally provide basic services, such as police and fire protection, sanitation, recreation programs, planning, street repair, and building inspection. The 11 cities within the County are governed by their own city council. The County provides a vast array of services for all its residents. These services include social services, public health protection, housing programs, property appraisal and tax 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 26.1% 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 2016

As a general-law county, Marin County is a geographic and political subdivision of the State of California, and is therefore bound by state law as to the number and duties of County elected officials. Under the state constitution, counties are responsible for providing state-established health care, welfare, and criminal justice programs, and enforcing state and federal laws, as applicable. These services are provided to all residents within a county's jurisdiction. In many cases, the minimum level of services, administrative guidelines, and the power of a county to provide these services are defined by state law.

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 central and most visible location of Marin County government is the Marin County Civic Center in San Rafael, which was designed by Frank Lloyd Wright and is one of the National Register of Historic Places. The Civic Center is home to a public library as well as many other County services. It also houses the Hall of Justice, which includes court facilities and public safety departments. Other County facilities and services are located throughout Marin County.

Marin County is dedicated to being a responsive, open and community-focused government. Working with our community partners, we deliver a wide range of services that make our community a better place to live and work. From providing health insurance to the uninsured to responding to a natural disaster, we are continually striving to make Marin a safer and more equitable community.

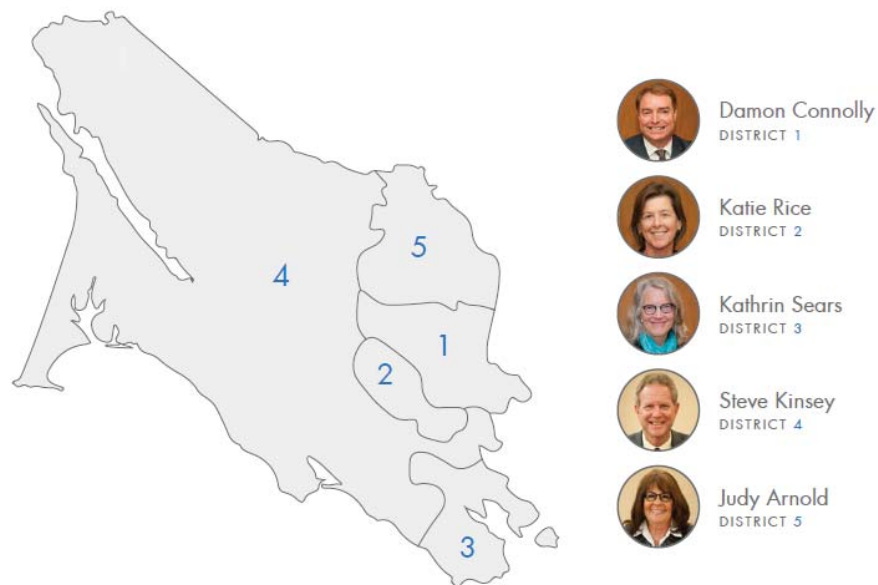
### Board of Supervisors

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

For FY 2015-16, the Marin County Board of Supervisors and their corresponding districts is illustrated below:

#### SUPERVISORIAL DISTRICT MAP



The Board generally meets every Tuesday in the Board Chambers of the Civic Center to discuss and vote on all County policy items. The Board's meeting schedule and agenda are posted weekly on the Board of Supervisors website, located at [www.marincounty.org](http://www.marincounty.org). Audio and video broadcasts of Board meetings (both live and archival) are also available online.

## Organizational Structure

The County organization is divided into five functional service areas that represent general categories of service to County residents:

- Health and Human Services
- Public Safety
- Administration and Finance
- Community Development and Public Works
- Community Services

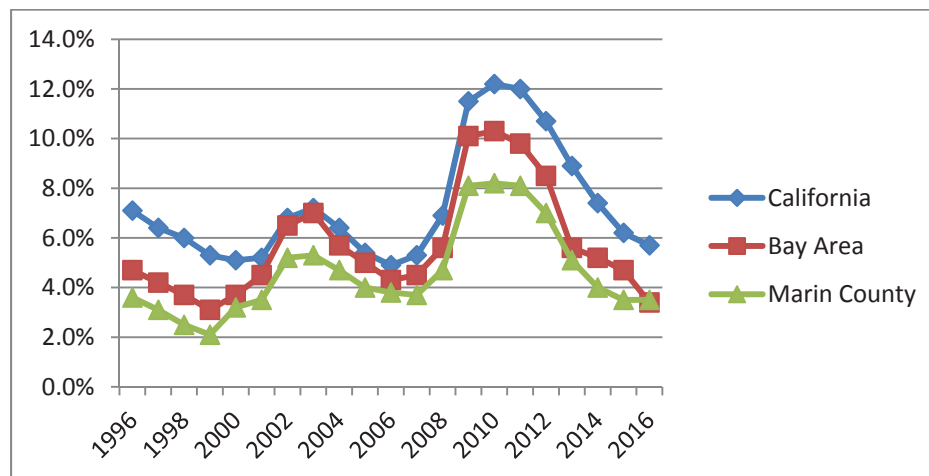
These service areas are composed of 22 separate departments. A majority of the departments are directed by officials appointed by the Board of Supervisors, while the Assessor-Recorder-County Clerk, Sheriff-Coroner, and District Attorney are elected by residents to serve a four-year term. As a result of the passage of Measure B in November 2008, the offices of Auditor-Controller and Treasurer-Tax Collector were consolidated into an appointed Director of Finance position.

## **FINANCIAL CONDITION**

### Economic Indicators

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

- **Employment:** Unemployment rates in both the State and County have declined steadily during the past years. By June 2016 the County's unemployment rate was 3.5% (not seasonally adjusted), which is consistent from June 2015, and continues to be lower than the State's rate of 5.7% and the national rate of 4.9%. The chart below illustrates Marin County's relatively low unemployment rate compared to the Bay Area and California from 1996 through 2016.



State of California Employment Development Department – June 2016

At the time of this publication, Marin's December 2016 unemployment rate had fallen to 2.9%, which is the second 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. During the recent recession, the slowdown in the housing market caused property tax revenues to flatten.



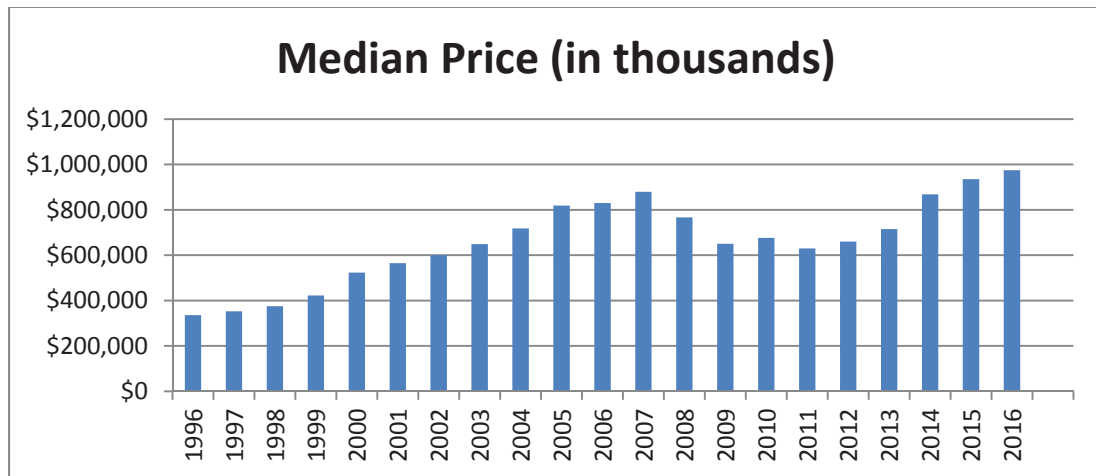
However, with median single family home prices now nearing \$1 million due to better economic conditions, the housing market has increased the County’s annual property tax revenue growth projections to 6%.

Consistent with statewide and national projections, and informed by consultations with the County Assessor, the County is projecting a gradual slowing of the growth rate for property tax revenues over the next few years. Without significant new housing developments, and with relatively low turnover each year, Marin County’s property tax revenue growth is largely limited by Proposition 13.

Median home prices (attached and detached single-family homes) within Marin County rose 4.3% to \$975,000 in 2016 from \$935,000 in 2015. In 2016, the County’s residential real estate market surpassed its 2007 peak. While this will result in higher assessed property values and property tax revenues in the future, affordability continues to decline in Marin and across the entire Bay Area.

The California Association of Realtors’ Traditional Housing Affordability Index measures the percentage of households that can afford to purchase a median priced home. The housing affordability index for the Bay Area was 23% during the June 2016 quarter. The County’s affordability index was 17%, while the U.S. index was 57% and the State’s was 31% in June 2016. Accordingly, during the June 2016 quarter, only 17% of households in the County could afford to purchase a median priced home in the County. This index indicates that the County is one of the most unaffordable places for housing in the nation, State, and Bay Area.

The chart below demonstrates the median sale price for detached and attached single-family homes in Marin for the last twenty years.



Marin County Assessor, 2016

A Balanced Budget

The County is on stable financial and operational footing because of actions taken by the Board over the past several years. The 5 Year Business Plan provides a clear and ambitious strategic direction for our entire organization. In addition, addressing equity issues, preserving affordable housing, reducing our carbon footprint, investing in infrastructure, improving technological capabilities and developing our workforce are all essential initiatives. Given our current and impending fiscal constraints, we need to continue our efforts to adapt and respond to emerging issues while focusing on efficiently providing critical community services.

## Open and Transparent County

The County is constantly striving to become a more responsible and transparent organization. Two years ago, the County partnered with OpenGov to publish budget and financial data in an open and transparent way that allows residents to explore and understand the County's finances. For years, the County has published budgetary and financial data online, but with the new web-based platform, the public can now examine the line-item details and trends in a more user-friendly and interactive manner. Please visit [www.marincounty.org/openbudget](http://www.marincounty.org/openbudget) to learn more about the County's budget and financial information.

This year, the Sheriff is implementing body worn camera technology on deputies to ensure accountability and enhance trust in law enforcement operations. We are also continually expanding our presence in various online and social media platforms to increase opportunities for residents to engage with and influence County services.

## Employee's Retirement Plan

In fiscal year 2014-15, the County implemented Government Accounting Standards Board (GASB) Statement No. 68 related to financial reporting of pension plans on its financial statements. It also required full disclosures in the basic notes and required supplementary information sections of the CAFR. The Marin County Employees' Retirement Association (MCERA) is the pension plan for the County. In summary, this new standard requires MCERA and the County to use two different actuarial valuation methods for its pension plan – one for financial reporting purposes as required by GASB No. 68 and the other for funding purposes to determine the County's annual contribution to the plan. The new method, for financial reporting purposes, is used to calculate the net pension liability that appears in the Government-Wide financial statements. While financial reporting has changed, the method used to determine the annual contribution to the pension plan by the County has not changed and is consistent with prior years.

For financial reporting purposes, the net pension liability is now displayed on the face of the financial statements (Statement of Net Position). For funding purposes, information about unfunded pension liabilities will continue to be disclosed in the basic notes and required supplementary information sections of the CAFR, not on the financial statements.

## **MAJOR INITIATIVES**

### Implementing the Countywide Five Year Business Plan

Earlier this year, the Board adopted a 5 Year Business Plan designed to improve County services by empowering our workforce to more effectively adapt and respond to the complex issues facing our community. The planning and development process involved a collaboration of County employees and community partners from a variety of backgrounds. The 5 Year Business Plan 2015-2020 builds upon past planning efforts and strives to solidify the foundation for excellent services and accountability that will benefit our residents for years to come.

One of the key steps in becoming a more responsive government was identifying the major trends facing our County. Data shows that our community is experiencing a growing wage gap, an increasing number of households living below self-sufficiency standards, and an evolving ethnic and demographic makeup. Furthermore, rapidly changing technology has resulted in dramatically different expectations of County services.

While still in early stages of implementation, our vision of working together to become a more responsive government is supported in this budget through investments in cultural competency training, career development, and the Information Services Technology Strategic Plan.

### Investing in County Road Infrastructure

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. Our recent investments have yielded results as we have improved our Pavement Condition Index (PCI) from 49 to 60 in 2015. Nonetheless, to make further progress we will need to increase our annual investment. Consistent with the Board's policy of improving the County's PCI, the Board has adopted an ongoing increase of \$1 million for annual road maintenance programs, as well as \$6 million in one-time funds that recently supported the summer 2016 paving program. In addition to declining gas tax revenues, recent reports show that the County needs to increase road maintenance expenditures by approximately \$10 million per year in order to steadily improve pavement conditions in unincorporated areas.

Over the next few years, the County will also leverage \$35 million in federal grant funds for improvements to roads in Muir Woods and Point Reyes, and will utilize \$13 million in Transportation Authority of Marin (TAM) funding to resurface Sir Francis Drake from Greenbrae to Ross.

### Supporting Equity & Mitigating Income Inequality

As the safety net provider for the community, the County focuses its attention and resources on addressing poverty and income inequality. The County has responded to the growing gap in various ways over the past few years. Working with community partners, such as Marin Kids and Marin Promise, expanding access to healthcare, and reducing park and library fees have all been positive steps.

The County also spends over \$9 million per year to address homelessness, including a broad range of direct services and support for our community partners. The Board has also adopted an additional \$400,000 in ongoing funding for enhanced homeless outreach programs and service coordination.

The County's budget also includes funding to increase the living wage paid to our In-Home Supportive Services (IHSS) partners and provides a cost of living adjustment for our community-based organization partners. We are pleased to see the state adopt a multi-year path to a \$15 per hour minimum wage.

### Preserving Affordable Housing

As housing and rental prices continue to climb, many of our residents are being displaced from their homes. The Board held public workshops throughout the year and directed staff to pursue a strategy of preserving affordable housing by revising rental regulations, developing landlord incentives, and establishing a second unit amnesty program. The County has allocated \$1 million to the County's Housing Trust and \$450,000 to create a landlord incentive program that supports the creation and preservation of affordable housing in our community.

The County's Housing Trust was established to increase the stock of permanent affordable housing units. Funds from the Housing Trust can be used for the acquisition or preservation of existing affordable housing or for the conversion of market rate housing to affordable housing. The landlord incentive program will provide support for landlords who rent to low-income tenants and may include supplemental security deposits or loss mitigation funds.

### Addressing Climate Change and Sea Level Rise

The County's recently adopted Climate Action Plan (CAP) identified several local municipal actions to supplement statewide initiatives which, together, will assist the County in achieving its target of reducing emissions from municipal operations to 15 percent below 1990 levels. The CAP's local municipal measures include energy efficiency improvements to County-owned buildings and facilities, increased fuel efficiency and alternative fuel vehicles in the County fleet, reduced water usage and waste production from County facilities, and reduced emissions from County employees' daily commute.

The County's budget adopted \$1 million to implement strategies in our CAP, including \$500,000 in one-time capital investments in LED lighting and solar power systems to reduce our carbon footprint for building operations and \$500,000 in ongoing incentives for employees to take public transit, such as the Sonoma Marin Area Rail Transit (SMART) commuter train.

The County is also leveraging grant funds to complete a sea level rise vulnerability assessment. Marin County ranks second in the Bay Area for potential infrastructure impacts due to sea level rise. The vulnerability assessment is part of a County program known as BayWAVE (Marin Bay Waterfront Assessment Vulnerability Evaluation), which is a collaborative effort involving elected officials and staff from all 11 of the County's cities and towns, as well as staff from local agencies and private organizations with assets along the shoreline.

#### Reducing Unfunded Retiree Obligations

The County has taken various actions over the past few years to reduce unfunded retiree liabilities, including contributing over \$94 million in discretionary accelerated payments, establishing an OPEB retiree health trust, and creating a pension rate stabilization reserve. The retiree health trust currently has a balance of over \$60 million and the County has budgeted an additional \$10 million in contributions to the trust. The Board has also approved a \$1 million contribution to the County's pension stabilization reserve, which would bring the total pension reserve to \$7 million.

These actions, along with investment earnings, have reduced the County's unfunded liabilities by \$243 million over the past four years and are one of the primary factors in the County's 'AAA' credit rating.

#### Managing for Results

Performance management involves measuring the effectiveness of County programs in achieving community outcomes. To further define this strategy, the Board Supervisors expressed its vision in becoming 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.

The County developed and implemented Managing for Results (MFR) to achieve this vision of a well-managed county. MFR is a process that helps the County do the most important things well by aligning department and program activities to reflect the County's highest priorities, and using measures to track progress. Departments develop biennial performance plans, which include their goals, initiatives, and measures to help inform service level allocations.

#### **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. To be a responsive government, the County must adapt to new community needs, understand major trends, and encourage a culture of innovation.

### Preparing for Future Uncertainty

The national economic expansion is now in its eighth year, which makes it the fourth longest expansion in U.S. history. Most economists project continued economic growth over the next two years, although the growth rate is expected to moderate. While there is no reliable method to predict national or global economic cycles, historical trends show that a recession is likely to occur in the near future. The 2009 recession required significant organizational adjustments and the County decreased annual operating expenses by over \$30 million and reduced its workforce by over 10 percent.

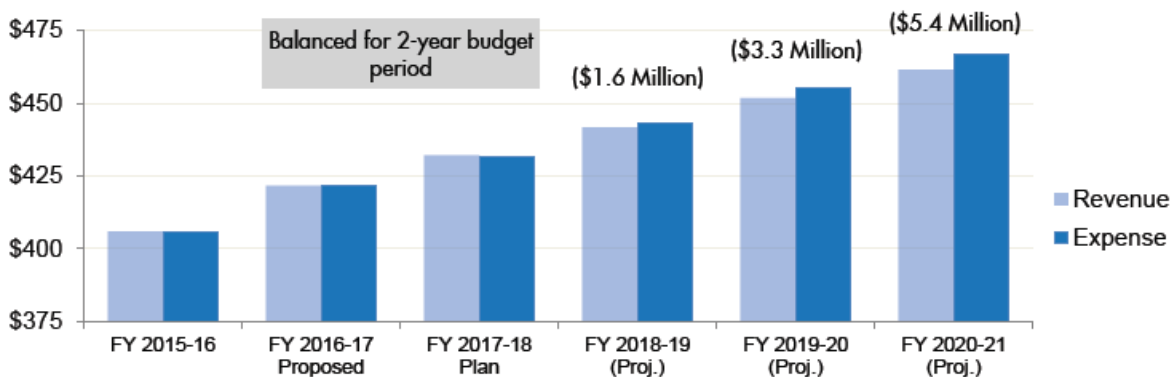
Being mindful of economic cycles, the County has made a concerted effort to review service priorities, ensure new General Fund positions are essential and/or fully cost-covered, and use one-time funds only for one-time purposes. The Board has also made prudent fiscal decisions to build up reserves, refinance existing debt at favorable interest rates, and invest in road and facility infrastructure.

### Five Year General Fund Projection

Marin County revenue sources have steadily increased over the past few years, largely resulting from increased property values and increased state and federal funding for safety net programs. Service levels and personnel costs have also increased and, as a result, the budget has been balanced for the past two years. In addition to providing cost of living increases to our workforce and community partners, the County has absorbed increased costs for pensions and workers' compensation insurance. We have also increased discretionary funding for mental health services, road maintenance, and the replacement of technology and vehicles.

The County's discretionary spending levels are largely tied to the annual changes in property values. While median sales prices remain high, the County's annual property tax revenue is limited by the combination of Proposition 13, limited new development, and relatively low sales volume. Property tax growth rates are expected to moderate, as are other revenue sources such as sales tax and transient occupancy tax. Given the projected slowdown in revenues over the next five years, the County is projecting a balanced budget over the next two years, followed by slight budget shortfalls beginning in FY 2018-19.

### FIVE YEAR GENERAL FUND PROJECTION (\$ MILLIONS)



## **OTHER FOCUS AREAS**

### Increasing Permanent Supportive Housing

The County has taken a leadership role in efforts to address homelessness, but we cannot be successful without the support of cities, foundations, volunteers, religious organizations and the non-profit community. With a focus on permanent supportive housing for disabled individuals and families, together we can provide support to people who are homeless or at risk of homelessness.

The County's work not only supports housing and direct services, but it is also instrumental in coordinating the efforts of many providers to effectively target resources and reduce duplication. Support provided by the County to collect data and facilitate collaboration among a wide variety of stakeholders allows local programs to compete for more than \$3 million annually in federal funds for homeless programs. The County's total investment in homeless services totals over \$9 million annually and includes housing, shelter, planning, service, coordination, medical care, social services, mental health services and substance use services.

The County is dedicated to ensuring that our homeless programs are implemented in accordance with best practices and that strategic decisions are based on empirical data. To remain competitive for federal funds and ensure that local dollars are used effectively, Marin must assess the strengths and gaps of our available housing and services, continually improve data collection efforts, provide training and other support to our community-based providers, and implement appropriate best practices. In addition to the County's \$2 million investment in a new detox facility, the County adopted ongoing investments related to homeless programs.

Working together with our community partners, the County is ready to contribute to the purchase of a facility that will offer a variety of services for homeless individuals, including meals, a day center, medical services and treatment, showers, laundry, mail service, housing search assistance, rapid re-housing and prevention services, benefit counseling, employment services and case management.

### Expanding Mental Health Services

In February 2016, the Board conducted public workshops to consider options for expanding mental health service programs across the County and accepted staff recommendations to expand outreach efforts with a focus on evidence-based practices and voluntary programs. The Board subsequently approved reorganizations within the Mental Health and Substance Use Services division that utilized over \$1.5 million in state and federal funding to increase staffing by 12 employees to expand capacity and better integrate service delivery. The formation of multi-disciplinary teams, including the addition of bilingual support service workers and social service workers, will enable licensed clinicians to serve a larger number of high-need clients.

One of the key challenges in Psychiatric Emergency Services is locating and providing acute inpatient placement options. Longer term adult transitional residential program facilities are also extremely scarce within the County. The Board has approved start-up costs for a new 10-12 bed transitional residential program for adults, a level of intensive care not currently available in Marin.

### Investing in Technology

Consistent with the County's 5 Year Business Plan, Information Services and Technology (IST) developed a Strategic Plan that is focused on solutions for the most pressing needs over the next five years, including more convenient access on any device by residents and employees. The most important initiatives include expanding the County's ability to provide online services, including accepting online payments and offering automated electronic forms, developing impactful mobile apps, expanding the use of mobile devices by County employees, protecting public information by making security a top priority,

and automating various internal processes to improve services for residents and enhance efficiencies for employees.

## **RELEVANT FISCAL POLICIES**

In preparing and managing the County's finances, the County Administrator recommends fiscal strategies that will sustain the long-term health and well-being of the entire organization. Accordingly, the Board adopted the following Fiscal Policies.

### Balanced Budget

The annual budget must balance resources with expenditure appropriations (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.

### 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 where 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, 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.

### 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 shall be allocated to all County departments based upon the cost allocation and implementation plan developed annually by the Department of Finance and in consultation with the County Administrator.

### 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 the County's Debt Policy.

### Workers Compensation Funding

The 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 shall maintain 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
- 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). Administrative designations may be established for the cost of anticipated expenditures where there is uncertainty concerning the exact timing and/or amount of the expenditures that will be needed in the fiscal year. The County Administrator will review any request for an administrative designation and verify that funding can be taken from existing appropriations.

### Additional Contributions Toward Deferred Road & Bridge Maintenance

Effective fiscal year 2013-14, the Board adopted a policy determining that, for the next five years (through fiscal year 2017-18), 50% of any available year-end General Fund balance (unassigned fund balance) in excess of what's required to support the General Fund operating budget (5% of budget, or approximately \$20 million) shall be allocated to address deferred road & bridge maintenance. Such investments are intended to help achieve the Board's goal of improving the County's Pavement Condition Index (PCI), as well as for high priority bridge maintenance projects.

### California Public Employee Pension Reform Act of 2013 (PEPRA) Savings Dedicated Toward Unfunded Pension Liability

Effective fiscal year 2013-14, and for the next five years (through fiscal year 2017-18), the Board adopted policy determining that PEPRA savings shall be dedicated toward reducing the County's Unfunded



Actuarially Accrued Liability (UAAL) for pensions, currently estimated to be a contribution of up to \$3 million over PEPRA's initial five years. PEPRA became effective in California January 1, 2013 for all new, nonreciprocal employees.

#### Basis of Budgeting

The annual budget is prepared, reviewed and approved in accordance with the County Budget Act. The budget is prepared using generally accepted accounting principles. Governmental funds such as the General Fund, Special Revenue Funds and Debt Service Funds use the modified accrual basis for accounting, while Proprietary Funds use the full accrual basis. The annual budget includes all operating, capital and debt service requirements of Marin County for the subsequent fiscal year. The annual budget also includes: the revenue and expense assumptions upon which the budget is based; the number of budgeted positions by department and program; and the mission, strategic priorities and performance measures of each department and program.

### **AWARDS AND ACKNOWLEDGEMENTS**

#### Certificate of Achievement

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, 2015. This was the fifth year the County issued a CAFR and received this prestigious award for all five 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, Clifton Larsen Allen, LLP.

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

Finally, I wish to thank all of the citizens of Marin County for their support and employees of the County for their dedication and contributions to County government.

Respectfully submitted,



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, 2015**

Executive Director/CEO

# COUNTY OF MARIN

Elected and Appointed Public Officials  
June 30, 2016

## **ELECTED OFFICIALS**

---

Supervisor - First District	Damon Connolly
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	Robert T. Doyle

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

---

County Administrator	Matthew H. Hymel
Agricultural Commissioner	Stacy K. Carlsen
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	Grant Colfax, MD
County Librarian	Sara Jones
Director and General Manager of Parks	Max Korten
Chief Probation Officer	Michael Daly
Public Defender	Jose H. Varela
Director of Public Works	Raul M. Rojas

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

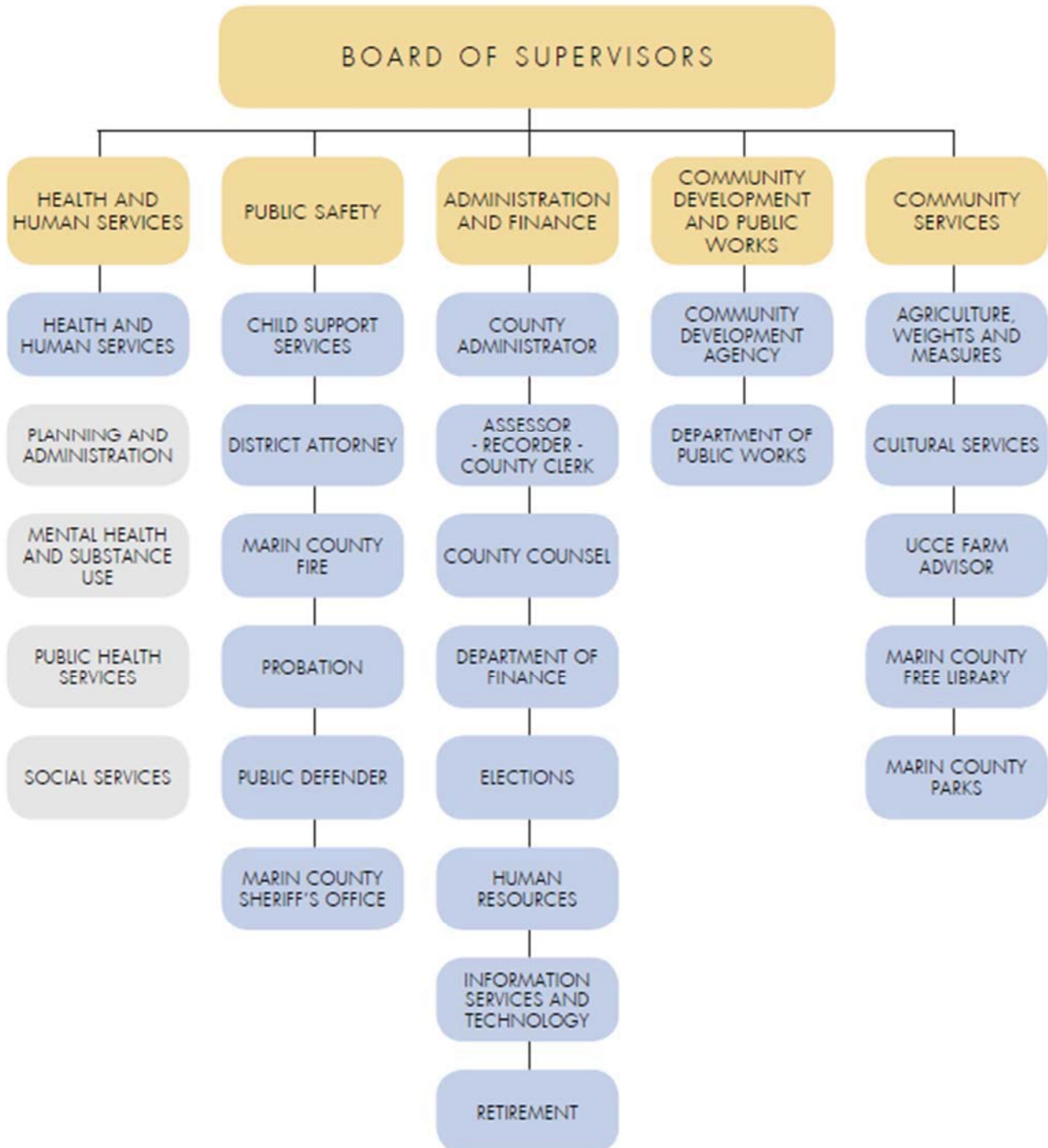
---

Director of Human Resources	Mary Hao
Director of Information Services & Technology	Charlie Haase
Registrar of Voters	Lynda Roberts

# COUNTY OF MARIN

Organizational Chart  
June 30, 2016

## MARIN COUNTY ORGANIZATION CHART



---

## **FINANCIAL SECTION**

---

This page intentionally left blank

**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, aggregate 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, 2016, 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, 2016:

Opinion Unit	Assets	Revenues/ Additions
Business-Type Activities	81.9%	91.8%
Aggregate Discretely Presented Component Units	100%	100%

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.

To the Board of Supervisors  
County of Marin

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

### **Opinions**

In our opinion, based on our audit and the report of other auditors, 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, 2016, 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 schedule, proportionate share of the net pension liability, schedule of County contributions – Pension Plan, and schedule of funding progress – 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 non-major 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 non-major 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.



To the Board of Supervisors  
County of Marin

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain 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.



**CliftonLarsonAllen, LLP**

Roseville, California  
January 30, 2017

This page intentionally left blank

---

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

---

This page intentionally left blank

**COUNTY OF MARIN**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

This section presents management's narrative overview and analysis of the County of Marin's (the County) financial condition and activities as of and for the fiscal year ended June 30, 2016. 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 position**

The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2016 by \$1,390 million (net position):

- \$1,343.3 million represents the County's investment in capital assets, less any related outstanding debt used to acquire those assets (*net investment in capital assets*). These capital assets are used to provide services to citizens and are not available for future spending.
- \$182 million represents resources that are subject to external restrictions on their use and are available to meet the County's ongoing obligations for programs with external restrictions (*restricted* net position).
- (\$135.3) million represents the County's unrestricted net position, which as of fiscal year-end is earmarked for deferred pension obligation. Generally, unrestricted net position may be used to meet the County's ongoing obligations to its citizens and creditors (*unrestricted* net position).

The County's total net position increased \$56.9 million to \$1,390 million over the year. The increase in the County's net position represents the degree to which revenues exceeded expenses plus net transfers, and indicates that the financial position of the County is improving.

- \$41.3 million increase in net position was derived from governmental activities. The increase was due to total revenue of \$522 million exceeding total expenses and transfers of \$481 million as reflected in the Statement of Activities.
- \$15.6 million increase in net position was derived from business-type activities, primarily from Transit District's \$14.4 million increase in net position, due to increased *capital grants and contributions*.

**Capital assets and debt administration**

The County's *capital assets*, net of accumulated depreciation, increased by \$13.6 million, from \$1,484.2 million to \$1,497.8 million, with \$4.3 million from governmental activities and \$9.3 million from business-type activities.

The overall increase was attributable to new construction in progress (CIP) projects totaling \$20.4 million, the most notable of which included \$5.1 million for the implementation work of the County's new ERP financial system, \$6.3 million in various road resurfacing projects, and \$1 million increase in Transit District facilities and stop improvements. Equipment also had current year additions of \$15.1 million, which included new vehicles, utilities machinery, and computerized hardware systems. This was offset by total current year depreciation of \$22.7 million.

The County's total outstanding balance on long-term debt (e.g. bonds, loans, certificates of participation, and capital leases) increased by \$21.3 million, from \$235.5 million to \$256.8 million. The overall increase was primarily due to the issuance of the 2015 Certificates of Participation in the amount of \$80.1 million, plus unamortized premium of \$2.6 million, to which a portion of these proceeds refunded the 2010 Certificates of

**COUNTY OF MARIN**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

Participation balance of \$54 million. There were further offsets of \$8 million in the current year for annual principal debt service payments.

**Governmental funds financial analysis**

The County's governmental funds reported combined fund balances of \$390.8 million at fiscal year-end, which is an increase of \$24.8 million compared to the prior fiscal year. Of this amount, \$137.1 million (sum of assigned and unassigned fun balances), or 35%, is available for spending at the County's discretion.

**II. OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves 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 Required Supplementary Information on pages 78-83. The Required Supplementary Information provides additional detail to support the basic financial statements.

**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, and deferred outflows/inflows of resources, with the difference 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 occurred, 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).

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 Marin County 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.

**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

**COUNTY OF MARIN**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

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 non-major 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 24-27 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 Marin County Housing Authority (Housing Authority), Marin County Transit District (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 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 Transit District, which are considered to be major funds. Data for the non-major 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 28-31 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.

Pages 32-33 of this report display the fiduciary fund's financial statements.

**Component units** are also incorporated into the County's basic financial statements, and are legally separate entities for which the County is financially accountable. A component unit can be "blended" or "discretely presented" in the County's financial statements. A blended component unit functions, for all practical purposes, as an integral part of the primary government (the County), whereas a discretely presented component unit does not function as an integral part of the County.

The County's blended component units include the Golden Gate Tobacco Funding Corporation, In-Home Supportive Services Public Authority of Marin, Marin County Fair, Housing Authority of the County of Marin, Marin County Law Library, Marin County Open Space District, Marin County Transit District, and special districts governed by the County Board of Supervisors (including sewer maintenance, County service areas, lighting, flood control zone, water conservation and other special districts).

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

**COUNTY OF MARIN**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

Pages 34-77 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 County's adopted budget.

Pages 78-83 of this report display the Required Supplementary Information.

**Combining and individual fund statements and schedules** referred to earlier provide information for non-major governmental funds, enterprise funds, and fiduciary funds and are presented immediately following the required supplementary information.

Pages 84-157 of this report display the combining and individual fund statements and schedules.

### III. 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 \$1,390 million as of June 30, 2016. Further details are provided in the table below.

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

	Governmental Activities		Business-type Activities		Total		Total	
	2016	2015 (restated)	2016	2015 (restated)	2016	2015	Dollar Change	Percent Change
<b>Assets:</b>								
Current and other assets	\$ 456,855	\$ 431,944	\$ 38,247	\$ 31,803	\$ 495,102	\$ 463,747	\$ 31,355	6.8%
Capital assets, net	1,447,357	1,443,077	50,488	41,146	1,497,845	1,484,223	13,622	0.9%
Total assets	<u>1,904,212</u>	<u>1,875,021</u>	<u>88,735</u>	<u>72,949</u>	<u>1,992,947</u>	<u>1,947,970</u>	<u>44,977</u>	<u>2.3%</u>
<b>Deferred outflows</b>	<u>119,684</u>	<u>42,898</u>	<u>659</u>	<u>-</u>	<u>120,343</u>	<u>42,898</u>	<u>77,445</u>	<u>180.5%</u>
<b>Liabilities:</b>								
Current and other liabilities	62,133	58,885	10,007	9,076	72,140	67,961	4,179	6.1%
Noncurrent liabilities	572,081	490,468	10,332	6,618	582,413	497,086	85,327	17.2%
Total liabilities	<u>634,214</u>	<u>549,353</u>	<u>20,339</u>	<u>15,694</u>	<u>654,553</u>	<u>565,047</u>	<u>89,506</u>	<u>15.8%</u>
<b>Deferred inflows</b>	<u>68,041</u>	<u>83,083</u>	<u>640</u>	<u>-</u>	<u>68,681</u>	<u>83,083</u>	<u>(14,402)</u>	<u>-17.3%</u>
<b>Net position:</b>								
Net investment in capital assets	1,300,175	1,317,858	43,143	33,647	1,343,318	1,351,505	(8,187)	-0.6%
Restricted	174,836	197,509	7,159	6,774	181,995	204,283	(22,288)	-10.9%
Unrestricted	(153,370)	(229,884)	18,112	16,834	(135,258)	(213,050)	77,792	-36.5%
Subtotal net position	<u>1,321,641</u>	<u>1,285,483</u>	<u>68,414</u>	<u>57,255</u>	<u>1,390,055</u>	<u>1,342,738</u>	<u>47,317</u>	<u>3.5%</u>
Prior period adjustments	-	(5,207)	-	(4,400)	-	(9,607)	9,607	-100.0%
Total net position	<u>\$1,321,641</u>	<u>\$ 1,280,276</u>	<u>\$ 68,414</u>	<u>\$ 52,855</u>	<u>\$1,390,055</u>	<u>\$ 1,333,131</u>	<u>\$ 56,924</u>	<u>4.3%</u>

#### **Governmental Activities**

**Total assets and deferred outflows** from governmental activities increased by \$106 million, or 5.5%, from the prior fiscal year. The overall increase was attributable to the following:

- *Cash and investments* increased by \$36.1 million, from \$352.9 million in the prior year as compared to \$389 million in the current year. The increase was primarily due to the County's issuance of its 2015 Certificates of Participation, whereby the County issued \$80.1 million plus \$2.6 million in unamortized premium to refund the County's outstanding 2010 Certificates of Participation balance of \$54 million, yielding net cash proceeds of \$28.7 million. In addition, the County experienced an \$11.1 million increase



**COUNTY OF MARIN**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

in property tax revenue and a \$2.1 million increase in sales and use taxes.

- *Receivables* decreased by \$6.6 million, from \$68 million in the prior year as compared to \$61.4 million in the current year. The decrease is mostly attributable to the stabilizing economy and more timely cash collection, including collection of property taxes and reimbursements from outside agencies.
- *Deferred outflows of resources* increased by \$76.8 million, from \$42.9 million in the prior year as compared to \$119.7 million in the current year. This increase was mostly attributable to the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (GASB 68), whereby the County deferred outflows of resources related to its contributions towards its pension plan and the corresponding net pension liability.

**Total liabilities and deferred inflows** from governmental activities increased by \$69.8 million, or 11%, from the prior fiscal year. The overall increase attributable to the following:

- *Long-term liabilities due beyond one year* increased by \$21 million, from \$221.5 million in the prior year as compared to \$242.5 million in the current year. The increase was primarily due to the issuance of the 2015 Certificates of Participation of \$80.1 million, plus \$2.6 million in unamortized premium, offset by the defeasance of the 2010 Certificates of Participation balance of \$54 million. Additional offsets of \$8.3 million were the result of principal debt service payments made in the current year.
- *Net pension liability* increased by \$61.7 million, from \$142 million in the prior year as compared to \$203.7 million in the current year, as a result of the County's implementation of GASB 68 as of July 1, 2014.
- *Deferred inflows of resources* decreased by \$15 million, from \$83 million in the prior year as compared to \$68 million in the current year, due to current year amortization of deferred pensions in accordance with GASB 68.

### **Business-type Activities**

**Total assets and deferred outflows** from business-type activities increased by \$16.4 million, or 22.5%, from the prior fiscal year. The overall increase was due to the following:

- *Cash and investments* increased by \$5.3 million, from \$14.5 million in the prior year to \$19.8 million in the current year. The increase was mostly due to Transit District, who had a \$4.9 million increase in total cash, due to increase in their intergovernmental revenue.
- *Capital assets, net of accumulated depreciation* increased by \$9.3 million, from \$41.1 million in the prior year to \$50.4 million in the current year, primarily attributable to Transit District's purchase of thirty-three revenue vehicles, for a total cost of over \$10 million.

**Total liabilities and deferred inflows** from business-type activities increased by \$5.3 million, or 33.7%, from the prior fiscal year, primarily due to the \$3.6 million increase in net pension liability as a result of the Housing Authority's implementation of GASB 68.

### **Analysis of Net Position**

The County's overall net position increased by \$56.9 million, or 4.3%, during the current fiscal year, compared to \$54.7 million increase 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 \$1,343.3 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

**COUNTY OF MARIN**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
**(Unaudited)**

resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate corresponding liabilities.

- *Restricted* net position – Approximately \$182 million 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 (\$135.3) million of the County's net position represents funds which may be used to meet the County's ongoing obligations to citizens and creditors.

