

COUNTY OF MARIN, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2018



COUNTY OF MARIN DEPARTMENT OF FINANCE



Photo: Point Reyes Lighthouse, by Matthew Fragata, County of Marin, Department of Finance.

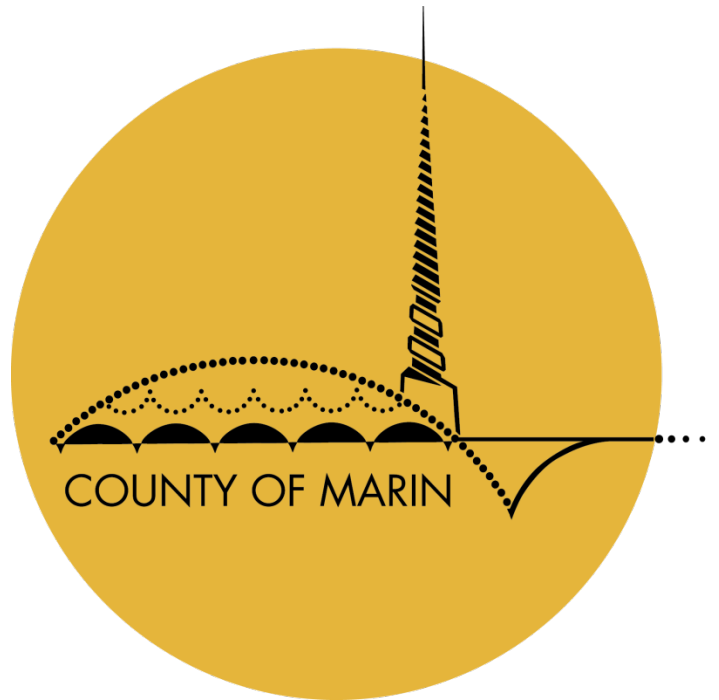


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COUNTY OF MARIN, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2018



**County of Marin
Department of Finance**

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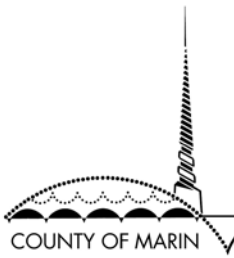
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INTRODUCTORY SECTION

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December 31, 2018

DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

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DIRECTOR

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ASSISTANT DIRECTOR

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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, 2018. 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, 2018.

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 CliftonLarsonAllen, 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, 2018 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, 2018. The independent auditor's report is presented in the first component of the financial section of this report.

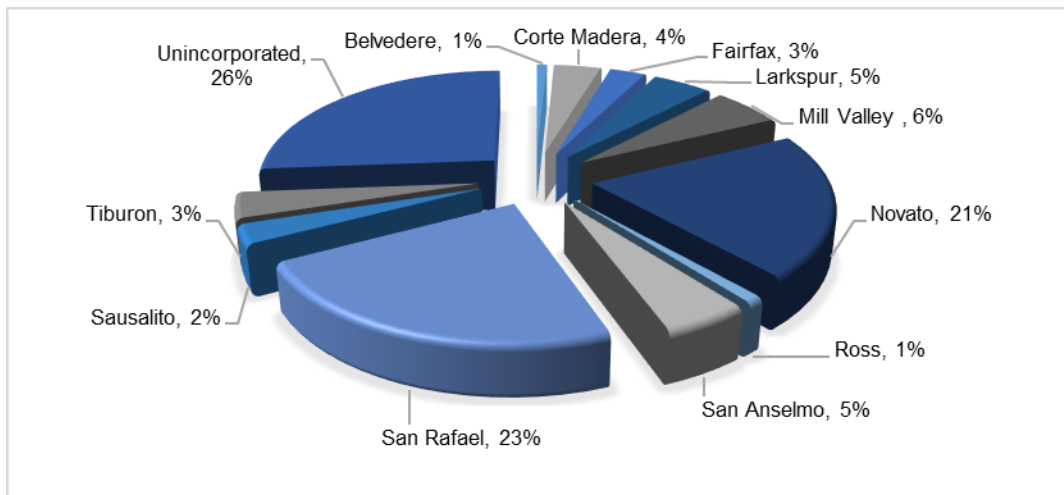
The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the fiscal year. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A), which is presented after the independent auditor's report. This letter of transmittal is designed to complement the MD&A, and as such, 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 263,886 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 elected 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% 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 2018

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, located in San Rafael, which was designed by Frank Lloyd Wright and is registered with 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. 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.

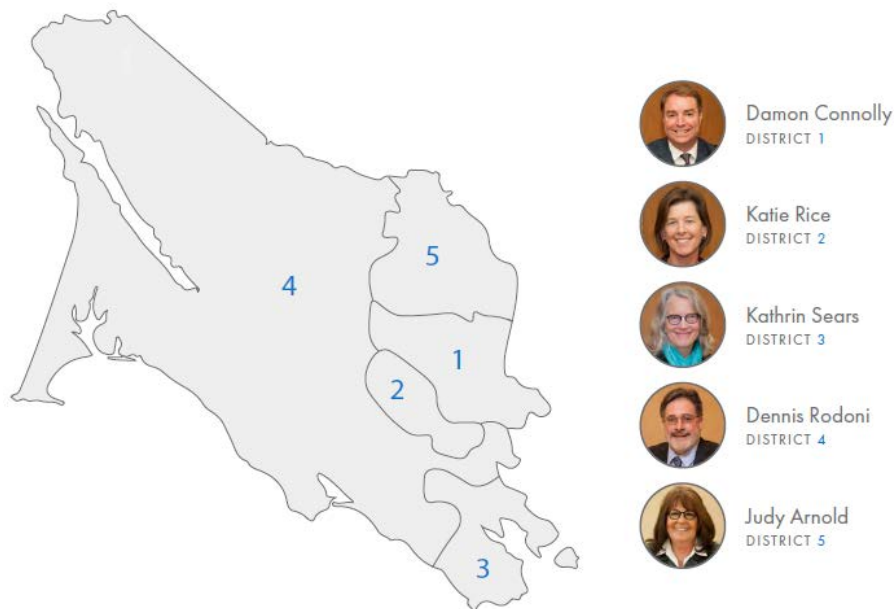
Board of Supervisors

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 body of county government. 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 on a non-partisan basis and serve for a term of four-years. Supervisors also elect a President, Vice President, and Second Vice President annually among 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.