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:

	<b>Change in Net Position</b>							
	<b>(in thousands)</b>							
	Governmental Activities		Business-type Activities		Total		Total	
	2016	2015	2016	2015	2016	2015	Dollar Change	% Change
<b>Revenues:</b>								
<b>Program revenues:</b>								
Fees, fines, and charges for services	\$ 88,549	\$ 87,439	\$ 13,098	\$ 12,564	\$ 101,647	\$ 100,003	\$ 1,644	1.6%
Operating grants and contributions	184,740	199,007	56,816	54,485	241,556	253,492	(11,936)	-4.7%
Capital grants and contributions	4,154	2,898	12,392	2,895	16,546	5,793	10,753	185.6%
Program revenues subtotal:	<u>277,443</u>	<u>289,344</u>	<u>82,306</u>	<u>69,944</u>	<u>359,749</u>	<u>359,288</u>	<u>461</u>	<u>0.1%</u>
<b>General revenues:</b>								
Property taxes	212,879	201,774	3,848	3,611	216,727	205,385	11,342	5.5%
Sales and use taxes	18,665	16,576	-	-	18,665	16,576	2,089	12.6%
Other taxes	7,492	7,569	-	-	7,492	7,569	(77)	-1.0%
Unrestricted interest & investment earnings	3,838	3,718	440	359	4,278	4,077	201	4.9%
Gain on sale of capital assets	-	-	-	-	-	-	-	100.0%
Tobacco settlement	2,176	2,200	-	-	2,176	2,200	(24)	-1.1%
Miscellaneous	1,464	4,855	1,250	2,677	2,714	7,532	(4,818)	-64.0%
General revenues subtotal:	<u>246,514</u>	<u>236,692</u>	<u>5,538</u>	<u>6,647</u>	<u>252,052</u>	<u>243,339</u>	<u>8,713</u>	<u>3.6%</u>
Total revenues	<u>523,957</u>	<u>526,036</u>	<u>87,844</u>	<u>76,591</u>	<u>611,801</u>	<u>602,627</u>	<u>9,174</u>	<u>1.5%</u>
<b>Expenses:</b>								
General government	86,881	82,922	-	-	86,881	82,922	3,959	4.8%
Public protection	163,365	154,983	-	-	163,365	154,983	8,382	5.4%
Public ways and facilities	17,609	32,075	-	-	17,609	32,075	(14,466)	-45.1%
Health and sanitation	95,898	85,649	-	-	95,898	85,649	10,249	12.0%
Public assistance	65,200	67,183	-	-	65,200	67,183	(1,983)	-3.0%
Education	14,636	13,121	-	-	14,636	13,121	1,515	11.5%
Recreation and cultural services	26,649	18,229	-	-	26,649	18,229	8,420	46.2%
Interest and fiscal charges	10,432	10,001	-	-	10,432	10,001	431	4.3%
Housing Authority	-	-	38,621	39,318	38,621	39,318	(697)	-1.8%
Transit District	-	-	27,279	26,923	27,279	26,923	356	1.3%
Gross Airport	-	-	967	797	967	797	170	21.3%
Marin County Fair	-	-	2,416	2,209	2,416	2,209	207	9.4%
Marin.Org	-	-	1,733	1,759	1,733	1,759	(26)	-1.5%
Marin Commons Property Management	-	-	2,911	2,762	2,911	2,762	149	5.4%
Marin Center Promotions	-	-	280	423	280	423	(143)	-33.8%
Total expenses	<u>480,670</u>	<u>464,163</u>	<u>74,207</u>	<u>74,191</u>	<u>554,877</u>	<u>538,354</u>	<u>16,523</u>	<u>3.1%</u>
Excess before transfers	43,287	61,873	13,637	2,400	56,924	64,273	(7,349)	-11.4%
Transfers, net	(1,922)	(1,509)	1,922	1,509	-	-	-	0.0%
Change in net position	41,365	60,364	15,559	3,909	56,924	64,273	(7,349)	-11.4%
Net position, beginning	1,285,483	1,489,655	57,255	53,231	1,342,738	1,542,886	(200,148)	-13.0%
Prior period adjustment	(5,207)	(264,536)	(4,400)	115	(9,607)	(264,421)	254,814	-96.4%
Net position, beginning as restated	<u>1,280,276</u>	<u>1,225,119</u>	<u>52,855</u>	<u>53,346</u>	<u>1,333,131</u>	<u>1,278,465</u>	<u>54,666</u>	<u>4.3%</u>
Net position, ending	<u>\$ 1,321,641</u>	<u>\$ 1,285,483</u>	<u>\$ 68,414</u>	<u>\$ 57,255</u>	<u>\$ 1,390,055</u>	<u>\$ 1,342,738</u>	<u>\$ 47,317</u>	<u>3.5%</u>

**Analysis of Governmental Activities:**

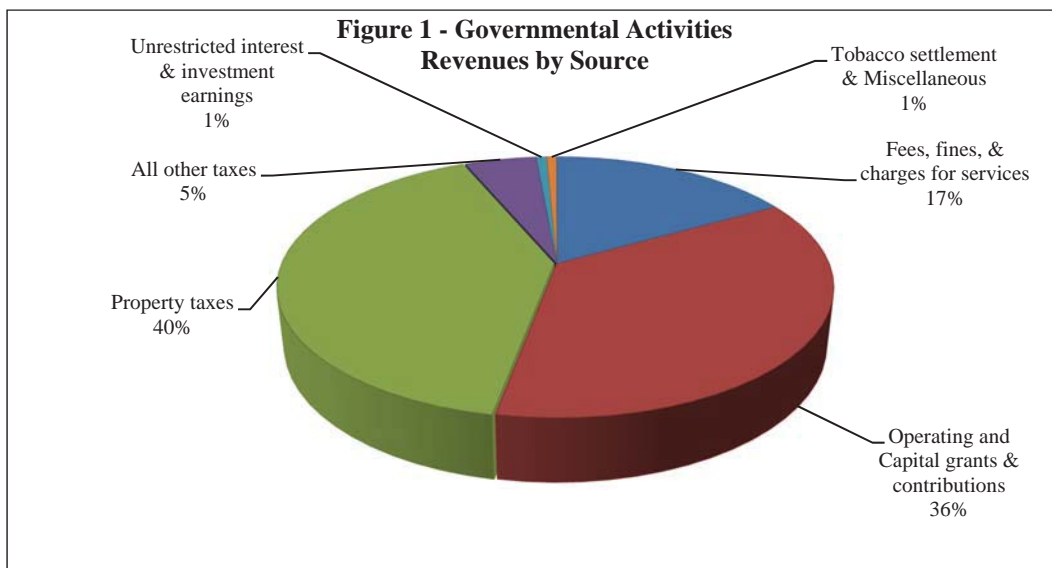
Governmental activities increased the County's net position by \$41.4 million to \$1.3 billion for fiscal year ended June 30, 2016. Such increase accounted for 73% of the County's overall increase in net position.

**Program Revenues** accounted for 53% of the County's overall governmental activities revenues. Program revenues consisted of three categories: 1) fees, fines, and charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Program revenues decreased by \$11.9 million, or 4%, from the prior year. This decrease is primarily attributable to a \$14.3 million decrease in operating grants and contributions, due to prior year receipt of State- mandated costs reimbursements for claims originating in previous fiscal years.

**COUNTY OF MARIN**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2016  
 (Unaudited)

**General Revenues** increased \$9.8 million, or 4%, from the prior year. General revenues accounted for 47% of the County's overall governmental activities revenues. The significant changes included the following:

- *Property taxes* increased by \$11.1 million as a result of the County's continuous rise in assessed property values and median home sales.
- *Sales and use taxes* increased by \$2.1 million, primarily due to \$0.5 million increase in sales tax for Marin Parks, Open Space, and Farmland Preservation Transactions & Use Tax Ordinance (Measure A) and \$1.5 million increase in sales tax due to stronger economy and increased consumer spending.
- *Miscellaneous* revenues decreased by \$3.4 million, primarily due to a prior year donation of land, valued at \$2.8 million.

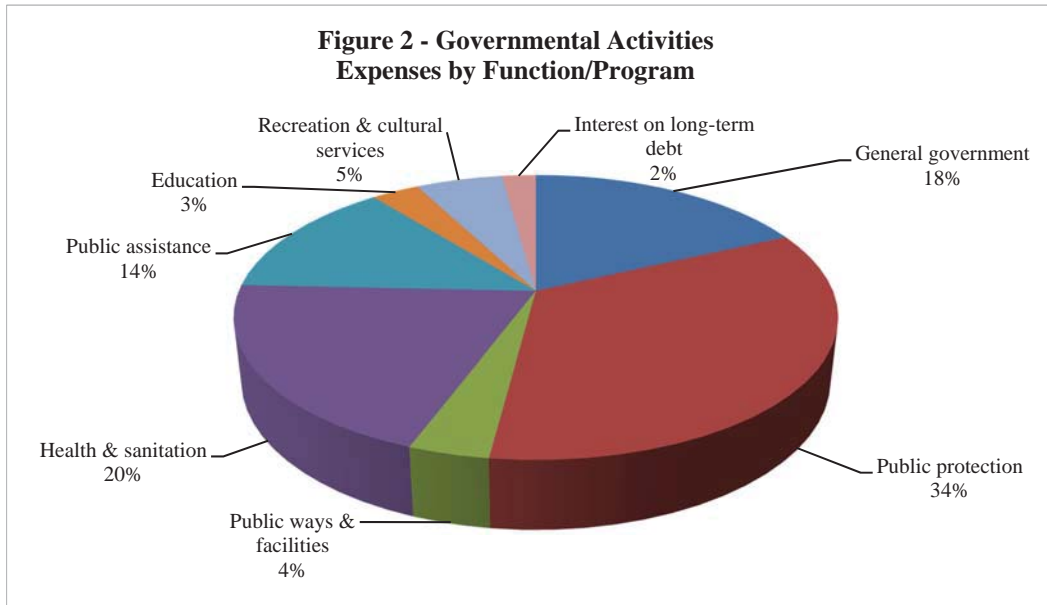


**Expenses** from governmental activities increased by \$16.5 million, or 3.6%, from the prior year. The overall increase was the result of increased spending in most categories of expenditures, as detailed below:

- *General government* increased by \$4 million, primarily due to a \$5 million increase in current year depreciation of buildings and building improvements related to the County's Emergency Operations Facility located at 1600 Los Gamos in San Rafael.
- *Public protection* increased by \$8.4 million, primarily due to an increase in salaries and wages expense, cost of living adjustment and pension costs due to hiring additional building inspectors, probation officers and Sheriff's Office personnel, as well as increased professional service expenses for inspections.
- *Public ways and facilities* decreased by \$14.5 million, attributable to the completion of capitalized projects, such as road resurfacing projects, compared to mostly non-capitalizable costs in prior year related to road maintenance, as well as a reduction in expense for the Central Marin Ferry Connection project.
- *Health and sanitation* increased by \$10.2 million, primarily attributable to public health services programs, such as \$5 million increase in mental health services for adults, and \$1 million increase in alcohol and drugs programs, as well as mental health services provided under Proposition 63.
- *Recreation and cultural services* expenses increased by \$8 million. The increase was due to additional work performed on the Stafford Lake Bike Park project, as well as program activities related to Measure A

**COUNTY OF MARIN**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

sales tax for preservation and maintenance of parks, open space, and farmland. This included the salaries and benefits of newly-hired park rangers, park maintenance and improvement work, as well as the County's distribution of grants for farmland preservation and to cities, towns, and special districts.



**Analysis of Business-type Activities:**

Business-type activities increased the County's net position by \$15.6 million, compared to a prior year increase in net position of \$3.9 million. Current year revenues increased by \$11.3 million, while expenses stayed relatively stable, and net transfers increased by \$0.4 million as compared to prior year. Greater revenue in current year was primarily attributable to an increase in federal grants received by the Housing Authority, and an increase in intergovernmental revenue for Transit District, including federal operating funds, Transportation Sales Tax funds, and Transportation Development Act funds.

**IV. 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 non-major 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.

At June 30, 2016, the County's governmental funds reported total assets of \$419.7 million, total liabilities of \$28.9 million, and combined fund balances of \$390.8 million. Current year governmental fund balance of \$390.8 million represents an increase of \$24.8 million from the prior fiscal year fund balance. This is a result of current year revenues exceeding current year expenditures. Specific details regarding the variances in revenues and expenditures as compared to prior year are discussed below.

**The General Fund** is the primary operating fund of the County. At June 30, 2016, total fund balance increased

**COUNTY OF MARIN**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
**(Unaudited)**

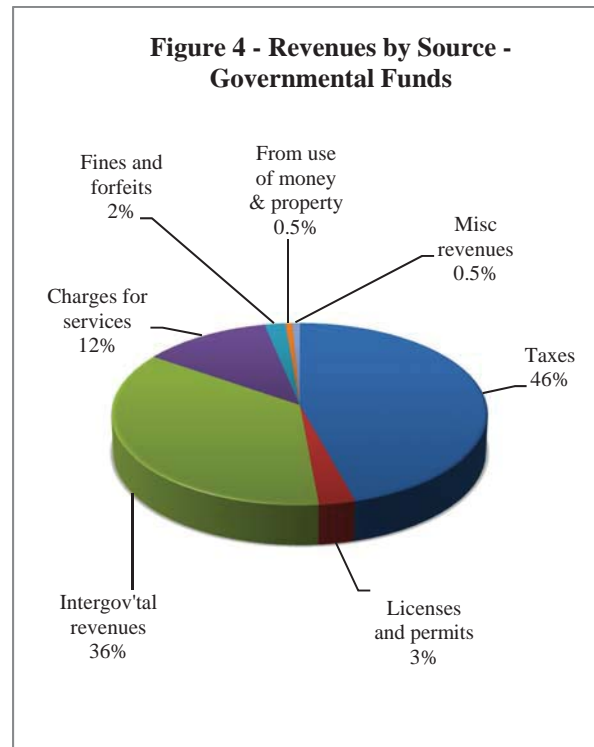
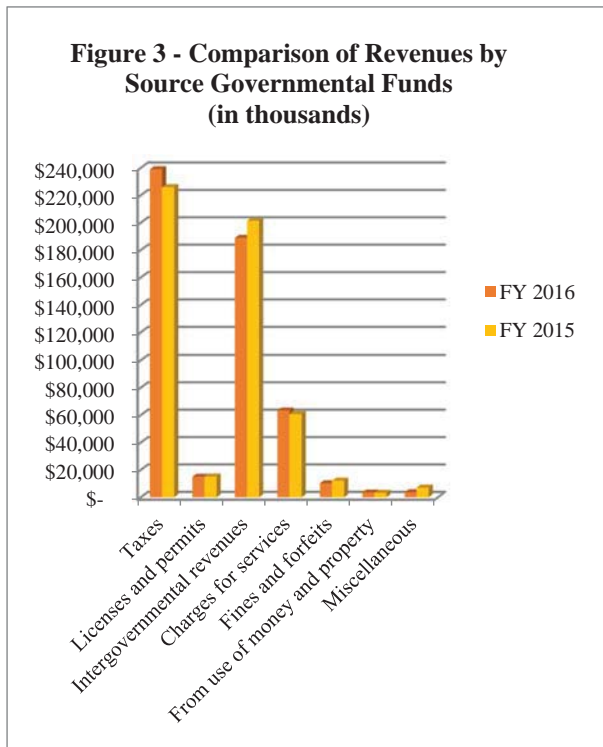
by \$4.6 million, or 3%, from \$152.4 million in the prior year to \$157 million in the current year. Of this amount, \$3.4 million is not in a spendable form, but rather held as long-term notes receivable, prepaid items, and inventory of supplies. The remaining \$153.5 million of fund balance is in a spendable form; however, \$18 million of fund balance is restricted, \$75.2 million of fund balance is committed, \$60.2 million of fund balance is assigned, and \$0.1 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.

**Revenues:**

The following table presents revenue (in thousands) for governmental funds from specific sources as well as changes from the prior year. Further details are provided in Figure 3 and Figure 4 below.

**Revenues Classified by Source**  
**Governmental Funds**  
**Fund Financial Statements**  
**For the Fiscal Year Ended June 30, 2016**  
**(in thousands)**

	FY 2016		FY 2015		Change	
	Amount	% of total	Amount	% of total	Amount	% of Change
Taxes	\$ 239,036	46%	\$ 225,919	43%	\$ 13,117	6%
Licenses and permits	15,003	3%	15,139	3%	(136)	-1%
Intergovernmental revenues	188,894	36%	201,372	38%	(12,478)	-6%
Charges for services	63,324	12%	60,688	12%	2,636	4%
Fines and forfeits	10,222	2%	12,145	2%	(1,923)	-16%
From use of money and property	3,464	0.5%	3,233	1%	231	7%
Miscellaneous	3,640	0.5%	7,055	1%	(3,415)	-48%
<b>Total Revenues</b>	<b>\$ 523,583</b>	<b>100%</b>	<b>\$ 525,551</b>	<b>100%</b>	<b>\$ (1,968)</b>	<b>-0.4%</b>



## COUNTY OF MARIN

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016 (Unaudited)

Significant changes in governmental fund revenue sources are summarized as follows:

- *Taxes* increased by \$13.1 million, or 6%, from the prior fiscal year. The increase is attributable to more favorable economic conditions, which includes increase in property taxes as a result of the County's continuous rise in assessed home values and sales, as well as increase in sales and use taxes due to a rise in consumer spending and Marin Parks and Open Space Measure A sales tax.
- *Intergovernmental revenues* decreased by \$12.5 million, or 6%, from the prior fiscal year. The increase was largely attributable to the following factors:
  - State-mandated cost reimbursements decreased by \$10 million. This was due to the prior year collection of State-mandated cost reimbursements to the County for claims originating from previous years.
  - Highway User Tax decreased by \$2 million, largely due to falling gasoline prices and consumption as well as downward "true-ups" by the State under the fuel tax swap system.
- *Charges for services* increased by \$2.6 million, or 4%, from the prior fiscal year due to increase in revenue accruals for the Fire Department on cost reimbursement expenses incurred through State and Federal Grants.
- *Fines and forfeits* decreased by \$1.9 million or 16% from the prior fiscal year as a result of decrease in delinquency of secured tax payments, which resulted in a decrease in transfer of delinquent secured taxes and assessments in excess of 25% from Tax Loss Reserve Fund to the General Fund.
- *Miscellaneous revenue* decreased by \$3.4 million, or 48%, from the prior fiscal year. The decrease was primarily due to a prior year receipt of donated land, whereby the County was donated 16.5 acres of land to preserve open space, valued at \$2.8 million.

#### Expenditures:

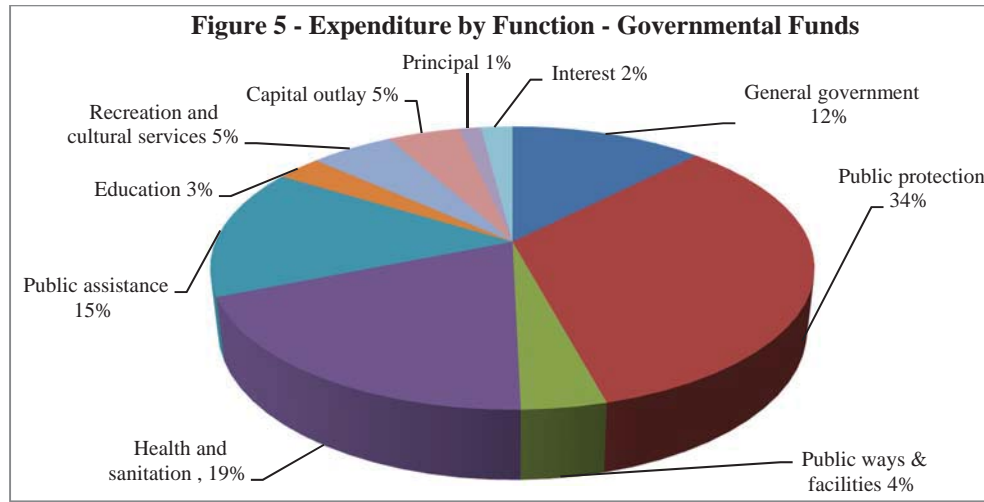
The following table provides a comparison of expenditures by function for governmental funds for the current and prior years. Further details are provided in Figure 5 below.

#### Expenditures by Function Including Capital Outlay Governmental Funds Fund Financial Statements For the Year Ended June 30, 2016 (in thousands)

	FY 2016		FY 2015		Change	
	Amount	% of total	Amount	% of total	Amount	% of Change
Current:						
General government	\$ 64,062	12%	\$ 69,589	14%	\$ (5,527)	-8%
Public protection	173,724	34%	164,832	33%	8,892	5%
Public ways and facilities	19,893	4%	31,922	6%	(12,029)	-38%
Health and sanitation	99,774	19%	88,845	18%	10,929	12%
Public assistance	77,352	15%	69,330	14%	8,022	12%
Education	15,024	3%	14,762	3%	262	2%
Recreation and cultural services	27,654	5%	22,192	4%	5,462	25%
Capital outlay	23,877	5%	26,887	5%	(3,010)	-11%
Debt service:						
Principal	7,304	1%	6,361	1%	943	15%
Interest	10,481	2%	10,298	2%	183	2%
Total Expenditures	\$ 519,145	100%	\$ 505,018	100%	\$ 14,127	3%

## COUNTY OF MARIN

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016 (Unaudited)



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

- *General government* expenditures decreased by \$5.5 million, or 8%, from the prior fiscal year, primarily attributable to the completion of office renovations in the prior year for the County's Marin Commons building located at 1600 Los Gamos Drive in San Rafael, which serves as the County's Sheriff's Office, Emergency Operations Facility, and office space for various other County departments and private tenants.
- *Public Protection* expenditures increased \$8.9 million, or 5%, from the prior fiscal year mainly due to a current year increase in salaries and wages for the hiring of additional building inspectors and probation officers, as well as current year increases in professional services for inspections.
- *Public ways and facilities* expenditures decreased by \$12 million, or 38%, from the prior fiscal year. The decrease was attributable to prior year projects primarily related to the Central Marin Ferry Connection and various road projects that were completed in the prior year.
- *Health and sanitation* expenditure increased \$10.9 million, or 12%, from the prior fiscal year, largely due to increase in expenditures for public health services programs, including a \$5 million increase in mental health services for adults, \$1 million increase in alcohol and drug programs, as well as increases in mental health services provided under Proposition 63.
- *Public assistance* expenditures increased by \$8 million, or 12%, from the prior fiscal year, due to increased activity related to Community Development Block Grant (CDBG) and HOME Investment Partnerships Program federal grants. The increase was also the result of increased social services expenditures for the implementation of the Affordable Care Act (ACA), as well as the anticipated expansion of the Federal Medi-Cal program, which resulted in an increase in population being served and additional hiring to accommodate the increased demand.
- *Recreation and cultural services* expenditures increased by \$5.5 million, or 25%, from the prior fiscal year, due to current year activity related to Stafford Lake Bike Park project as well as increase in salaries and benefits for the hiring of additional park rangers and increase in expenses for maintenance work.
- *Capital outlay* expenditures decreased by \$3 million, or 11%, from the prior fiscal year as a result of a reduction in expenditures related to a multi-year project for the Sheriff Office's computer-aided dispatch system.

## COUNTY OF MARIN

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016 (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.

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

- At December 31, 2015, the Housing Authority's total net position was \$23.8 million. Of this amount, *net investment in capital assets* was \$15.1 million, or 63% of total net position, *restricted* net position was \$6.8 million, or 29%, of total net position, and *unrestricted* net position was \$1.9 million, or 8% of total net position. As a measure of the Housing Authority's liquidity, it may be useful to compare unrestricted net position to total operating expenses. Unrestricted net position of \$1.9 million was 5% of total operating expenses of \$38.4 million, as compared to 10.1% in the prior fiscal year.
- *Change in net position* for the Housing Authority increased by \$1.1 million, from \$0.3 million in the prior fiscal year to \$1.4 million in the current fiscal year. This increase was primarily due to an increase in intergovernmental revenues for federal grants.
- The major portion of the Housing Authority's ending *net position*, \$15.1 million, or 63.3%, represents its *net investment in capital 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, 2016, Transit District's total net position was \$34.9 million. Of this amount, *net investment in capital assets* was \$19.2 million, or 55% of total net position, *restricted* net position was \$0.3 million, or 1% of total net position, and *unrestricted* net position was \$15.4 million, or 44% of total net position. As a measure of Transit District's liquidity, it may be useful to compare unrestricted net position to total operating expenses. Unrestricted net position of \$15.4 million was 57% of total operating expenses of \$27.2 million, as compared to 33% in the prior fiscal year.
- Total net position of Transit District increased by \$14.4 million. This increase is the result of a large number of bus purchases, ongoing capital improvement projects, along with increased intergovernmental operating revenue, including Federal, State and local transportation sales tax revenue.
- Transit District's *net investment in capital assets* of \$19.2 million represents its net investment in capital assets. These assets are not available for future spending. At the end of the fiscal year, Transit District reported positive balances in all categories of net position.

## V. CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounted to \$1,497.8 million (net of accumulated depreciation), which is an increase of \$13.6 million, or 1%, from the prior fiscal year. This investment is in a broad range of capital assets including land, land improvements, easements, construction in progress (CIP), structures and improvements, equipment, intangible assets, 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, 2016 (Unaudited)

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

	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	
	2016	2015	2016	2015	2016	2015	Amount	% Change
Land and improvements	\$ 1,246,610	\$ 1,246,280	\$ 6,274	\$ 6,274	\$ 1,252,884	\$ 1,252,554	\$ 330	0%
Easements	9,099	8,999	-	-	9,099	8,999	100	1%
Non-amortizable intangible assets	510	1,854	-	-	510	1,854	(1,344)	-72%
Construction in progress	22,562	18,194	4,918	5,008	27,480	23,202	4,278	18%
Structures & improvements	120,767	129,454	18,006	19,176	138,773	148,630	(9,857)	-7%
Equipment	15,843	11,376	19,540	8,827	35,383	20,203	15,180	75%
Amortizable intangible assets	1,880	53	52	69	1,932	122	1,810	1484%
Infrastructure	30,086	26,867	-	-	30,086	26,867	3,219	12%
Other property	-	-	1,698	1,792	1,698	1,792	(94)	-5%
Total Capital Assets	\$ 1,447,357	\$ 1,443,077	\$ 50,488	\$ 41,146	\$ 1,497,845	\$ 1,484,223	\$ 13,622	1%

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

- *Non-amortizable intangible assets* decreased by \$1.3 million, or 72%, as a result of the completion of the Sheriff's Office computer-aided dispatch system, whereby the intangible costs were transferred (reclassified) to amortizable assets upon placing into service.
- *Construction in progress (CIP)* increased by \$4.3 million, or 18%, from the prior fiscal year. This increase was the result of new CIP projects additions of \$20.4 million, offset by transfers to depreciable assets of \$16.2 million.

The major additions to the new CIP projects were as follows:

- \$6.3 million in various road resurfacing projects.
- \$5.1 million for current year implementation work of the County's new ERP financial system, which as of fiscal year-end was still in its development stages.
- \$1.4 million in various civic center improvements and upgrades.
- \$1 million in facilities and stop improvements for Transit District.
- \$0.8 million in office space renovations at 1600 Los Gamos Drive in San Rafael, which serves as the County's Sheriff's Office, Emergency Operations Facility, and office space for various other County departments and private tenants.
- \$0.7 million in improvements to County library branches.
- \$0.7 million in various bridge replacements.

The above-noted CIP projects were offset by \$16.2 million in transfers to depreciable assets, following project completions:

- \$6.7 million in computer equipment related to the upgraded data center and equipment for the Emergency Operations Facility.
- \$1.7 million in completed road resurfacing projects in the southern County region.

## COUNTY OF MARIN

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016 (Unaudited)

- \$1.7 million in completed improvements to County library branches and other smaller projects.
  - \$1.2 million in completed improvements for East Shore Wastewater Project.
  - \$1.2 million in renovations of the Juvenile Services Center.
  - \$1 million in completed construction of the Stafford Lake Bike Park.
- *Structures and improvements* decreased by \$9.9 million, or 7%, from the prior fiscal year. The decrease was primarily due to current year depreciation of \$13 million, offset by \$3.2 million in transfers from *construction in progress* for completed improvements to County library branches and Juvenile Services Center, as mentioned above.
  - *Equipment* increased by \$15.2 million, or 75%, from the prior fiscal year. The increase was due to current year additions of \$15.1 million, which included new vehicles, utilities machinery, and computerized hardware systems.
  - *Infrastructure* increased by \$3.2 million, or 12%, from the prior fiscal year. The increase was primarily due to \$4.5 million of transfers from *construction in progress* projects, offset by current year depreciation of \$1.3 million.

Additional information on the County's capital assets can be found in Note 7 to the financial statements.

#### Debt Administration

At June 30, 2016, the County's governmental and business-type activities carried an outstanding long-term debt balance (e.g. bonds, loans, certificates of participation, and capital leases) in the amount of \$256.8 million as compared to \$235.5 million in the prior fiscal year. The overall increase of \$21.3 million, or 9%, was primarily due to issuance of the 2015 Certificates of Participation in the amount of \$80 million, plus unamortized premium of \$2.6 million, to which a portion of the proceeds refunded the 2010 Certificates of Participation balance of \$54 million. There were further offsets of \$8 million in the current year for annual principal debt service payments.

#### Outstanding Debt (in thousands)

	Governmental Activities		Business-type Activities		Total		Dollar Change	Percent Change
	2016	2015	2016	2015	2016	2015		
Bonds payable	\$ 154,695	\$ 158,270	\$ -	\$ -	\$ 154,695	\$ 158,270	\$ (3,575)	-2%
Loans payable	3,663	3,913	5,084	4,622	8,747	8,535	212	2%
Certificates of participation	91,411	66,308	-	-	91,411	66,308	25,103	38%
Capital leases	-	354	1,939	2,051	1,939	2,405	(466)	-19%
Total Outstanding Debt	<u>\$ 249,769</u>	<u>\$ 228,845</u>	<u>\$ 7,023</u>	<u>\$ 6,673</u>	<u>\$ 256,792</u>	<u>\$ 235,518</u>	<u>\$ 21,274</u>	<u>9%</u>

Additional information on the County's long-term debt can be found in Note 9 to the financial statements.

## COUNTY OF MARIN

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016 (Unaudited)

#### VI. GENERAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year, there was a \$46.4 million, or 10%, increase in appropriations between the original adopted budget and the final amended budget.

Major components of the increase was a \$40 million increase in appropriations for the MERA Next Generation Radio System project and \$1.2 in million Health and Human Services cost-covered expenditure adjustment, which were offset by federal grants in intergovernmental revenues.

During the current fiscal year, there was a \$99.7 million, or 30% increase in revenues between the original adopted budget and the final amended budget. Major components of the increase were as follows:

- *Taxes* increased by \$12.4 million and was mainly attributable to prior year true-ups of excess ERAF and SB 90 payments for \$3 million and current year increased forecasts for excess ERAF supplemental property taxes and property transfer tax revenues.
- *Intergovernmental revenues* increased by \$77.3 million, largely attributable to the MERA Next Generation Radio System project, carry forward of grant revenues associated with capital projects, and increases in federal and state health funding.
- *Charges for services* increased by \$9.8 million, mainly due to an increase in Cal-Fire mutual aid reimbursements and Community Service Agency reimbursements to the General fund.

#### GENERAL FUND BUDGET TO ACTUAL HIGHLIGHTS

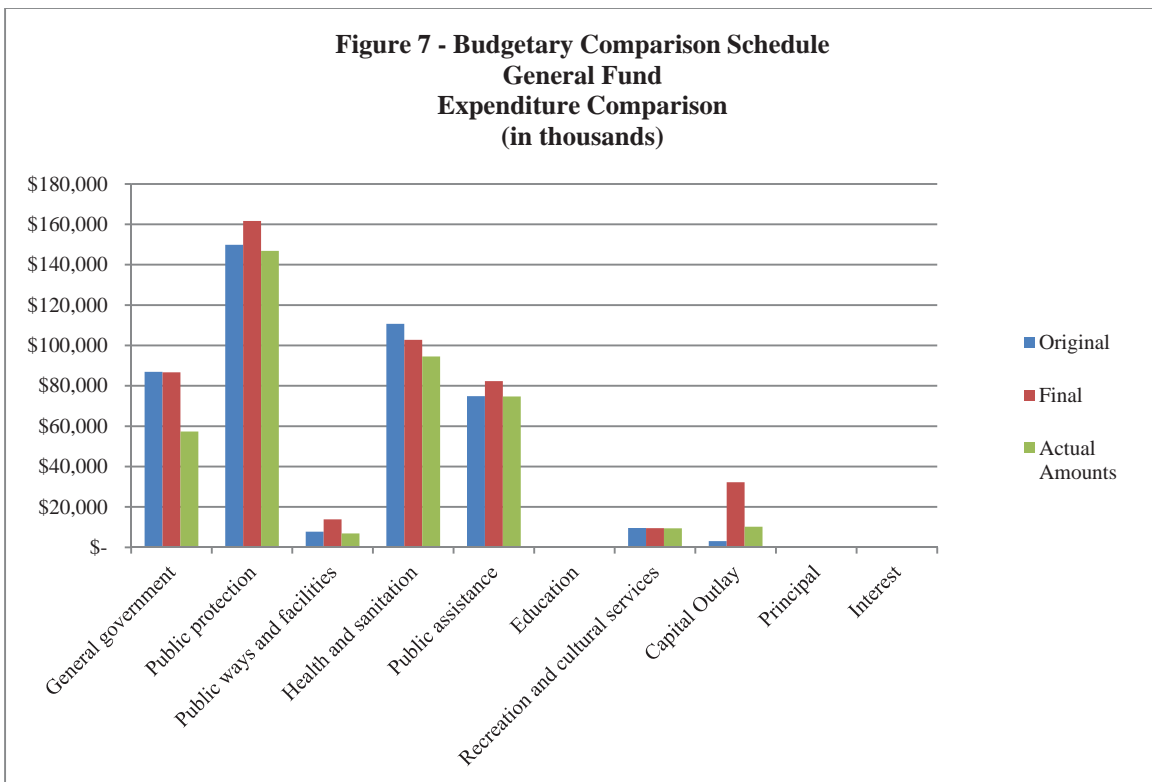
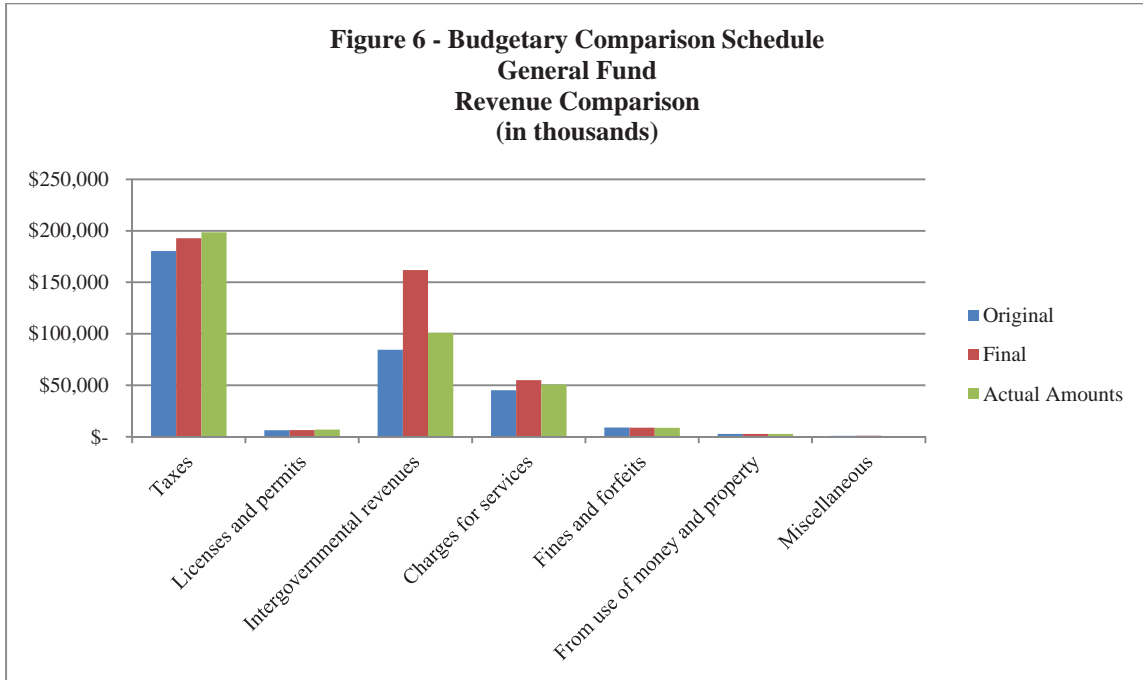
During the current fiscal year, total actual expenditures of \$400.8 million were \$89.1 million, or 18%, less than the final amended budget of \$489.9 million, due to the following factors:

- Appropriations for projects were \$58 million under budget due to projects including MERA Next Generation Radio System project taking place in the following fiscal year.
- Salary savings from unfilled positions resulted in \$12 million of under-budget salaries and benefits.
- Service and supply expenses related to mental health Proposition 63 programs and public assistance were \$8 million lower than appropriated.
- One-time expenses of \$3 million to be incurred on projects deferred to the next fiscal year.

During the current fiscal year, total actual revenues of \$369.5 million were \$59.5 million or, 14%, less than the final amended budget of \$429 million, mostly due to *intergovernmental revenues* arriving \$60.9 million under budget. This shortfall was caused by federal, state, and local grants associated with capital projects as well as government funding for health and safety programs being delayed and carried forward to the following fiscal year.

# COUNTY OF MARIN

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2016 (Unaudited)



## COUNTY OF MARIN

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)

### ECONOMIC FACTORS AND THE OUTLOOK FOR FISCAL YEAR 2016-17 BUDGET

Many of the County's economic and financial indicators are improving. In this context of an improving local economy, the County's 2 year budget for 2016-18 was prepared in consideration of the following economic factors:

- The County's unemployment rate for June 2016 was 3.5%, which is consistent the prior year. The local economy continues to be in an economic recovery after signs of stabilization appeared in 2011. The County's unemployment rate continues to be lower than the State of California's average of 5.7%.
- The median sales price for a single family residence in Marin County (detached and attached homes) increased by 4.3%, from \$935,000 in June 2015 to \$975,000 in June 2016. Rise in property resale values generates 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 adopted 2 year budget for 2016-18 refocuses the County's efforts to address such issues as affordable housing, road infrastructure, homelessness, education, sea level rise and others. These important initiatives, plus the State's ongoing realignment efforts to pass costs and services down to the local level, and the ongoing funding of pension and OPEB liabilities, challenge the County to continuously reassess the use of its financial resources.

### 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

This page intentionally left blank

---

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

---

This page intentionally left blank



**COUNTY OF MARIN**

Statement of Net Position  
June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and investments	\$ 389,072,145	\$ 19,823,971	\$ 408,896,116	\$ 1,039,926
Restricted cash	--	3,530,096	3,530,096	33,360
Receivables:				
Accounts and other - net	7,408,787	329,770	7,738,557	1,779
Due from other agencies	26,793,612	6,534,469	33,328,081	7,922
Other loans	27,160,020	6,498,882	33,658,902	--
Inventories	397,787	--	397,787	--
Prepaid items and other assets	2,036,681	989,820	3,026,501	2,119
Restricted cash held with trustee	3,631,293	--	3,631,293	--
Internal balances	355,000	(355,000)	--	--
Property held for resale	--	895,000	895,000	--
Capital assets:				
Nondepreciable	1,278,782,143	11,192,200	1,289,974,343	714,752
Depreciable, net	168,575,314	39,295,837	207,871,151	322,840
<b>Total Assets</b>	<b>1,904,212,782</b>	<b>88,735,045</b>	<b>1,992,947,827</b>	<b>2,122,698</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred fiscal charges - bonds payable and certificates of participation, deferral on refunding	6,911,249	--	6,911,249	--
Deferred pensions	112,772,423	659,033	113,431,456	--
<b>Total Deferred Outflows of Resources</b>	<b>119,683,672</b>	<b>659,033</b>	<b>120,342,705</b>	<b>--</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	9,836,275	3,678,172	13,514,447	12,199
Salaries and benefits payable	10,461,465	199,776	10,661,241	--
Accrued interest payable	3,460,019	1,224,703	4,684,722	--
Unearned revenues	3,693,128	480,997	4,174,125	4,111
Other liabilities	4,235,190	1,056,687	5,291,877	--
Security deposits and escrows payable	--	434,056	434,056	33,360
Housing loan liability	--	1,719,816	1,719,816	--
Estimated claims				
Due within one year	10,914,000	--	10,914,000	--
Due beyond one year	28,450,000	--	28,450,000	--
Compensated absences:				
Due within one year	12,300,051	127,985	12,428,036	--
Due beyond one year	3,148,422	164,402	3,312,824	--
Long-term liabilities:				
Due within one year	7,232,676	1,085,375	8,318,051	74,625
Due beyond one year	242,535,416	5,937,327	248,472,743	760,120
Liability for post-employment benefits	94,258,465	586,611	94,845,076	6,216
Net pension liability	203,688,484	3,643,432	207,331,916	--
<b>Total Liabilities</b>	<b>634,213,591</b>	<b>20,339,339</b>	<b>654,552,930</b>	<b>890,631</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pensions	68,041,428	640,272	68,681,700	--
<b>NET POSITION</b>				
Net investment in capital assets	1,300,175,426	43,142,844	1,343,318,270	277,128
Restricted for:				
General government	21,862,863	--	21,862,863	--
Public protection	51,429,822	--	51,429,822	--
Public ways and facilities	6,738,948	--	6,738,948	--
Health and sanitation	16,585,053	--	16,585,053	--
Public assistance	30,808,660	--	30,808,660	--
Education	3,774,546	--	3,774,546	--
Recreation and cultural services	23,779,686	--	23,779,686	--
Community service area projects	17,730,739	--	17,730,739	--
Capital projects	323,550	--	323,550	--
Housing Authority	--	7,159,321	7,159,321	--
Other purposes	1,836,226	--	1,836,226	--
Unrestricted	(153,404,084)	18,112,302	(135,291,782)	954,939
<b>Total net position</b>	<b>\$ 1,321,641,435</b>	<b>\$ 68,414,467</b>	<b>\$ 1,390,055,902</b>	<b>\$ 1,232,067</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, 2016

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	\$ 86,880,607	\$ 25,433,009	\$ 8,470,141	\$ 1,056,122
Public protection	163,364,793	44,274,532	44,603,665	810,782
Public ways and facilities	17,609,082	931,842	7,581,859	1,108,842
Health and sanitation	95,898,060	6,256,595	59,684,193	--
Public assistance	65,199,856	2,616,790	63,575,286	1,150,471
Education	14,635,952	5,202,237	161,085	--
Recreation and cultural services	26,649,314	3,834,163	663,910	27,550
Debt Service:				
Interest and fiscal charges	10,432,237	--	--	--
<b>Total governmental activities</b>	<b>480,669,901</b>	<b>88,549,168</b>	<b>184,740,139</b>	<b>4,153,767</b>
<b>Business-Type Activities:</b>				
Housing Authority	38,621,407	1,719,140	37,510,252	133,561
Transit District	27,279,249	5,996,181	19,069,595	12,258,462
Gnoss Airport	967,478	651,066	198,412	--
Marin County Fair	2,415,810	1,712,266	37,902	--
Marin.Org	1,733,410	1,610,529	--	--
Marin Commons Property Management	2,910,734	1,179,206	--	--
Marin Center Promotions	280,168	229,774	--	--
<b>Total business-type activities</b>	<b>74,208,256</b>	<b>13,098,162</b>	<b>56,816,161</b>	<b>12,392,023</b>
<b>Total primary government</b>	<b>\$ 554,878,157</b>	<b>\$ 101,647,330</b>	<b>\$ 241,556,300</b>	<b>\$ 16,545,790</b>
<b>Component Units</b>	<b>\$ 501,763</b>	<b>\$ 698,741</b>	<b>\$ --</b>	<b>\$ --</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, 2016

	Net (Expenses) Revenues and Changes in Net Position			
	Governmental Activities	Business- Type Activities	Total Primary Government	Component Units
<u>Functions/Programs</u>				
<b>Primary Government</b>				
<b>Governmental Activities:</b>				
General government	\$ (51,921,335)	\$ --	\$ (51,921,335)	\$ --
Public protection	(73,675,814)	--	(73,675,814)	--
Public ways and facilities	(7,986,539)	--	(7,986,539)	--
Health and sanitation	(29,957,272)	--	(29,957,272)	--
Public assistance	2,142,691	--	2,142,691	--
Education	(9,272,630)	--	(9,272,630)	--
Recreation and cultural services	(22,123,691)	--	(22,123,691)	--
Debt Service:				
Interest and fiscal charges	(10,432,237)	--	(10,432,237)	--
<b>Total governmental activities</b>	<u>(203,226,827)</u>	<u>--</u>	<u>(203,226,827)</u>	<u>--</u>
<b>Business-Type Activities:</b>				
Housing Authority	--	741,546	741,546	--
Transit District	--	10,044,989	10,044,989	--
Gnoss Airport	--	(118,000)	(118,000)	--
Marin County Fair	--	(665,642)	(665,642)	--
Marin.Org	--	(122,881)	(122,881)	--
Marin Commons Property Management	--	(1,731,528)	(1,731,528)	--
Marin Center Promotions	--	(50,394)	(50,394)	--
<b>Total business-type activities</b>	<u>--</u>	<u>8,098,090</u>	<u>8,098,090</u>	<u>--</u>
<b>Total primary government</b>	<u>(203,226,827)</u>	<u>8,098,090</u>	<u>(195,128,737)</u>	<u>--</u>
<b>Component Units</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 196,978</u>
<b>General Revenues:</b>				
Taxes:				
Property taxes	212,879,125	3,848,373	216,727,498	--
Sales and use taxes	18,664,903	--	18,664,903	--
Other	7,492,496	--	7,492,496	--
Unrestricted interest and investment earnings	3,838,317	440,017	4,278,334	1,402
Tobacco settlement	2,175,600	--	2,175,600	--
Miscellaneous	1,464,157	1,250,251	2,714,408	16,972
Transfers	(1,922,343)	1,922,343	--	--
<b>Total general revenues and transfers</b>	<u>244,592,255</u>	<u>7,460,984</u>	<u>252,053,239</u>	<u>18,374</u>
<b>Change in net position</b>	41,365,428	15,559,074	56,924,502	215,352
<b>Net position, beginning of the year - restated</b>	<u>1,280,276,007</u>	<u>52,855,393</u>	<u>1,333,131,400</u>	<u>1,016,715</u>
<b>Net position, end of the year</b>	<u>\$ 1,321,641,435</u>	<u>\$ 68,414,467</u>	<u>\$ 1,390,055,902</u>	<u>\$ 1,232,067</u>

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

This page intentionally left blank

---

**BASIC FINANCIAL STATEMENTS –  
FUND FINANCIAL STATEMENTS**

---

This page intentionally left blank

**COUNTY OF MARIN**

Balance Sheet  
Governmental Funds  
June 30, 2016

	General Fund	Other Governmental Funds	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and investments in County pool	\$ 144,602,779	\$ 211,917,288	\$ 356,520,067
Cash with fiscal agent	--	3,631,293	3,631,293
Accounts receivable	4,559,112	2,849,675	7,408,787
Notes receivable - short term	--	225,000	225,000
Notes receivable - long term	1,139,525	20,520,232	21,659,757
Prepaid items	2,009,060	27,621	2,036,681
Due from other funds	1,022,988	--	1,022,988
Due from other governmental agencies	22,468,732	4,324,880	26,793,612
Inventory of supplies	294,477	103,310	397,787
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 176,096,673</u>	<u>\$ 243,599,299</u>	<u>\$ 419,695,972</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 6,420,482	\$ 3,415,348	\$ 9,835,830
Accrued salaries and benefits	9,163,837	1,291,234	10,455,071
Due to other funds	--	667,988	667,988
Unearned revenue	1,258,424	2,434,704	3,693,128
Other liabilities	2,290,188	1,945,002	4,235,190
Total liabilities	<u>19,132,931</u>	<u>9,754,276</u>	<u>28,887,207</u>
<b>FUND BALANCES</b>			
Nonspendable	3,443,062	103,310	3,546,372
Restricted	18,029,448	156,840,645	174,870,093
Committed	75,183,409	140,092	75,323,501
Assigned	60,208,192	76,760,976	136,969,168
Unassigned	99,631	--	99,631
Total fund balances	<u>156,963,742</u>	<u>233,845,023</u>	<u>390,808,765</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 176,096,673</u>	<u>\$ 243,599,299</u>	<u>\$ 419,695,972</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, 2016

Fund Balance - total governmental funds (page 24)		\$ 390,808,765
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. Please refer to Note 7 for details.		
These assets consist of:		
Land	41,484,730	
Land improvements	1,205,125,438	
Easements	9,099,188	
Construction in progress	22,562,452	
Structures and improvements, net of accumulated depreciation	120,767,303	
Equipment, net of accumulated depreciation	15,842,273	
Intangible assets, net of accumulated amortization	2,389,955	
Infrastructure, net of accumulated depreciation	<u>30,086,118</u>	
Total capital assets		1,447,357,457
Long-term assets used in Governmental Activities, such as deferred outflows related to pension and deferred fiscal charges, are not current financial resources and, therefore, are not reported in the governmental funds.		119,683,672
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.		5,275,263
Deferred inflows of resources reported in the statement of net position		(68,041,428)
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	(249,768,092)	
Accrued interest on long-term debt	(3,460,019)	
Compensated absences	(15,448,473)	
Liability for other post employment benefits	(94,258,465)	
Estimated claims - general liability	(11,119,000)	
Net pension liability	<u>(203,688,484)</u>	
Total long-term liabilities		<u>(577,742,533)</u>
Internal Service Fund assets and liabilities are included in the governmental activities in the Statement of Net Position		<u>4,300,239</u>
Net position of governmental activities (page 21)		<u><u>\$ 1,321,641,435</u></u>

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, 2016

	General Fund	Other Governmental Funds	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>			
Taxes	\$ 198,616,781	\$ 40,419,743	\$ 239,036,524
Licenses and permits	7,074,279	7,928,893	15,003,172
Intergovernmental revenues	100,966,203	87,927,705	188,893,908
Charges for services	50,880,728	12,443,003	63,323,731
Fines and forfeits	8,732,605	1,489,658	10,222,263
From use of money and property	2,809,523	654,170	3,463,693
Miscellaneous	463,019	3,176,738	3,639,757
Total revenues	<u>369,543,138</u>	<u>154,039,910</u>	<u>523,583,048</u>
<b>Expenditures:</b>			
Current:			
General government	57,319,297	6,742,527	64,061,824
Public protection	146,874,472	26,849,272	173,723,744
Public ways and facilities	6,849,310	13,044,109	19,893,419
Health and sanitation	94,542,901	5,230,648	99,773,549
Public assistance	74,705,879	2,646,166	77,352,045
Education	553,821	14,470,128	15,023,949
Recreation and cultural services	9,412,637	18,241,648	27,654,285
Capital outlay	10,187,105	13,689,409	23,876,514
Debt Service:			
Principal	288,162	7,015,974	7,304,136
Interest	76,899	10,404,385	10,481,284
Total expenditures	<u>400,810,483</u>	<u>118,334,266</u>	<u>519,144,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,267,345)</u>	<u>35,705,644</u>	<u>4,438,299</u>
Other Financing Sources (Uses):			
Refunding debt issued	--	82,721,188	82,721,188
Debt refunded	--	(60,483,553)	(60,483,553)
Transfers in	65,209,044	113,638,182	178,847,226
Transfers out	<u>(29,350,113)</u>	<u>(151,413,233)</u>	<u>(180,763,346)</u>
Total other financing sources (uses), net	<u>35,858,931</u>	<u>(15,537,416)</u>	<u>20,321,515</u>
Net change in fund balances	4,591,586	20,168,228	24,759,814
Fund balances, beginning of the year - restated	<u>152,372,156</u>	<u>213,676,795</u>	<u>366,048,951</u>
Fund balances, end of the year	<u>\$ 156,963,742</u>	<u>\$ 233,845,023</u>	<u>\$ 390,808,765</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, 2016

Net change in fund balance - total governmental funds (page 26)		\$ 24,759,814
Amounts reported for governmental activities in the statement of activities are different because:		
Interest accrued on loans receivable not recorded in the governmental funds.		374,624
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	23,575,901	
Less: current year depreciation	(19,295,787)	4,280,114
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.		
Issuance of debt	(82,721,188)	
Deferral on refunding of certificates of participation	6,503,553	
Repayment and adjustments of bonds, loans, certificates of participation, and capital leases	61,797,408	
Net adjustment		(14,420,227)
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	(989,479)	
Change in net OPEB obligation	3,891,404	
Change in general claims liability	(1,863,000)	
Pension contributions	24,267,265	
Amortization of deferred bond costs	(618,322)	
Accrued interest on long-term debt	154,097	
Net adjustment		24,841,965
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.		
		1,529,138
Change in net position of governmental activities (pages 22-23)		\$ 41,365,428

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

**COUNTY OF MARIN**

Statement of Net Position  
Proprietary Funds  
June 30, 2016/December 31, 2015

	Business-type Activities			Total	Governmental
	Housing Authority 12/31/2015	Transit District 6/30/2016	Non-major Enterprise Funds 6/30/2016		Workers' Compensation Internal Service Fund 6/30/2016
<b>ASSETS</b>					
Current Assets:					
Cash and investments in County pool	\$ --	\$ 12,041,572	\$ 1,231,120	\$ 13,272,692	\$ 32,552,078
Other cash	6,551,279	--	--	6,551,279	--
Receivables:					
Accounts	36,410	--	--	36,410	--
Other	--	--	272,755	272,755	--
Prepaid items and other assets	294,354	20,696	674,770	989,820	--
Short-term notes receivable	475	--	--	475	--
Due from other governments	306,787	6,227,682	--	6,534,469	--
Property held for resale	895,000	--	--	895,000	--
Total current assets	<u>8,084,305</u>	<u>18,289,950</u>	<u>2,178,645</u>	<u>28,552,900</u>	<u>32,552,078</u>
Noncurrent Assets:					
Restricted cash	3,243,664	286,432	--	3,530,096	--
Restricted accounts receivable	--	20,605	--	20,605	--
Long-term notes receivable	6,498,407	--	--	6,498,407	--
Capital assets:					
Nondepreciable	3,476,274	1,746,405	5,969,521	11,192,200	--
Depreciable and amortizable, net	18,807,339	17,419,827	3,068,671	39,295,837	--
Total noncurrent assets	<u>32,025,684</u>	<u>19,473,269</u>	<u>9,038,192</u>	<u>60,537,145</u>	<u>--</u>
<b>Total assets</b>	<u>40,109,989</u>	<u>37,763,219</u>	<u>11,216,837</u>	<u>89,090,045</u>	<u>32,552,078</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension Plan	659,033	--	--	659,033	--
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	238,627	1,066,597	564,013	1,869,237	445
Interest payable	1,217,491	--	7,212	1,224,703	--
Due to other funds	--	--	355,000	355,000	--
Due to other governments	355,892	1,453,043	--	1,808,935	--
Accrued salaries and benefits	118,197	66,024	15,555	199,776	6,394
Other liabilities	804,978	--	251,709	1,056,687	--
Unearned revenues	120,684	207,596	152,717	480,997	--
Long-term notes payable	--	--	146,239	146,239	--
Compensated absences	48,457	60,649	18,879	127,985	--
Mortgages payable	954,563	--	--	954,563	--
Capital leases	130,812	--	--	130,812	--
Estimated claims	--	--	--	--	6,584,000
Total current liabilities	<u>3,989,701</u>	<u>2,853,909</u>	<u>1,511,324</u>	<u>8,354,934</u>	<u>6,590,839</u>
Long-Term Liabilities:					
Security deposits and escrows payable (payable from restricted assets)	434,056	--	--	434,056	--
Compensated absences	145,371	14,199	4,832	164,402	--
Loan liability	1,719,816	--	--	1,719,816	--
Mortgages payable	3,983,364	--	--	3,983,364	--
Capital leases	1,807,724	--	--	1,807,724	--
Other post-employment benefits	586,611	--	--	586,611	--
Estimated claims	--	--	--	--	21,661,000
Net pension liability	3,643,432	--	--	3,643,432	--
Total noncurrent liabilities	<u>12,320,374</u>	<u>14,199</u>	<u>4,832</u>	<u>12,339,405</u>	<u>21,661,000</u>
<b>Total liabilities</b>	<u>16,310,075</u>	<u>2,868,108</u>	<u>1,516,156</u>	<u>20,694,339</u>	<u>28,251,839</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension plan	640,272	--	--	640,272	--
<b>NET POSITION</b>					
Net investment in capital assets	15,084,659	19,166,232	8,891,953	43,142,844	--
Restricted	6,852,284	307,037	--	7,159,321	--
Unrestricted	1,881,732	15,421,842	808,728	18,112,302	4,300,239
<b>Total net position</b>	<u>\$ 23,818,675</u>	<u>\$ 34,895,111</u>	<u>\$ 9,700,681</u>	<u>\$ 68,414,467</u>	<u>\$ 4,300,239</u>

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, 2016/December 31, 2015

	Business-Type Activities			Total	Governmental
	Housing Authority 12/31/2015	Transit District 6/30/2016	Non-major Enterprise Funds 6/30/2016		Workers' Compensation Internal Service Fund 6/30/2016
<b>Operating Revenues:</b>					
Charges for services	\$ 1,719,140	\$ 5,996,181	\$ 5,382,841	\$ 13,098,162	\$ 8,807,211
Other revenue	565,761	--	209,943	775,704	--
<b>Total operating revenues</b>	<b>2,284,901</b>	<b>5,996,181</b>	<b>5,592,784</b>	<b>13,873,866</b>	<b>8,807,211</b>
<b>Operating Expenses:</b>					
Salaries and employee benefits	--	1,234,059	751,529	1,985,588	1,613,637
Services and supplies	--	22,586,786	7,227,358	29,814,144	418,340
Housing assistance	37,081,588	--	--	37,081,588	--
Claims expense	--	--	--	--	5,239,873
Depreciation and amortization	1,301,991	1,753,960	322,003	3,377,954	--
Other operating	--	1,619,444	--	1,619,444	--
<b>Total operating expenses</b>	<b>38,383,579</b>	<b>27,194,249</b>	<b>8,300,890</b>	<b>73,878,718</b>	<b>7,271,850</b>
<b>Operating Income (Loss)</b>	<b>(36,098,678)</b>	<b>(21,198,068)</b>	<b>(2,708,106)</b>	<b>(60,004,852)</b>	<b>1,535,361</b>
<b>Non-Operating Revenues (Expenses):</b>					
Property tax revenue	--	3,848,373	--	3,848,373	--
Intergovernmental revenue	37,510,252	19,069,595	236,314	56,816,161	--
Advertising revenue	--	386,914	--	386,914	--
Investment income - unrestricted	97,106	14,044	328,867	440,017	--
Interest expense	(237,828)	--	(6,710)	(244,538)	--
Sale of capital assets	(784)	88,417	--	87,633	--
Other non-operating expense	--	(85,000)	--	(85,000)	--
<b>Total non-operating revenues, net</b>	<b>37,368,746</b>	<b>23,322,343</b>	<b>558,471</b>	<b>61,249,560</b>	<b>--</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>1,270,068</b>	<b>2,124,275</b>	<b>(2,149,635)</b>	<b>1,244,708</b>	<b>1,535,361</b>
Capital contributions	133,561	12,258,462	--	12,392,023	--
Transfers in	--	--	2,874,572	2,874,572	--
Transfers out	--	--	(952,229)	(952,229)	(6,223)
<b>Change in net position</b>	<b>1,403,629</b>	<b>14,382,737</b>	<b>(227,292)</b>	<b>15,559,074</b>	<b>1,529,138</b>
Net position, beginning of the year- restated	22,415,046	20,512,374	9,927,973	52,855,393	2,771,101
<b>Net position, end of year</b>	<b>\$ 23,818,675</b>	<b>\$ 34,895,111</b>	<b>\$ 9,700,681</b>	<b>\$ 68,414,467</b>	<b>\$ 4,300,239</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, 2016/December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental
	Housing Authority 12/31/2015	Transit District 6/30/2016	Non-major Enterprise Funds 6/30/2016	Total	Workers' Compensation Internal Service Fund 6/30/2016
<b>Cash Flows from Operating Activities</b>					
Cash receipts from customers	\$ 2,842,413	\$ 6,320,277	\$ 5,774,413	\$ 14,937,103	\$ --
Cash receipts from internal fund services provided	--	--	--	--	9,142,697
Cash paid to suppliers for goods and services	(34,760,707)	(23,216,161)	(7,311,197)	(65,288,065)	(4,360,410)
Cash paid to employees for salaries and benefits	(4,151,892)	(1,597,526)	(749,846)	(6,499,264)	(1,612,624)
Net cash provided (used) by operating activities	(36,070,186)	(18,493,410)	(2,286,630)	(56,850,226)	3,169,663
<b>Cash Flows from Noncapital Financing Activities</b>					
Property tax revenues	--	3,848,219	--	3,848,219	--
Operating grants received	37,573,219	--	--	37,573,219	--
Intergovernmental revenues	--	17,831,615	236,314	18,067,929	--
Repayment of notes receivable	242,559	--	--	242,559	--
Interfund loans	--	--	(409,750)	(409,750)	--
Notes receivable issued	(447,083)	--	(144,885)	(591,968)	--
Interest received on notes receivable	65,639	--	--	65,639	--
Related party transactions	93,591	--	--	93,591	--
Debt issued to acquire assets held for sale	1,065,000	--	--	1,065,000	--
Principal paid on debt used to acquire assets held	(500,000)	--	--	(500,000)	--
Funds returned to the granting agency	(63,568)	--	--	(63,568)	--
Transfers in	--	--	2,550,000	2,550,000	--
Transfers out	--	--	(691,657)	(691,657)	(6,223)
Net cash provided (used) by noncapital financing activities	38,029,357	21,679,834	1,540,022	61,249,213	(6,223)
<b>Cash Flows from Capital and Related Financing Activities</b>					
Principal repayments on long-term debt	(181,198)	--	--	(181,198)	--
Capital contributions	133,561	12,258,462	--	12,392,023	--
Interest repayments related to capital purposes	(187,412)	--	--	(187,412)	--
Debt issued	11,903	--	--	11,903	--
Proceeds from sale of capital assets	--	66,189	--	66,189	--
Payments related to the acquisition of capital assets	(251,267)	(10,660,280)	(336,738)	(11,248,285)	--
Net cash used by capital and related financing activities	(474,413)	1,664,371	(336,738)	853,220	--
<b>Cash Flows from Investing Activity</b>					
Interest and investments earnings received	10,692	14,044	392,867	417,603	--
Net increase (decrease) in cash and cash equivalents	1,495,450	4,864,839	(690,479)	5,669,810	3,163,440
Cash and cash equivalents, beginning of year	8,299,493	7,463,165	1,921,599	17,684,257	29,388,638
Cash and cash equivalents, end of year	\$ 9,794,943	\$ 12,328,004	\$ 1,231,120	\$ 23,354,067	\$ 32,552,078

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, 2016/December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental
	Housing Authority 12/31/2015	Transit District 6/30/2016	Non-major Enterprise Funds 6/30/2016	Total	Workers' Compensation Internal Service Fund 6/30/2016
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ (36,098,678)	\$ (21,198,068)	\$ (2,708,106)	\$ (60,004,852)	\$ 1,535,361
Depreciation and amortization	1,301,991	1,753,960	322,003	3,377,954	--
Prior period adjustment - effects of change in accounting	(4,399,637)	--	--	(4,399,637)	--
Funds returned to granting agency	50,968	--	--	50,968	--
Related party activity	(64,000)	--	--	(64,000)	--
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	1,631	147,903	(2,898)	146,636	335,486
Property held for resale	(578,401)	--	--	(578,401)	--
Prepaid items and other assets	(37,428)	21,640	123,284	107,496	--
Deferred outflows of resources	(659,033)			(659,033)	
Increase (decrease) in:					
Accounts payable	58,186	570,819	(83,862)	545,143	(7,197)
Accrued salaries and benefits	(8,633)	6,332	1,069	(1,232)	1,013
Unearned revenues	12,539	176,193	24,721	213,453	--
Compensated absences	33,849	27,811	614	62,274	--
Other liabilities	(46,551)	--	36,545	(10,006)	1,305,000
Other post-employment benefits	75,096	--	--	75,096	--
Net pension liability	3,643,432	--	--	3,643,432	--
Deferred inflows of resources	640,272	--	--	640,272	--
Security deposits and escrows payable	4,211	--	--	4,211	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (36,070,186)</u>	<u>\$ (18,493,410)</u>	<u>\$ (2,286,630)</u>	<u>\$ (56,850,226)</u>	<u>\$ 3,169,663</u>

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

**COUNTY OF MARIN**

Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2016

<b>ASSETS</b>	Investment Trust Funds	Agency Funds	Private Purpose Trust Funds
<b>Current Assets:</b>			
Cash and investments in County pool	\$ 457,845,195	\$ 34,223,511	\$ 1,346,549
Cash with fiscal agent	--	1,080,043	374,411
Taxes receivable	--	15,537,540	--
Interest receivable	--	--	53,850
Prepaid items	--	1,051,064	--
Notes receivable	--	--	110,000
<b>Capital assets:</b>			
Nondepreciable	--	--	30,014
Total current assets	457,845,195	51,892,158	1,914,824
<b>LIABILITIES:</b>			
Accrued interest payable	--	--	166,284
Other liabilities	--	--	344,932
<b>Noncurrent liabilities:</b>			
Due within one year	--	--	494,499
Due in more than one year	--	--	6,817,900
Agency funds held for others	--	51,892,158	--
Total liabilities	--	51,892,158	7,823,615
<b>NET POSITION</b>			
Net position (deficit) held in trust for investment pool participants and others	457,845,195	--	(5,908,791)
Total net position	\$ 457,845,195	\$ --	\$ (5,908,791)

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, 2016

	<u>Investment Trust Funds</u>	<u>Private Purpose Trust Funds</u>
<b>Additions:</b>		
Property tax revenue	\$ --	\$ 1,563,541
Contributions to investment pool	1,193,990,991	--
Interest	<u>2,436,618</u>	<u>5,487</u>
Total additions	<u>1,196,427,609</u>	<u>1,569,028</u>
<b>Deductions:</b>		
Distributions from investment pool	1,152,148,010	--
Tax disbursements	--	691,688
Administrative and other	--	<u>155,145</u>
Total deductions	<u>1,152,148,010</u>	<u>846,833</u>
Change in net position	44,279,599	722,195
<b>Net position, beginning of the year</b>	<u>413,565,596</u>	<u>(6,630,986)</u>
<b>Net position, end of the year</b>	<u><u>\$ 457,845,195</u></u>	<u><u>\$ (5,908,791)</u></u>

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



---

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

---

This page intentionally left blank

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 1: THE FINANCIAL REPORTING ENTITY

#### A. *Reporting Entity*

The County of Marin (the County) is a political subdivision of the State of California (the State), and as such, can exercise the powers specified by the Constitution and laws of the State. The County is governed by an elected five-member Board of Supervisors (the Board), with legislative and executive control of the County.

The governmental reporting entity consists of the County (primary government) and its component units. Component units are legally separate organizations for which the County is considered to be financially accountable or 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 that 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. *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 component unit's governing body is substantially the same as the governing body of the primary government. The Funding Corporation's asset-backed bonds are secured by tobacco revenues received per the Master Settlement Agreement.

##### *In-Home Supportive Services Public Authority of Marin:*

In-Home Supportive Services Public Authority of Marin (IHSS PA) is a public agency established in 2002 by the Board of Supervisors to serve low-income older adults and persons with disabilities who qualify for in-home support services in order to remain independent and safe in their own homes. IHSS PA works in partnership with the In-Home Supportive Services Program (IHSS) administered by Marin County Health and Human Services by matching IHSS care recipients with qualified care providers so they can live healthy and productive lives. There is a financial benefit relationship between the primary government and the component unit.

##### *Marin County Fair:*

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

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 1: THE FINANCIAL REPORTING ENTITY, Continued

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

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

The Housing Authority of the County of Marin (Housing 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 whom are the County's Board of Supervisors, plus two tenant Commissioners. The component unit's governing body is substantially the same as the governing body of the primary government. The Housing Authority is responsible for the development and implementation of housing programs and activities within the County of Marin. To accomplish this purpose, the Housing Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development (HUD) to operate assisted housing programs. The Housing Authority is reported as a major enterprise fund in the County's basic financial statements. The Housing 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.

##### *Marin County Law Library (Law Library):*

The Marin County Law Library (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. There is a financial benefit relationship between the primary government and the component unit.

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

The Marin County Open Space District (Open Space) 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. The component unit's governing body is substantially the same as the governing body of the primary government.

##### *Marin County Transit District (Transit District):*

The Marin County Transit District (Transit District) is an autonomous special district created by the authority of the Marin County Transit District Act of 1964. The Transit District's purpose is to develop, finance, organize, and provide local Marin County transit service. Its Board of Directors is comprised of the County's Board of Supervisors, and two members chosen from city council persons or mayors of cities within the county. Revenues are derived principally from property taxes, aid from other governmental entities, transportation contract revenue, and transit fare revenue. The financial statements of the Transit District are available at 711 Grand Avenue, Suite 110, San Rafael, CA 94901. The component unit's governing body is substantially the same as the governing body of the primary government.

##### *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). The component unit's governing body is substantially the same as the governing body of the primary government. Among its duties, the Board approves the budgets, special taxes, and fees of these special districts. Each of these special districts are, in substance, an integral part of the County and are reported as non-major special revenue funds in the County's basic financial statements.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 1: THE FINANCIAL REPORTING ENTITY, Continued**

*C. 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, 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 non-profit 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 whom are employees of the Housing Authority. MCHDFC has no employees, and their accounting records are maintained by the Housing Authority.

*Marin Housing Development Corporation (MHDC):*

The Marin Housing Development Corporation (MHDC) is a California non-profit public benefit corporation, and 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 non-profit 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 whom are current employees of the Housing Authority of the County of Marin. MHDC has no employees, and their accounting records are maintained by the Housing Authority. MCHDFC has no employees, and their accounting records are maintained by the Housing Authority.

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.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*A. Basis of Presentation*

*Government-Wide Financial Statements*

*The Statement of Net Position and the Statement of Activities* report information on all of the non-fiduciary activities of the County and its blended component units. All fiduciary activities are reported only in the fund financial statements. 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 and between the County and its discretely presented component units. Governmental activities, which are normally supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a great extent on fees charged to external parties.

## COUNTY OF MARIN

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016

#### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### A. *Basis of Presentation (continued)*

*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.

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.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

##### *Fund Financial Statements*

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

The County reports the following major governmental fund:

- The *General Fund* is the County's primary operating fund and accounts for all revenues and expenditures necessary to carry out the basic governmental activities of the County that are not accounted for through other funds. The activities carried out by the General Fund include 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* provides housing assistance to low and moderate income residents of Marin County, primarily funded by contributions from HUD and rent payments from tenants. The Housing Authority has a calendar year-end of December 31<sup>st</sup>.
- The *Transit District* accounts for activities related to the provision of transit services within Marin County, the revenues of which are principally derived from property taxes, aid from other governmental entities, transportation contract revenue, and transit fare revenue.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### A. *Basis of Presentation (continued)*

The County also reports the following additional fund types:

- *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.
- *Investment Trust Funds* account for the assets of legally separate entities such as special districts 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.
- *Agency Funds* are custodial in nature and do not report operating results. 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. The majority of these funds are tax pass-thru entities for secured and unsecured taxes.
- *Private Purpose Trust Funds* are a fiduciary fund type used by the County to report trust arrangements under which principal and income benefits other governments. These funds report the assets, liabilities, and activities of the Successor Agency to the County of Marin Redevelopment Agency and Marin City Community Service Districts (CSD).

#### B. *Measurement Focus and Basis of Accounting*

Measurement focus indicates the type of resources being measured, and the basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 the related cash flows take place. 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.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they are both 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.

COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. 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.

D. Investments

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

E. Receivables

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

F. Inventories

Inventories are stated at cost (first-in, first-out basis) for governmental funds and lower of average cost or fair value for proprietary funds. 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 that is not in spendable form.

G. 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.

H. Capital Assets

Capital assets 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 for capital assets are as follows:

Infrastructure	20 to 50 years
Structures and improvements	10 to 50 years
Equipment	5 to 25 years
Software	2 to 10 years

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



## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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

In addition to assets, *the Statement of Net Position* will sometimes report a separate section for *deferred outflows and inflows of resources*. A deferred outflow of resources is defined as a consumption of net position that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred inflow of resources is defined as an acquisition of net position that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time.

#### J. *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.

#### K. *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.

#### L. *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 the portion of net position that is neither restricted nor invested in capital assets.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### L. *Net Position and Fund Balances (continued)*

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, such as inventories, prepaid amounts and long-term amount of loans and notes receivable, if any.
- *Restricted fund balances* – Includes 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* – Represents 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 through Board resolutions.
- *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. Unlike commitments, assignments generally only exist temporarily. Further action is not needed to remove the assignment.
- *Unassigned fund balances* – Is the residual classification for all resource balances in the General Fund and includes all amounts 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. Unassigned amounts are technically available for any purpose.

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.

#### M. *Property Tax Revenue*

The County levies, bills, collects, and distributes property taxes for the County. Property taxes are levied for each fiscal year on taxable real and personal property that is situated in the County. Property taxes collected in advance are recorded as deferred inflows of resources and recognized as revenue in the year they become available. Property taxes paid to the County within 60 days after the end of the fiscal year are considered "available" and are, therefore, recognized as revenue.

In accordance with State law, the County is responsible for the assessment, collection, and apportionment of property taxes for all taxing jurisdictions within the County, including school districts, cities and towns, and special districts. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of property ownership or completion of new construction.

## COUNTY OF MARIN

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

##### *M. Property Tax Revenue (continued)*

Secured and unsecured property taxes are levied based on the assessed value as of January 1, the lien date, of the preceding fiscal year. Secured property tax is billed approximately on October 1 of each fiscal year and due in two installments, on November 1 and February 1. Collection dates are December 10 and April 10 which are also the delinquent dates. After the delinquent date, unpaid 1<sup>st</sup> installments are assessed a penalty of 10%, and unpaid 2<sup>nd</sup> installments are assessed a 10% penalty, plus \$10 cost. Accounts that remain unpaid on June 30 are charged an additional 1.5% per month beginning July 1 of the next fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property becomes subject to tax sale by the County Tax Collector.

Unsecured property tax is levied by July 1, due on July 31, and has a collection date of August 31 which is also the delinquent date. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid by October 31, an additional penalty of 1.5% attaches to the unpaid tax on the first day of each month until paid.

The State's Constitution Article XIII A, commonly known as Proposition 13, provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value, unless two-thirds of the voters have approved additional taxes be levied to fund infrastructure, services, and/or operations. Under Proposition 13, beginning with FY 1978-79, assessed value is calculated at 100% of market value and may increase by no more than 2% per year, unless the property undergoes new construction or is sold or transferred. State law provides exemptions from ad valorem property taxation for certain classes of property, such as churches, colleges, nonprofit hospitals and charitable institutions.

Beginning in 1994, the County began apportioning secured property tax revenue in accordance with the alternate method of distribution, commonly known as the "Teeter Plan," as prescribed by Section 4717 of the California Revenue and Taxation Code. The Teeter Plan has no impact on tax rates or collection procedures. Rather, it merely changes the way taxes and penalties are distributed among the taxing agencies. Under the Teeter Plan, the County apportions 100% of the secured property tax charge to local taxing entities. The County advances all unpaid current secured taxes to the taxing entities and, in return, retains the penalties and interest on the taxes when collected. As a result of the Teeter Plan, secured property tax receivables are recorded in the Tax Resource Fund only, and there is no allowance for uncollectible amounts. Penalties and interest are deposited into the Tax Loss Reserve Fund (TLRF). Should the TLRF fund balance exceed 25% of the current year unpaid secured taxes, the excess is credited to the General Fund.

Pursuant to Section 97.2(D)(4)(i) of the California Revenue and Taxation Code (Code), in 1992 the County established an agency fund, the Educational Revenue Augmentation Fund (ERAF), to redirect property tax from the County, cities, and special districts to public education programs. Each of these local agencies is required to shift an amount of property tax revenues prescribed by the Code to ERAF. Once school districts and related programs reach their maximum allowable funding, the Code requires that any excess ERAF be refunded to the contributing agencies.

##### *N. 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.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### O. *New Accounting Pronouncements*

##### Governmental Accounting Standards Board Statement No. 72

In February 2015, the Governmental Accounting Standards Board (GASB), issues GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement improves accounting and financial reporting for state and local governments' investments by enhancing the comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. As of July 1, 2015 the County implemented the provisions of this Statement in Note 3, and it did not have a significant impact on the County's financial statements.

##### Governmental Accounting Standards Board Statement No. 76

In June 2015, the GASB issued GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which clarifies the hierarchy of generally accepted accounting principles (GAAP), and reduces the GAAP hierarchy to two catalogues of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within the scope of authoritative GAAP. As of July 1, 2015 the County implemented this Statement and it did not have a significant impact on the County's financial statements.

#### P. *Future Accounting Pronouncements*

The County is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

##### Governmental Accounting Standards Board Statement No. 75

In June 2015, the GASB issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which establishes new accounting and financial reporting requirements for OPEB plans improving the accounting and financial reporting by state and local governments for OPEB and provides information provided by state and local government employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. GASB Statement No. 57 is effective for the County's fiscal year ending June 30, 2018.

##### Governmental Accounting Standards Board Statement No. 77

In August 2015, the GASB issued GASB Statement No. 77, *Tax Abatement Disclosures*. Statement No. 77 establishes financial reporting standards for tax abatement agreements entered into by the State and local governments. Application of this statement is effective for the County's fiscal year ending June 30, 2017.

##### Governmental Accounting Standards Board Statement No. 78

In December 2015, the GASB issued GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, which establishes accounting and financial reporting standards for defined benefit pensions provided by state or local governments through a cost-sharing plan that meets the criteria of Statement No. 68 and is not a state or local governmental pension plan. Application of this statement is effective for the County's fiscal year ending June 30, 2017.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### *P. Future Accounting Pronouncements (continued)*

##### Governmental Accounting Standards Board Statement No. 80

In January 2016, the GASB issued GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of Statement No. 14*, which amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity*. The Statement establishes an additional blending requirement for the financial statement presentation of component units. The Statement is effective for the County's fiscal year ending June 30, 2017.

##### Governmental Accounting Standards Board Statement No. 82

In March 2016, the GASB issued GASB Statement No. 82, *Pension Issues – an amendment of Statements No. 67, No. 68, and No. 73*. This Statement attempts to address certain issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for the County's fiscal year ending June 30, 2017.

### NOTE 3: 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 participating funds, is displayed in the financial statements as "Cash and investments in County pool." Funds that are required to be held by outside fiscal agents do not participate in the County pool.

The County 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, 2016, the net asset value of involuntary participation in the investment pool was \$493,415,255 or 54.40% 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 California Government Code and by the County's Statement of Investment Policy (Investment Policy). The objectives of the Investment Policy are structured in order of priority: safety, liquidity, yield, and public trust. The Board established a Treasury Oversight Committee (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 Oversight Committee and the Board 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 by Fitch Ratings since 1994 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 'S1' for market risk sensitivity, which 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.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 3: CASH AND INVESTMENTS, Continued**

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

Cash and investments at June 30, 2016, consist of the following:

Cash and Investments in County Pool:	
Cash	\$ 5,041,088
Investments	905,910,609
	<hr/>
	910,951,697
Less outstanding warrants and other reconciling items	(20,592,172)
	<hr/>
Total Cash and Investments in County Pool	890,359,525
Cash and Investments Outside County Pool:	
Other deposits	2,011,576
Investments of blended component units	14,017,310
Investments with fiscal agents	5,085,748
Specific investments	526,341
	<hr/>
Total Cash and Investments Outside County Pool	21,640,975
	<hr/>
Total Cash and Investments	<u>\$912,000,500</u>

Total cash and investments at June 30, 2016 were presented on the County's financial statements as follows:

Primary Government	\$416,057,505
Component Units	1,073,286
Investment Trust Funds	457,845,195
Agency Funds	35,303,554
Private Purpose Trust Funds	1,720,960
	<hr/>
	<u>\$912,000,500</u>

Investments

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Federal Agency Obligations	5 years	None	None
U.S. Treasury Bills	5 years	None	None
State of California obligations	2 years	None	None
Local Agency bonds and 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
Non-Negotiable Certificates of Deposit	2 years	None	None
Repurchase Agreements	1 year	None	None
Medium-Term Corporate Notes	2 years	30%	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund	N/A	None	None

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 3: CASH AND INVESTMENTS, Continued**

At June 30, 2016, the County's investments consist of the following:

	Interest Rates	Maturities	Par Value	Fair Value	Book Carrying Value	WAM (Years)
<b>Pooled Investments</b>						
Federal Agencies	0.02% - 1.13%	7/1/13 to 6/24/16	\$ 887,350,000	\$ 886,735,860	\$ 885,497,591	0.5722
Money Market	Variable	On Demand	20,029,103	20,029,103	20,029,103	0.0028
California Local Agency Investment Fund (LAIF)	Variable	On Demand	237,676	237,676	237,676	0.0028
Miscellaneous Securities	3.5% - 3.6%	12/19/15 to 12/19/17	146,239	146,239	146,239	3.0028
<b>Total pooled investments</b>			<b>\$ 907,763,018</b>	<b>\$ 907,148,878</b>	<b>\$ 905,910,609</b>	
<b>Specific Investments in</b>						
<b>Treasury - Non Pooled</b>						
California Local Agency Investment Fund (LAIF)	Variable	On Demand	\$ 524,341	\$ 526,341	\$ 526,341	0.0028
			<b>\$ 524,341</b>	<b>\$ 526,341</b>	<b>\$ 526,341</b>	

At June 30, 2016, the difference between book value and fair value of cash and investments was immaterial, and as such no fair value adjustment was required.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County's 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, 2016, the investment pool had a weighted average maturity of 0.55 years, or approximately 204 days.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will 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 attributable to the magnitude of the County's investment in a single issuer of securities. At June 30, 2016, the County did not have 10% or more of its net investment in any one money market mutual fund.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 3: CASH AND INVESTMENTS, Continued**

Concentration of Credit Risk, (continued)

At June 30, 2016, 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	\$ 210,191,048
Federal National Mortgage Association	241,432,445
Federal Home Loan Bank	360,271,667
	<u>\$ 811,895,160</u>

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, 2016.

	<u>Moody's</u>	<u>S &amp; P</u>	<u>% of Portfolio</u>
<b>Investments in Investment Pool</b>			
Federal Agencies Coupon	AA+	Aaa	8.22%
Federal Agencies Discount: Fed Hom Ln Bk*	Unrated	Unrated	39.72%
Federal Agencies Discount: Fed Home Ln Mtg Corp*	Unrated	Unrated	23.18%
Federal Agencies Discount: Fed Natl Mgt Assn*	Unrated	Unrated	26.62%
Miscellaneous Securities	Unrated	Unrated	0.02%
Money Market/Mutual Funds	Aaa	AAAm	2.21%
California Local Agency Investment Fund (LAIF)	Unrated	Unrated	0.03%
			<u>100.00%</u>

\* Federal Home Loan Bank, Freddie Mac and Fannie Mae 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.

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. 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: 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.



**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 3: CASH AND INVESTMENTS, Continued**

Local Agency Investment Fund

The County pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (LIAB) has oversight responsibility for LAIF. LIAB consists of five members as designated by State Statute.

At June 30, 2016, the County's pooled investment position in LAIF was \$237,676, which approximates fair value and is the same value of pool shares. The total amount invested by all public agencies in LAIF on that day was \$75,395,751,048. Of that amount, 100% was invested in non-derivative financial products. 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 \$3.2 million, and Transit District in the amount of \$275 thousand, are restricted for specific project operations and cannot be disbursed without the prior approval of another government agency.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the County's investment pool as of June 30, 2016:

**Statement of Net Position**

Equity of internal pool participants	\$ 413,520,103
Equity of external pool participants	493,415,255
Total net position	<u>\$ 906,935,358</u>

**Statement of Changes in Net Position**

Net position, beginning of year	\$ 821,552,350
Net change in investments by pool participants	85,383,008
Net position, end of year	<u>\$ 906,935,358</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 3: CASH AND INVESTMENTS, Continued**

Fair Value Measurement

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

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The County's pooled investments by fair value level as of June 30, 2016, include the following:

<u>Investments</u>	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Pooled investments subject to fair value hierarchy:			
Debt securities:			
U.S. government agency securities	\$ 886,735,860	-	\$ 886,735,860
Pooled investments not subject to fair value hierarchy:			
Local Agency Investment Fund (LAIF)	237,676		
Pooled investments measured at amortized cost:			
Money market	20,029,103		
Amortized note	146,239		
Total investments measured at amortized cost	20,175,342		
Total pooled investments	\$ 907,148,878		

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 4: NOTES RECEIVABLE**

Notes receivable consists of the following activities:

	Balance	Notes		Balance	Short Term
	July 1, 2015	Issued	Repayments	June 30, 2016	Balance June 30, 2016
<b>Governmental Activities:</b>					
<b>General Fund:</b>					
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 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 the note is due in October 2032.	400,000	--	--	400,000	--
<b>Subtotal General Fund</b>	<b>\$ 1,139,525</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 1,139,525</b>	<b>\$ --</b>
<b>Other Governmental Funds:</b>					
The County provides 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.	\$20,257,792	\$ 675,000	\$ (187,560)	\$20,745,232	\$ 225,000
<b>Total Governmental Activities</b>	<b>\$21,397,317</b>	<b>\$ 675,000</b>	<b>\$ (187,560)</b>	<b>\$21,884,757</b>	<b>\$ 225,000</b>
<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 payment on home purchases, and rental security deposits.	\$ 6,186,358	\$ 617,079	\$ (304,555)	\$ 6,498,882	\$ 475

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 5: 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, 2016, the various components of unearned revenue were as follows:

	<u>Unearned</u>
<b>Governmental Activities:</b>	
<b>General Fund:</b>	
Reimbursable grant advances	\$ 463,269
Fees for services	795,155
Total General Fund	<u>1,258,424</u>
<b>Other Governmental Funds:</b>	
Reimbursable grant advances	1,576,926
Fees for services	857,778
Total Other Governmental Activities	<u>2,434,704</u>
Total Governmental Activities	<u>\$ 3,693,128</u>
<b>Business-Type Activities:</b>	
Fees for services	480,997
Total Business-Type Activities	<u>\$ 480,997</u>

**NOTE 6: 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. As of June 30, 2016, there were no Advances to other funds balances. All of the interfund balances presented below resulted from the timing difference between the dates that (1) interfund goods and services were provided or reimbursable expenditures occurred, (2) transactions were recorded in the accounting system, and (3) payments between funds were made. The composition of interfund balances as of June 30, 2016, is as follows:

**Due to/from other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Non-major Governmental Funds	\$ 667,988	Temporary loans to cover short-term operational deficit
	Non-major Enterprise Fund	355,000	Temporary loans to cover short-term operational deficit
		<u>\$ 1,022,988</u>	

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 6: 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 activities:

Transfer from	Transfer to	Amount	Purpose
General Fund	Other Non-major Governmental Funds	\$ 7,790,563	Allocation of pension obligation costs
	Other Non-major Governmental Funds	7,361,740	Road and bridge maintenance
	Other Non-major Governmental Funds	5,786,594	County Facilities Maintenance project
	Other Non-major Governmental Funds	4,613,064	Debt service
	Other Non-major Governmental Funds	613,867	Various program cost funding
	Other Non-major Governmental Funds	510,000	Various capital project funding
	Other Non-major Governmental Funds	60,285	Various H&HS program cost funding
	Non-major Enterprise Funds	2,614,000	Marin Commons property management operations
		<u>29,350,113</u>	
Non-major Enterprise Funds	General Fund	600,000	Repayment of interfund loan
	General Fund	80,000	Reimbursement of salary and benefit costs
	Other Non-major Governmental Funds	11,657	Allocation of pension obligation costs
	Non-major Enterprise Funds	260,572	Marin County Fair operations
		<u>952,229</u>	
Internal Service Fund	Other Non-major Governmental Funds	6,223	Allocation of pension obligation costs
Other Non-major Governmental Funds	General Fund	29,558,412	H&HS Realignment
	General Fund	19,037,313	Various H & HS programs cost reimbursements
	General Fund	4,999,647	Various operating needs and cost reimbursements
	General Fund	4,087,802	Managed Care program reimbursements
	General Fund	3,465,123	Foster care assistance program
	General Fund	1,604,702	Public health program
	General Fund	1,326,294	Child poverty and family support program
	General Fund	228,885	Youth at risk program
	General Fund	120,866	Low income housing program
	General Fund	100,000	Auto theft obligation program
	Other Non-major Governmental Funds	56,480,510	Defesance of 2010 Certificates of Participation
	Other Non-major Governmental Funds	25,509,349	Transfer of new COP proceeds
	Other Non-major Governmental Funds	1,750,000	Roads maintenance
	Other Non-major Governmental Funds	1,404,585	Debt service
	Other Non-major Governmental Funds	1,075,746	Allocation of pension obligation costs
Other Non-major Governmental Funds	401,110	Civic Center Drive improvements	
Other Non-major Governmental Funds	262,889	Various operating needs and cost reimbursements	
		<u>151,413,233</u>	
Total		<u>\$ 181,721,798</u>	

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 7: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2016
<b>Governmental Activities</b>					
Capital assets, not being depreciated and amortized					
Land	\$ 41,154,730	\$ 330,000	\$ --	\$ --	\$ 41,484,730
Land improvements	1,205,125,438	--	--	--	1,205,125,438
Easements	8,999,188	100,000	--	--	9,099,188
Intangible assets	1,853,648	463,584	--	(1,806,897)	510,335
Construction in progress	18,194,211	18,806,363	--	(14,438,122)	22,562,452
<b>Total capital assets not being depreciated and amortized</b>	<b>1,275,327,215</b>	<b>19,699,947</b>	<b>--</b>	<b>(16,245,019)</b>	<b>1,278,782,143</b>
Capital assets, being depreciated and amortized					
Structures and improvements	268,615,237	--	--	3,158,935	271,774,172
Equipment	50,744,730	4,097,567	(5,669,761)	6,725,946	55,898,482
Intangible assets	57,055	79,000	--	1,806,897	1,942,952
Infrastructure	314,499,424	--	--	4,487,048	318,986,472
<b>Total capital assets being depreciated and amortized</b>	<b>633,916,446</b>	<b>4,176,567</b>	<b>(5,669,761)</b>	<b>16,178,826</b>	<b>648,602,078</b>
Less accumulated depreciation and amortization for					
Structures and improvements	(139,161,201)	(11,845,668)	--	--	(151,006,869)
Equipment	(39,369,357)	(6,122,193)	5,435,341	--	(40,056,209)
Intangible assets	(3,857)	(59,475)	--	--	(63,332)
Infrastructure	(287,631,903)	(1,268,451)	--	--	(288,900,354)
<b>Total accumulated depreciation and amortization</b>	<b>(466,166,318)</b>	<b>(19,295,787)</b>	<b>5,435,341</b>	<b>--</b>	<b>(480,026,764)</b>
<b>Total capital assets being depreciated and amortized, net</b>	<b>167,750,128</b>	<b>(15,119,220)</b>	<b>(234,420)</b>	<b>16,178,826</b>	<b>168,575,314</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 1,443,077,343</b>	<b>\$ 4,580,727</b>	<b>\$ (234,420)</b>	<b>\$ (66,193)</b>	<b>\$ 1,447,357,457</b>
<b>Business-Type Activities</b>					
Capital assets, not being depreciated					
Land	\$ 6,273,763	\$ --	\$ --	\$ --	\$ 6,273,763
Construction in progress	5,008,086	1,614,097	--	(1,703,746)	4,918,437
<b>Total capital assets not being depreciated</b>	<b>11,281,849</b>	<b>1,614,097</b>	<b>--</b>	<b>(1,703,746)</b>	<b>11,192,200</b>
Capital assets, being depreciated and amortized					
Structures and improvements	47,665,764	126,131	(12,577)	28,737	47,808,055
Equipment	14,378,866	10,996,712	(1,687,652)	1,830,112	25,518,038
Intangible assets	103,649	--	--	--	103,649
Other property	3,426,892	--	--	--	3,426,892
<b>Total capital assets being depreciated and amortized</b>	<b>65,575,171</b>	<b>11,122,843</b>	<b>(1,700,229)</b>	<b>1,858,849</b>	<b>76,856,634</b>
Less accumulated depreciation and amortization for					
Structures and improvements	(28,489,544)	(1,286,506)	--	(25,874)	(29,801,924)
Equipment	(5,551,929)	(1,980,236)	1,678,953	(124,732)	(5,977,944)
Intangible assets	(34,988)	(17,165)	--	--	(52,153)
Other property	(1,634,729)	(94,047)	--	--	(1,728,776)
<b>Total accumulated depreciation and amortization</b>	<b>(35,711,190)</b>	<b>(3,377,954)</b>	<b>1,678,953</b>	<b>(150,606)</b>	<b>(37,560,797)</b>
<b>Total capital assets being depreciated and amortized, net</b>	<b>29,863,981</b>	<b>7,744,889</b>	<b>(21,276)</b>	<b>1,708,243</b>	<b>39,295,837</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 41,145,830</b>	<b>\$ 9,358,986</b>	<b>\$ (21,276)</b>	<b>\$ 4,497</b>	<b>\$ 50,488,037</b>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 7: CAPITAL ASSETS, Continued**

**Depreciation and Amortization**

Depreciation expense was charged to various functions or activities as follows:

**Governmental activities:**

General government	\$ 15,821,918
Public protection	1,634,146
Public ways and facilities	926,506
Health and sanitation	55,855
Public assistance	85,182
Education	328,484
Recreation and cultural services	443,696
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 19,295,787</u>

**Business-type activities:**

Housing Authority	\$ 1,301,991
Transit District	1,753,960
Gross Airport	94,950
Marin County Fair	73,744
Marin.Org	67,572
Marin Commons Property Management	85,737
Total Depreciation and Amortization Expense - Business-Type Activities	<u>\$ 3,377,954</u>

**NOTE 8: 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 actuarially determined outstanding claims liability, including incurred but not reported claims at marginally acceptable 70% confidence level, at June 30, 2016 is \$28,245,000. 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**

	<u>2016</u>	<u>2015</u>
Liability Balance, Beginning of Fiscal Year	\$ 26,940,000	\$ 24,062,000
Current year claims and changes in estimates	5,207,781	6,145,932
Claim payments	<u>(3,902,781)</u>	<u>(3,267,932)</u>
Liability Balance, End of Fiscal Year	<u>\$ 28,245,000</u>	<u>\$ 26,940,000</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 8: RISK MANAGEMENT, Continued**

The Housing Authority participates in a joint venture under a joint powers agreement (JPA) with the California Housing Workers' Compensation Authority (CHWCA). CHWCA was formed to provide workers' compensation insurance coverage for member housing authorities. At December 31, 2015, there were thirty-three members. The relationship between the Housing Authority and CHWCA is such that CHWCA is not a component unit of the Housing Authority for financial reporting purposes.

The Housing Authority's annual premium is based on covered payroll. Premiums paid for the calendar year ended December 31, 2015 was approximately \$61,504.

The Transit District's insurance coverage is carried through the California State Association of Counties Excess Insurance Authority (CSAC) in pooled programs and through a commercial insurance carrier. CSAC is a public entity risk pool currently operating as a common risk management and insurance program for counties located throughout California. The purpose of CSAC is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group. The Transit District's claims have not exceeded the maximum insurance coverage and there have been no reductions in insurance limits during the past three fiscal years.

General Liability

The County maintains a self-insured retention (SIR) of \$1,500,000 per occurrence for its general liability program. Losses, which exceed the SIR, are covered by an excess insurance policy through Starr Indemnity (AM Best Rated AX) first layer, National Casualty (AM Best A+ XV) second layer, and Endurance Risk (AM Best Rated A XV) third layer, for a combined limit of \$25 Million. The latest independent actuarial analysis (September 2015), concludes that given program assets, as of June 30, 2016 the program is funded above the 90% confidence level.

The actuarially determined outstanding claims liability, including incurred but not reported claims at 70% confidence level, at June 30, 2016 is \$11,119,000.

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

**General Liability**

	2016	2015
	<u>                    </u>	<u>                    </u>
Liability Balance, Beginning of Fiscal Year	\$ 9,256,000	\$ 5,016,000
Current year claims and changes in estimates	4,414,362	5,615,085
Claim payments	<u>(2,551,362)</u>	<u>(1,375,085)</u>
Liability Balance, End of Fiscal Year	<u>\$ 11,119,000</u>	<u>\$ 9,256,000</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.

The Housing Authority procured insurance from Housing Insurance Services, Inc. and Housing Authority Risk Retention Group for the period beginning July 1, 2011. The property insurance limits vary by property covered, with a deductible of \$10,000 per occurrence. The commercial liability limit of coverage is \$2,000,000; with a deductible is \$10,000 per occurrence. The liability insurance covers public officials and employment policies. The maximum coverage for mold claims is \$250,000, with a deductible of \$25,000. The maximum coverage for employee benefits administration liability is \$1,000,000, with a deductible of \$1,000 per employee. The maximum coverage for automobile liability is \$1,000,000; this includes uninsured motorist and un-owned autos, with no deductible. Premiums paid for this coverage were approximately \$174,000.



**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 9: LONG-TERM OBLIGATIONS**

The following table summarizes the changes in the County's long-term obligations for the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Additions	Deletions	Adjustments *	Balance June 30, 2016	Amounts Due Within One Year
<b>Governmental Activities</b>						
Bonds payable						
Taxable pension obligation bonds 2003	\$ 103,195,000	\$ --	\$ 3,520,000	\$ --	\$ 99,675,000	\$ 4,200,000
Tobacco settlement asset-backed bonds 2007	49,275,615	--	540,000	883,852	49,619,467	336,091
Less: unamortized discount	(373,151)	--	(62,193)	--	(310,958)	(62,193)
Open Space refunding revenue bonds 2013	5,743,181	--	447,749	--	5,295,432	459,986
Limited Obligation Improvement Bond 2014	429,712	--	13,799	--	415,913	15,628
Subtotal - Bonds Payable	<u>158,270,357</u>	<u>--</u>	<u>4,459,355</u>	<u>883,852</u>	<u>154,694,854</u>	<u>4,949,512</u>
Loans payable	3,912,502	--	249,998	--	3,662,504	348,429
Certificates of Participation						
Certificates of participation 2001	10,440,000	--	410,000	--	10,030,000	430,000
Certificates of participation 2010	53,980,000	--	53,980,000	--	--	--
Add: Unamortized premium	1,096,736	--	1,096,736	--	--	--
Certificates of participation 2012	790,897	--	45,311	--	745,586	48,695
Certificates of participation 2015	--	80,140,000	2,000,000	--	78,140,000	1,370,000
Add: Unamortized premium	--	2,581,188	86,040	--	2,495,148	86,040
Subtotal - Certificates of Participation	<u>66,307,633</u>	<u>82,721,188</u>	<u>57,618,087</u>	<u>--</u>	<u>91,410,734</u>	<u>1,934,735</u>
Capital leases	353,820	--	353,820	--	-	--
Compensated absences	14,458,994	13,470,486	12,481,007	--	15,448,473	12,300,051
Claims liability	36,196,000	9,622,143	6,454,143	--	39,364,000	10,914,000
Total Governmental Activities Long-Term Liabilities	<u>\$ 279,499,306</u>	<u>\$ 105,813,817</u>	<u>\$ 816,16,410</u>	<u>\$ 883,852</u>	<u>\$ 304,580,565</u>	<u>\$ 30,446,727</u>
<b>Business-Type Activities</b>						
Notes payable - HCD	\$ 2,051,161	\$ --	\$ --	\$ --	\$ 2,051,161	\$ --
Notes payable - MCF	994,538	--	33,547	--	960,991	34,913
Mortgages payable - Office building refinance	1,054,263	--	23,488	--	1,030,775	24,650
Housing loans from other governmental agencies	330,000	1,065,000	500,000	--	895,000	895,000
Building improvement loan	191,726	--	45,487	--	146,239	--
Capital leases	2,050,796	11,903	124,163	--	1,938,536	130,812
Compensated absences	230,113	229,822	167,548	--	292,387	127,985
Total Business-Type Activities Long-Term Liabilities	<u>\$ 6,902,597</u>	<u>\$ 1,306,725</u>	<u>\$ 894,233</u>	<u>\$ --</u>	<u>\$ 7,315,089</u>	<u>\$ 1,213,360</u>

\* Accretion expense on loan

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. 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 lease obligations represent main server and computer infrastructure upgrades. 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 Housing Authority.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 9: LONG-TERM OBLIGATIONS, Continued**

The following table summarizes the County's long-term obligations as of June 30, 2016:

	Maturity	Date of Issue	Interest Rates	Annual Principal Installments	Amount Authorized	Outstanding at June 30, 2016
<b>Governmental Activities</b>						
<b>Pension Obligation Bonds:</b>						
Taxable Pension Obligation Bonds Series A (fund pension liability)	2027	2003	4.60%-5.41%	\$ 50,000 - \$ 4,940,000	\$ 12,805,000	\$ 99,675,000
<b>Asset-Backed Bonds:</b>						
Tobacco Settlement Asset-Backed Bond (Series 2007A through F) Unamortized discount	2057	2007	4.63%-6.90%	\$ 485,000 - \$ 8,350,986	49,870,081 (932,888)	49,619,467 (310,958)
<b>Revenue Bonds:</b>						
Open Space Refunding Revenue Bonds 2013	2028	2014	3.06%	\$ 270,309 - \$ 420,143	6,163,324	5,295,432
<b>Improvement Bonds:</b>						
Limited Obligation Improvement Bond 2014	2034	2015	3.60%	\$ 13,799 - \$ 29,537	492,712	415,913
<b>Loans Payable:</b>						
Energy Conservation Loan	2019	2009	3.95%	\$ 12,102 - \$ 215,17	233,120	59,221
Energy Resource Conservation - Solar Panels	2023	2009	4.50%	\$ 28,373 - \$ 49,287	553,345	303,077
I - Bank Loan	2027	2009	3.29%	\$ 47,681 - \$ 49,088	681,600	473,526
Energy Resource Conservation - Auditorium	2025	2011	1.00%	\$ 12,419 - \$ 15,732	410,781	271,495
Energy Resource Conservation - Exhibit Hall	2023	2008	4.50%	\$ 6,259 - \$ 14,822	326,477	180,268
California Energy Commission	2023	2012	0.00%	\$ 42,755 - \$ 60,711	1,054,869	672,075
Energy Efficiency Retrofit	2023	2012	0.00%	\$ 1,035	124,147	77,592
Energy Conservation \$ 1.8 m loan	2031	2014	1.00%	\$ 30,056 - \$ 54,262	1,800,000	1,625,250
Loans Payable Subtotal					<u>5,184,339</u>	<u>3,662,504</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	10,030,000
2010 Issue (finance projects) Unamortized Premium	2040	2010	2.00%-4.375%	\$ 1,460,000 - \$ 2,855,000	61,540,000 1,880,120	- -
2012 Issue (Homestead)	2027	2012	4.00%	\$ 16,897 - \$ 45,853	925,000	745,586
2015 Issue (financing project/defeases 2010 Issue) Unamortized Premium	2045	2016	2.00%-3.750%	\$ 2,000,000 - \$ 3,045,000	80,140,000 2,581,188	78,140,000 2,495,148
<b>Certificates of Participation Subtotal:</b>					<u>161,166,308</u>	<u>91,410,734</u>
<b>Capital Leases:</b>						
Computer Infrastructure Upgrade	2016	2010	3.55%	\$ 320,066 - \$ 353,820	1,688,596	-
<b>Capital Leases Subtotal</b>					<u>1,688,596</u>	<u>-</u>
Compensated absences					15,448,473	15,448,473
Claims liabilities					39,364,000	39,364,000
<b>Total Governmental Activities</b>					<u>\$ 391,249,945</u>	<u>\$ 304,580,565</u>
<b>Business-Type Activities</b>						
Notes payable - HCD	2024	2006	0%-3.00%	Deferred	\$ 2,861,319	\$ 2,051,161
Note payable - MCF	2024	2014	4.00%	\$ 72,720	1,000,000	960,991
Mortgages Payable - Office building refinance	2022	2012	5.50%	\$ 81,684 - \$ 917,282	1,100,000	1,030,775
Housing loans from other governmental agencies	Various	2012	0%	Various	895,000	895,000
Building improvement loan	2019	2014	3.50%	\$ 43,949 - \$ 50,432	235,675	146,239
Capital leases	2027	2012	4.26%-4.884%	\$ 208,412	2,474,823	1,938,536
Compensated absences					292,387	292,387
<b>Total Business-Type Activities</b>					<u>\$ 8,859,204</u>	<u>\$ 7,315,089</u>

## COUNTY OF MARIN

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016

#### **NOTE 9: LONG-TERM OBLIGATIONS, Continued**

##### *(a) Taxable Pension Obligation Bonds Series 2003*

In May 2003, the County issued \$112,805,000 Taxable Pension Obligation Bonds, series 2003. The bonds were sold 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.

##### *(b) 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 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.

##### *(c) Open Space Refunding Revenue Bonds 2013*

In August 2013, the Marin County Open Space Finance Authority issued \$6.2 million in revenue bonds, for the purpose of refunding on a current basis the Marin County Open Space Financing Authority's series 2002 revenue bonds and to provide funds to finance public capital improvements. The bonds carry an interest rate of 3.06%, and mature in September 2027.

##### *(d) Limited Obligation Improvement Bond 2014*

In August 2014, the County of Marin issued Limited Obligation Improvement Bonds in the amount of \$0.4 million bearing 3.60% interest and maturing September 2, 2034. The proceeds from the sale of the bond are to finance improvements to the Marshall Phase 2 Community Wastewater System authorized by the Community Wastewater System Assessment District.

##### *(e) 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.

##### *(f) 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. In July 2015, the County determined that, as a result of favorable financial market conditions, it was in the best interest of the County to refinance the County's obligation and, as a result thereof, to provide for the defeasance of the 2010 certificates.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 9: LONG-TERM OBLIGATIONS, Continued**

*(g) 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 an 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.

*(h) 2015 Certificates of Participation*

In July 2015, the County issued \$80,140,000 in certificates of participation to (1) defease the County's outstanding 2010 certificates of participation and (2) finance renovations, repairs, construction and improvements to Marin County facilities and infrastructure. The certificates carry interest rates ranging from 2.0% to 3.75% and mature on November 1, 2045.

Annual debt service requirements of governmental activities as of June 30, 2016 to maturity are as follows:

Year Ending	Governmental Activities					
	Bonds Payable		Certificates of Participation		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
June 30:						
2017	\$ 5,011,705	\$ 7,146,892	\$ 1,848,695	\$ 3,617,336	\$ 348,429	\$106,838
2018	5,853,425	6,891,296	1,912,246	3,555,109	387,796	67,356
2019	6,699,056	6,580,498	1,990,973	3,476,107	397,226	57,807
2020	7,631,073	6,213,817	2,079,883	3,393,269	385,564	48,220
2021	8,642,062	5,795,886	2,163,984	3,306,539	394,823	38,835
2022-2026	62,515,254	20,380,114	12,578,727	14,821,418	1,267,005	84,327
2027-2031	20,564,163	7,541,782	15,351,078	11,698,220	481,661	9,843
2032-2036	5,987,132	5,241,502	14,500,000	8,889,088	--	--
2037-2041	7,380,000	3,604,000	12,910,000	5,081,188	--	--
2042-2046	9,646,748	1,782,250	23,580,000	3,409,200	--	--
2047-2051	--	--	--	--	--	--
2052-2056	--	--	--	--	--	--
2057	15,075,194	176,974,803	--	--	--	--
Premium (Discount)	(310,958)	--	--	--	--	--
	<u>\$154,694,854</u>	<u>\$248,152,840</u>	<u>\$88,915,586</u>	<u>\$61,247,474</u>	<u>\$3,662,504</u>	<u>\$413,226</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 9: LONG-TERM OBLIGATIONS, Continued**

Annual debt service requirements for business-type activities as of June 30, 2016 to maturity are as follows:

Year ending	Business-Type Activities					
	Mortgages Payable		Notes Payable		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
June 30:						
2017	\$ 24,650	\$ 57,031	\$ 34,913	\$ 37,804	\$ 895,000	\$ --
2018	27,074	54,607	36,336	36,382	47,079	5,118
2019	28,601	53,080	37,816	34,901	48,727	3,471
2020	30,214	51,467	39,357	33,361	50,433	1,765
2021	31,919	49,762	40,960	31,757	--	--
2022-2026	888,317	86,482	771,609	107,666	--	--
2027-2055	--	--	--	--	--	--
2056	--	--	2,051,161	3,740,418	--	--
	<u>1,030,775</u>	<u>352,429</u>	<u>3,012,152</u>	<u>4,022,289</u>	<u>1,041,239</u>	<u>10,354</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. As of June 30, 2016, there were no capital lease obligations for governmental activities. Included in the business type activities are the following capital asset amounts under capital leases:

	Business-Type Activities
Equipment	\$ 2,199,653
Less: Accumulated depreciation	(297,459)
Equipment, net, under capital leases	<u>\$ 1,902,194</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 9: LONG-TERM OBLIGATIONS, Continued**

The following is a schedule of future minimum lease payments under capital leases as of June 30, 2016:

Year Ending June 30:	Business-Type Activities
2017	\$ 210,966
2018	210,966
2019	210,966
2020	208,679
2021	206,390
2022-2026	1,019,183
2027-2029	407,673
Total minimum lease payments	<u>2,474,823</u>
Less: Amount representing interest	<u>(536,287)</u>
Total present value of minimum lease payments	<u><u>\$ 1,938,536</u></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:	Computers			Business-Type Activities	
	Office Space	& Equipment	Total	Office Space	Total
2017	\$ 1,416,230	\$ 1,273,166	\$ 2,689,396	\$ 96,668	\$ 96,668
2018	1,250,591	650,444	1,901,035	98,832	98,832
2019	914,423	193,213	1,107,636	33,184	33,184
2020	702,128	18,520	720,648	--	--
2021	534,886	750	535,636	--	--
2022-2026	87,491	--	87,491	--	--
2027-2047	153,284	--	153,284	--	--
Total	<u>\$ 5,059,033</u>	<u>\$ 2,136,093</u>	<u>\$ 7,195,126</u>	<u>\$ 228,684</u>	<u>\$ 228,684</u>

The County also leases various County-owned properties to other entities under non-cancelable operating leases. Income from these rental activities amounted to \$1.2 million for the fiscal year ended June 30, 2016.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 10: EMPLOYEES' RETIREMENT PLAN

#### A. Plan Description

The County's retirement plan is administered by the Marin County Employees' Retirement Association (MCERA), a retirement system established in July 1950 and governed by the California Constitution; the County Employees Retirement Law of 1937 (CERL or 1937 Act, California government Code Section 31450 et seq.); the Public Employees' Pension Reform Act of 2013 (PEPRA, Government Code Section 7522); the provisions of California Government Code Section 7500 et seq; and the bylaws, procedures, and policies adopted by MCERA's Board of Retirement. The Marin County Board of Supervisors may also adopt resolutions, as permitted by the CERL and PEPRA, which may affect the benefits of MCERA members.

MCERA operates as a cost-sharing multiple employer defined benefit plan for the County and eight other participating employers: City of San Rafael, Local Agency Formation Commission (LAFCO), Marin City Community Services District, Marin County Superior Court, Marin/Sonoma Mosquito and Vector Control District, Novato Fire Protection District, Southern Marin Fire Protection District, and Tamalpais Community Services District. 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.

Copies of MCERA's 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).

#### **Administration**

The Retirement Board is responsible for the general administration and management of the retirement association. All Retirement Board members, except the County Director of Finance, serve for a term of three years. By statute, Retirement Board members include the following:

- The Director of Finance of the County (ex-officio)
- Four members who are qualified electors of the County and not connected with County government in any capacity, except one may be a County Supervisor. The Board of Supervisor appoints these members.
- Two General members of MCERA elected by the General membership.
- One Safety member and one Safety member alternate elected by the Safety membership.
- One retired member and one retired member alternate elected by the retired membership.

#### **Membership**

MCERA provides retirement, disability, and death benefits to its general and safety members. Safety membership primarily includes law enforcement and firefighters of MCERA, as well as other classifications as allowed under the CERL and adopted by the employer. General membership is applicable to all other occupational classifications. The retirement benefits within the plan are tiered based on the participating employer and the date of the member's entry into MCERA membership. Additional information regarding the benefit structure is available by contacting MCERA.

#### **Vesting**

Members become vested in retirement benefits upon completion of five years of credited service.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued

#### B. Benefit Provisions

##### *Service Retirement*

MCERA's regular (service) retirement benefits are based on the years of credited service, final average compensation, and age at retirement, according to the applicable statutory formula. Members who qualify for service retirement are entitled to receive monthly retirement benefits for life.

General County members hired after July 1, 2008 are eligible to retire at age 55 if they have earned 10 years of credited service, unless they are "new members" as defined by PEPRA (PEPRA members). Safety members, except PEPRA members, are eligible to retire at age 50 if they have earned 10 years of credited service. Unless they are PEPRA members, General members can retire at any age with 30 years of service and Safety members can retire at any age with 20 years of service. PEPRA members who are Safety members are eligible to retire after five years of service upon reaching 50 years of age. PEPRA members who are General members are eligible to retire after five years of service upon reaching 52 years of age. All members can retire at age 70 with no service requirement.

##### *Disability Retirement*

A member with five years of service, regardless of age, who becomes permanently incapacitated for the performance of duty is eligible to apply for a non-service connected disability retirement. Any member who becomes permanently incapacitated for the performance of duty as a result of injury or disease arising out of and in the course of employment is eligible to apply for a service-connected disability retirement, regardless of service length or age.

##### *Death Benefits*

MCERA provides specified death benefits to beneficiaries and members' survivors. The death benefits provided depend on whether the member is active or retired.

The basic active member death benefit consists of a members' retirement contributions plus interest plus one month's pay for each full year of service (up to a maximum of six month's pay). Retiring members may choose from five retirement benefit payment options. Most retirees elect to receive the unmodified allowance which provides the maximum benefit to the retiree and continuance of 60% of the retiree's allowance to the surviving spouse or registered domestic partner after the retiree's death. Other death benefits may be available based on the years of service, marital status, and whether the member has minor children.

##### *Cost of Living Adjustment*

Retirement allowances are indexed for inflation. Most retirees receive automatic basic cost of living adjustments (COLA's) based upon the Urban Consumer Price Index (UCPI) for the San Francisco Bay Area. These adjustments go into effect on April 1 of each year. Annual COLA increases are statutorily capped at 2%, 3%, or 4% depending upon the member's retirement tier. When the UCPI exceeds the maximum statutory COLA for the member's tier, the difference is accumulated for use in future years when the UCPI is less than the maximum statutory COLA. The accumulated percentage carryover is known as the COLA Bank.



**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued**

**C. Contributions – Governmental Activities**

For the fiscal year ended June 30, 2016, the contributions recognized as part of pension expense for each Plan were as follows:

Contributions - employer	\$ 38,313,875
Contributions - employee (paid by employer)	11,025,147

**D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – Governmental Activities**

As of June 30, 2016, the County reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Total Net Pension Liability	<u>\$ 203,688,484</u>

The County's net pension liability is measured as the proportionate share of the total net pension liability as reported by MCERA (the Plan). The net pension liability as reported by the Plan of each of the Plans is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share of the net pension liability for the Plan as of June 30, 2014 and 2015 was as follows:

Proportion - June 30, 2014	57.4629%
Proportion - June 30, 2015	52.5803%
Change	-4.8826%

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued**

**D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – Governmental Activities (continued)**

For the fiscal year ended June 30, 2016, the County recognized pension expense of \$24,035,118. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in assumptions	\$ 57,083,926	\$ -
Differences between expected and actual experience	--	(12,246,333)
Change in proportion	--	(19,643,454)
Difference between employer's actual contribution and the employer's proportionate share of contributions	7,386,114	--
Net difference between projected and actual earnings on Plan investments	--	(36,151,641)
County's contributions subsequent to the measurement date	48,302,383	--
	<u>\$ 112,772,423</u>	<u>\$ (68,041,428)</u>

The County reported \$48,302,383 in deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	<u>Amortization</u>	
	<u>Inflows</u>	<u>Outflows</u>
2017	\$ (3,444,338)	\$ --
2018	(3,444,338)	--
2019	(1,899,195)	--
2020	--	\$ 5,216,483
	<u>\$ (8,787,871)</u>	<u>\$ 5,216,483</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued**

**D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – Governmental Activities (continued)**

Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial methods and assumptions:

Valuation Date	June 30, 2013 (to determine FY 2014-15 actuarially determined contribution)
Actuarial cost method	Entry Age*
Actuarial experience study	July 1, 2011 through June 30, 2014**
Amortization method	Level Percent of Projected Payroll
Amortization period	Unfunded Actuarial Liability (UAL) as of June 30, 2013 is amortized over a closed 17-year period ending June 30, 2030.*** Subsequent unexpected change in the UAL is amortized over 24 years (22 years for assumption changes) that includes a five-year phase-in/out (three years for assumptions changes) of the payments/credits for each annual layer.
Asset valuation method	5-year smoothed market, 80%/120% corridor around market
Actuarial assumptions:	
Discount rate	7.25%, net of investment expenses
Price inflation	2.75%
Salary increases	3.00%, plus merit component based on employee classification and years of service
Mortality	Rates of mortality for active Members are specified by CalPERS 2014 Pre-Retirement Non-Industrial Death rates (plus Duty-Related Death rates for Safety Members <sup>0</sup> , with the 20-year static projection used by CalPERS replaced by generational improvements from a base year of 2009 using Scale MP-2014

\*Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit (until maximum retirement age). For members who transferred from outside of MCERA, entry age is based on entry into the system.

\*\* Further details of the Experience Study can be found on MCERA's website.

\*\*\*Except for the additional UAL attributable to the outstanding unfunded actuarial loss from 2009, which is being amortized over a separate closed period (currently 24 years).

**Discount Rate** – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2015. The projection of cash flows used to determine the discount rate assumed Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current Plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future Plan members and their beneficiaries, as well as projected contributions from future Plan members, are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments for current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2015.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued**

**D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – Governmental Activities (continued)**

The long-term expected rate of return on Plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and projected arithmetic real rates of return, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	23.00%	0.75%
Domestic Equities	32.00%	5.10%
International Equities	22.00%	5.30%
Private Real Estate	8.00%	3.75%
Public Real Assets	7.00%	3.55%
Private Equity	8.00%	5.90%
Total	100.00%	

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

1% Decrease	6.25%
Net Pension Liability	377,458,682
Current Discount Rate	7.25%
Net Pension Liability	203,688,484
1% Increase	8.25%
Net Pension Liability	60,988,969

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued MCERA financial report.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued

#### E. Housing Authority of Marin

##### *Plan Description*

All eligible Housing Authority employees participate in a public agency cost-sharing multi-employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). This plan was established to provide retirement, death and disability benefits to public agencies' rate plans with generally less than 100 active members. The benefit provisions for plan participants are established by statute. A full description of pension plan benefit provisions, assumptions for funding purposes, but not accounting purposes, and membership information is listed in the June 30, 2014 annual actuarial valuation report. Details of the benefits provided is contained within a publicly available report that can be obtained at CalPERS' website under 'Forms and Publications.'

The Housing Authority's plan is made up of 2 tiers. Tier 1, 2% at 55 covers all employees hired prior to January 1, 2013. Tier 2, 2% at 62 covers all employees hired after January 1, 2013. The second tier is the result of PEPRA.

Required disclosure information regarding the Housing Authority's employee's retirement plan can be found in the Housing Authority of the County of Marin's audited financial statements.

##### *Net Pension Liability*

The Housing Authority's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. As of December 31, 2015 the Housing Authority's net pension liability was \$3,643,432.

##### *Deferred Outflows and Inflows*

The Housing Authority has recorded the following deferred outflows and inflows of resources based on the actuarial report and schedules of employer allocations by rate plan prepared by CalPERS. The measurement date of these reports and schedules was June 30, 2015. The deferred outflows also include contributions made to CalPERS subsequent to the measurement date of June 30, 2015, but prior to the Housing Authority's fiscal year end of December 31, 2015. As of December 31, 2015 deferred outflows of resources was \$659,033 which contained \$238,609 of contributions subsequent to the measurement date, and deferred inflows of resources was \$640,272.

#### F. Marin County Transit District

The Transit District contributes to the Marin County Transit District Governmental 401(a) single employer defined contribution pension plan for its employees who have attained twenty-one years of age and have more than 1,000 hours of service. The pension plan is administered by the Marin County Transit District.

Benefit terms, including contribution requirements, for the pension plan are established and may be amended by the District's Board of Directors. For each employee in the pension plan at the end of the plan year, the District is required to contribute 10% to 15% of annual salary, exclusive of overtime, to an individual employee account. Employees are not permitted to make contributions to the pension plan. For the fiscal year ended June 30, 2016, the Transit District recognized pension expense of \$175,923.

## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 10: EMPLOYEES' RETIREMENT PLAN, Continued

#### F. Marin County Transit District (continued)

Employees are fully vested in employer contributions after six months of service. Non-vested Transit District contributions are forfeited upon termination. Such forfeitures are first used to pay plan administrative expenses and any remaining forfeitures are used to reduce the required employer contribution. There were no forfeitures during the year ended June 30, 2016.

### NOTE 11: 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 (OPEB 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. Retirees must retire directly from the County, have 5 years of County service, and continuity of coverage to be eligible. Retirees are not eligible for open enrollment and those waiving coverage may not reenroll.

- Plan 1: For retirees hired before October 1, 1987, the County pays 100% of the eligible retiree's single health plan premiums and Medicare Part B premiums.
- Plan 2: For retirees hired between October 1, 1987 and September 30, 1993, the County pays the retiree's single health plan premiums up to \$2,275 per year.
- Plan 3: For retirees hired between October 1, 1993 and December 31, 2007, the County pays a percentage of the retiree's single premium (and those for spouses of eligible retirees with 30 years of service) 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 and the Plan 3 cap is \$8,853 per year. The most recent action by the Board was on September 15, 2015 when it approved no change to the Plan 3 cap for 2016.
- Plan 4: For retirees hired on or after January 1, 2008, the County pays \$150 per year of service up to \$3,000 per year for the retiree's single health plan premiums only.

At retirement, 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. Plan selections may not be changed after retirement. Retirees eligible for Plan 1 are eligible for Medicare Part B premium reimbursement even after electing another plan.

Medical coverage is provided through Anthem Blue Cross and Kaiser. Anthem Blue Cross premiums vary by status (employee, retiree under age 65, retiree age 65 or older with Medicare). Kaiser premiums are the same for employees and retirees under age 65. To the extent these premium structures result in subsidies of retiree claim costs from premiums paid for employees by the County, an implied subsidy exists which under GASB 45 must be included in County post-retirement healthcare calculations.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 11: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued**

**A. Plan Description** (continued)

The County also provides retirees with 20 years of service \$10,000 of life insurance and, on an 8 year phase-out basis, continuance of supplemental life coverage.

**B. Funding Policy**

The contribution policy is determined by the County. The County's OPEB 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 (ARC) beginning in fiscal year 2012-13. For fiscal year 2015-16, the County contributed \$13,179,367 to the CERBT, plus \$11,480,037 through the regular pay-as-you go, for a total of \$24,659,404 in premium payments for retirees, plus implied subsidy payments of \$1,420,000 through active employee premiums.

**C. Annual OPEB Cost and Net OPEB 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 following table presents the components of the County's annual OPEB cost for the fiscal year ended June 30, 2016, the amount contributed to the OPEB Plan, and changes in the County's net OPEB obligation.

Annual required contribution	\$ 21,937,000
Interest on net OPEB obligation	5,404,000
Adjustment to annual required contribution	<u>(5,153,000)</u>
Annual OPEB cost (expense)	22,188,000
Contributions made	(26,079,404)
Net OPEB obligation - beginning of year	98,149,869
Decrease in net OPEB obligation	<u>(3,891,404)</u>
Net OPEB obligation - end of year	<u><u>\$ 94,258,465</u></u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 11: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued**

**C. Annual Other Postemployment Benefit Cost and Net Obligation (continued)**

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

Governmental Activities		Percentage of	End of
Fiscal Year	Annual	Annual	Year Net
Ended	OPEB Cost	OPEB Cost	OPEB
June 30		Contributed	Obligation
2016	\$22,188,000	117.50%	\$94,258,465
2015	25,192,000	98.18%	98,149,869
2014	25,053,000	100.81%	97,728,133

**D. Funded Status and Funding Progress**

The unfunded actuarial accrued liability is amortized over a closed 27-year period as a level percentage of payroll from July 1, 2005.

The table below indicates the funded status of the OPEB Plan (from the most recent actuarial valuation) as of July 1, 2015:

Actuarial accrued liability (AAL)	\$ 349,063,000
Actuarial value of plan assets	54,688,000
Unfunded actuarial accrued liability (UAAL)	<u>\$ 294,375,000</u>
Funded ratio (actuarial value of plan assets/AAL)	15.67%
Annual covered payroll (active plan members)	165,972,000
UAAL as a percentage of annual covered payroll	177.36%

**E. Actuarial Methods and Assumptions**

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



## COUNTY OF MARIN

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

### NOTE 11: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

#### E. Actuarial Methods and Assumptions (continued)

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

Assumptions were updated to reflect the June 30, 2014 experience study conducted by MCERA. This included an adjustment of medical and dental trend rates to reflect the reduction in the inflation assumption and changes to demographic and salary increase assumptions. For current employees, participation, spouse coverage, and medical plan election assumptions at retirement were updated based on a review of experience. In addition, a new scale for future mortality improvement as implemented. Further details on the actuarial experience study through June 30, 2014 can be found on MCERA's website.

#### F. Housing Authority of Marin

##### *Plan Description*

The Housing Authority provides post-employment medical health care benefits to its retired employees and, in some instances, their spouses. Benefits include coverage in the CalPERS health plan. The Housing Authority pays a portion of the premiums for the medical insurance for retirees. Monthly benefit amounts for the calendar year 2016 was \$87.50 for unrepresented retirees and \$81.25 for represented retirees. The majority of costs for this medical insurance is the responsibility of each retiree. No dental, vision, or other-retirement benefits are provided to retired employees. Benefit provisions and other requirements are established by management. This single-employer OPEB plan does not issue a stand-alone financial report.

##### *Eligibility*

The Housing Authority's retirees are eligible for membership in the plan upon retirement. Employees are eligible for retirement at age 50, with 5 years of service, or upon disability.

##### *Funding Policy*

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 over a 15-year period. The Housing Authority has adopted a pay-as-you-go policy and is not currently funding this liability above the monthly requirement. The Housing Authority makes actual monthly payments to its healthcare provider for its portion of the retirees' premiums.

##### *Annual Other Post Employment Benefit (OPEB) Cost and Net OPEB Obligation*

The Housing Authority's annual OPEB costs (expense) is calculated based on the ARC. Interest on net OPEB obligation is based on the actuarial interest rate of 4.25% and is computed on the unfunded amount.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 11: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued**

**F. Housing Authority of Marin (continued)**

The following table shows the components of the annual OPEB cost, the amount actually contributed to the plan, and changes in the net OPEB obligation:

	<b>12/31/2015</b>
Annual required contribution	\$ 104,191
Interest on net OPEB obligation	22,004
Adjustment to annual required contribution	<u>(41,894)</u>
Annual OPEB cost (expense)	84,301
Contributions made	(9,205)
Net OPEB obligation - beginning of year	517,731
Increase in net OPEB obligation	<u>75,096</u>
Net OPEB obligation - end of year	<u><u>\$ 592,827</u></u>

The Housing Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years are as follows:

Fiscal Year Ended December 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	End of Year Net OPEB Obligation
2015	\$ 84,301	10.90%	\$ 592,827
2014	84,750	10.60%	517,731
2013	82,550	7.90%	442,006

*Funding Status and Funding Progress*

As of January 1, 2013 (the latest actuarial measurement date), the actuarial accrued liability for benefits was \$1,096,151, all of which is unfunded. The covered payroll (annual payroll of active employees covered by the plan) for the current fiscal year was \$2.5 million; therefore, unfunded actuarial accrued liability as a percentage of covered payroll is 43.6%.

*Actuarial Methods and Assumptions*

Specific actuarial assumptions selected by the Housing 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 accrued 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, and g) 70% of future eligible retired employees are assumed to participate in this program.

**E. Marin County Transit District**

The Transit District does not currently provide OPEB to its employees.

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 12: COMMITMENTS AND CONTINGENT LIABILITIES**

Grants

Grant monies, which represent reimbursement for costs incurred in certain federal and State programs administered by the County, are recognized as revenues when received. Amounts received from grantor agencies are subject to audit and adjustment, principally by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures that may be disallowed by the grantor cannot be determined at this time. The County expects such amounts, if any, to be immaterial.

Encumbrances

The County uses “encumbrances” to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executor contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve portion of applicable appropriations. As of June 30, 2016, the County’s General Fund had a total of \$23.3 million in encumbrances.

**NOTE 13: 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	Governmental Funds	
		General	Other
	Governmental	Fund	Governmental
	Activities		Funds
<u>Governmental Activities</u>			
Net position/fund balance, beginning of year, as originally reported	\$ 1,285,482,509	\$ 152,888,338	\$ 213,905,995
General Fund - To true up receivables	(516,182)	(516,182)	--
Public Ways and Facilities - To true up receivables	(195,254)	--	(195,254)
Recreation and Cultural Services - Reclassification of activities	--	--	17,341,007
Open Space District - Reclassification of activities	--	--	(17,341,007)
Public Protection - Reclassification of activities	(33,946)	--	(33,946)
Government-wide adjustment to reverse interest receivable	(4,461,120)	--	--
Subtotal	<u>(5,206,502)</u>	<u>(516,182)</u>	<u>(229,200)</u>
Net position/fund balance, beginning of year, restated	<u>\$ 1,280,276,007</u>	<u>\$ 152,372,156</u>	<u>\$ 213,676,795</u>

Net position of business-type activities was restated as a result of the Housing Authority implementing new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, during its year ended December 31, 2015.

	Business-Type	Housing
	Activities	Authority
<u>Business-Type Activities</u>		
Net position, beginning of year, as originally reported	\$ 57,255,030	\$ 26,814,683
Housing Authority - Implementation of GASB 68	(4,399,637)	(4,399,637)
Subtotal	<u>(4,399,637)</u>	<u>(4,399,637)</u>
Net position, beginning of year, restated	<u>\$ 52,855,393</u>	<u>\$ 22,415,046</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 13: FUND BALANCES/NET POSITION**

Net Position, Net Investment in Capital Assets

Net Position, net investment in capital assets as of June 30, 2016 consisted of the following:

	Governmental Activities	Business-Type Activities
Capital assets, net of accumulated depreciation	\$ 1,447,357,457	\$ 50,488,037
Outstanding principal of capital-related debt	(147,182,031)	(7,345,193)
Net position net investment in capital assets	<u>\$ 1,300,175,426</u>	<u>\$ 43,142,844</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.

	General Fund	Other Governmental Funds	Total
Fund balances:			
<b>Non-spendable:</b>			
Notes receivable - long term	\$ 1,139,525	\$ --	\$ 1,139,525
Prepaid items	2,009,060	--	2,009,060
Inventory of supplies	294,477	103,310	397,787
Total Nonspendable	<u>3,443,062</u>	<u>103,310</u>	<u>3,546,372</u>
<b>Restricted for:</b>			
General government	18,029,448	2,701,380	20,730,828
Public protection	--	22,782,399	22,782,399
Public ways and facilities	--	3,516,153	3,516,153
Health and sanitation	--	16,530,461	16,530,461
Recreation and cultural services	--	17,079,759	17,079,759
Affordable housing	--	13,859,079	13,859,079
Building inspection	--	1,631,524	1,631,524
Child support services	--	260,656	260,656
Community Service Area projects	--	17,730,739	17,730,739
Courthouse construction projects	--	323,550	323,550
Employee retirement obligation	--	161,189	161,189
Fish and game preservation	--	204,701	204,701
Flood control district zones projects	--	27,903,376	27,903,376
Hi tech ID theft	--	24,963	24,963
Housing and urban development	--	14,492,002	14,492,002
In-home support services	--	54,592	54,592
Library	--	3,774,546	3,774,546
Lighting district	--	2,271,427	2,271,427
Open Space	--	6,699,927	6,699,927
Permanent road districts	--	442,901	442,901
Roads	--	2,779,894	2,779,894
Sewage districts	--	483,341	483,341
Stormwater management	--	50	50
Tobacco settlement security	--	1,132,036	1,132,036
Total Restricted	<u>18,029,448</u>	<u>156,840,645</u>	<u>174,870,093</u>

**COUNTY OF MARIN**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016

**NOTE 13: FUND BALANCES/NET POSITION, Continued**

Fund Balance Classifications (continued)

	General Fund	Other Governmental Funds	Total
Fund balances:			
<b>Committed to:</b>			
Contingency reserves	26,285,694	--	26,285,694
Facility improvements	4,100,000	--	4,100,000
Financial system implementation	5,123,000	--	5,123,000
Miscellaneous one-time capital projects	18,350,088	--	18,350,088
Open Space acquisition	--	115,000	115,000
Retiree liability	6,000,000	--	6,000,000
Road repairs	--	25,092	25,092
Self insurance	10,520,673	--	10,520,673
State and Federal budget	4,803,954	--	4,803,954
<b>Total Committed</b>	<b>75,183,409</b>	<b>140,092</b>	<b>75,323,501</b>
<b>Assigned to:</b>			
General government	26,626,207	190,575	26,816,782
Public protection	--	1,985,547	1,985,547
Public ways and facilities	--	1,000,000	1,000,000
Health and sanitation	--	11,206,851	11,206,851
Recreation and cultural services	--	3,587,261	3,587,261
Affordable housing	--	57,580	57,580
Building inspection	--	322,898	322,898
Child support services	--	3,120	3,120
Community Service Area projects	--	118,486	118,486
Courthouse construction projects	--	384,850	384,850
Debt service	--	155,325	155,325
Employee retirement obligation	--	4,790,278	4,790,278
Environmental health	--	59,990	59,990
Fish and game preservation	--	1,623	1,623
Flood control district zones projects	--	107,554	107,554
Hi tech ID theft	--	1,647	1,647
In-home support services	--	1,275	1,275
Library	--	2,039,365	2,039,365
Lighting district	--	20,367	20,367
Miscellaneous capital projects	--	12,754,607	12,754,607
Open Space acquisition	--	1,615,828	1,615,828
Other Capital Projects	--	32,363,471	32,363,471
Planned use of prior year fund balance	31,972,596	--	31,972,596
Road repairs	--	1,488,938	1,488,938
Sewage district	--	2,781	2,781
Tobacco settlement security	--	2,500,759	2,500,759
Vehicle and equipment replacement	1,609,389	--	1,609,389
<b>Total Assigned</b>	<b>60,208,192</b>	<b>76,760,976</b>	<b>136,969,168</b>
<b>Unassigned:</b>	99,631	--	99,631
<b>Total fund balance</b>	<b>\$ 156,963,742</b>	<b>\$ 233,845,023</b>	<b>\$ 390,808,765</b>

## COUNTY OF MARIN

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016

#### **NOTE 13: FUND BALANCES/NET POSITION, Continued**

The amounts assigned in the General Fund for general government purposes is comprised of amounts which have been earmarked for health and sanitation projects related to patient care and aging initiatives, administration of IT projects for infrastructure upgrades , technology replacement and disaster operation , and various other general government purposes, including short term coverage of costs associated with unanticipated expenses.

The amounts restricted in the General Fund for general government purposes is comprised of open contracts within various functions of the government including health and sanitation, public protection, public ways and facilities, public assistance , education and recreation and cultural services.

#### Deficit Net Position

Successor Agency to the Marin County Redevelopment Agency reported deficit net position of (\$5,911,208). This fund accounts for the activities of the Successor Agency to the Marin County Redevelopment Agency (RDA). The assets and liabilities of the former RDA were transferred to the Successor Agency in February 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 14: SUBSEQUENT EVENT**

The County has evaluated subsequent events through January 30, 2017, the date these financial statements were available to be issued, and have determined there were no material subsequent events that would require recognition in the financial statements or disclosure in the notes to financial statements.

---

**REQUIRED SUPPLEMENTARY INFORMATION**

---

This page intentionally left blank



**COUNTY OF MARIN**

Required Supplementary Information  
For the Fiscal Year Ended June 30, 2016

**Proportionate Share of the Net Pension Liability**

Last 10 Fiscal Years\*

	County of Marin	
	6/30/2015	6/30/2014
Proportion of the net pension liability	52.5803%	57.4629%
Proportionate share of the net pension liability	203,688,484	142,013,491
Covered - employee payroll	\$ 167,380,610	160,513,845
Proportionate share of the net pension liability as percentage of covered-employee payroll	121.7%	88.5%
Plan's fiduciary net position (collective)	2,081,884,656	2,008,632,893
Plan fiduciary net position as a percentage of the total pension liability (collective)	84.3%	89.0%

\*Fiscal year 2015 was the first year of implementation. Additional years will be presented as they become available.

**Schedule of County Contributions – Pension Plan**

Last 10 Fiscal Years\*

	County of Marin	
	6/30/2015	6/30/2014
Contractually required contributions (actuarially determined)	\$ 45,217,493	\$ 47,167,333
Contributions in relation to the actuarially determined contribution	45,217,493	47,167,333
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 167,380,610	\$ 160,513,845
Contributions as a percentage of covered-employee payroll	27.0%	29.4%

\*Fiscal year 2015 was the first year of implementation. Additional years will be presented as they become available.

In accordance with GASB Statement No. 68, a cost-sharing employer is required to recognize a liability for its proportionate share of the net pension liability. The County's net pension liability is measured as its proportionate share of the total pension plan's liability less the County's proportionate share of the pension plan's fiduciary net position. The net pension liability is an accounting measurement for financial statement reporting purposes. In addition, a cost-sharing employer is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions.

The schedules above present information to illustrate changes in the County's proportionate share of the net pension liability and contributions over a ten year period when the information is available.

**COUNTY OF MARIN**

Required Supplementary Information  
For the Fiscal Year Ended June 30, 2016

**Schedule of Funding Progress – Other Post-Employment Benefit Plan**

The table below presents historical information about the funding status of the County's OPEB Plan by providing an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial liability 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)
7/1/2015	\$ 54,688	\$ 349,063	294,375	15.67%	\$ 165,972	177.36%
7/1/2013	26,366	361,711	335,345	7.29%	156,928	213.69%
7/1/2011	-	382,720	382,720	0.00%	155,293	246.45%
7/1/2009	-	359,934	359,934	0.00%	167,616	214.74%
7/1/2005	-	378,183	378,183	0.00%	140,993	268.23%

**COUNTY OF MARIN**

Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 180,402,800	\$ 192,799,925	\$ 198,616,781	\$ 5,816,856
Licenses and permits	6,343,367	6,498,617	7,074,279	575,662
Intergovernmental revenues	84,552,999	161,855,053	100,966,203	(60,888,850)
Charges for services	45,157,042	54,986,458	50,880,728	(4,105,730)
Fines and forfeits	8,990,225	8,889,325	8,732,605	(156,720)
From use of money and property	2,841,021	2,853,921	2,809,523	(44,398)
Miscellaneous	1,028,081	1,119,111	463,019	(656,092)
Total revenues	<u>329,315,535</u>	<u>429,002,410</u>	<u>369,543,138</u>	<u>(59,459,272)</u>
<b>Expenditures:</b>				
Current:				
General government				
Assessor-Recorder	10,332,492	10,416,701	9,618,455	798,246
Board of Supervisors	3,529,728	3,511,818	3,300,787	211,031
Community Development Agency	912,918	883,759	695,607	188,152
County Administrator	6,675,389	8,586,771	8,346,650	240,121
County Counsel	5,256,271	5,218,918	5,059,119	159,799
Department of Finance	8,827,915	8,828,207	8,460,192	368,015
Elections	3,397,917	3,423,879	3,116,177	307,702
Human Resources	6,522,292	6,170,698	5,561,145	609,553
Information Services & Technology	25,897,029	22,130,347	15,773,476	6,356,871
Non-Departmental	450,550	(7,335,142)	(14,481,578)	7,146,436
Public Works	15,116,809	24,830,394	11,869,267	12,961,127
Total general government	<u>86,919,310</u>	<u>86,666,350</u>	<u>57,319,297</u>	<u>29,347,053</u>
Public protection				
Agricultural Weights & Measures	2,440,689	2,433,042	2,350,411	82,631
Child Support Services	1,212,566	1,212,566	1,013,133	199,433
Community Development Agency	2,131,215	1,614,232	1,028,762	585,470
County Administrator	3,264,963	3,302,618	3,214,455	88,163
District Attorney	14,693,798	15,126,238	14,192,694	933,544
Fire Department	22,705,610	26,629,193	25,696,764	932,429
Health and Human Services	2,713,052	2,396,116	2,409,414	(13,298)
Information Services & Technology	607,814	595,169	598,618	(3,449)
Non-Departmental	2,531,747	2,484,980	2,413,098	71,882
Probation	16,768,521	17,185,613	16,632,732	552,881
Public Defender	7,432,893	7,543,537	7,225,743	317,794
Public Works	7,347,623	14,909,780	6,901,901	8,007,879
Sheriff	65,993,206	66,226,057	63,196,747	3,029,310
Total public protection	<u>149,843,697</u>	<u>161,659,141</u>	<u>146,874,472</u>	<u>14,784,669</u>

## COUNTY OF MARIN

Required Supplementary Information  
 Budgetary Comparison Schedule (continued)  
 General Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures (continued):</b>				
Public ways and facilities				
Non-Departmental	\$ 25,000	\$ 25,000	\$ 125,000	\$ (100,000)
Public Works	7,679,374	13,779,343	6,724,310	7,055,033
Total public ways and facilities	<u>7,704,374</u>	<u>13,804,343</u>	<u>6,849,310</u>	<u>6,955,033</u>
Health and sanitation				
Health and Human Services	108,134,649	100,002,671	91,555,392	8,447,279
Non-Departmental	200,000	200,000	159,250	40,750
Public Works	2,388,845	2,546,725	2,828,259	(281,534)
Total health and sanitation	<u>110,723,494</u>	<u>102,749,396</u>	<u>94,542,901</u>	<u>8,206,495</u>
Public assistance				
Community Development Agency	4,484,984	7,410,632	5,151,020	2,259,612
Health and Human Services	69,540,470	74,128,993	69,270,626	4,858,367
Non-Departmental	859,000	789,336	284,233	505,103
Total public assistance	<u>74,884,454</u>	<u>82,328,961</u>	<u>74,705,879</u>	<u>7,623,082</u>
Education				
Community Development Agency	20,000	28,900	13,631	15,269
Farm Advisor/UC Coop Ext	278,052	300,796	297,248	3,548
Non-Departmental	300,000	298,000	242,942	55,058
Total education	<u>598,052</u>	<u>627,696</u>	<u>553,821</u>	<u>73,875</u>
Recreation and cultural services				
Cultural Services	3,435,371	3,402,434	3,612,332	(209,898)
Non-Departmental	55,000	43,172	104,922	(61,750)
Parks	6,062,201	6,007,230	5,695,383	311,847
Public Works	--	17,566	--	17,566
Total recreation and cultural services	<u>9,552,572</u>	<u>9,470,402</u>	<u>9,412,637</u>	<u>57,765</u>
Capital Outlay	3,091,891	32,252,617	10,187,105	22,065,512
Debt Service:				
Principal	147,641	280,391	288,162	(7,771)
Interest	69,432	85,307	76,899	8,408
Total debt service	<u>217,073</u>	<u>365,698</u>	<u>365,061</u>	<u>637</u>
Total expenditures	<u>443,534,917</u>	<u>489,924,604</u>	<u>400,810,483</u>	<u>89,114,121</u>
Deficiency of revenues under expenditures	<u>(114,219,382)</u>	<u>(60,922,194)</u>	<u>(31,267,345)</u>	<u>(29,654,849)</u>

## COUNTY OF MARIN

Required Supplementary Information  
 Budgetary Comparison Schedule (continued)  
 General Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses):				
Transfers in	\$ 72,973,685	\$ 76,466,989	\$ 65,209,044	\$ (11,257,945)
Transfers out	(16,316,038)	(24,545,841)	(29,350,113)	(4,804,272)
Total other financing sources, net	<u>56,657,647</u>	<u>51,921,148</u>	<u>35,858,931</u>	<u>(16,062,217)</u>
Net change in fund balance	(57,561,735)	(9,001,046)	4,591,586	13,592,632
Fund balance, beginning of year - restated	<u>152,372,156</u>	<u>152,372,156</u>	<u>152,372,156</u>	<u>--</u>
Fund balance, end of year	<u><u>\$ 94,810,421</u></u>	<u><u>\$ 143,371,110</u></u>	<u><u>\$ 156,963,742</u></u>	<u><u>\$ 13,592,632</u></u>

## COUNTY OF MARIN

### Note to Required Supplementary Information For the Fiscal Year Ended June 30, 2016

#### **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 all governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are encumbered 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, 2016 totaled to \$23.3 million.

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

---

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

---

This page intentionally left blank



---

**NON-MAJOR GOVERNMENTAL FUNDS**

---

This page intentionally left blank

**COUNTY OF MARIN**

Combining Balance Sheet  
Non-major Governmental Funds  
June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>ASSETS</b>				
Cash and investments in County pool	\$ 160,212,438	\$ 5,561,721	\$ 46,143,129	\$ 211,917,288
Cash with fiscal agent	--	3,631,293	--	3,631,293
Accounts receivable	2,849,675	--	--	2,849,675
Notes receivable - short term	225,000	--	--	225,000
Notes receivable - long term	20,520,232	--	--	20,520,232
Prepaid items	25,517	2,104	--	27,621
Due from other governmental agencies	4,245,483	--	79,397	4,324,880
Inventory of supplies	103,310	--	--	103,310
	<u>\$ 188,181,655</u>	<u>\$ 9,195,118</u>	<u>\$ 46,222,526</u>	<u>\$ 243,599,299</u>
Total assets				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 3,061,287	\$ 2,616	\$ 351,445	\$ 3,415,348
Accrued salaries and benefits	1,250,516	--	40,718	1,291,234
Due to other funds	667,988	--	--	667,988
Unearned revenue	2,434,704	--	--	2,434,704
Other liabilities	1,941,117	--	3,885	1,945,002
Total liabilities	<u>9,355,612</u>	<u>2,616</u>	<u>396,048</u>	<u>9,754,276</u>
<b>FUND BALANCES</b>				
Nonspendable	103,310	--	--	103,310
Restricted	155,385,874	1,131,221	323,550	156,840,645
Committed	140,092	--	--	140,092
Assigned	23,196,767	8,061,281	45,502,928	76,760,976
Total fund balances	<u>178,826,043</u>	<u>9,192,502</u>	<u>45,826,478</u>	<u>233,845,023</u>
Total liabilities and fund balances	<u>\$ 188,181,655</u>	<u>\$ 9,195,118</u>	<u>\$ 46,222,526</u>	<u>\$ 243,599,299</u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-major Governmental Funds  
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>Revenues:</b>				
Taxes	\$ 40,419,743	\$ --	\$ --	\$ 40,419,743
Licenses and permits	7,928,893	--	--	7,928,893
Intergovernmental revenues	86,073,464	--	1,854,241	87,927,705
Charges for services	11,579,060	771,071	92,872	12,443,003
Fines and forfeits	1,056,509	659	432,490	1,489,658
From use of money and property	457,013	165,576	31,581	654,170
Miscellaneous	413,327	2,175,560	587,851	3,176,738
Total revenues	<u>147,928,009</u>	<u>3,112,866</u>	<u>2,999,035</u>	<u>154,039,910</u>
<b>Expenditures:</b>				
Current:				
General government	3,734,957	770,836	2,236,734	6,742,527
Public protection	26,740,184	6,085	103,003	26,849,272
Public ways and facilities	10,121,966	--	2,922,143	13,044,109
Health and sanitation	5,222,988	--	7,660	5,230,648
Public assistance	2,646,166	--	--	2,646,166
Education	14,470,128	--	--	14,470,128
Recreation and cultural services	18,180,121	19,311	42,216	18,241,648
Capital outlay	2,332,155	--	11,357,254	13,689,409
Debt Service:				
Principal	65,810	6,950,164	--	7,015,974
Interest	35,956	10,368,429	--	10,404,385
Total expenditures	<u>83,550,431</u>	<u>18,114,825</u>	<u>16,669,010</u>	<u>118,334,266</u>
Excess (deficiency) of revenues over (under) expenditures	<u>64,377,578</u>	<u>(15,001,959)</u>	<u>(13,669,975)</u>	<u>35,705,644</u>
Other Financing Sources (Uses):				
Refunding debt issued	--	82,721,188	--	82,721,188
Debt refunded	--	(60,483,553)	--	(60,483,553)
Transfers in	3,422,828	71,382,347	38,833,007	113,638,182
Transfers out	(68,088,209)	(82,621,596)	(703,428)	(151,413,233)
Total other financing sources (uses), net	<u>(64,665,381)</u>	<u>10,998,386</u>	<u>38,129,579</u>	<u>(15,537,416)</u>
Net change in fund balances	<u>(287,803)</u>	<u>(4,003,573)</u>	<u>24,459,604</u>	<u>20,168,228</u>
Fund balances, beginning of year - restated	<u>179,113,846</u>	<u>13,196,075</u>	<u>21,366,874</u>	<u>213,676,795</u>
Fund balances, end of year	<u>\$ 178,826,043</u>	<u>\$ 9,192,502</u>	<u>\$ 45,826,478</u>	<u>\$ 233,845,023</u>

---

**NON-MAJOR SPECIAL REVENUE FUNDS**

---

This page intentionally left blank

## **NON-MAJOR GOVERNMENTAL FUNDS**

### **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 non-major special revenue funds are comprised of the following:

#### **Road Fund**

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, motor fuel, and federal grants. 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 Fund (Library Fund)**

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 Fund**

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 Fund (Child Support Fund)**

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 Fund**

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 Fund**

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.

## **NON-MAJOR GOVERNMENTAL FUNDS (continued)**

### Environmental Health Fund

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 Fund (Fishnet Fund)

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 salmon 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 Fund (HUD Fund)

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 Fund

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 Fund

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 Fund (CSA's Fund)

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.



## **NON-MAJOR GOVERNMENTAL FUNDS (continued)**

### Lighting District Fund (Lighting Fund)

The Lighting District 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 Fund (PRD's Fund)

The Permanent Road Districts (PRD) fund is 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 Fund

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 Fund (IHSS Fund)

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 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 Stormwater Management Fund

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 Fund

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 Fund

The Low-Income Housing Fund was created to increase the inventory of permanently affordable housing units in the County. This fund provides a local funding source for financial and technical assistance to help affordable housing developers produce and provide affordable housing.

## NON-MAJOR GOVERNMENTAL FUNDS (continued)

### Flood Control District Zones Fund

The Flood Control District 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.

### 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 Fund

- 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.

## NON-MAJOR GOVERNMENTAL FUNDS (continued)

- 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.
- 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 Fund

- 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 Fund

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

### Recreation and Cultural Services Fund

- 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 Fund

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

### Health Services Fund

The Health Services Fund accounts for Federal and State funding to support health services for Medi-Cal beneficiaries and other underserved populations.

This page intentionally left blank

**COUNTY OF MARIN**

Combining Balance Sheet  
 Non-major Special Revenue Funds  
 June 30, 2016

	<u>Road Fund</u>	<u>Library Fund</u>	<u>Fish and Game Fund</u>	<u>Child Support Fund</u>
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 4,456,613	\$ 6,218,994	\$ 76,337	\$ 590,710
Accounts receivable	--	27,351	--	--
Notes receivable - short term	--	--	--	--
Notes receivable - long term	--	--	--	--
Prepaid items	--	14,037	--	--
Due from other governmental agencies	30,071	--	--	--
Inventory of supplies	103,310	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 4,589,994</u>	<u>\$ 6,260,382</u>	<u>\$ 76,337</u>	<u>\$ 590,710</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ 29,715	\$ 86,045	\$ --	\$ 227,438
Accrued salaries and benefits	194,514	345,940	--	99,495
Due to other funds	--	--	--	--
Unearned revenue	--	--	--	--
Other liabilities	59	14,487	--	--
Total liabilities	<u>224,288</u>	<u>446,472</u>	<u>--</u>	<u>326,933</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	103,310	--	--	--
Restricted	2,779,894	3,774,546	75,405	260,656
Committed	25,092	--	--	--
Assigned	1,457,410	2,039,364	932	3,121
Total fund balances	<u>4,365,706</u>	<u>5,813,910</u>	<u>76,337</u>	<u>263,777</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$ 4,589,994</u>	<u>\$ 6,260,382</u>	<u>\$ 76,337</u>	<u>\$ 590,710</u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Non-major Special Revenue Funds  
 June 30, 2016

	Health and Sanitation Fund	Building Inspection Fund	Environmental Health Fund	Fishnet Fund
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 24,321,113	\$ 2,043,653	\$ 861,903	\$ 136,072
Accounts receivable	447,624	35,773	33,606	--
Notes receivable - short term	--	--	--	--
Notes receivable - long term	--	--	--	--
Prepaid items	--	--	--	--
Due from other governmental agencies	2,784,449	--	87,740	--
Inventory of supplies	--	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 27,553,186</u>	<u>\$ 2,079,426</u>	<u>\$ 983,249</u>	<u>\$ 136,072</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ --	\$ 8,358	\$ 11,151	\$ 6,085
Accrued salaries and benefits	--	116,647	60,368	--
Due to other funds	--	--	--	--
Unearned revenue	--	--	851,740	--
Other liabilities	31,035	--	--	--
Total liabilities	<u>31,035</u>	<u>125,005</u>	<u>923,259</u>	<u>6,085</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	--
Restricted	16,320,048	1,631,524	--	129,296
Committed	--	--	--	--
Assigned	11,202,103	322,897	59,990	691
Total fund balances	<u>27,522,151</u>	<u>1,954,421</u>	<u>59,990</u>	<u>129,987</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$ 27,553,186</u>	<u>\$ 2,079,426</u>	<u>\$ 983,249</u>	<u>\$ 136,072</u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Non-major Special Revenue Funds  
 June 30, 2016

	<u>HUD Fund</u>	<u>High Tech Theft Fund</u>	<u>Sewer Districts Fund</u>	<u>CSA's Fund</u>
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ --	\$ 318,915	\$ 504,673	\$ 17,965,921
Accounts receivable	--	--	--	--
Notes receivable - short term	--	--	--	--
Notes receivable - long term	14,480,645	--	--	--
Prepaid items	--	11,480	--	--
Due from other governmental agencies	616,323	--	--	--
Inventory of supplies	--	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u><u>\$ 15,096,968</u></u>	<u><u>\$ 330,395</u></u>	<u><u>\$ 504,673</u></u>	<u><u>\$ 17,965,921</u></u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ -	\$ 301,438	\$ 17,695	\$ 116,220
Accrued salaries and benefits	10,277	2,347	--	--
Due to other funds	594,688	--	--	--
Unearned revenue	--	--	--	80
Other liabilities	--	--	855	397
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u><u>604,965</u></u>	<u><u>303,785</u></u>	<u><u>18,550</u></u>	<u><u>116,697</u></u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	--
Restricted	14,492,003	24,962	483,341	17,730,739
Committed	--	--	--	--
Assigned	--	1,648	2,782	118,485
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u><u>14,492,003</u></u>	<u><u>26,610</u></u>	<u><u>486,123</u></u>	<u><u>17,849,224</u></u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u><u>\$ 15,096,968</u></u>	<u><u>\$ 330,395</u></u>	<u><u>\$ 504,673</u></u>	<u><u>\$ 17,965,921</u></u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Non-major Special Revenue Funds  
 June 30, 2016

	<u>Lighting Fund</u>	<u>PRD's Fund</u>	<u>Tobacco Settlement Fund</u>	<u>IHSS Fund</u>
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 2,296,293	\$ 474,430	\$ 21	\$ 73,792
Accounts receivable	--	--	--	--
Notes receivable - short term	--	--	--	--
Notes receivable - long term	--	--	--	--
Prepaid items	--	--	--	--
Due from other governmental agencies	--	--	75,000	--
Inventory of supplies	--	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u><u>\$ 2,296,293</u></u>	<u><u>\$ 474,430</u></u>	<u><u>\$ 75,021</u></u>	<u><u>\$ 73,792</u></u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ 4,497	\$ --	\$ --	\$ 904
Accrued salaries and benefits	--	--	--	13,059
Due to other funds	--	--	73,300	--
Unearned revenue	--	--	--	--
Other liabilities	--	--	--	--
Total liabilities	<u>4,497</u>	<u>--</u>	<u>73,300</u>	<u>13,963</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	--
Restricted	2,271,428	442,901	815	54,592
Committed	--	--	--	--
Assigned	20,368	31,529	906	5,237
Total fund balances	<u>2,291,796</u>	<u>474,430</u>	<u>1,721</u>	<u>59,829</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u><u>\$ 2,296,293</u></u>	<u><u>\$ 474,430</u></u>	<u><u>\$ 75,021</u></u>	<u><u>\$ 73,792</u></u>

continued



**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Non-major Special Revenue Funds  
 June 30, 2016

	Bay Area Stormwater Management Fund	Open Space District Fund	Low-Income Housing Fund	Flood Control District Zones Fund
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 50	\$ 8,044,898	\$ 5,775,563	\$ 28,413,546
Accounts receivable	--	6,105	--	--
Notes receivable - short term	--	--	--	--
Notes receivable - long term	--	--	5,493,912	--
Prepaid items	--	--	--	--
Due from other governmental agencies	--	--	--	636
Inventory of supplies	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 50</u>	<u>\$ 8,051,003</u>	<u>\$ 11,269,475</u>	<u>\$ 28,414,182</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ --	\$ 131,998	\$ --	\$ 403,253
Accrued salaries and benefits	--	97,876	--	--
Due to other funds	--	--	--	--
Unearned revenue	--	5,958	--	--
Other liabilities	--	243	18,627	--
Total liabilities	<hr/>	<hr/>	<hr/>	<hr/>
	--	236,075	18,627	403,253
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	--
Restricted	50	6,699,927	11,202,093	27,903,376
Committed	--	115,000	--	--
Assigned	--	1,000,001	48,755	107,553
Total fund balances	<hr/>	<hr/>	<hr/>	<hr/>
	50	7,814,928	11,250,848	28,010,929
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 50</u>	<u>\$ 8,051,003</u>	<u>\$ 11,269,475</u>	<u>\$ 28,414,182</u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
 Non-major Special Revenue Funds  
 June 30, 2016

	Miscellaneous Special Revenue Fund	Public Protection Fund	Public Ways and Facilities Fund	Restricted Housing Fund
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 3,305,789	\$ 27,109,418	\$ 4,446,697	\$ 1,570,379
Accounts receivable	2,656	446	4,396	--
Notes receivable - short term	--	--	--	225,000
Notes receivable - long term	--	--	--	545,675
Prepaid items	--	--	--	--
Due from other governmental agencies	227,999	5,463	93,045	324,757
Inventory of supplies	--	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u><u>\$ 3,536,444</u></u>	<u><u>\$ 27,115,327</u></u>	<u><u>\$ 4,544,138</u></u>	<u><u>\$ 2,665,811</u></u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ 41,887	\$ 365,655	\$ 26,375	\$ --
Accrued salaries and benefits	4,620	108,181	--	--
Due to other funds	--	--	--	--
Unearned revenue	601,942	--	--	--
Other liabilities	--	1,873,545	1,610	--
Total liabilities	<u>648,449</u>	<u>2,347,381</u>	<u>27,985</u>	<u>--</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	--
Restricted	2,701,379	22,782,399	3,516,153	2,656,986
Committed	--	--	--	--
Assigned	186,616	1,985,547	1,000,000	8,825
Total fund balances	<u>2,887,995</u>	<u>24,767,946</u>	<u>4,516,153</u>	<u>2,665,811</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u><u>\$ 3,536,444</u></u>	<u><u>\$ 27,115,327</u></u>	<u><u>\$ 4,544,138</u></u>	<u><u>\$ 2,665,811</u></u>

continued

**COUNTY OF MARIN**

Combining Balance Sheet (continued)  
Non-major Special Revenue Funds  
June 30, 2016

	Recreation and Cultural Services Fund	Employees' Retirement Operations Fund	Health Services Fund	Total
<b><u>ASSETS</u></b>				
Cash and investments in County pool	\$ 19,775,503	\$ 236,784	\$ 1,194,371	\$ 160,212,438
Accounts receivable	2,291,718	--	--	2,849,675
Notes receivable - short term	--	--	--	225,000
Notes receivable - long term	--	--	--	20,520,232
Prepaid items	--	--	--	25,517
Due from other governmental agencies	--	--	--	4,245,483
Inventory of supplies	--	--	--	103,310
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u><u>\$ 22,067,221</u></u>	<u><u>\$ 236,784</u></u>	<u><u>\$ 1,194,371</u></u>	<u><u>\$ 188,181,655</u></u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued expenses	\$ 1,282,573	\$ --	\$ --	\$ 3,061,287
Accrued salaries and benefits	117,368	75,595	4,229	1,250,516
Due to other funds	--	--	--	667,988
Unearned revenue	--	--	974,984	2,434,704
Other liabilities	259	--	--	1,941,117
Total liabilities	<u>1,400,200</u>	<u>75,595</u>	<u>979,213</u>	<u>9,355,612</u>
<b><u>FUND BALANCES</u></b>				
Nonspendable	--	--	--	103,310
Restricted	17,079,759	161,189	210,413	155,385,874
Committed	--	--	--	140,092
Assigned	3,587,262	--	4,745	23,196,767
Total fund balances	<u>20,667,021</u>	<u>161,189</u>	<u>215,158</u>	<u>178,826,043</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u><u>\$ 22,067,221</u></u>	<u><u>\$ 236,784</u></u>	<u><u>\$ 1,194,371</u></u>	<u><u>\$ 188,181,655</u></u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	<u>Road Fund</u>	<u>Library Fund</u>	<u>Fish and Game Fund</u>	<u>Child Support Fund</u>
<b>Revenues:</b>				
Taxes	\$ --	\$ 9,915,878	\$ --	\$ --
Licenses and permits	--	--	--	--
Intergovernmental revenues	5,200,720	134,333	--	3,963,546
Charges for services	247,132	4,989,496	--	2,000
Fines and forfeits	2,600	212,740	45,781	331
From use of money and property	9,135	13,013	139	1,629
Miscellaneous	68,271	162,277	650	95
Total revenues	<u>5,527,858</u>	<u>15,427,737</u>	<u>46,570</u>	<u>3,967,601</u>
<b>Expenditures:</b>				
Current:				
General government	5,652	912,050	--	--
Public protection	--	--	48,213	3,873,489
Public ways and facilities	9,005,980	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	14,470,128	--	--
Recreation and cultural services	--	--	--	--
Capital outlay	242,627	904,785	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Total expenditures	<u>9,254,259</u>	<u>16,286,963</u>	<u>48,213</u>	<u>3,873,489</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,726,401)</u>	<u>(859,226)</u>	<u>(1,643)</u>	<u>94,112</u>
Other Financing Sources (Uses):				
Transfers in	2,503,786	164,585	--	--
Transfers out	<u>(155,843)</u>	<u>(287,409)</u>	--	<u>(91,807)</u>
Total other financing sources (uses), net	<u>2,347,943</u>	<u>(122,824)</u>	--	<u>(91,807)</u>
Net change in fund balances	(1,378,458)	(982,050)	(1,643)	2,305
Fund balances, beginning of year	<u>5,744,164</u>	<u>6,795,960</u>	<u>77,980</u>	<u>261,472</u>
Fund balances, end of year	<u>\$ 4,365,706</u>	<u>\$ 5,813,910</u>	<u>\$ 76,337</u>	<u>\$ 263,777</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Health and Sanitation Fund	Building Inspection Fund	Environmental Health Fund	Fishnet Fund
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	3,100,190	3,246,274	--
Intergovernmental revenues	44,532,113	11,000	161,865	--
Charges for services	129,868	55,527	236,872	--
Fines and forfeits	2,786	10,082	35,743	--
From use of money and property	59,696	4,985	1,193	291
Miscellaneous	16,396	--	--	--
Total revenues	<u>44,740,859</u>	<u>3,181,784</u>	<u>3,681,947</u>	<u>291</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	554,847	--
Public protection	--	3,333,939	3,249,511	--
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	2,622	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and cultural services	--	--	--	--
Capital outlay	--	63,744	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Total expenditures	<u>--</u>	<u>3,397,683</u>	<u>3,806,980</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>44,740,859</u>	<u>(215,899)</u>	<u>(125,033)</u>	<u>291</u>
Other Financing Sources (Uses):				
Transfers in	60,610	--	--	--
Transfers out	<u>(48,633,998)</u>	<u>(59,949)</u>	<u>(94,364)</u>	<u>--</u>
Total other financing uses, net	<u>(48,573,388)</u>	<u>(59,949)</u>	<u>(94,364)</u>	<u>--</u>
Net change in fund balances	(3,832,529)	(275,848)	(219,397)	291
Fund balances, beginning of year	<u>31,354,680</u>	<u>2,230,269</u>	<u>279,387</u>	<u>129,696</u>
Fund balances, end of year	<u>\$ 27,522,151</u>	<u>\$ 1,954,421</u>	<u>\$ 59,990</u>	<u>\$ 129,987</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	<u>HUD Fund</u>	<u>High Tech Theft Fund</u>	<u>Sewer Districts Fund</u>	<u>CSA's Fund</u>
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ 63,864	\$ 4,225,739
Licenses and permits	--	--	--	--
Intergovernmental revenues	2,200,170	1,432,393	307	18,892
Charges for services	--	--	63,720	1,714,444
Fines and forfeits	--	--	--	2,390
From use of money and property	--	653	1,052	40,801
Miscellaneous	--	--	32	1,217
Total revenues	<u>2,200,170</u>	<u>1,433,046</u>	<u>128,975</u>	<u>6,003,483</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	1,397,815	--	3,198,685
Public ways and facilities	--	--	--	23,183
Health and sanitation	--	--	158,845	398,930
Public assistance	2,192,294	--	--	--
Education	--	--	--	--
Recreation and cultural services	--	--	--	1,493,858
Capital outlay	--	27,212	--	--
Debt Service:				
Principal	--	--	--	45,312
Interest	--	--	--	31,190
Total expenditures	<u>2,192,294</u>	<u>1,425,027</u>	<u>158,845</u>	<u>5,191,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,876</u>	<u>8,019</u>	<u>(29,870)</u>	<u>812,325</u>
Other Financing Uses:				
Transfers in	--	--	--	15,000
Transfers out	<u>(7,663)</u>	--	--	--
Total other financing uses	<u>(7,663)</u>	--	--	<u>15,000</u>
Net change in fund balances	213	8,019	(29,870)	827,325
Fund balances, beginning of year	<u>14,491,790</u>	<u>18,591</u>	<u>515,993</u>	<u>17,021,899</u>
Fund balances, end of year	<u>\$ 14,492,003</u>	<u>\$ 26,610</u>	<u>\$ 486,123</u>	<u>\$ 17,849,224</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Lighting Fund	PRD's Fund	Tobacco Settlement Fund	IHSS Fund
<b>Revenues:</b>				
Taxes	\$ 830,259	\$ 62,647	\$ --	\$ --
Licenses and permits	--	--	--	--
Intergovernmental revenues	3,515	326	150,000	1,976,485
Charges for services	84,283	29,093	800	--
Fines and forfeits	3,505	--	--	--
From use of money and property	4,873	956	153	979
Miscellaneous	8,804	--	--	3,250
Total revenues	<u>935,239</u>	<u>93,022</u>	<u>150,953</u>	<u>1,980,714</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	--	--	--
Public ways and facilities	585,982	38,434	--	--
Health and sanitation	--	--	--	1,976,753
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and cultural services	--	--	--	--
Capital outlay	--	--	--	--
Debt Service:				
Principal	20,498	--	--	--
Interest	4,766	--	--	--
Total expenditures	<u>611,246</u>	<u>38,434</u>	<u>--</u>	<u>1,976,753</u>
Excess of revenues over expenditures	<u>323,993</u>	<u>54,588</u>	<u>150,953</u>	<u>3,961</u>
Other Financing Sources:				
Transfers in	--	--	--	--
Transfers out	--	--	(150,000)	--
Total other financing sources	<u>--</u>	<u>--</u>	<u>(150,000)</u>	<u>--</u>
Net change in fund balances	323,993	54,588	953	3,961
Fund balances, beginning of year	<u>1,967,803</u>	<u>419,842</u>	<u>768</u>	<u>55,868</u>
Fund balances, end of year	<u>\$ 2,291,796</u>	<u>\$ 474,430</u>	<u>\$ 1,721</u>	<u>\$ 59,829</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Bay Area Stormwater Management Fund	Open Space District Fund	Low-Income Housing Fund	Flood Control District Zones Fund
<b>Revenues:</b>				
Taxes	\$ --	\$ 6,672,188	\$ --	\$ 5,336,196
Licenses and permits	--	--	433,420	--
Intergovernmental revenues	--	175,740	--	74,868
Charges for services	--	2,332	18,340	3,048,856
Fines and forfeits	--	22,137	--	24,929
From use of money and property	--	37,912	70,329	60,779
Miscellaneous	--	62,710	--	--
Total revenues	<u>--</u>	<u>6,973,019</u>	<u>522,089</u>	<u>8,545,628</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	--	--	6,267,675
Public ways and facilities	--	--	--	45,861
Health and sanitation	--	--	--	--
Public assistance	--	--	67,461	--
Education	--	--	--	--
Recreation and cultural services	--	6,677,223	--	--
Capital outlay	--	633,328	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
Total expenditures	<u>--</u>	<u>7,310,551</u>	<u>67,461</u>	<u>6,313,536</u>
Excess of revenues over expenditures	<u>--</u>	<u>(337,532)</u>	<u>454,628</u>	<u>2,232,092</u>
Other Financing Uses:				
Transfers in	--	12,000	250,000	171,993
Transfers out	--	(134,691)	(120,866)	--
Total other financing uses	<u>--</u>	<u>(122,691)</u>	<u>129,134</u>	<u>171,993</u>
Net change in fund balances	--	(460,223)	583,762	2,404,085
Fund balances, beginning of year	<u>50</u>	<u>8,275,151</u>	<u>10,667,086</u>	<u>25,606,844</u>
Fund balances, end of year	<u>\$ 50</u>	<u>\$ 7,814,928</u>	<u>\$ 11,250,848</u>	<u>\$ 28,010,929</u>

continued



**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Miscellaneous Special Revenue Fund	Public Protection Fund	Public Ways and Facilities Fund	Restricted Housing Fund
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	1,149,009	--
Intergovernmental revenues	1,384,536	19,340,469	292,298	--
Charges for services	517,222	316,323	122,752	--
Fines and forfeits	--	692,875	--	--
From use of money and property	6,054	65,352	28,705	3,322
Miscellaneous	2,832	1,684	--	--
<b>Total revenues</b>	<u>1,910,644</u>	<u>20,416,703</u>	<u>1,592,764</u>	<u>3,322</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	84,950	--
Public protection	554,486	4,762,873	49,956	--
Public ways and facilities	--	--	422,526	--
Health and sanitation	832,482	888,608	--	--
Public assistance	--	372,311	--	14,100
Education	--	--	--	--
Recreation and cultural services	--	--	--	--
Capital outlay	11,630	35,598	--	--
Debt Service:				
Principal	--	--	--	--
Interest	--	--	--	--
<b>Total expenditures</b>	<u>1,398,598</u>	<u>6,059,390</u>	<u>557,432</u>	<u>14,100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>512,046</u>	<u>14,357,313</u>	<u>1,035,332</u>	<u>(10,778)</u>
Other Financing Sources (Uses):				
Transfers in	--	232,058	--	--
Transfers out	<u>(700,122)</u>	<u>(13,912,746)</u>	<u>(2,171,110)</u>	--
<b>Total other financing uses, net</b>	<u>(700,122)</u>	<u>(13,680,688)</u>	<u>(2,171,110)</u>	--
Net change in fund balances	(188,076)	676,625	(1,135,778)	(10,778)
Fund balances, beginning of year - restated	<u>3,076,071</u>	<u>24,091,321</u>	<u>5,651,931</u>	<u>2,676,589</u>
Fund balances, end of year	<u>\$ 2,887,995</u>	<u>\$ 24,767,946</u>	<u>\$ 4,516,153</u>	<u>\$ 2,665,811</u>

continued

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-major Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Recreation and Cultural Services Fund	Employees' Retirement Operations Fund	Health Services Fund	Total
<b>Revenues:</b>				
Taxes	\$ 13,312,972	\$ --	\$ --	\$ 40,419,743
Licenses and permits	--	--	--	7,928,893
Intergovernmental revenues	31,234	2,368,072	2,620,582	86,073,464
Charges for services	--	--	--	11,579,060
Fines and forfeits	610	--	--	1,056,509
From use of money and property	40,265	--	4,747	457,013
Miscellaneous	85,109	--	--	413,327
Total revenues	<u>13,470,190</u>	<u>2,368,072</u>	<u>2,625,329</u>	<u>147,928,009</u>
<b>Expenditures:</b>				
Current:				
General government	--	2,177,458	--	3,734,957
Public protection	--	3,542	--	26,740,184
Public ways and facilities	--	--	--	10,121,966
Health and sanitation	--	--	964,748	5,222,988
Public assistance	--	--	--	2,646,166
Education	--	--	--	14,470,128
Recreation and cultural services	10,009,040	--	--	18,180,121
Capital outlay	413,231	--	--	2,332,155
Debt Service:				
Principal	--	--	--	65,810
Interest	--	--	--	35,956
Total expenditures	<u>10,422,271</u>	<u>2,181,000</u>	<u>964,748</u>	<u>83,550,431</u>
Excess of revenues over expenditures	<u>3,047,919</u>	<u>187,072</u>	<u>1,660,581</u>	<u>64,377,578</u>
Other Financing Sources (Uses):				
Transfers in	12,796	--	--	3,422,828
Transfers out	<u>(55,141)</u>	<u>(67,075)</u>	<u>(1,445,425)</u>	<u>(68,088,209)</u>
Total other financing uses, net	<u>(42,345)</u>	<u>(67,075)</u>	<u>(1,445,425)</u>	<u>(64,665,381)</u>
Net change in fund balances	3,005,574	119,997	215,156	(287,803)
Fund balances, beginning of year - restated	<u>17,661,447</u>	<u>41,192</u>	<u>2</u>	<u>179,113,846</u>
Fund balances, end of year	<u>\$ 20,667,021</u>	<u>\$ 161,189</u>	<u>\$ 215,158</u>	<u>\$ 178,826,043</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Road Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 6,027,211	\$ 6,027,211	\$ 5,200,720	\$ (826,491)
Charges for services	865,395	865,395	247,132	(618,263)
Fines and forfeits	--	--	2,600	2,600
From use of money and property	1,400	1,400	9,135	7,735
Miscellaneous	60,000	60,000	68,271	8,271
Total revenues	<u>6,954,006</u>	<u>6,954,006</u>	<u>5,527,858</u>	<u>(1,426,148)</u>
<b>Expenditures:</b>				
Current:				
General government				
Public Works	--	--	5,652	(5,652)
Total general government	<u>--</u>	<u>--</u>	<u>5,652</u>	<u>(5,652)</u>
Public ways and facilities				
Public Works	9,804,300	9,582,277	9,005,980	576,297
Total public ways and facilities	<u>9,804,300</u>	<u>9,582,277</u>	<u>9,005,980</u>	<u>576,297</u>
Capital Outlay	<u>349,402</u>	<u>382,864</u>	<u>242,627</u>	<u>140,237</u>
Total expenditures	<u>10,153,702</u>	<u>9,965,141</u>	<u>9,254,259</u>	<u>710,882</u>
Deficiency of revenues under expenditures	<u>(3,199,696)</u>	<u>(3,011,135)</u>	<u>(3,726,401)</u>	<u>(715,266)</u>
Other Financing Sources (Uses):				
Transfers in	2,503,786	2,503,786	2,503,786	--
Transfers out	--	--	(155,843)	(155,843)
Total other financing sources (uses), net	<u>2,503,786</u>	<u>2,503,786</u>	<u>2,347,943</u>	<u>(155,843)</u>
Net change in fund balance	(695,910)	(507,349)	(1,378,458)	(871,109)
Fund balance, beginning of year	<u>5,744,164</u>	<u>5,744,164</u>	<u>5,744,164</u>	<u>--</u>
Fund balance, end of year	<u>\$ 5,048,254</u>	<u>\$ 5,236,815</u>	<u>\$ 4,365,706</u>	<u>\$ (871,109)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Library Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 9,103,630	\$ 9,223,630	\$ 9,915,878	\$ 692,248
Intergovernmental revenues	114,000	123,983	134,333	10,350
Charges for services	4,991,617	4,871,617	4,989,496	117,879
Fines and forfeits	162,000	162,000	212,740	50,740
From use of money and property	18,162	18,162	13,013	(5,149)
Miscellaneous	65,579	116,579	162,277	45,698
Total revenues	<u>14,454,988</u>	<u>14,515,971</u>	<u>15,427,737</u>	<u>911,766</u>
<b>Expenditures:</b>				
Current:				
General government				
Marin County Free Library	842,247	1,024,272	912,050	112,222
Total general government	<u>842,247</u>	<u>1,024,272</u>	<u>912,050</u>	<u>112,222</u>
Education				
Law Library	178,358	178,358	175,035	3,323
Marin County Free Library	16,372,007	16,918,234	14,295,093	2,623,141
Total education	<u>16,550,365</u>	<u>17,096,592</u>	<u>14,470,128</u>	<u>2,626,464</u>
Capital Outlay	<u>738,157</u>	<u>57,157</u>	<u>904,785</u>	<u>(847,628)</u>
Total expenditures	<u>18,130,769</u>	<u>18,178,021</u>	<u>16,286,963</u>	<u>1,891,058</u>
Deficiency of revenues under expenditures	<u>(3,675,781)</u>	<u>(3,662,050)</u>	<u>(859,226)</u>	<u>2,802,824</u>
Other Financing Sources (Uses):				
Transfers in	165,000	165,000	164,585	(415)
Transfers out	--	--	(287,409)	(287,409)
Total other financing sources (uses), net	<u>165,000</u>	<u>165,000</u>	<u>(122,824)</u>	<u>(287,824)</u>
Net change in fund balance	(3,510,781)	(3,497,050)	(982,050)	2,515,000
Fund balance, beginning of year	<u>6,795,960</u>	<u>6,795,960</u>	<u>6,795,960</u>	<u>--</u>
Fund balance, end of year	<u>\$ 3,285,179</u>	<u>\$ 3,298,910</u>	<u>\$ 5,813,910</u>	<u>\$ 2,515,000</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Fish and Game Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeits	\$ 40,000	\$ 40,000	\$ 45,781	\$ 5,781
From use of money and property	--	--	139	139
Miscellaneous	--	--	650	650
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>46,570</u>	<u>6,570</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Non - Departmental	40,000	48,213	48,213	--
Total public protection	<u>40,000</u>	<u>48,213</u>	<u>48,213</u>	<u>--</u>
Total expenditures	<u>40,000</u>	<u>48,213</u>	<u>48,213</u>	<u>--</u>
Deficiency of revenues under expenditures	<u>--</u>	<u>(8,213)</u>	<u>(1,643)</u>	<u>6,570</u>
Net change in fund balance	--	(8,213)	(1,643)	6,570
Fund balance, beginning of year	<u>77,980</u>	<u>77,980</u>	<u>77,980</u>	<u>--</u>
Fund balance, end of year	<u>\$ 77,980</u>	<u>\$ 69,767</u>	<u>\$ 76,337</u>	<u>\$ 6,570</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Child Support Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 3,858,270	\$ 4,204,987	\$ 3,963,546	\$ (241,441)
Charges for services	128,005	116,288	2,000	(114,288)
Fines and forfeits	--	--	331	331
From use of money and property	3,000	3,000	1,629	(1,371)
Miscellaneous	683	683	95	(588)
Total revenues	<u>3,989,958</u>	<u>4,324,958</u>	<u>3,967,601</u>	<u>(357,357)</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Child Support Services	3,996,051	4,324,958	3,873,489	451,469
Total public protection	<u>3,996,051</u>	<u>4,324,958</u>	<u>3,873,489</u>	<u>451,469</u>
Total expenditures	<u>3,996,051</u>	<u>4,324,958</u>	<u>3,873,489</u>	<u>451,469</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,093)</u>	<u>--</u>	<u>94,112</u>	<u>94,112</u>
Other Financing Uses:				
Transfers out	<u>--</u>	<u>--</u>	<u>(91,807)</u>	<u>(91,807)</u>
Total other financing uses	<u>--</u>	<u>--</u>	<u>(91,807)</u>	<u>(91,807)</u>
Net change in fund balance	(6,093)	--	2,305	2,305
Fund balance, beginning of year	<u>261,472</u>	<u>261,472</u>	<u>261,472</u>	<u>--</u>
Fund balance, end of year	<u>\$ 255,379</u>	<u>\$ 261,472</u>	<u>\$ 263,777</u>	<u>\$ 2,305</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Health and Sanitation Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 61,597,297	\$ 54,892,206	\$ 44,532,113	\$ (10,360,093)
Charges for services	89,400	89,400	129,868	40,468
Fines and forfeits	10,000	10,000	2,786	(7,214)
From use of money and property	--	--	59,696	59,696
Miscellaneous	--	--	16,396	16,396
Total revenues	<u>61,696,697</u>	<u>54,991,606</u>	<u>44,740,859</u>	<u>(10,250,747)</u>
Excess of revenues over expenditures	<u>61,696,697</u>	<u>54,991,606</u>	<u>44,740,859</u>	<u>(10,250,747)</u>
Other Financing Sources (Uses):				
Transfers in	--	60,610	60,610	--
Transfers out	<u>(61,696,697)</u>	<u>(58,600,323)</u>	<u>(48,633,998)</u>	<u>9,966,325</u>
Total other financing uses, net	<u>(61,696,697)</u>	<u>(58,539,713)</u>	<u>(48,573,388)</u>	<u>9,966,325</u>
Net change in fund balance	--	(3,548,107)	(3,832,529)	(284,422)
Fund balance, beginning of year	<u>31,354,680</u>	<u>31,354,680</u>	<u>31,354,680</u>	<u>--</u>
Fund balance, end of year	<u>\$ 31,354,680</u>	<u>\$ 27,806,573</u>	<u>\$ 27,522,151</u>	<u>\$ (284,422)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Building Inspection Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 2,808,000	\$ 2,838,000	\$ 3,100,190	\$ 262,190
Intergovernmental revenues			11,000	11,000
Charges for services	53,141	53,141	55,527	2,386
Fines and forfeits			10,082	10,082
From use of money and property			4,985	4,985
Miscellaneous	2,500	2,500	--	(2,500)
Total revenues	<u>2,863,641</u>	<u>2,893,641</u>	<u>3,181,784</u>	<u>288,143</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Community Development Agency	3,073,820	3,010,134	3,333,939	(323,805)
Total public protection	<u>3,073,820</u>	<u>3,010,134</u>	<u>3,333,939</u>	<u>(323,805)</u>
Capital Outlay	--	63,744	63,744	--
Total expenditures	<u>3,073,820</u>	<u>3,073,878</u>	<u>3,397,683</u>	<u>(323,805)</u>
Deficiency of revenues under expenditures	<u>(210,179)</u>	<u>(180,237)</u>	<u>(215,899)</u>	<u>(35,662)</u>
Other Financing Uses:				
Transfers out	--	--	(59,949)	(59,949)
Total other financing uses	<u>--</u>	<u>--</u>	<u>(59,949)</u>	<u>(59,949)</u>
Net change in fund balance	(210,179)	(180,237)	(275,848)	(95,611)
Fund balance, beginning of year	<u>2,230,269</u>	<u>2,230,269</u>	<u>2,230,269</u>	<u>--</u>
Fund balance, end of year	<u>\$ 2,020,090</u>	<u>\$ 2,050,032</u>	<u>\$ 1,954,421</u>	<u>\$ (95,611)</u>



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Environmental Health Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 3,765,971	\$ 3,765,971	\$ 3,246,274	\$ (519,697)
Intergovernmental revenues	32,000	200,772	161,865	(38,907)
Charges for services	183,786	285,661	236,872	(48,789)
Fines and forfeits	--	--	35,743	35,743
From use of money and property	--	--	1,193	1,193
Total revenues	<u>3,981,757</u>	<u>4,252,404</u>	<u>3,681,947</u>	<u>(570,457)</u>
<b>Expenditures:</b>				
Current:				
General government				
Community Development Agency	<u>783,056</u>	<u>693,056</u>	<u>554,847</u>	<u>138,209</u>
Total general government	<u>783,056</u>	<u>693,056</u>	<u>554,847</u>	<u>138,209</u>
Public protection				
Community Development Agency	<u>3,331,981</u>	<u>3,487,028</u>	<u>3,249,511</u>	<u>237,517</u>
Total public protection	<u>3,331,981</u>	<u>3,487,028</u>	<u>3,249,511</u>	<u>237,517</u>
Health and sanitation				
Community Development Agency	<u>--</u>	<u>--</u>	<u>2,622</u>	<u>(2,622)</u>
Total health and sanitation	<u>--</u>	<u>--</u>	<u>2,622</u>	<u>(2,622)</u>
Total expenditures	<u>4,115,037</u>	<u>4,180,084</u>	<u>3,806,980</u>	<u>373,104</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(133,280)</u>	<u>72,320</u>	<u>(125,033)</u>	<u>(197,353)</u>
Other Financing Sources (Uses):				
Transfers in	--	24,000	--	(24,000)
Transfers out	<u>--</u>	<u>--</u>	<u>(94,364)</u>	<u>(94,364)</u>
Total other financing sources (uses), net	<u>--</u>	<u>24,000</u>	<u>(94,364)</u>	<u>(118,364)</u>
Net change in fund balance	(133,280)	96,320	(219,397)	(315,717)
Fund balance, beginning of year	<u>279,387</u>	<u>279,387</u>	<u>279,387</u>	<u>--</u>
Fund balance, end of year	<u>\$ 146,107</u>	<u>\$ 375,707</u>	<u>\$ 59,990</u>	<u>\$ (315,717)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Fishnet Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ --	\$ --	\$ 291	\$ 291
Total revenues	<u>--</u>	<u>--</u>	<u>291</u>	<u>291</u>
Excess of revenues over expenditures	<u>--</u>	<u>--</u>	<u>291</u>	<u>291</u>
Net change in fund balance	--	--	291	291
Fund balance, beginning of year	<u>129,696</u>	<u>129,696</u>	<u>129,696</u>	<u>--</u>
Fund balance, end of year	<u>\$ 129,696</u>	<u>\$ 129,696</u>	<u>\$ 129,987</u>	<u>\$ 291</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 HUD Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 2,105,346	\$ 4,830,654	\$ 2,200,170	\$ (2,630,484)
Total revenues	<u>2,105,346</u>	<u>4,830,654</u>	<u>2,200,170</u>	<u>(2,630,484)</u>
<b>Expenditures:</b>				
Current:				
Public assistance				
Community Development Agency	530,795	4,804,836	2,192,294	2,612,542
Total public assistance	<u>530,795</u>	<u>4,804,836</u>	<u>2,192,294</u>	<u>2,612,542</u>
Capital Outlay	<u>1,574,551</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total expenditures	<u>2,105,346</u>	<u>4,804,836</u>	<u>2,192,294</u>	<u>2,612,542</u>
Excess of revenues over expenditures	<u>--</u>	<u>25,818</u>	<u>7,876</u>	<u>(17,942)</u>
Other Financing Uses:				
Transfers out	<u>--</u>	<u>--</u>	<u>(7,663)</u>	<u>(7,663)</u>
Total other financing uses	<u>--</u>	<u>--</u>	<u>(7,663)</u>	<u>(7,663)</u>
Net change in fund balance	<u>--</u>	<u>25,818</u>	<u>213</u>	<u>(25,605)</u>
Fund balance, beginning of year	<u>14,491,790</u>	<u>14,491,790</u>	<u>14,491,790</u>	<u>--</u>
Fund balance, end of year	<u>\$ 14,491,790</u>	<u>\$ 14,517,608</u>	<u>\$ 14,492,003</u>	<u>\$ (25,605)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
High Tech Theft Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 3,078,791	\$ 3,078,791	\$ 1,432,393	\$ (1,646,398)
From use of money and property	--	--	653	653
Total revenues	<u>3,078,791</u>	<u>3,078,791</u>	<u>1,433,046</u>	<u>(1,645,745)</u>
<b>Expenditures:</b>				
Current:				
Public protection				
District Attorney	3,078,961	3,039,592	1,397,815	1,641,777
Total public protection	<u>3,078,961</u>	<u>3,039,592</u>	<u>1,397,815</u>	<u>1,641,777</u>
Capital Outlay	--	27,300	27,212	88
Total expenditures	<u>3,078,961</u>	<u>3,066,892</u>	<u>1,425,027</u>	<u>1,641,865</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(170)</u>	<u>11,899</u>	<u>8,019</u>	<u>(3,880)</u>
Net change in fund balance	(170)	11,899	8,019	(3,880)
Fund balance, beginning of year	<u>18,591</u>	<u>18,591</u>	<u>18,591</u>	<u>--</u>
Fund balance, end of year	<u>\$ 18,421</u>	<u>\$ 30,490</u>	<u>\$ 26,610</u>	<u>\$ (3,880)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Sewer Districts Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 48,319	\$ 48,319	\$ 63,864	\$ 15,545
Intergovernmental revenues	310	310	307	(3)
Charges for services	68,048	68,048	63,720	(4,328)
From use of money and property	680	680	1,052	372
Miscellaneous	--	--	32	32
Total revenues	<u>117,357</u>	<u>117,357</u>	<u>128,975</u>	<u>11,618</u>
<b>Expenditures:</b>				
Current:				
Health and sanitation				
SMD Murray Park	97,219	97,219	74,410	22,809
SMD San Quentin	123,650	123,500	84,435	39,065
Total health and sanitation	<u>220,869</u>	<u>220,719</u>	<u>158,845</u>	<u>61,874</u>
Total expenditures	<u>220,869</u>	<u>220,719</u>	<u>158,845</u>	<u>61,874</u>
Deficiency of revenues under expenditures	<u>(103,512)</u>	<u>(103,362)</u>	<u>(29,870)</u>	<u>73,492</u>
Net change in fund balance	(103,512)	(103,362)	(29,870)	73,492
Fund balance, beginning of year	<u>515,993</u>	<u>515,993</u>	<u>515,993</u>	<u>--</u>
Fund balance, end of year	<u>\$ 412,481</u>	<u>\$ 412,631</u>	<u>\$ 486,123</u>	<u>\$ 73,492</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
County Service Areas Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 3,785,662	\$ 3,785,662	\$ 4,225,739	\$ 440,077
Intergovernmental revenues	18,967	18,967	18,892	(75)
Charges for services	1,733,684	1,733,684	1,714,444	(19,240)
Fines and Forfeits	--	--	2,390	2,390
From use of money and property	12,562	12,562	40,801	28,239
Miscellaneous	--	--	1,217	1,217
Total revenues	<u>5,550,875</u>	<u>5,550,875</u>	<u>6,003,483</u>	<u>452,608</u>
<b>Expenditures:</b>				
Current:				
Public protection				
CSA #6 Santa Venetia	63,233	136,158	55,652	80,506
CSA #13 Marin County Upper Lucas	807,258	800,573	647,186	153,387
CSA #17 Kentfield	181,368	181,368	181,107	261
CSA #19 Fire Protection Services	1,965,876	1,965,876	1,668,309	297,567
CSA #29 Paradise Cay	716,369	775,940	124,431	651,509
CSA #31 County Fire	--	535,200	522,000	13,200
Total public protection	<u>3,734,104</u>	<u>4,395,115</u>	<u>3,198,685</u>	<u>1,196,430</u>
Public ways and facilities				
CSA #1 Loma Verde	77,603	77,603	8,267	69,336
CSA #9 Northbridge	17,819	17,702	14,916	2,786
Total public ways and facilities	<u>95,422</u>	<u>95,305</u>	<u>23,183</u>	<u>72,122</u>
Health and sanitation				
CSA #27 Ross Valley Paramedic	44,600	44,600	42,522	2,078
CSA #28 West Marin Paramedic	6,408	382,100	356,408	25,692
Total health and sanitation	<u>51,008</u>	<u>426,700</u>	<u>398,930</u>	<u>27,770</u>
Recreation and cultural services				
CSA #14 Homestead Valley	424,899	292,646	276,217	16,429
CSA #16 Greenbrae	743,657	721,881	475,354	246,527
CSA #17 Kentfield	1,123,082	1,030,668	404,398	626,270
CSA #18 Gallinas Village Area	368,193	357,392	289,832	67,560
CSA #20 Indian Valley	100,084	100,084	84	100,000
CSA #23 Terra Linda Area	--	17,417	17,417	--
CSA #25 San Marin Area	--	4,323	4,323	--
CSA #33 Stinson Beach	45,468	31,680	26,233	5,447
Total recreation and cultural services	<u>2,805,383</u>	<u>2,556,091</u>	<u>1,493,858</u>	<u>1,062,233</u>
Capital Outlay	200,000	200,000	--	200,000
Debt Service:				
Principal	45,311	45,312	45,312	--
Interest	31,191	31,191	31,190	1
Total debt service	<u>76,502</u>	<u>76,503</u>	<u>76,502</u>	<u>1</u>
Total expenditures	<u>6,962,419</u>	<u>7,749,714</u>	<u>5,191,158</u>	<u>2,558,556</u>

continued

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 County Service Areas Fund (continued)  
 For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,411,544)</u>	<u>\$ (2,198,839)</u>	<u>\$ 812,325</u>	<u>\$ 3,011,164</u>
Other Financing Sources (Uses):				
Transfers in	15,000	15,000	15,000	--
Transfers out	(910,892)	--	--	--
Total other financing sources (uses), net	<u>(895,892)</u>	<u>15,000</u>	<u>15,000</u>	<u>--</u>
Net change in fund balance	<u>(2,307,436)</u>	<u>(2,183,839)</u>	<u>827,325</u>	<u>3,011,164</u>
Fund balance, beginning of year	<u>17,021,899</u>	<u>17,021,899</u>	<u>17,021,899</u>	<u>--</u>
Fund balance, end of year	<u><u>\$ 14,714,463</u></u>	<u><u>\$ 14,838,060</u></u>	<u><u>\$ 17,849,224</u></u>	<u><u>\$ 3,011,164</u></u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Lighting Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 726,620	\$ 726,620	\$ 830,259	\$ 103,639
Intergovernmental revenues	3,542	3,542	3,515	(27)
Charges for services	84,283	84,283	84,283	-
Fines and forfeits	--	--	3,505	3,505
From use of money and property	1,646	1,646	4,873	3,227
Miscellaneous	--	--	8,804	8,804
Total revenues	<u>816,091</u>	<u>816,091</u>	<u>935,239</u>	<u>119,148</u>
<b>Expenditures:</b>				
Current:				
Public Ways and Facilities:				
Marin County Lighting	763,156	763,156	496,414	266,742
Rush Creek Lighting	156,847	152,379	89,568	62,811
Total public ways and facilities	<u>920,003</u>	<u>915,535</u>	<u>585,982</u>	<u>329,553</u>
Debt Service:				
Principal	38,618	38,618	20,498	18,120
Interest	11,910	11,910	4,766	7,144
Total debt service	<u>50,528</u>	<u>50,528</u>	<u>25,264</u>	<u>25,264</u>
Total expenditures	<u>970,531</u>	<u>966,063</u>	<u>611,246</u>	<u>354,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(154,440)</u>	<u>(149,972)</u>	<u>323,993</u>	<u>473,965</u>
Net change in fund balance	(154,440)	(149,972)	323,993	473,965
Fund balance, beginning of year	<u>1,967,803</u>	<u>1,967,803</u>	<u>1,967,803</u>	<u>--</u>
Fund balance, end of year	<u>\$ 1,813,363</u>	<u>\$ 1,817,831</u>	<u>\$ 2,291,796</u>	<u>\$ 473,965</u>



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Permanent Road Districts Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 52,430	\$ 52,430	\$ 62,647	\$ 10,217
Intergovernmental revenues	323	323	326	3
Charges for services	32,928	32,928	29,093	(3,835)
From use of money and property	268	268	956	688
Total revenues	<u>85,949</u>	<u>85,949</u>	<u>93,022</u>	<u>7,073</u>
<b>Expenditures:</b>				
Current:				
Public ways and facilities				
PRD Bolinas Highlands	37,005	37,005	--	37,005
PRD Inverness Div#2	25,000	25,000	--	25,000
PRD Monte Cristo	40,070	40,070	--	40,070
PRD Mt. View Ave. Lagunitas	4,500	4,500	--	4,500
PRD Paradise Estates	100,810	100,810	38,434	62,376
Total public ways and facilities	<u>207,385</u>	<u>207,385</u>	<u>38,434</u>	<u>168,951</u>
Total expenditures	<u>207,385</u>	<u>207,385</u>	<u>38,434</u>	<u>168,951</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(121,436)</u>	<u>(121,436)</u>	<u>54,588</u>	<u>176,024</u>
Net change in fund balance	(121,436)	(121,436)	54,588	176,024
Fund balance, beginning of year	<u>419,842</u>	<u>419,842</u>	<u>419,842</u>	<u>--</u>
Fund balance, end of year	<u>\$ 298,406</u>	<u>\$ 298,406</u>	<u>\$ 474,430</u>	<u>\$ 176,024</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Tobacco Settlement Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 150,000	\$ 150,000	\$ 150,000	\$ --
Charges for services	--	--	800	800
From use of money and property	--	--	153	153
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>150,953</u>	<u>953</u>
Excess of revenues over expenditures	<u>150,000</u>	<u>150,000</u>	<u>150,953</u>	<u>953</u>
Other Financing Uses:				
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>--</u>
Total other financing uses	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>--</u>
Net change in fund balance	--	--	953	953
Fund balance, beginning of year	<u>768</u>	<u>768</u>	<u>768</u>	<u>--</u>
Fund balance, end of year	<u>\$ 768</u>	<u>\$ 768</u>	<u>\$ 1,721</u>	<u>\$ 953</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 In-Home Supportive Services Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ --	\$ --	\$ 1,976,485	\$ 1,976,485
From use of money and property	--	--	979	979
Miscellaneous	--	--	3,250	3,250
Total revenues	<u>--</u>	<u>--</u>	<u>1,980,714</u>	<u>1,980,714</u>
<b>Expenditures:</b>				
Current:				
Health and sanitation				
IHSS Public Authority	2,184,900	2,184,900	1,976,753	208,147
Total health and sanitation	<u>2,184,900</u>	<u>2,184,900</u>	<u>1,976,753</u>	<u>208,147</u>
Total expenditures	<u>2,184,900</u>	<u>2,184,900</u>	<u>1,976,753</u>	<u>208,147</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,184,900)</u>	<u>(2,184,900)</u>	<u>3,961</u>	<u>2,188,861</u>
Other Financing Sources:				
Transfers in	2,184,900	2,184,900	--	(2,184,900)
Total other financing sources	<u>2,184,900</u>	<u>2,184,900</u>	<u>--</u>	<u>(2,184,900)</u>
Net change in fund balance	--	--	3,961	3,961
Fund balance, beginning of year	<u>55,868</u>	<u>55,868</u>	<u>55,868</u>	<u>--</u>
Fund balance, end of year	<u>\$ 55,868</u>	<u>\$ 55,868</u>	<u>\$ 59,829</u>	<u>\$ 3,961</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Bay Area Stormwater Management Fund  
 For the Fiscal Year Ended June 30, 2016

	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	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
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 balance	--	--	--	--
Fund balance, beginning of year	<u>50</u>	<u>50</u>	<u>50</u>	<u>--</u>
Fund balance, end of year	<u><u>\$ 50</u></u>	<u><u>\$ 50</u></u>	<u><u>\$ 50</u></u>	<u><u>\$ --</u></u>

Note: Fund did not have activity in FY 2015-16 and is subject to close in the following fiscal year.

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Open Space District Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 6,371,808	\$ 6,371,808	\$ 6,672,188	\$ 300,380
Intergovernmental revenues	138,942	138,942	175,740	36,798
Charges for services	--	--	2,332	2,332
Fines and forfeits	--	--	22,137	22,137
From use of money and property	32,434	32,434	37,912	5,478
Miscellaneous	2,000	2,000	62,710	60,710
Total revenues	<u>6,545,184</u>	<u>6,545,184</u>	<u>6,973,019</u>	<u>427,835</u>
<b>Expenditures:</b>				
Current:				
Recreation and cultural services				
Open Space	7,865,876	7,354,515	6,677,223	677,292
Total recreation and cultural svcs	<u>7,865,876</u>	<u>7,354,515</u>	<u>6,677,223</u>	<u>677,292</u>
Capital Outlay	559,379	633,328	633,328	--
Total expenditures	<u>8,425,255</u>	<u>7,987,843</u>	<u>7,310,551</u>	<u>677,292</u>
Deficiency of revenues under expenditures	<u>(1,880,071)</u>	<u>(1,442,659)</u>	<u>(337,532)</u>	<u>1,105,127</u>
Other Financing Sources (Uses):				
Transfers in	--	12,000	12,000	--
Transfers out	--	(12,000)	(134,691)	(122,691)
Total other financing uses, net	<u>--</u>	<u>--</u>	<u>(122,691)</u>	<u>(122,691)</u>
Net change in fund balance	(1,880,071)	(1,442,659)	(460,223)	982,436
Fund balance, beginning of year - restated	<u>8,275,151</u>	<u>8,275,151</u>	<u>8,275,151</u>	<u>--</u>
Fund balance, end of year	<u>\$ 6,395,080</u>	<u>\$ 6,832,492</u>	<u>\$ 7,814,928</u>	<u>\$ 982,436</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Low-Income Housing Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 100,000	\$ 100,000	\$ 433,420	\$ 333,420
Charges for services	--	--	18,340	18,340
From use of money and property	--	--	70,329	70,329
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>522,089</u>	<u>422,089</u>
<b>Expenditures:</b>				
Current:				
Public assistance				
Community Development Agency	196,040	176,107	67,461	108,646
Total public assistance	<u>196,040</u>	<u>176,107</u>	<u>67,461</u>	<u>108,646</u>
Total expenditures	<u>196,040</u>	<u>176,107</u>	<u>67,461</u>	<u>108,646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(96,040)</u>	<u>(76,107)</u>	<u>454,628</u>	<u>530,735</u>
Other Financing Sources (Uses):				
Transfers in	250,000	250,000	250,000	--
Transfers out	<u>(175,047)</u>	<u>(175,047)</u>	<u>(120,866)</u>	<u>54,181</u>
Total other financing sources (uses), net	<u>74,953</u>	<u>74,953</u>	<u>129,134</u>	<u>54,181</u>
Net change in fund balance	(21,087)	(1,154)	583,762	584,916
Fund balance, beginning of year	<u>10,667,086</u>	<u>10,667,086</u>	<u>10,667,086</u>	<u>--</u>
Fund balance, end of year	<u><u>\$10,645,999</u></u>	<u><u>\$10,665,932</u></u>	<u><u>\$ 11,250,848</u></u>	<u><u>\$ 584,916</u></u>

Budgetary Comparison Schedule  
Flood Control District Zones Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,428,554	\$ 4,428,554	\$ 5,336,196	\$ 907,642
Intergovernmental revenues	44,966	314,966	74,868	(240,098)
Charges for services	3,358,424	3,358,424	3,048,856	(309,568)
Fines and forfeits	--	--	24,929	24,929
From use of money and property	15,913	15,913	60,779	44,866
Total revenues	<u>7,847,857</u>	<u>8,117,857</u>	<u>8,545,628</u>	<u>427,771</u>
<b>Expenditures:</b>				
Current:				
Public protection				
FCZ #1 Novato	2,204,947	3,258,245	1,635,263	1,622,982
FCZ #3 Richardson Bay	2,644,567	1,738,007	789,726	948,281
FCZ #4 Bel Air and Strawberry Circle	1,023,064	903,924	724,552	179,372
FCZ #5 Stinson Beach	108,713	111,774	14,970	96,804
FCZ #6 San Rafael Meadows	32,551	22,998	18,285	4,713
FCZ #7 Santa Venetia	772,978	730,074	314,402	415,672
FCZ #9 Ross Valley Corte Madera	2,252,461	4,389,144	2,089,653	2,299,491
FCZ #10 Inverness	17,009	15,269	1,835	13,434
Entities managed by Public Works	1,105,032	997,477	678,989	318,488
Total public protection	<u>10,161,322</u>	<u>12,166,912</u>	<u>6,267,675</u>	<u>5,899,237</u>
Public ways and facilities				
Public Works	--	309,791	45,861	263,930
Total public ways and facilities	<u>--</u>	<u>309,791</u>	<u>45,861</u>	<u>263,930</u>
Total expenditures	<u>10,161,322</u>	<u>12,476,703</u>	<u>6,313,536</u>	<u>6,163,167</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,313,465)</u>	<u>(4,358,846)</u>	<u>2,232,092</u>	<u>6,590,938</u>
Other Financing Sources (Uses):				
Transfers in	--	--	171,993	171,993
Transfers out	--	(60,000)	--	60,000
Total other financing sources (uses), net	<u>--</u>	<u>(60,000)</u>	<u>171,993</u>	<u>231,993</u>
Net change in fund balance	(2,313,465)	(4,418,846)	2,404,085	6,822,931
Fund balance, beginning of year	<u>25,606,844</u>	<u>25,606,844</u>	<u>25,606,844</u>	<u>--</u>
Fund balance, end of year	<u><u>\$ 23,293,379</u></u>	<u><u>\$ 21,187,998</u></u>	<u><u>\$ 28,010,929</u></u>	<u><u>\$ 6,822,931</u></u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Miscellaneous Special Revenue Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ --	\$ 1,993,524	\$ 1,384,536	\$ (608,988)
Charges for services	494,621	494,621	517,222	22,601
From use of money and property	--	--	6,054	6,054
Miscellaneous	--	--	2,832	2,832
Total revenues	<u>494,621</u>	<u>2,488,145</u>	<u>1,910,644</u>	<u>(577,501)</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Health and Human Services	89,965	264,870	217,019	47,851
Sheriff	75,261	778,614	337,467	441,147
Total public protection	<u>165,226</u>	<u>1,043,484</u>	<u>554,486</u>	<u>488,998</u>
Health and sanitation				
Health and Human Services	177,143	1,007,999	832,482	175,517
Total health and sanitation	<u>177,143</u>	<u>1,007,999</u>	<u>832,482</u>	<u>175,517</u>
Capital Outlay	<u>6,634</u>	<u>11,630</u>	<u>11,630</u>	<u>--</u>
Total expenditures	<u>349,003</u>	<u>2,063,113</u>	<u>1,398,598</u>	<u>664,515</u>
Excess of revenues over expenditures	<u>145,618</u>	<u>425,032</u>	<u>512,046</u>	<u>87,014</u>
Other Financing Uses:				
Transfers out	<u>(673,273)</u>	<u>(888,626)</u>	<u>(700,122)</u>	<u>188,504</u>
Total other financing uses	<u>(673,273)</u>	<u>(888,626)</u>	<u>(700,122)</u>	<u>188,504</u>
Net change in fund balance	(527,655)	(463,594)	(188,076)	275,518
Fund balance, beginning of year	<u>3,076,071</u>	<u>3,076,071</u>	<u>3,076,071</u>	<u>--</u>
Fund balance, end of year	<u>\$ 2,548,416</u>	<u>\$ 2,612,477</u>	<u>\$ 2,887,995</u>	<u>\$ 275,518</u>



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Public Protection Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 18,294,945	\$ 31,574,063	\$ 19,340,469	\$ (12,233,594)
Charges for services	190,406	302,406	316,323	13,917
Fines and forfeits	540,000	540,000	692,875	152,875
From use of money and property	--	3,000	65,352	62,352
Miscellaneous	--	--	1,684	1,684
Total revenues	<u>19,025,351</u>	<u>32,419,469</u>	<u>20,416,703</u>	<u>(12,002,766)</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	--	5,500	--	5,500
Total general government	<u>--</u>	<u>5,500</u>	<u>--</u>	<u>5,500</u>
Public protection				
District Attorney	12,129	62,364	43,255	19,109
Probation	3,412,539	3,487,587	3,186,271	301,316
Sheriff	1,713,162	1,738,036	1,533,347	204,689
Total public protection	<u>5,137,830</u>	<u>5,287,987</u>	<u>4,762,873</u>	<u>525,114</u>
Health and sanitation				
Health and Human Services	1,039,308	1,012,107	888,608	123,499
Total health and sanitation	<u>1,039,308</u>	<u>1,012,107</u>	<u>888,608</u>	<u>123,499</u>
Public assistance				
Health and Human Services	517,559	513,035	372,311	140,724
Total public assistance	<u>517,559</u>	<u>513,035</u>	<u>372,311</u>	<u>140,724</u>
Capital Outlay				
Total expenditures	<u>6,730,295</u>	<u>6,854,287</u>	<u>6,059,390</u>	<u>794,897</u>
Excess of revenues over expenditures	<u>12,295,056</u>	<u>25,565,182</u>	<u>14,357,313</u>	<u>(11,207,869)</u>
Other Financing Sources (Uses):				
Transfers in	9,316,295	41,385	232,058	190,673
Transfers out	(19,233,163)	(24,567,082)	(13,912,746)	10,654,336
Total other financing sources (uses), net	<u>(9,916,868)</u>	<u>(24,525,697)</u>	<u>(13,680,688)</u>	<u>10,845,009</u>
Net change in fund balance	2,378,188	1,039,485	676,625	(362,860)
Fund balance, beginning of year - restated	<u>24,091,321</u>	<u>24,091,321</u>	<u>24,091,321</u>	<u>--</u>
Fund balance, end of year	<u>\$ 26,469,509</u>	<u>\$ 25,130,806</u>	<u>\$ 24,767,946</u>	<u>\$ (362,860)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Public Ways and Facilities Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 835,000	\$ 835,000	\$ 1,149,009	\$ 314,009
Intergovernmental revenues	--	1,702,962	292,298	(1,410,664)
Charges for services	40,112	67,482	122,752	55,270
From use of money and property	14,629	14,629	28,705	14,076
Total revenues	<u>889,741</u>	<u>2,620,073</u>	<u>1,592,764</u>	<u>(1,027,309)</u>
<b>Expenditures:</b>				
Current:				
General government				
Public Works	26,275	121,275	84,950	36,325
Total general government	<u>26,275</u>	<u>121,275</u>	<u>84,950</u>	<u>36,325</u>
Public protection				
Community Development Agency	43,579	51,989	49,956	2,033
Total public protection	<u>43,579</u>	<u>51,989</u>	<u>49,956</u>	<u>2,033</u>
Public ways and facilities				
Public Works	13,464	2,703,691	422,526	2,281,165
Total public ways and facilities	<u>13,464</u>	<u>2,703,691</u>	<u>422,526</u>	<u>2,281,165</u>
Total expenditures	<u>83,318</u>	<u>2,876,955</u>	<u>557,432</u>	<u>2,319,523</u>
Excess (deficiency) of revenues over (under) expenditures	<u>806,423</u>	<u>(256,882)</u>	<u>1,035,332</u>	<u>1,292,214</u>
Other Financing Uses:				
Transfers out	(1,836,771)	(2,187,881)	(2,171,110)	16,771
Total other financing uses	<u>(1,836,771)</u>	<u>(2,187,881)</u>	<u>(2,171,110)</u>	<u>16,771</u>
Net change in fund balance	(1,030,348)	(2,444,763)	(1,135,778)	1,308,985
Fund balance, beginning of year - restated	<u>5,651,931</u>	<u>5,651,931</u>	<u>5,651,931</u>	<u>--</u>
Fund balance, end of year	<u>\$ 4,621,583</u>	<u>\$ 3,207,168</u>	<u>\$ 4,516,153</u>	<u>\$ 1,308,985</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Restricted Housing Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ --	\$ --	\$ 3,322	\$ 3,322
Total revenues	<u>--</u>	<u>--</u>	<u>3,322</u>	<u>3,322</u>
<b>Expenditures:</b>				
Current:				
Public assistance				
Community Development Agency	--	928,460	14,100	914,360
Total public assistance	<u>--</u>	<u>928,460</u>	<u>14,100</u>	<u>914,360</u>
Total expenditures	<u>--</u>	<u>928,460</u>	<u>14,100</u>	<u>914,360</u>
Deficiency of revenues under expenditures	<u>--</u>	<u>(928,460)</u>	<u>(10,778)</u>	<u>917,682</u>
Net change in fund balance	--	(928,460)	(10,778)	917,682
Fund balance, beginning of year	<u>2,676,589</u>	<u>2,676,589</u>	<u>2,676,589</u>	<u>--</u>
Fund balance, end of year	<u><u>\$2,676,589</u></u>	<u><u>\$ 1,748,129</u></u>	<u><u>\$ 2,665,811</u></u>	<u><u>\$ 917,682</u></u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Recreation and Cultural Services Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 10,554,374	\$ 10,653,698	\$ 13,312,972	\$ 2,659,274
Intergovernmental revenues	--	--	31,234	31,234
Fines and forfeits	--	--	610	610
From use of money and property	--	--	40,265	40,265
Miscellaneous	--	--	85,109	85,109
Total revenues	<u>10,554,374</u>	<u>10,653,698</u>	<u>13,470,190</u>	<u>2,816,492</u>
<b>Expenditures:</b>				
Current:				
Recreation and cultural services	12,143,000	15,398,022	10,009,040	5,388,982
Total recreation and cultural svcs	<u>12,143,000</u>	<u>15,398,022</u>	<u>10,009,040</u>	<u>5,388,982</u>
Capital Outlay	630,000	695,525	413,231	282,294
Total expenditures	<u>12,773,000</u>	<u>16,093,547</u>	<u>10,422,271</u>	<u>5,671,276</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,218,626)</u>	<u>(5,439,849)</u>	<u>3,047,919</u>	<u>8,487,768</u>
Other Financing Sources (Uses):				
Transfers in	--	12,796	12,796	--
Transfers out	--	--	(55,141)	(55,141)
Total other financing sources (uses), net	<u>--</u>	<u>12,796</u>	<u>(42,345)</u>	<u>(55,141)</u>
Net change in fund balance	(2,218,626)	(5,427,053)	3,005,574	8,432,627
Fund balance, beginning of year - restated	<u>17,661,447</u>	<u>17,661,447</u>	<u>17,661,447</u>	<u>--</u>
Fund balance, end of year	<u>\$ 15,442,821</u>	<u>\$ 12,234,394</u>	<u>\$ 20,667,021</u>	<u>\$ 8,432,627</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Employees' Retirement Operations Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ --	\$ --	\$ 2,368,072	\$ 2,368,072
Charges for service	2,666,348	2,666,348	--	(2,666,348)
Total revenues	<u>2,666,348</u>	<u>2,666,348</u>	<u>2,368,072</u>	<u>(298,276)</u>
<b>Expenditures:</b>				
Current:				
General government				
Retirement	2,666,348	2,666,348	2,177,458	488,890
Total general government	<u>2,666,348</u>	<u>2,666,348</u>	<u>2,177,458</u>	<u>488,890</u>
Public protection				
Sheriff	--	--	3,542	(3,542)
Total public protection	<u>--</u>	<u>--</u>	<u>3,542</u>	<u>(3,542)</u>
Total expenditures	<u>2,666,348</u>	<u>2,666,348</u>	<u>2,181,000</u>	<u>485,348</u>
Excess of revenues over expenditures	<u>--</u>	<u>--</u>	<u>187,072</u>	<u>187,072</u>
Other Financing Uses:				
Transfers out	--	--	(67,075)	(67,075)
Total other financing uses	<u>--</u>	<u>--</u>	<u>(67,075)</u>	<u>(67,075)</u>
Net change in fund balance	--	--	119,997	119,997
Fund balance, beginning of year	<u>41,192</u>	<u>41,192</u>	<u>41,192</u>	<u>--</u>
Fund balance, end of year	<u>\$ 41,192</u>	<u>\$ 41,192</u>	<u>\$ 161,189</u>	<u>\$ 119,997</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Health Services Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 309,150	\$ 3,877,389	\$ 2,620,582	\$ (1,256,807)
From use of money and property	--	--	4,747	4,747
Total revenues	<u>309,150</u>	<u>3,877,389</u>	<u>2,625,329</u>	<u>(1,252,060)</u>
<b>Expenditures:</b>				
Current:				
Health and Sanitation				
Health and Human Services	241,523	1,045,930	964,748	81,182
Total health and sanitation	<u>241,523</u>	<u>1,045,930</u>	<u>964,748</u>	<u>81,182</u>
Total expenditures	<u>241,523</u>	<u>1,045,930</u>	<u>964,748</u>	<u>81,182</u>
Excess of revenues over expenditures	<u>67,627</u>	<u>2,831,459</u>	<u>1,660,581</u>	<u>(1,170,878)</u>
Other Financing Uses:				
Transfers out	(143,562)	(1,554,585)	(1,445,425)	109,160
Total other financing uses	<u>(143,562)</u>	<u>(1,554,585)</u>	<u>(1,445,425)</u>	<u>109,160</u>
Net change in fund balance	(75,935)	1,276,874	215,156	(1,061,718)
Fund balance, beginning of year	<u>2</u>	<u>2</u>	<u>2</u>	<u>--</u>
Fund balance, end of year	<u>\$ (75,933)</u>	<u>\$ 1,276,876</u>	<u>\$ 215,158</u>	<u>\$ (1,061,718)</u>

---

**NON-MAJOR DEBT SERVICE FUNDS**

---

This page intentionally left blank



## NON-MAJOR 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 Fund

The Open Space Debt Service fund is used to account for the accumulation of resources for the payment of the 2014 Open Space Revenue Bonds debt principal, interest, and related costs. 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 of 3.06%, and mature in September 2027.

#### Pension Obligation Bond Fund (2003 POB Fund)

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 Fund

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 Fund

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.

This page intentionally left blank

**COUNTY OF MARIN**

Combining Balance Sheet  
Non-major Debt Service Funds  
June 30, 2016

	Open Space Debt Service Fund	2003 POB Fund	Debt Service Fund	Tobacco Securitization Fund	Total
<b>ASSETS</b>					
Cash and investments in County pool	\$ 618,444	\$4,790,150	\$ 152,593	\$ 534	\$ 5,561,721
Cash with fiscal agent	--	127	627	3,630,539	3,631,293
Prepaid items	--	--	2,104	--	2,104
Total assets	<u>\$ 618,444</u>	<u>\$4,790,277</u>	<u>\$ 155,324</u>	<u>\$ 3,631,073</u>	<u>\$ 9,195,118</u>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 2,616	\$ --	\$ --	\$ --	\$ 2,616
Total liabilities	<u>2,616</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,616</u>
<b>FUND BALANCES</b>					
Restricted	--	--	--	1,131,221	1,131,221
Assigned	615,828	4,790,277	155,324	2,499,852	8,061,281
Total fund balances	<u>615,828</u>	<u>4,790,277</u>	<u>155,324</u>	<u>3,631,073</u>	<u>9,192,502</u>
Total liabilities and fund balances	<u>\$ 618,444</u>	<u>\$4,790,277</u>	<u>\$ 155,324</u>	<u>\$ 3,631,073</u>	<u>\$ 9,195,118</u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-major Debt Service Funds  
For the Fiscal Year Ended June 30, 2016

	Open Space Debt Service Fund	2003 POB Fund	Debt Service Fund	Tobacco Securitization Fund	Total
<b>Revenues:</b>					
Charges for services	\$ 659,230	\$ --	\$ 111,841	\$ --	\$ 771,071
Fines and forfeitures	659	--	--	--	659
From use of money and property	863	5,255	32,164	127,294	165,576
Miscellaneous	--	--	--	2,175,560	2,175,560
Total revenues	<u>660,752</u>	<u>5,255</u>	<u>144,005</u>	<u>2,302,854</u>	<u>3,112,866</u>
<b>Expenditures:</b>					
Current:					
General government	--	5,709	735,140	29,987	770,836
Public protection	--	--	6,085	--	6,085
Recreation and cultural services	19,311	--	--	--	19,311
Debt Service:					
Principal	447,749	3,520,000	2,442,415	540,000	6,950,164
Interest	168,891	5,406,188	3,019,750	1,773,600	10,368,429
Total expenditures	<u>635,951</u>	<u>8,931,897</u>	<u>6,203,390</u>	<u>2,343,587</u>	<u>18,114,825</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,801</u>	<u>(8,926,642)</u>	<u>(6,059,385)</u>	<u>(40,733)</u>	<u>(15,001,959)</u>
Other Financing Sources (Uses):					
Refunding debt issued	--	--	82,721,188	--	82,721,188
Debt refunded	--	--	(60,483,553)	--	(60,483,553)
Transfers in	616,941	8,884,189	61,881,217	--	71,382,347
Transfers out	(616,941)	--	(82,004,655)	--	(82,621,596)
Total other financing sources, net	<u>--</u>	<u>8,884,189</u>	<u>2,114,197</u>	<u>--</u>	<u>10,998,386</u>
Net change in fund balances	24,801	(42,453)	(3,945,188)	(40,733)	(4,003,573)
Fund balances, beginning of year	<u>591,027</u>	<u>4,832,730</u>	<u>4,100,512</u>	<u>3,671,806</u>	<u>13,196,075</u>
Fund balances, end of year	<u>\$ 615,828</u>	<u>\$ 4,790,277</u>	<u>\$ 155,324</u>	<u>\$ 3,631,073</u>	<u>\$ 9,192,502</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Open Space Debt Service Fund  
 For the Fiscal Year Ended June 30, 2016

	<u>Budgeted 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>				
Charges for services	\$ 662,000	\$ 662,000	\$ 659,230	\$ (2,770)
Fines and forfeits	--	--	659	659
From use of money and property	--	--	863	863
Total revenues	<u>662,000</u>	<u>662,000</u>	<u>660,752</u>	<u>(1,248)</u>
<b>Expenditures:</b>				
Current:				
Recreation and cultural services				
Open space	21,500	21,500	19,311	2,189
Total recreation and cultural services	<u>21,500</u>	<u>21,500</u>	<u>19,311</u>	<u>2,189</u>
Debt Service:				
Principal	451,000	451,000	447,749	3,251
Interest	171,000	171,000	168,891	2,109
Total debt service	<u>622,000</u>	<u>622,000</u>	<u>616,640</u>	<u>5,360</u>
Total expenditures	<u>643,500</u>	<u>643,500</u>	<u>635,951</u>	<u>7,549</u>
Excess of revenues over expenditures	<u>18,500</u>	<u>18,500</u>	<u>24,801</u>	<u>6,301</u>
Other Financing Sources (Uses):				
Transfers in	622,000	622,000	616,941	(5,059)
Transfers out	<u>(622,000)</u>	<u>(622,000)</u>	<u>(616,941)</u>	<u>5,059</u>
Total other financing sources, net	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balance	18,500	18,500	24,801	6,301
Fund balance, beginning of year	<u>591,027</u>	<u>591,027</u>	<u>591,027</u>	<u>--</u>
Fund balance, end of year	<u>\$ 609,527</u>	<u>\$ 609,527</u>	<u>\$ 615,828</u>	<u>\$ 6,301</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Pension Obligation Bond Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ 5,000	\$ 5,000	\$ 5,255	\$ 255
Miscellaneous	8,933,188	8,933,188	--	(8,933,188)
Total revenues	<u>8,938,188</u>	<u>8,938,188</u>	<u>5,255</u>	<u>(8,932,933)</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	12,000	12,000	5,709	6,291
Total general government	<u>12,000</u>	<u>12,000</u>	<u>5,709</u>	<u>6,291</u>
Debt Service:				
Principal	3,520,000	3,520,000	3,520,000	--
Interest	5,406,188	5,406,188	5,406,188	--
Total debt service	<u>8,926,188</u>	<u>8,926,188</u>	<u>8,926,188</u>	<u>--</u>
Total expenditures	<u>8,938,188</u>	<u>8,938,188</u>	<u>8,931,897</u>	<u>6,291</u>
Deficiency of revenues under expenditures	<u>--</u>	<u>--</u>	<u>(8,926,642)</u>	<u>(8,926,642)</u>
Other Financing Sources:				
Transfers in	--	--	8,884,189	8,884,189
Total other financing sources	<u>--</u>	<u>--</u>	<u>8,884,189</u>	<u>8,884,189</u>
Net change in fund balance	--	--	(42,453)	(42,453)
Fund balance, beginning of year	<u>4,832,730</u>	<u>4,832,730</u>	<u>4,832,730</u>	<u>--</u>
Fund balance, end of year	<u>\$ 4,832,730</u>	<u>\$ 4,832,730</u>	<u>\$ 4,790,277</u>	<u>\$ (42,453)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Debt Service Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 58,200	\$ 94,824	\$ 111,841	\$ 17,017
From use of money and property	--	--	32,164	32,164
Total revenues	<u>58,200</u>	<u>94,824</u>	<u>144,005</u>	<u>49,181</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	35,001	778,901	735,140	43,761
Total general government	<u>35,001</u>	<u>778,901</u>	<u>735,140</u>	<u>43,761</u>
Public protection				
Community Development Agency	4,000	10,023	6,085	3,938
Total public protection	<u>4,000</u>	<u>10,023</u>	<u>6,085</u>	<u>3,938</u>
Debt Service:				
Principal	2,709,000	4,724,628	2,442,415	2,282,213
Interest	2,605,984	5,118,157	3,019,750	2,098,407
Total debt service	<u>5,314,984</u>	<u>9,842,785</u>	<u>5,462,165</u>	<u>4,380,620</u>
Total expenditures	<u>5,353,985</u>	<u>10,631,709</u>	<u>6,203,390</u>	<u>4,428,319</u>
Deficiency of revenues under expenditures	<u>(5,295,785)</u>	<u>(10,536,885)</u>	<u>(6,059,385)</u>	<u>4,477,500</u>
Other Financing Sources (Uses):				
Issuance of debt	--	82,721,188	82,721,188	--
Defeasance	--	(56,480,510)	(60,483,553)	(4,003,043)
Transfers in	5,295,785	61,790,695	61,881,217	90,522
Transfers out	--	(56,495,410)	(82,004,655)	(25,509,245)
Total other financing sources, net	<u>5,295,785</u>	<u>31,535,963</u>	<u>2,114,197</u>	<u>(29,421,766)</u>
Net change in fund balance	--	20,999,078	(3,945,188)	(24,944,266)
Fund balance, beginning of year	<u>4,100,512</u>	<u>4,100,512</u>	<u>4,100,512</u>	<u>--</u>
Fund balance, end of year	<u>\$ 4,100,512</u>	<u>\$ 25,099,590</u>	<u>\$ 155,324</u>	<u>\$ (24,944,266)</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Tobacco Securitization Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
From use of money and property	\$ 125,000	\$ 125,000	\$ 127,294	\$ 2,294
Miscellaneous	2,391,000	2,391,000	2,175,560	(215,440)
Total revenues	<u>2,516,000</u>	<u>2,516,000</u>	<u>2,302,854</u>	<u>(213,146)</u>
<b>Expenditures:</b>				
Current:				
General government				
Non - Departmental	25,000	25,000	29,987	(4,987)
Total general government	<u>25,000</u>	<u>25,000</u>	<u>29,987</u>	<u>(4,987)</u>
Debt Service:				
Principal	600,000	600,000	540,000	60,000
Interest	1,891,000	1,891,000	1,773,600	117,400
Total debt service	<u>2,491,000</u>	<u>2,491,000</u>	<u>2,313,600</u>	<u>177,400</u>
Total expenditures	<u>2,516,000</u>	<u>2,516,000</u>	<u>2,343,587</u>	<u>172,413</u>
Deficiency of revenues under expenditures	<u>--</u>	<u>--</u>	<u>(40,733)</u>	<u>(40,733)</u>
Net change in fund balance	--	--	(40,733)	(40,733)
Fund balance, beginning of year	<u>3,671,806</u>	<u>3,671,806</u>	<u>3,671,806</u>	<u>--</u>
Fund balance, end of year	<u>\$ 3,671,806</u>	<u>\$ 3,671,806</u>	<u>\$ 3,631,073</u>	<u>\$ (40,733)</u>



---

**NON-MAJOR CAPITAL PROJECTS FUNDS**

---

This page intentionally left blank

## **NON-MAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECT FUNDS**

Capital project 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 Fund

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 Fund

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 Fund

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

This page intentionally left blank

**COUNTY OF MARIN**

Combining Balance Sheet  
Non-major Capital Project Funds  
June 30, 2016

	Courthouse Construction Fund	Miscellaneous Capital Projects Fund	Other Capital Projects Fund	Total
<b>ASSETS</b>				
Cash and investments in County pool	\$ 712,285	\$ 13,099,008	\$ 32,331,836	\$ 46,143,129
Due from other governmental agencies	--	4,397	75,000	79,397
 Total assets	<u>\$ 712,285</u>	<u>\$ 13,103,405</u>	<u>\$ 32,406,836</u>	<u>\$ 46,222,526</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ --	\$ 308,079	\$ 43,366	\$ 351,445
Accrued salaries and benefits	--	40,718	--	40,718
Other liabilities	3,885	--	--	3,885
Total liabilities	<u>3,885</u>	<u>348,797</u>	<u>43,366</u>	<u>396,048</u>
<b>FUND BALANCES</b>				
Restricted	323,550	--	--	323,550
Assigned	384,850	12,754,608	32,363,470	45,502,928
Total fund balances	<u>708,400</u>	<u>12,754,608</u>	<u>32,363,470</u>	<u>45,826,478</u>
 Total liabilities and fund balances	<u>\$ 712,285</u>	<u>\$ 13,103,405</u>	<u>\$ 32,406,836</u>	<u>\$ 46,222,526</u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-major Capital Project Funds  
For the Fiscal Year Ended June 30, 2016

	Courthouse Construction Fund	Miscellaneous Capital Projects Fund	Other Capital Projects Fund	Total
<b>Revenues:</b>				
Intergovernmental revenues	\$ --	\$ 176,652	\$ 1,677,589	\$ 1,854,241
Charges for services	--	17,648	75,224	92,872
Fines and forfeits	349,340	83,150	--	432,490
Use of money and property	1,487	--	30,094	31,581
Miscellaneous	--	270,000	317,851	587,851
Total revenues	<u>350,827</u>	<u>547,450</u>	<u>2,100,758</u>	<u>2,999,035</u>
<b>Expenditures:</b>				
Current:				
General government	--	2,236,734	--	2,236,734
Public protection	--	101,076	1,927	103,003
Public ways and facilities	--	77,190	2,844,953	2,922,143
Health and sanitation	--	7,660	--	7,660
Recreation and cultural services	--	42,216	--	42,216
Capital outlay	--	4,200,464	7,156,790	11,357,254
Total expenditures	<u>--</u>	<u>6,665,340</u>	<u>10,003,670</u>	<u>16,669,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>350,827</u>	<u>(6,117,890)</u>	<u>(7,902,912)</u>	<u>(13,669,975)</u>
Other Financing Sources (Uses):				
Transfers in	--	6,715,704	32,117,303	38,833,007
Transfers out	<u>(353,259)</u>	<u>(39,627)</u>	<u>(310,542)</u>	<u>(703,428)</u>
Total other financing sources (uses), net	<u>(353,259)</u>	<u>6,676,077</u>	<u>31,806,761</u>	<u>38,129,579</u>
Net change in fund balances	(2,432)	558,187	23,903,849	24,459,604
Fund balances, beginning of year	<u>710,832</u>	<u>12,196,421</u>	<u>8,459,621</u>	<u>21,366,874</u>
Fund balances, end of year	<u>\$ 708,400</u>	<u>\$ 12,754,608</u>	<u>\$ 32,363,470</u>	<u>\$ 45,826,478</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Courthouse Construction Fund  
 For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeits	\$ 450,000	\$ 450,000	\$ 349,340	\$ (100,660)
From use of money and property	--	--	1,487	1,487
Total revenues	<u>450,000</u>	<u>450,000</u>	<u>350,827</u>	<u>(99,173)</u>
Excess of revenues over expenditures	<u>450,000</u>	<u>450,000</u>	<u>350,827</u>	<u>(99,173)</u>
Other Financing Uses:				
Transfers out	<u>(450,000)</u>	<u>(450,000)</u>	<u>(353,259)</u>	<u>96,741</u>
Total other financing uses	<u>(450,000)</u>	<u>(450,000)</u>	<u>(353,259)</u>	<u>96,741</u>
Net change in fund balance	--	--	(2,432)	(2,432)
Fund balance, beginning of year	<u>710,832</u>	<u>710,832</u>	<u>710,832</u>	<u>--</u>
Fund balance, end of year	<u><u>\$ 710,832</u></u>	<u><u>\$ 710,832</u></u>	<u><u>\$ 708,400</u></u>	<u><u>\$ (2,432)</u></u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Miscellaneous Capital Project Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ --	\$ 1,233,045	\$ 176,652	\$ (1,056,393)
Charges for services	413,488	510,053	17,648	(492,405)
Fines and forfeits	--	--	83,150	83,150
Miscellaneous	--	175,000	270,000	95,000
Total revenues	<u>413,488</u>	<u>1,918,098</u>	<u>547,450</u>	<u>(1,370,648)</u>
<b>Expenditures:</b>				
Current:				
General government				
County Administrator	110,193	110,193	109,150	1,043
Public Works	<u>3,381,148</u>	<u>16,090,557</u>	<u>2,127,584</u>	<u>13,962,973</u>
Total general government	<u>3,491,341</u>	<u>16,200,750</u>	<u>2,236,734</u>	<u>13,964,016</u>
Public protection				
Public Works	<u>407,796</u>	<u>1,574,815</u>	<u>101,076</u>	<u>1,473,739</u>
Total public protection	<u>407,796</u>	<u>1,574,815</u>	<u>101,076</u>	<u>1,473,739</u>
Public ways and facilities				
Public Works	<u>422,506</u>	<u>1,662,694</u>	<u>77,190</u>	<u>1,585,504</u>
Total public ways and facilities	<u>422,506</u>	<u>1,662,694</u>	<u>77,190</u>	<u>1,585,504</u>
Health and sanitation				
Public Works	<u>--</u>	<u>114,168</u>	<u>7,660</u>	<u>106,508</u>
Total health and sanitation	<u>--</u>	<u>114,168</u>	<u>7,660</u>	<u>106,508</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	226,952	908,943	27,550	881,393
Public Works	<u>14,113</u>	<u>71,628</u>	<u>14,666</u>	<u>56,962</u>
Total recreation and cultural services	<u>241,065</u>	<u>980,571</u>	<u>42,216</u>	<u>938,355</u>
Capital Outlay	<u>2,965,703</u>	<u>--</u>	<u>4,200,464</u>	<u>(4,200,464)</u>
Total expenditures	<u>7,528,411</u>	<u>20,617,345</u>	<u>6,665,340</u>	<u>13,952,005</u>
Deficiency of revenues under expenditures	<u>(7,114,923)</u>	<u>(18,699,247)</u>	<u>(6,117,890)</u>	<u>12,581,357</u>

continued



**COUNTY OF MARIN**

Budgetary Comparison Schedule  
 Miscellaneous Capital Project Fund (continued)  
 For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses):				
Transfers in	\$ 4,000,000	\$ 8,364,436	\$ 6,715,704	\$ (1,648,732)
Transfers out	--	--	(39,627)	(39,627)
Total other financing sources, net	<u>4,000,000</u>	<u>8,364,436</u>	<u>6,676,077</u>	<u>(1,688,359)</u>
Net change in fund balance	(3,114,923)	(10,334,811)	558,187	10,892,998
Fund balance, beginning of year	<u>12,196,421</u>	<u>12,196,421</u>	<u>12,196,421</u>	<u>--</u>
Fund balance, end of year	<u>\$ 9,081,498</u>	<u>\$ 1,861,610</u>	<u>\$ 12,754,608</u>	<u>\$ 10,892,998</u>

**COUNTY OF MARIN**

Budgetary Comparison Schedule  
Other Capital Projects Fund  
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ --	\$ 2,571,722	\$ 1,677,589	\$ (894,133)
Charges for services	--	--	75,224	75,224
From use of money and property	--	--	30,094	30,094
Miscellaneous	--	300,837	317,851	17,014
Total revenues	<u>--</u>	<u>2,872,559</u>	<u>2,100,758</u>	<u>(771,801)</u>
<b>Expenditures:</b>				
Current:				
Public protection				
Community Development Agency	556,915	585,719	1,927	583,792
Total public protection	<u>556,915</u>	<u>585,719</u>	<u>1,927</u>	<u>583,792</u>
Public ways and facilities				
Public Works	7,177,350	11,897,480	2,844,953	9,052,527
Total public ways and facilities	<u>7,177,350</u>	<u>11,897,480</u>	<u>2,844,953</u>	<u>9,052,527</u>
Capital Outlay	<u>--</u>	<u>--</u>	<u>7,156,790</u>	<u>(7,156,790)</u>
Total expenditures	<u>7,734,265</u>	<u>12,483,199</u>	<u>10,003,670</u>	<u>2,479,529</u>
Deficiency of revenues under expenditures	<u>(7,734,265)</u>	<u>(9,610,640)</u>	<u>(7,902,912)</u>	<u>1,707,728</u>
Other Financing Sources (Uses):				
Transfers in	5,000,000	6,607,954	32,117,303	25,509,349
Transfers out	<u>--</u>	<u>(310,542)</u>	<u>(310,542)</u>	<u>--</u>
Total other financing sources (uses), net	<u>5,000,000</u>	<u>6,297,412</u>	<u>31,806,761</u>	<u>25,509,349</u>
Net change in fund balance	(2,734,265)	(3,313,228)	23,903,849	27,217,077
Fund balance, beginning of year	<u>8,459,621</u>	<u>8,459,621</u>	<u>8,459,621</u>	<u>--</u>
Fund balance, end of year	<u>\$ 5,725,356</u>	<u>\$ 5,146,393</u>	<u>\$ 32,363,470</u>	<u>\$ 27,217,077</u>

---

**NON-MAJOR ENTERPRISE FUNDS**

---

This page intentionally left blank

## NON-MAJOR 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. The Marin County Fair offers colorful traditions and innovations, unparalleled art and photography, farm animals, family activities, popular concerts, thrilling rides, leading-edge exhibits, and spectacular fireworks. The Marin County Fair Fund 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.

#### 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.

This page intentionally left blank

**COUNTY OF MARIN**

Combining Statement of Net Position  
Non-major Enterprise Funds  
June 30, 2016

	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	\$ 133,298	\$ 7,451	\$ 524,261	\$ 565,703	\$ 407	\$ 1,231,120
Other receivables	144,885	--	75,547	52,323	--	272,755
Prepaid items and other assets	--	657,287	--	17,483	--	674,770
Total current assets	<u>278,183</u>	<u>664,738</u>	<u>599,808</u>	<u>635,509</u>	<u>407</u>	<u>2,178,645</u>
Noncurrent Assets:						
Capital assets:						
Nondepreciable	4,075,308	1,777,659	--	116,554	--	5,969,521
Depreciable and amortizable, net	1,724,523	663,702	162,572	517,874	--	3,068,671
Total noncurrent assets	<u>5,799,831</u>	<u>2,441,361</u>	<u>162,572</u>	<u>634,428</u>	<u>--</u>	<u>9,038,192</u>
<b>Total assets</b>	<u><b>\$ 6,078,014</b></u>	<u><b>\$ 3,106,099</b></u>	<u><b>\$ 762,380</b></u>	<u><b>\$ 1,269,937</b></u>	<u><b>\$ 407</b></u>	<u><b>\$ 11,216,837</b></u>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts payable	\$ 44,439	\$ 323,300	\$ 379	\$ 195,895	\$ -	\$ 564,013
Interest payable	--	--	7,212	--	--	7,212
Due to other funds	--	355,000	--	--	--	355,000
Accrued salaries and benefits	6,332	--	9,223	--	--	15,555
Other liabilities	--	23	--	251,686	--	251,709
Unearned revenue	--	129,601	--	23,116	--	152,717
Long-term notes payable	--	--	--	146,239	--	146,239
Compensated absences	18,879	--	--	--	--	18,879
Total current liabilities	<u>69,650</u>	<u>807,924</u>	<u>16,814</u>	<u>616,936</u>	<u>--</u>	<u>1,511,324</u>
Long-Term Liabilities:						
Compensated absences	4,832	--	--	--	--	4,832
Total noncurrent liabilities	<u>4,832</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,832</u>
Total liabilities	<u>74,482</u>	<u>807,924</u>	<u>16,814</u>	<u>616,936</u>	<u>--</u>	<u>1,516,156</u>
<b>NET POSITION</b>						
Net investment in capital assets	5,799,831	2,441,361	162,572	488,189	--	8,891,953
Unrestricted	203,701	(143,186)	582,994	164,812	407	808,728
Total net position	<u>\$ 6,003,532</u>	<u>\$ 2,298,175</u>	<u>\$ 745,566</u>	<u>\$ 653,001</u>	<u>\$ 407</u>	<u>\$ 9,700,681</u>
<b>Total liabilities and net position</b>	<u><b>\$ 6,078,014</b></u>	<u><b>\$ 3,106,099</b></u>	<u><b>\$ 762,380</b></u>	<u><b>\$ 1,269,937</b></u>	<u><b>\$ 407</b></u>	<u><b>\$ 11,216,837</b></u>

**COUNTY OF MARIN**

Combining Statement of Revenues, Expenses and  
Changes in Net Position  
Non-major Enterprise Funds  
For the Fiscal Year Ended June 30, 2016

	Gross Airport	Marin County Fair	Marin.Org	Marin Commons Property Management	Marin Center Promotions	Total
<b>Operating Revenues:</b>						
Charges for services	\$ 651,066	\$ 1,712,266	\$ 1,610,529	\$ 1,179,206	\$ 229,774	\$ 5,382,841
Other revenue	7,521	199,833	--	2,589	--	209,943
<b>Total operating revenues</b>	<b>658,587</b>	<b>1,912,099</b>	<b>1,610,529</b>	<b>1,181,795</b>	<b>229,774</b>	<b>5,592,784</b>
<b>Operating Expenses:</b>						
Salaries and employee benefits	194,034	342,569	214,926	--	--	751,529
Services and supplies	678,494	1,999,496	1,450,912	2,818,288	280,168	7,227,358
Depreciation and amortization	94,950	73,745	67,572	85,736	--	322,003
<b>Total operating expenses</b>	<b>967,478</b>	<b>2,415,810</b>	<b>1,733,410</b>	<b>2,904,024</b>	<b>280,168</b>	<b>8,300,890</b>
<b>Operating Loss</b>	<b>(308,891)</b>	<b>(503,711)</b>	<b>(122,881)</b>	<b>(1,722,229)</b>	<b>(50,394)</b>	<b>(2,708,106)</b>
<b>Non-Operating Revenues (Expenses):</b>						
Intergovernmental revenue	198,412	37,902	--	--	--	236,314
Investment income - unrestricted	580	325,351	1,148	--	1,788	328,867
Interest expense	--	--	--	(6,710)	--	(6,710)
<b>Total non-operating revenues (expenses)</b>	<b>198,992</b>	<b>363,253</b>	<b>1,148</b>	<b>(6,710)</b>	<b>1,788</b>	<b>558,471</b>
<b>Loss Before Transfers:</b>	<b>(109,899)</b>	<b>(140,458)</b>	<b>(121,733)</b>	<b>(1,728,939)</b>	<b>(48,606)</b>	<b>(2,149,635)</b>
Transfers in	--	260,572	--	2,550,000	64,000	2,874,572
Transfers out	(4,409)	(260,572)	(7,248)	(680,000)	--	(952,229)
<b>Change in net position</b>	<b>(114,308)</b>	<b>(140,458)</b>	<b>(128,981)</b>	<b>141,061</b>	<b>15,394</b>	<b>(227,292)</b>
Net position, beginning of year	6,117,840	2,438,633	874,547	511,940	(14,987)	9,927,973
<b>Net position, end of year</b>	<b>\$ 6,003,532</b>	<b>\$ 2,298,175</b>	<b>\$ 745,566</b>	<b>\$ 653,001</b>	<b>\$ 407</b>	<b>\$ 9,700,681</b>



**COUNTY OF MARIN**

Combining Statement of Cash Flows  
Non-major Enterprise Funds  
For the Fiscal Year Ended June 30, 2016

	<u>Gross Airport</u>	<u>Marin County Fair</u>	<u>Marin.Org</u>
<b>Cash Flows from Operating Activities</b>			
Cash receipts from customers	\$ 658,587	\$ 2,046,007	\$ 1,610,529
Cash paid to suppliers for goods and services	(665,203)	(1,930,639)	(1,599,321)
Cash paid to employees for salaries and benefits	<u>(192,927)</u>	<u>(342,569)</u>	<u>(214,350)</u>
Net cash used by operating activities	<u>(199,543)</u>	<u>(227,201)</u>	<u>(203,142)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Intergovernmental revenues	198,412	37,902	--
Interfund loans	--	(395,000)	--
Notes receivable issued	(144,885)	--	--
Transfers in	--	--	--
Transfers out	<u>(4,409)</u>	<u>--</u>	<u>(7,248)</u>
Net cash provided (used) by noncapital financing activities	<u>49,118</u>	<u>(357,098)</u>	<u>(7,248)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Payments related to the acquisition of capital assets	<u>(90,329)</u>	<u>--</u>	<u>--</u>
Net cash used by capital and related financing activities	<u>(90,329)</u>	<u>--</u>	<u>--</u>
<b>Cash Flows from Investing Activity</b>			
Interest and investments earnings received	<u>580</u>	<u>325,351</u>	<u>1,148</u>
Net increase (decrease) in cash and cash equivalents	(240,174)	(258,948)	(209,242)
Cash and cash equivalents, beginning of year	<u>373,472</u>	<u>266,399</u>	<u>733,503</u>
Cash and cash equivalents, end of year	<u><u>\$ 133,298</u></u>	<u><u>\$ 7,451</u></u>	<u><u>\$ 524,261</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating loss	\$ (308,891)	\$ (503,711)	\$ (122,881)
Depreciation and amortization	94,950	73,745	67,572
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	--	--	--
Prepaid items and other assets	--	132,303	--
Increase (decrease) in:			
Accounts payable	13,291	68,834	(148,409)
Accrued salaries and benefits	493	--	576
Unearned revenues	--	1,605	--
Compensated absences	614	--	--
Other liabilities	--	23	--
<b>Net Cash Used by Operating Activities</b>	<u><u>\$ (199,543)</u></u>	<u><u>\$ (227,201)</u></u>	<u><u>\$ (203,142)</u></u>

continued

**COUNTY OF MARIN**

Combining Statement of Cash Flows (continued)  
 Non-major Enterprise Funds  
 For the Fiscal Year Ended June 30, 2016

	Marin Commons Property Management	Marin Center Promotions	Total
<b>Cash Flows from Operating Activities</b>			
Cash receipts from customers	\$ 1,229,516	\$ 229,774	\$ 5,774,413
Cash paid to suppliers for goods and services	(2,835,622)	(280,412)	(7,311,197)
Cash paid to employees for salaries and benefits	--	--	(749,846)
	<u>(1,606,106)</u>	<u>(50,638)</u>	<u>(2,286,630)</u>
Net cash used by operating activities			
<b>Cash Flows from Noncapital Financing Activities</b>			
Intergovernmental revenues	--	--	236,314
Interfund loans	--	(14,750)	(409,750)
Notes receivable issued	--	--	(144,885)
Transfers in	2,550,000	--	2,550,000
Transfers out	(680,000)	--	(691,657)
	<u>1,870,000</u>	<u>(14,750)</u>	<u>1,540,022</u>
Net cash provided (used) by noncapital financing activities			
<b>Cash Flows from Capital and Related Financing Activities</b>			
Payments related to the acquisition of capital assets	(246,409)	--	(336,738)
	<u>(246,409)</u>	<u>--</u>	<u>(336,738)</u>
Net cash used by capital and related financing activities			
<b>Cash Flows from Investing Activity</b>			
Interest and investments earnings received	--	65,788	392,867
	<u>17,485</u>	<u>400</u>	<u>(690,479)</u>
Net increase (decrease) in cash and cash equivalents			
Cash and cash equivalents, beginning of year	548,218	7	1,921,599
Cash and cash equivalents, end of year	<u>\$ 565,703</u>	<u>\$ 407</u>	<u>\$ 1,231,120</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating loss	\$ (1,722,229)	\$ (50,394)	\$ (2,708,106)
Depreciation and amortization	85,736	--	322,003
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(2,898)	--	(2,898)
Prepaid items and other assets	(9,019)	--	123,284
Increase (decrease) in:			
Accounts payable	(17,334)	(244)	(83,862)
Accrued salaries and benefits	--	--	1,069
Unearned revenues	23,116	--	24,721
Compensated absences	--	--	614
Other liabilities	36,522	--	36,545
	<u>(1,606,106)</u>	<u>(50,638)</u>	<u>(2,286,630)</u>
<b>Net Cash Used by Operating Activities</b>			

---

## **FIDUCIARY FUNDS**

---

This page intentionally left blank

## 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.

Successor Agency – Marin County Redevelopment Agency Fund was established to account for the activities of the Successor Agency to the Marin County Redevelopment Agency.

The reporting entity of the Successor Agency to the Marin County Redevelopment Agency (Successor Agency) includes the accounts of the Gateway Improvement Authority (the "GIA"), the Community Facilities District No. 1 Marin City U.S.A. Public Improvements (the "District") and the Gateway Refinancing Authority (the "GRA"). The Successor Agency has accounted for the financial activity of GIA, District and the GRA in its financial statements as these entities are so intertwined with the Successor Agency that they are, in substance, part of the Successor Agency operations. Accordingly, the balances and transactions of these entities are reported within the Successor Agency.

The primary purpose of the Former RDA is to eliminate blighted areas by encouraging the development of residential, commercial, industrial, recreational and public facilities. The Former RDA was dissolved effective February 1, 2012 at which time the County of Marin took over as Successor Agency.

#### Marin City Community Services District (CSD) Trust Fund

Marin City Community Services District (CSD) Trust Fund was established in 2013 from the proceeds from the sale of the Gateway Shopping Center. These funds were allocated by the Board of Supervisors for the benefit of the Marin City CSD for Support to Marin City recreational programs and other Community Services District (CSD) programs.

This page intentionally left blank

**COUNTY OF MARIN**

Combining Statement of Fiduciary Net Position  
Investment Trust Funds  
June 30, 2016

	<u>Special Districts</u>	<u>School Districts</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments in County pool	\$ 94,279,026	\$ 363,566,169	\$ 457,845,195
Total assets	<u>94,279,026</u>	<u>363,566,169</u>	<u>457,845,195</u>
<b>NET POSITION</b>			
Net position held in trust for investment pool participants and others	94,279,026	363,566,169	457,845,195
Total net position	<u>\$ 94,279,026</u>	<u>\$ 363,566,169</u>	<u>\$ 457,845,195</u>

**COUNTY OF MARIN**

Combining Statement of Changes in Fiduciary Net Position  
Investment Trust Funds  
For the Fiscal Year Ended June 30, 2016

	<u>Special Districts</u>	<u>School Districts</u>	<u>Total</u>
<b>Additions:</b>			
Contributions to investment pool	389,528,125	804,462,866	1,193,990,991
Interest	1,774,951	661,667	2,436,618
Total additions	<u>391,303,076</u>	<u>805,124,533</u>	<u>1,196,427,609</u>
<b>Deductions:</b>			
Distributions from investment pool	400,468,102	751,679,908	1,152,148,010
Total deductions	<u>400,468,102</u>	<u>751,679,908</u>	<u>1,152,148,010</u>
Change in net position	(9,165,026)	53,444,625	44,279,599
<b>Net position, beginning of the year</b>	<u>103,444,052</u>	<u>310,121,544</u>	<u>413,565,596</u>
<b>Net position, end of the year</b>	<u><b>\$ 94,279,026</b></u>	<u><b>\$ 363,566,169</b></u>	<u><b>\$ 457,845,195</b></u>



**COUNTY OF MARIN**

Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
<b>MCRDA Marin City Mello-Roos</b>				
Assets				
Cash	\$ 124,767	\$ 325,233	\$ 352,300	\$ 97,700
Cash with fiscal agent	1,080,040	3	--	1,080,043
Taxes receivable	1,270,411	--	--	1,270,411
Total Assets	<u>\$ 2,475,218</u>	<u>\$ 325,236</u>	<u>\$ 352,300</u>	<u>\$ 2,448,154</u>
Liabilities				
Agency funds held for others	\$ 2,475,218	325,236	352,300	\$ 2,448,154
Total Liabilities	<u>\$ 2,475,218</u>	<u>\$ 325,236</u>	<u>\$ 352,300</u>	<u>\$ 2,448,154</u>
<b>County Agency Funds</b>				
Assets				
Cash	\$ 47,942,861	\$ 5,777,635,995	\$ 5,791,453,045	\$ 34,125,811
Taxes receivable	14,757,537	937,142,542	937,632,950	14,267,129
Prepaid items	1,020,632	1,051,064	1,020,632	1,051,064
Total Assets	<u>\$ 63,721,030</u>	<u>\$ 6,715,829,601</u>	<u>\$ 6,730,106,627</u>	<u>\$ 49,444,004</u>
Liabilities				
Agency funds held for others	\$ 63,721,030	\$ 6,715,829,601	\$ 6,730,106,627	\$ 49,444,004
Total Liabilities	<u>\$ 63,721,030</u>	<u>\$ 6,715,829,601</u>	<u>\$ 6,730,106,627</u>	<u>\$ 49,444,004</u>
<b>Agency Funds combined</b>				
Assets				
Cash	\$ 48,067,628	\$ 5,777,961,228	\$ 5,791,805,345	\$ 34,223,511
Cash with fiscal agent	1,080,040	3	--	1,080,043
Taxes receivable	16,027,948	937,142,542	937,632,950	15,537,540
Prepaid items	1,020,632	1,051,064	1,020,632	1,051,064
Total Assets	<u>\$ 66,196,248</u>	<u>\$ 6,716,154,837</u>	<u>\$ 6,730,458,927</u>	<u>\$ 51,892,158</u>
Liabilities				
Agency funds held for others	66,196,248	6,716,154,837	6,730,458,927	51,892,158
Total Liabilities	<u>\$ 66,196,248</u>	<u>\$ 6,716,154,837</u>	<u>\$ 6,730,458,927</u>	<u>\$ 51,892,158</u>



**COUNTY OF MARIN**

Statement of Changes in Net Position  
Private Purpose Trust Funds  
For the Fiscal Year Ended June 30, 2016

	Successor Agency - Marin County Redevelopment Agency	Marin City CSD Trust Fund	Total
<b>Additions:</b>			
Property tax revenue	\$ 1,563,541	\$ --	\$ 1,563,541
Interest	4,736	751	5,487
Total additions	<u>1,568,277</u>	<u>751</u>	<u>1,569,028</u>
<b>Deductions:</b>			
Tax disbursements	691,688	--	691,688
Administrative and other	155,145	--	155,145
Total deductions	<u>846,833</u>	<u>--</u>	<u>846,833</u>
Change in net position	721,444	751	722,195
<b>Net position (deficit), beginning of the year</b>	<u>(6,632,652)</u>	<u>1,666</u>	<u>(6,630,986)</u>
<b>Net position (deficit), ending of the year</b>	<u><u>\$ (5,911,208)</u></u>	<u><u>\$ 2,417</u></u>	<u><u>\$ (5,908,791)</u></u>

This page intentionally left blank

---

## **STATISTICAL SECTION**

---

This page intentionally left blank

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.	159-162
<u>Revenue Capacity</u>	
This segment includes information to help the reader assess the County's most significant local revenue source, property tax.	163-166
<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.	167-169
<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.	170-172
<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.	173-174

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

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Governmental activities</b>										
Net investment in capital assets <sup>1</sup>	\$ 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	\$ 1,317,857,743	\$ 1,300,175,426
Restricted	106,455,016	90,025,545	96,059,870	104,933,566	173,980,351	2,861,133	164,729,907	180,676,987	197,508,591	174,870,093
Unrestricted	106,421,484	120,604,017	77,080,634	78,853,651	11,266,738	48,905,187	19,059,115	6,281,718	(229,883,825)	(153,404,084)
Total governmental activities net position	<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>	<u>\$ 1,285,482,509</u>	<u>\$ 1,321,641,435</u>
<b>Business-type activities</b>										
Net investment in capital assets <sup>1</sup>	\$ 26,603,775	\$ 26,484,886	\$ 27,414,256	\$ 28,492,170	\$ 28,317,111	\$ 30,730,037	\$ 32,934,675	\$ 32,713,894	\$ 33,647,390	\$ 43,142,844
Restricted	5,504,054	8,346,472	9,883,350	8,565,480	9,403,055	9,071,725	7,343,795	6,793,821	6,774,022	7,159,321
Unrestricted	8,661,640	12,108,240	14,933,495	12,796,903	13,712,010	7,942,516	11,751,468	13,722,499	16,833,618	18,112,302
Total business-type activities net position	<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>	<u>\$ 57,255,030</u>	<u>\$ 68,414,467</u>
<b>Primary government</b>										
Net investment in capital assets <sup>1</sup>	\$ 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	\$ 1,351,505,133	\$ 1,343,318,270
Restricted	111,959,070	98,372,017	105,943,220	113,499,046	183,383,406	11,932,858	172,073,702	187,470,808	204,282,613	182,029,414
Unrestricted	115,083,124	132,712,257	92,014,129	91,650,554	24,978,748	56,847,703	30,810,583	20,004,217	(213,050,207)	(135,291,782)
Total primary government net position <sup>2</sup>	<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>	<u>\$ 1,342,737,539</u>	<u>\$ 1,390,055,902</u>
Percent of increase (decrease) in primary government net position	3.81%	-1.42%	-1.96%	-0.55%	-0.57%	-11.12%	9.65%	2.23%	-12.97%	3.52%

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)

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Expenses</b>										
<b>Governmental activities</b>										
General government	\$ 89,662,322	\$ 95,010,097	\$ 78,944,173	\$ 71,617,475	\$ 78,174,626	\$ 77,172,865	\$ 121,258,708	\$ 84,027,170	\$ 82,921,707	\$ 86,880,607
Public protection	128,292,008	159,494,067	169,921,297	169,011,775	160,691,198	158,129,592	156,064,850	156,154,574	154,983,553	163,364,793
Public ways and facilities	36,194,234	41,518,385	40,003,824	35,134,260	33,946,789	26,208,192	32,538,571	44,560,810	32,075,029	17,609,082
Health and sanitation	86,269,400	97,826,891	96,157,874	94,895,462	87,682,812	89,241,808	90,853,837	89,232,186	85,648,934	95,898,060
Public assistance	53,747,450	61,789,547	64,310,157	73,137,027	73,445,107	68,793,982	63,600,190	68,703,203	67,182,553	65,199,856
Education	12,685,835	13,346,183	13,376,491	13,025,776	13,415,872	13,348,168	15,521,694	15,811,986	13,120,661	14,635,952
Recreational and cultural services	14,395,195	17,274,181	17,060,038	15,941,380	16,854,659	16,191,066	17,139,646	25,554,382	18,229,115	26,649,314
Debt service:										
Interest and fiscal charges	8,816,207	12,155,613	11,312,313	11,190,274	11,751,268	12,017,811	10,936,573	10,512,668	10,001,182	10,432,237
<b>Total governmental activities expense</b>	<b>430,062,651</b>	<b>498,414,964</b>	<b>491,086,167</b>	<b>483,953,429</b>	<b>475,962,331</b>	<b>461,103,484</b>	<b>507,914,069</b>	<b>494,556,979</b>	<b>464,162,734</b>	<b>480,669,901</b>
<b>Business-type activities</b>										
Housing authority	33,441,426	33,585,123	36,119,347	36,591,718	39,403,887	41,825,266	39,919,898	39,280,670	39,317,842	38,621,407
Other business-type activities	27,634,512	27,413,673	30,357,102	31,891,178	32,205,334	32,475,679	30,287,766	32,758,672	34,873,634	35,586,849
<b>Total business-type activities expenses</b>	<b>61,075,938</b>	<b>60,998,796</b>	<b>66,476,449</b>	<b>68,482,896</b>	<b>71,609,221</b>	<b>74,300,945</b>	<b>70,207,664</b>	<b>72,039,342</b>	<b>74,191,476</b>	<b>74,208,256</b>
<b>Total primary government expenses</b>	<b>\$ 491,138,589</b>	<b>\$ 559,413,760</b>	<b>\$ 557,562,616</b>	<b>\$ 552,436,325</b>	<b>\$ 547,571,552</b>	<b>\$ 535,404,429</b>	<b>\$ 578,121,733</b>	<b>\$ 566,596,321</b>	<b>\$ 538,354,210</b>	<b>\$ 554,878,157</b>
<b>Program Revenues</b>										
<b>Governmental activities</b>										
<b>Charges for services</b>										
General government	\$ 27,098,290	\$ 29,213,708	\$ 29,853,998	\$ 24,023,409	\$ 28,148,514	\$ 25,973,978	\$ 24,598,118	\$ 15,154,492	\$ 31,833,841	\$ 25,433,009
Public protection	23,839,244	28,126,901	31,585,415	38,555,176	38,912,554	36,397,954	37,629,406	50,836,345	37,902,032	44,274,532
Other activities	10,642,233	11,772,651	11,220,698	15,028,100	15,681,773	18,715,086	19,186,522	20,479,315	17,702,864	18,841,627
Operating grants and contributions	179,763,216	178,914,115	165,629,111	172,043,483	167,332,764	169,407,784	176,334,689	185,429,959	199,007,331	184,740,139
Capital grants and contributions	-	-	10,764,586	21,165,980	15,331,128	2,134,985	5,789,570	1,881,829	2,897,874	4,153,767
<b>Total governmental activities program revenues</b>	<b>241,342,983</b>	<b>248,027,375</b>	<b>249,053,808</b>	<b>270,816,148</b>	<b>265,406,733</b>	<b>252,629,787</b>	<b>263,538,485</b>	<b>273,781,940</b>	<b>289,343,942</b>	<b>277,443,074</b>
<b>Business-type activities</b>										
<b>Charges for services</b>										
Housing authority	2,492,476	2,804,727	3,880,406	2,960,138	4,359,716	1,804,211	1,557,962	2,231,254	1,530,162	1,719,140
Other business-type activities	12,020,341	11,754,323	12,705,975	12,179,158	13,710,708	11,074,217	11,194,640	10,806,818	11,034,225	11,379,022
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	54,484,780	56,816,161
Capital grants and contributions	1,085,801	548,994	13,659,585	2,138,810	1,628,485	3,603,727	4,358,421	2,010,153	2,894,521	12,392,023
<b>Total business-type activities program revenues</b>	<b>59,779,512</b>	<b>62,569,234</b>	<b>78,951,876</b>	<b>62,689,544</b>	<b>69,802,244</b>	<b>66,400,238</b>	<b>67,690,769</b>	<b>69,005,229</b>	<b>69,943,888</b>	<b>82,306,346</b>
<b>Total primary government program revenues</b>	<b>\$ 301,122,495</b>	<b>\$ 310,596,609</b>	<b>\$ 328,005,684</b>	<b>\$ 333,505,692</b>	<b>\$ 335,208,977</b>	<b>\$ 319,030,025</b>	<b>\$ 331,229,254</b>	<b>\$ 342,787,169</b>	<b>\$ 359,287,630</b>	<b>\$ 359,749,420</b>
<b>Net (Expense)/Revenue <sup>1</sup></b>										
Governmental activities	\$ (188,719,668)	\$ (250,387,589)	\$ (242,032,359)	\$ (213,137,281)	\$ (210,555,598)	\$ (208,473,697)	\$ (244,375,584)	\$ (220,775,039)	\$ (174,818,792)	\$ (203,226,827)
Business-type activities	(1,296,426)	1,570,438	12,475,427	(5,793,352)	(1,806,977)	(7,900,707)	(2,516,895)	(3,034,113)	(4,247,788)	8,098,090
<b>Total primary government net expense</b>	<b>\$ (190,016,094)</b>	<b>\$ (248,817,151)</b>	<b>\$ (229,556,932)</b>	<b>\$ (218,930,633)</b>	<b>\$ (212,362,575)</b>	<b>\$ (216,374,404)</b>	<b>\$ (246,892,479)</b>	<b>\$ (223,809,152)</b>	<b>\$ (179,066,580)</b>	<b>\$ (195,128,737)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities</b>										
<b>Taxes</b>										
Property taxes	\$ 129,167,317	\$ 165,848,803	\$ 195,047,145	\$ 183,657,725	\$ 189,146,127	\$ 181,655,215	\$ 183,586,166	\$ 179,525,969	\$ 201,773,959	\$ 212,879,125
Sales and use taxes	2,204,765	2,980,581	2,920,483	2,627,825	2,617,299	3,843,242	3,784,814	3,881,496	16,575,719	18,664,903
Other	10,221,974	9,830,520	8,438,480	3,952,498	3,912,590	3,595,633	4,398,288	6,380,276	7,569,436	7,492,496
Unrestricted interest and investment earnings	12,126,671	14,711,655	13,928,177	9,082,873	6,053,144	4,785,362	2,956,134	2,988,564	3,718,232	3,838,317
Miscellaneous	83,885,177	14,525,509	3,538,084	2,962,336	2,561,688	2,036,152	3,389,105	5,496,912	2,200,297	2,175,600
Tobacco Settlement	-	2,545,345	2,856,389	3,131,196	2,632,091	2,199,785	2,243,241	3,410,665	4,854,591	1,464,157
Transfers	-	-	-	-	(7,048)	86,461	19,615	(50,000)	(1,509,557)	(1,922,343)
<b>Total governmental activities</b>	<b>237,605,904</b>	<b>210,442,413</b>	<b>226,728,758</b>	<b>205,414,453</b>	<b>206,915,891</b>	<b>198,201,850</b>	<b>200,377,363</b>	<b>201,633,882</b>	<b>235,182,677</b>	<b>244,592,255</b>
<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	3,611,357	3,848,373
Investment earnings	20,347	534,171	382,508	803,328	150,809	40,958	289,122	616,378	359,221	440,017
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Related party contribution	-	-	-	-	-	-	400,000	-	-	-
Miscellaneous	-	-	510,973	64,679	-	-	2,763,769	2,531,026	2,677,010	1,250,251
Transfers	-	-	-	-	7,048	(86,461)	(19,615)	50,000	1,509,557	1,922,343
<b>Total business-type activities</b>	<b>20,347</b>	<b>3,440,694</b>	<b>4,127,026</b>	<b>4,093,859</b>	<b>3,416,804</b>	<b>3,095,674</b>	<b>6,602,064</b>	<b>6,427,162</b>	<b>8,157,145</b>	<b>7,460,984</b>
<b>Total primary government</b>	<b>\$ 237,626,251</b>	<b>\$ 213,883,107</b>	<b>\$ 230,855,784</b>	<b>\$ 209,508,312</b>	<b>\$ 210,332,695</b>	<b>\$ 201,297,524</b>	<b>\$ 206,979,427</b>	<b>\$ 208,061,044</b>	<b>\$ 243,339,822</b>	<b>\$ 252,053,239</b>
<b>Change in Net Position</b>										
Governmental activities	\$ 48,886,236	\$ (39,945,176)	\$ (15,303,601)	\$ (7,722,828)	\$ (3,639,707)	\$ (10,271,847)	\$ (8,096,334)	\$ (42,720,952)	\$ 60,363,885	\$ 41,365,428
Business-type activities	(1,276,079)	5,011,132	16,602,453	(1,699,493)	1,609,827	(4,805,033)	(1,298,643)	3,910,267	3,909,357	15,559,074
<b>Total primary government</b>	<b>\$ 47,610,157</b>	<b>\$ (34,934,044)</b>	<b>\$ 1,298,852</b>	<b>\$ (9,422,321)</b>	<b>\$ (2,029,880)</b>	<b>\$ (15,076,880)</b>	<b>\$ (9,394,977)</b>	<b>\$ (38,810,685)</b>	<b>\$ 64,273,242</b>	<b>\$ 56,924,502</b>

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)

	2006-07	2007-08	2008-09	2009-10	2010-11 <sup>2</sup>	2011-12	2012-13	2013-14	2014-15	2015-16
General Fund										
Reserved	\$ 18,454	\$ 16,378	\$ 28,289	\$ 32,956						
Unreserved	125,326	142,742	143,216	156,096						
Total general fund	\$ 143,780	\$ 159,120	\$ 171,505	\$ 189,052						
Capital Projects Fund										
Reserved	\$ 9,178	\$ 5,155	\$ -	\$ -						
Unreserved	51,384	33,334	-	-						
Total capital projects fund	\$ 60,562	\$ 38,489	\$ -	\$ -						
Flood Control District Zones										
Reserved	\$ -	\$ -	\$ 2,225	\$ 866						
Unreserved	-	-	11,828	15,446						
Total flood control district zones	\$ -	\$ -	\$ 14,053	\$ 16,312						
All Other Governmental Funds <sup>1</sup>										
Reserved	\$ 11,627	\$ 11,469	\$ 14,479	\$ 14,547						
Unreserved, reported in	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	\$ 89,805	\$ 97,039	\$ 103,983	\$ 119,287						
General Fund										
Nonspendable					\$ 1,765	\$ 3,939,117	\$ 4,719,830	\$ 4,137,997	\$ 3,647,441	\$ 3,443,062
Restricted					10,097	12,093,012	10,740,177	17,650,224	27,298,270	18,029,448
Committed					118,593	114,628,535	68,600,588	77,384,472	67,592,806	75,183,409
Assigned					48,097	44,626,225	37,094,588	36,770,748	51,133,913	60,208,192
Unassigned					14,837	6,588,685	4,176,408	3,896,463	3,215,908	99,631
Total general fund					\$ 193,389	\$ 181,875,574	\$ 125,331,591	\$ 139,839,904	\$ 152,888,338	\$ 156,963,742
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	\$ 108,962	\$ 103,310
Restricted					114,873	91,926,263	110,612,255	143,013,079	151,795,932	156,840,645
Committed					1,164	2,459,990	500,000	525,092	140,092	140,092
Assigned					20,708	22,975,609	14,130,484	20,726,807	27,298,060	76,760,976
Total all other governmental funds					\$ 143,072	\$ 123,635,007	\$ 125,355,115	\$ 164,371,329	\$ 179,343,046	\$ 233,845,023

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)

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Revenues</b>										
Taxes	\$ 177,646	\$ 206,032	\$ 190,740	\$ 195,676	\$ 189,886	\$ 192,014	\$ 189,788	\$ 223,824	\$ 225,919	\$ 239,037
Licenses, fees and permits	8,921	9,272	9,280	10,385	11,395	12,884	13,655	15,620	15,139	15,003
Fines, forfeits and penalties	8,177	7,566	176,194	188,421	13,768	12,217	182,124	187,312	201,372	188,894
Use of money and property	14,712	13,928	54,587	56,828	4,785	2,956	56,322	60,471	60,688	63,324
Aid from other governments	170,387	188,291	9,559	12,695	182,664	171,543	11,505	10,437	12,145	10,222
Charges for services	41,554	52,907	9,083	6,053	58,234	55,986	2,989	3,315	3,233	3,464
Miscellaneous	17,050	6,394	6,093	4,726	4,181	5,632	8,908	3,539	7,055	3,640
<b>Total revenues</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>525,551</b>	<b>523,583</b>
<b>Expenditures</b>										
<b>Current</b>										
General government	84,264	83,507	62,051	54,432	59,576	60,063	113,846	71,713	69,589	64,062
Public protection	125,217	145,944	153,674	155,404	154,993	147,075	153,065	162,849	164,831	173,724
Public ways and facilities	26,947	29,552	27,787	24,321	23,885	16,038	22,797	34,294	31,922	19,893
Health and sanitation	85,683	93,272	90,416	91,008	85,285	85,864	90,784	88,476	88,845	99,774
Public assistance	53,709	57,190	59,671	68,972	67,638	65,988	63,496	67,607	69,330	77,352
Education	12,689	12,276	12,589	12,136	12,898	12,677	15,542	14,600	14,762	15,024
Recreational and cultural studies	13,830	15,411	15,116	14,722	15,869	15,105	16,866	21,899	22,192	27,654
Capital outlay	29,087	28,837	25,312	4,550	5,575	37,594	18,257	42,901	26,887	23,877
<b>Debt service:</b>										
Principal	3,893	4,243	4,657	4,744	5,259	5,130	7,548	5,215	6,361	7,304
Interest	8,496	10,313	10,227	10,162	10,590	11,261	11,103	10,419	10,298	10,481
Bond issuance costs	-	-	-	-	1,062	-	-	-	-	-
Administration and arbitrage fees	628	-	-	-	-	-	-	-	-	-
<b>Total expenditures</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>519,973</b>	<b>505,017</b>	<b>519,145</b>
Excess of revenue over (under) expenditures	(5,996)	3,845	(5,964)	34,333	22,283	(3,563)	(48,013)	(15,455)	20,534	4,438
<b>Other Financing Sources (Uses)</b>										
Inception of capital lease	-	-	-	96	1,689	-	-	-	-	-
Sale of capital assets	20	5	-	-	-	1,989	6	-	-	-
Debt refunding to escrow agent	(32,767)	-	-	-	(17,465)	-	-	-	-	(60,483)
Proceeds from borrowing	48,937	-	858	682	63,885	1,980	124	6,413	1,769	82,721
Payment refunded to escrow agent	-	-	-	-	-	-	-	(6,003)	-	-
Transfers in	78,075	41,235	21,824	33,776	136,668	114,039	110,017	100,196	105,469	178,847
Transfers out	(78,075)	(41,235)	(21,824)	(33,778)	(136,577)	(114,014)	(113,713)	(96,574)	(106,973)	(180,763)
<b>Total other financing sources (uses), net</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>265</b>	<b>20,322</b>
<b>Net change in fund balances</b> before extraordinary/special items	<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>(11,423)</b>	<b>20,799</b>	<b>24,760</b>
<b>Extraordinary item/special item:</b>										
RDA dissolution	-	-	-	-	-	(600)	21	-	-	-
<b>Net change in fund balances</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>\$ (11,423)</b>	<b>\$ 20,799</b>	<b>\$ 24,760</b>
<b>Debt service as a percentage of noncapital expenditures</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>	<b>3.48%</b>	<b>3.59%</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>
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%
2014-15	62,341,701	1,530,991	2,037,580	61,835,112	1.00%
2015-16	66,718,112	1,556,521	2,067,204	66,207,429	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 Property Tax Division - 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>	
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%	2.8226%
2014-15	1.0000%	0.8156%	0.8000%	0.2519%	2.8675%
2015-16	1.0000%	0.8200%	0.8114%	0.2510%	2.8824%

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 Property Tax Division - County of Marin, California

**COUNTY OF MARIN**

**Principal Revenue Taxpayers  
Current Fiscal Year and Ten Years Ago**

**June 30, 2016**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Total Taxes<sup>1,2</sup></u>	<u>Percentage of Total County Taxes</u>
Pacific Gas and Electric Company	Utilities	\$ 5,451,558	0.59%
Skywalker Properties LTD	Film and Entertainment	2,448,696	0.27%
JCC Cal Properties, LLC	Commercial Rental Property	1,941,189	0.21%
Corte Madera Village LLC	Commercial Rental Property	1,877,014	0.20%
Northgate Mall Association	Commercial Rental Property	1,819,332	0.20%
Novato FF Property LLC	Commercial Rental Property	1,723,711	0.19%
RP Maximus Cove Owner, LLC	Commercial Rental Property	1,689,229	0.18%
HL Novato, LLC	Commercial Rental Property	1,615,437	0.18%
Biomarin Pharmaceutical, Inc.	Pharmaceutical	1,562,741	0.17%
RPR Larkspur Owner LLC	Residential Rental Property	1,415,042	0.15%
Total		<u>\$ 21,543,949</u>	2.34%
<b>Total taxes of all taxpayers</b>		<u>\$ 921,751,382</u>	

**June 30, 2006**

<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	\$ 2,433,314	0.42%
Pacific Gas and Electric Company	Utilities	2,349,805	0.41%
McVay W H Trust L/L ETAL	Commercial Rental Property	1,824,194	0.32%
Corte Madera Village LLC	Commercial Rental Property	1,413,413	0.24%
First States Investors 239 LLC	Insurance	1,281,183	0.22%
Spieker Properties	Commercial Rental Property	1,261,202	0.22%
Hamilton Marin LLC	Commercial Rental Property	913,250	0.16%
Northgate Mall Association	Commercial Rental Property	877,444	0.15%
770 Tamalpais Dr., Inc.	Commercial Rental Property	872,561	0.15%
Pacific Bell Telephone Company	Utilities	847,729	0.15%
Total		<u>\$ 14,074,095</u>	2.43%
<b>Total taxes of all taxpayers</b>		<u>\$ 578,264,672</u>	

Notes:

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

<sup>2</sup> Taxable secured amounts on APNs assessed over \$100,000.

Source: Department of Finance Property Tax Division - 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>Percentage of Levy</b>	<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>		<b>Total Cumulative Uncollected Taxes</b>	
	<b>Amount</b>	<b>Amount</b>			<b>Amount</b>	<b>Percentage of Levy</b>	<b>Amount</b>	<b>Percentage of Levy</b>
2007	635,311,778	624,278,658	98.26%	10,804,291	635,082,949	99.96%	228,829	0.04%
2008	684,007,251	667,706,143	97.62%	15,958,934	683,665,077	99.95%	342,174	0.05%
2009	717,958,385	696,748,890	97.05%	19,257,342	716,006,232	99.73%	1,952,153	0.27%
2010	746,290,576	727,942,762	97.54%	17,392,108	745,334,870	99.87%	955,706	0.13%
2011	755,085,588	740,943,048	98.13%	12,975,421	753,918,469	99.85%	1,167,119	0.15%
2012	769,537,466	757,441,903	98.43%	11,009,830	768,451,733	99.86%	1,085,733	0.14%
2013	782,812,148	773,795,588	98.85%	7,961,974	781,757,562	99.87%	1,054,586	0.13%
2014	817,201,889	808,364,147	98.92%	7,818,662	816,182,809	99.88%	1,019,080	0.12%
2015	858,418,809	850,569,761	99.09%	5,904,347	856,474,108	99.77%	1,944,701	0.23%
2016	929,551,558	922,760,747	99.27%	-	922,760,747	99.27%	6,790,811	0.73%

Source: Department of Finance Property Tax Division - 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	Limited Obligation Improvement Bonds	Certificates of Participation	Term Loan Payable	Capital Leases	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>
2006-07	11,925	112,805	48,999	-	42,085	1,803	1,405	219,022	3,998	104	4,102	223,124	0.99%	\$907
2007-08	11,670	112,805	48,884	-	39,110	1,838	913	215,220	5,150	46	5,196	220,416	0.95%	\$888
2008-09	11,390	112,755	48,502	-	36,005	2,398	882	211,932	5,107	-	5,107	217,039	0.97%	\$866
2009-10	11,080	112,325	48,481	-	32,760	3,062	558	208,266	5,674	-	5,674	213,940	1.03%	\$846
2010-11	10,740	111,480	48,779	-	75,178	3,453	1,955	251,585	6,061	202	6,263	257,848	1.18%	\$1,011
2011-12 <sup>2</sup>	6,185	110,185	48,999	-	73,410	4,722	1,536	245,037	5,169	-	5,169	250,206	1.05%	\$977
2012-13	5,860	108,400	48,163	-	71,097	2,766	1,103	237,389	4,212	2,172	6,384	243,773	0.97%	\$944
2013-14	6,163	106,085	48,550	-	68,731	2,780	700	233,009	4,535	2,147	6,682	239,691	0.93%	\$919
2014-15	5,743	103,195	48,902	430	66,308	3,912	354	228,844	4,622	2,051	6,673	235,517	0.83%	\$902
2015-16	5,295	99,675	49,309	416	91,411	3,662	-	249,768	5,084	1,939	7,023	256,791	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, 2016  
(in thousands)**

	<b>Fiscal Year 2016</b>	
	<b>1.25%</b>	<b>3.75%</b>
Debt limit	\$ 827,593	\$ 2,482,779
Total net debt applicable to limit	239,221	239,221
Legal debt margin	<u>\$ 588,372</u>	<u>\$ 2,243,558</u>
Total net debt applicable to the limit as a percentage of debt limit	28.91%	9.64%

**Legal Debt Margin Calculation for Fiscal Year 2014**

Assessed value	\$ 68,274,633	\$ 68,274,633
Less: Exempt real property	(2,067,204)	(2,067,204)
Total assessed value	<u>\$ 66,207,429</u>	<u>\$ 66,207,429</u>

**CERTIFICATES OF PARTICIPATION**

Debt limit (1.25% and 3.75% of total assessed value) <sup>1</sup>	\$ 827,593	\$ 2,482,779
Debt applicable to limit:		
Certificates of Participation	91,411	91,411
Less: Amount set aside for repayment of outstanding debt	(1,935)	(1,935)
Total net debt applicable to limit	<u>89,476</u>	<u>89,476</u>

**OTHER BONDED DEBT**

Debt applicable to limit:		
Revenue Bonds	5,295	5,295
Pension Obligation Bonds	99,675	99,675
Tobacco Settlement Asset-Backed Bonds	49,309	49,309
Limited Obligation Improvement Bond 2014	416	416
Less: Amount set aside for repayment of outstanding debt	(4,950)	(4,950)
Total net debt applicable to limit	<u>149,745</u>	<u>149,745</u>
Legal debt margin	<u>\$ 1,066,814</u>	<u>\$ 2,722,000</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 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, 2016

FY 2015-16 Assessed Valuation (including unitary utility valuation)	\$	67,097,489,943	
		<b>Percentage Applicable (1)</b>	<b>County's Share of Overlapping Debt</b>
<b>OVERLAPPING TAX AND ASSESSMENT DEBT</b>			
School Districts			
Marin Community College District	100.000%	\$	218,950,000
Novato Unified School District	100.000%		74,660,000
Shoreline Joint Unified School District	55.031%		6,738,546
Petaluma Joint Union High School District	0.972%		431,765
San Rafael High School District	100.000%		74,565,315
Tamalpais Union High School District	100.000%		124,435,000
Larkspur-Corte Madera School District	100.000%		56,973,744
Mill Valley School District	100.000%		64,697,809
Reed Union School District	100.000%		31,625,000
San Rafael School District	100.000%		72,551,224
Other School Districts	0.142% - 100%		134,391,869
Cities			
Town of Fairfax	100.000%		5,237,800
City of Novato	100.000%		11,819,330
City of San Anselmo	100.000%		6,215,000
City of Sausalito	100.000%		12,433,894
Special Districts			
Strawberry Recreation and Park District Zone No. 4	100.000%		660,000
Marin County Healthcare District	100.000%		170,000,000
Marin Emergency Radio Authority Parcel Tax Obligations	100.000%		33,000,000
Public Utility Districts	100.000%		79,527
County Water Districts	100.000%		106,000
Community Facilities Districts	100.000%		69,966,510
<b>Marin County Limited Obligation Bonds</b>	100.000%		<b>5,295,432</b>
1915 Act Bonds	100.000%		23,369,338
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>1,198,203,103</b>
<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>\$</b>	<b>192,508,054 (2)</b>
<b>Marin County Loan Obligations</b>	<b>100.000%</b>		<b>3,662,504</b>
School Districts			
Marin Community College District General Fund Obligations	100.000%		2,515,834
San Rafael School District General Fund Obligations	100.000%		3,530,000
Sausalito School District Certificates of Participation	100.000%		4,485,000
Other School District General Fund Obligations	0.142% - 0.975%		60,482
Cities and Towns			
Town of Corte Madera General Fund Obligations	100.000%		9,596,091
City of Novato Certificates of Participation and Pension Obligations	100.000%		17,868,490
City of San Rafael General Fund and Pension Obligations	100.000%		12,079,620
Other Cities and Towns General Fund and Pension Obligations	100.000%		19,269,513
Special Districts			
Marin County Transit District General Fund Obligations	100.000%		131,511
Marinwood Community Services District Certificates of Participation	100.000%		315,847
Fire Protection District Certificates of Participation	100.000%		7,692,612
Other Special District General Fund Obligations	100.000%		528,273
Total Gross Direct and Overlapping General Fund Obligation Debt		\$	274,243,831
Less: City of San Rafael obligations supported by enterprise revenues			5,705,000
Total Net Direct and Overlapping General Fund Debt		\$	268,538,831
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)	100.000%	\$	64,001,504
<b>TOTAL DIRECT DEBT</b>		<b>\$</b>	<b>201,465,990</b>
TOTAL GROSS OVERLAPPING DEBT		\$	1,334,982,448
TOTAL NET OVERLAPPING DEBT			1,329,277,448
COMBINED TOTAL DEBT		\$	1,536,448,438 (3)
COMBINED TOTAL DEBT			1,530,743,438
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 2001, 2012, & 2015 certificates of participation and share of Marin's Emergency Radio Authority Bonds (\$3,917,648). Excludes Tobacco Settlement Bonds payable from tobacco settlement proceeds.			
(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.			
<b>Ratio to 2015-16 Assessed Valuation:</b>			
Total Overlapping Tax and Assessment Debt	1.79%		
<b>Total Direct Debt (\$201,465,990)</b>	<b>0.30%</b>		
Gross Combined Total Debt	2.29%		
Net Combined Total Debt	2.28%		
<b>Ratios to Redevelopment Incremental Valuation (\$4,228,086,516):</b>			
Total Overlapping Tax Increment Debt	1.51%		
<b>Marin County General Fund Obligations</b>	\$	192,508,054	
Marin County population		263,274	
<b>Marin County General Fund Obligations per capita</b>	\$	731.21	

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>
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	5.40%
2014	260,750	25,716,754,000	98,626	33,207	4.20%
2015	261,221	28,492,821,000	109,076	33,638	3.50%
2016	unavailable	unavailable	unavailable	unavailable	3.50%

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.org/county/Marin](http://www.ed-data.org/county/Marin)

<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  
Most Recent Year and Ten Years Ago**

2015			2005		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
County of Marin	2,194	1.61%	County of Marin	2,036	1.64%
San Quentin State Prison	1,750	1.28%	Fireman's Fund	1,793	1.45%
Kaiser Permanente Medical Center	1,340	0.98%	San Quentin Prison	1,638	1.32%
Marin General Hospital	1,229	0.90%	Kaiser Permanente	1,295	1.05%
BioMarin Parmaceutical	850	0.62%	Lucasfilm Ltd.	1,209	0.98%
Novato Unified School District	800	0.59%	Marin General Hospital	876	0.71%
Autodesk, Inc.	748	0.55%	Autodesk, Inc.	840	0.68%
Fireman's Fund Insurance Co.	721	0.53%	Novato Unified School District	825	0.67%
San Rafael City Schools	650	0.48%	Golden Gate Transit	593	0.48%
Dominican University	422	0.31%	Safeway, Inc.	579	0.47%
<b>Total</b>	<b>10,704</b>	<b>7.85%</b>		<b>11,684</b>	<b>9.44%</b>
Total County Employment	<u>136,400</u>		Total County Employment	<u>123,800</u>	

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>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>	<u>2014-15</u>	<u>2015-16</u>
General government	362.12	363.12	362.82	362.57	356.73	354.15	354.58	360.20	372.08	374.08
Public protection	731.90	740.70	723.29	709.97	681.58	663.16	666.91	663.03	670.53	673.78
Public ways and facilities	314.58	315.83	324.10	321.03	304.53	300.78	307.93	312.53	318.03	324.53
Health and sanitation	388.20	387.33	391.53	376.34	352.66	338.50	340.22	360.58	379.67	379.67
Public assistance	258.80	258.22	261.02	250.89	235.10	225.67	226.81	240.39	253.11	253.11
Education	92.12	95.12	96.76	95.93	94.83	94.95	100.11	98.95	104.74	104.75
Recreational and cultural studies	78.00	82.25	81.75	81.00	77.50	76.50	87.80	93.92	95.75	95.75
Total full-time equivalent employees	<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>	<u>2,193.91</u>	<u>2,205.67</u>

Source: Department of Finance - County of Marin, California

COUNTY OF MARIN

Operating Indicators by Function  
Last Seven Fiscal Years

	Fiscal Year						
	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Public Protection</b>							
<u>Sheriff</u>							
Jail Bookings	7,881	7,638	7,761	7,619	7,511	7,144	6,994
Jail Average Daily Population	288	295	289	289	287	266	293
Average Daily Dispatch Calls	82	82	83	83	82	84	113
Number of Major Crimes Task Force Cases Assigned	235	144	134	98	126	126	200
Number of Physical Arrests	7,881	7,638	7,761	7,619	7,511	7,039	1,807
Number of Parking Violations	4,442	5,454	5,650	3,506	5,125	3,610	5,570
Number of Fire or Emergency Medical Calls Received	26,661	23,718	23,739	24,796	24,903	26,234	28,442
<u>District Attorney</u>							
Number of Felony Referrals	3,099	3,172	2,912	2,600	2,579	2,141	1,981
Number of Misdemeanor Referrals	5,795	5,374	5,706	5,412	5,404	5,726	5,855
Number of Felony Cases Filed	883	853	832	843	909	783	702
Number of Misdemeanor Cases Filed	4,645	4,357	3,705	3,113	3,120	3,220	3,187
DUT's Cases Referred	1,544	1,436	1,251	1,320	1,347	1,383	1,235
DUT's Cases Filed	1,424	1,343	1,155	1,228	1,275	1,258	1,147
Domestic Violence Cases Referred	861	828	874	813	838	788	795
Domestic Violence Cases Filed	404	308	329	272	297	277	339
<u>Probation</u>							
Probation Investigations and Reports	538	582	536	486	542	505	685
Juvenile Hall Average Daily Population	22	22	16	12	9	13.5	15
Number of Adult Probation Cases Supervised	2,754	2,522	2,566	2,024	2,289	1,955	1,908
<u>Public Defender</u>							
Number of requests for Public Defender assistance at arraignments	3,029	3,091	1,975	n/a	n/a	1,859	1,888
Number of cases settled through negotiation at arraignment	29	191	264	n/a	n/a	501	688
<u>Environmental Health</u>							
Food Facility Operating Permits Issued	1,615	1,680	1,535	1,545	1,545	1,519	1,544
Housing and Institution Operating Permits Issued	630	646	686	679	679	682	691
Recreational Health Operating Permits Issued	548	549	548	548	578	551	547
Liquid Waste Operating Permits Issued	265	295	307	318	318	351	371
<b>Health and Sanitation</b>							
<u>Youth and Family Services</u>							
Number of Children Assessed who Need Treatment	485	435	359	187	272	261	80
Total Days in Residential Treatment	5,699	3,516	3,376	-	-	-	-
<u>Mental Health</u>							
Total Number of Medi-Cal beneficiaries	21,646	22,963	24,147	23,261	25,855	41,436	2,442
Number of Children and Adolescents Admitted to Psychiatric Emergency Services	118	147	112	153	135	136	127
Number of Adults Admitted to Psychiatric Emergency Services	961	931	924	865	982	1,120	825
<b>Public Ways and Facilities</b>							
<u>Roads</u>							
Street Resurfacing (square miles)	2	13	6	48.0	68	25	11.5
Potholes Repaired	1,800	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	5,285	7,713	5,850	6,814	6,446	6,086	5,892
Percent of new food stamp applications approved	63%	61%	62%	57%	58%	61%	64%
Number of new applications received for Medi-Cal	9,356	13,709	8,950	9,371	17,141	12,119	9,420
Percent of new Medi-Cal applications approved	57%	62%	57%	58%	62%	59%	63%
Number of Children Served by Child Welfare Services	105	99	176	142	157	247	197
Number of Adoptive parents served in Adoption Assitant Program Families	221	235	207	227	223	183	166
<b>Education</b>							
<u>Library</u>							
Number of virtual visits	721,361	883,862	300,304	414,820	412,733	393,695	359,014
Number of community outreach activities	359	300	989	897	256	325	458
Number of community partnerships	34	35	75	93	149	159	193
Number of items circulated	2,081,173	2,100,000	1,717,470	2,197,422	2,335,607	1,986,529	1,863,463
Number of visits to all branch libraries	1,179,867	1,450,000	1,134,067	1,046,825	961,943	1,045,756	1,092,871
<b>Recreation and Cultural Services</b>							
<u>Parks</u>							
Number of Park Passes Issued	291	321	315	348	348	325	637
<b>Transit District</b>							
<u>Buses</u>							
Total Number of Passengers	3,327,621	3,376,520	3,376,520	3,410,383	3,546,112	3,424,628	3,332,265
Service Hours	192,318	188,287	188,287	194,563	204,500	213,218	216,640
Total Number of Routes	26	26	26	25	30	30	31

Source: Various Marin County departments

**COUNTY OF MARIN**  
**Capital Asset Statistics by Function**  
**Last Seven Fiscal Years**

Function	Fiscal Year						
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Public Protection							
Sheriff							
Stations (Headquarters and Substations)	4	4	4	4	4	4	5
Patrol Units	31	31	31	31	31	31	31
Marine Crafts	2	2	2	2	2	2	2
Fire Stations							
Stations	6	6	6	6	6	6	6
Lookouts	2	2	2	2	2	2	2
Type 1 Fire Engines	7	7	7	7	7	7	7
Type 3 Fire Engines	11	12	11	11	11	11	11
Type 4 Fire Engines	1	1	1	1	1	2	2
Ambulances	5	5	5	5	5	5	4
Graders	1	1	1	1	1	1	1
Dozers	1	1	1	1	1	1	1
Water Tenders	3	3	3	3	3	3	3
USAR Support Vehicles	1	1	1	1	1	1	2
Heavy Rescue Vehicles	2	2	2	2	2	2	4
Transport	1	1	1	1	1	1	1
Crew Carrier	1	1	-	1	1	1	1
Utilities/Support Vehicles	24	23	23	23	23	23	23
ATV	-	-	2	3	3	3	3
Corrections							
Capacity of All Correctional Facilities	376	376	376	376	376	376	376
Public Ways and Facilities							
Roads							
Streets (Miles)	420	420	420	420	420	420	419
Bridges	56	56	56	56	56	56	56
Street Light	2,025	2,025	2,025	2,025	2,025	2,025	1,724
Traffic Signals	13	13	13	13	13	13	15
Education							
Library							
Number of Library Branches	11	11	11	11	11	11	10
Recreation and Cultural Services							
Parks & Open Space							
Number of Open Space Acres Maintained	15,299	15,067	15,087	15,109	15,113	15,159	15,171
Number of Parks Acres Maintained	923	934	934	934	942	942	458
Transit District							
Buses							
Total Number of Buses	49	50	50	58	64	66	90

Source: Various Marin County departments