The current 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/depts/BS. Audio and video broadcasts of Board meetings (both live and archived) 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 the Auditor-Controller and Treasurer-Tax Collector were consolidated into an appointed Director of Finance position.

Board and Commissions

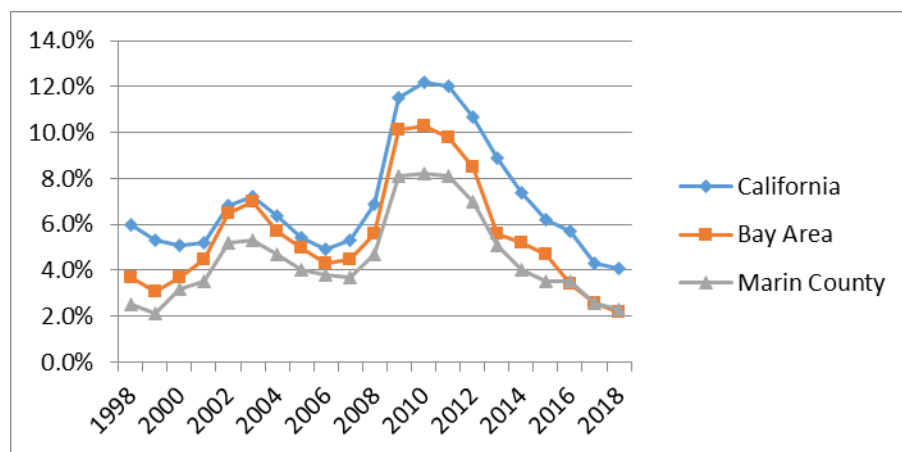
The Board of Supervisors has established advisory boards, committees and commissions to which it appoints residents to serve. The purpose of these appointed boards, committees and commissions is to provide opportunities for members of the community to participate in and act on matters of public concern. Some commissions are discretionary while others are mandated by state statute. Each commission represents the constituents of a specific issue, policy or program focus.

FINANCIAL CONDITION

Economic Indicators

Economic indicators for Marin County are positive. In terms of unemployment and personal income measures, Marin remains ranked among the top counties in the state. The housing market is strong, particularly in terms of median sales prices, and Marin continues to be one of the healthiest counties in the state, despite having one of the oldest populations.

- **Employment:** Unemployment rates in both the State and County have declined steadily over the past few years. By October 2018, the County's unemployment rate was 2.3% (not seasonally adjusted), which continues to be lower than the State's rate of 4.1% and the national rate of 3.9%. The chart below illustrates Marin County's relatively low unemployment rate compared to the Bay Area and California from 1998 through 2018.



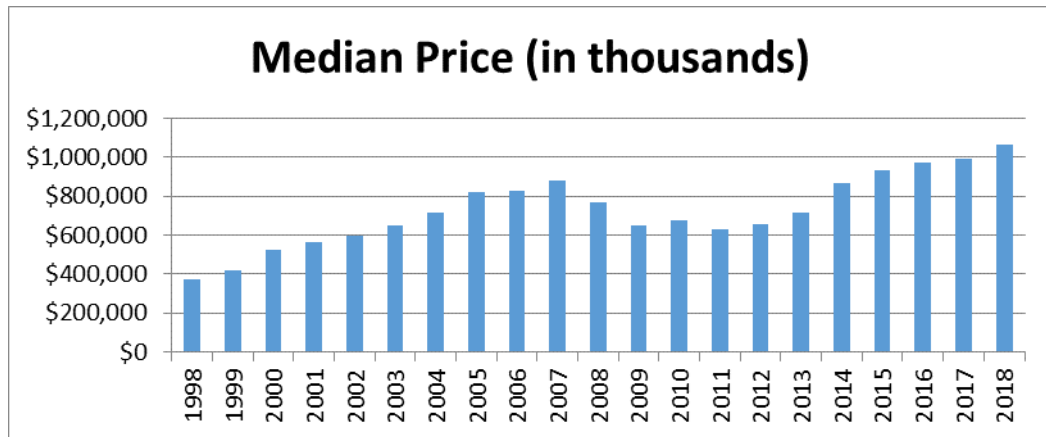
State of California Employment Development Department – October 2018

- **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. 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 several years. Without significant new housing development, relatively low turnover each year, and the potential for changes in legislation, 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 7.3% to \$1,065,710 in 2018 from \$993,167 in 2017. 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 volume of residential real estate sales activity from 2012 through June 2018 averages more than 3,000 sales per year and is reflective of a strong market with increasing values.

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 21 as of the quarter ending in September 2018. The County's affordability index was 19, while the U.S. index was 53 and the State's was 27 in September 2018. Accordingly, during the September 2018 quarter, only 19% 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, 2018

A Balanced Budget

Marin County is dedicated to being a responsive, transparent and community-focused government. The extended economic stability has provided an opportunity to focus on long-term strategies. Working with our community partners, we deliver a wide range of services that make our community a better place to live and work.

Because of past decisions to reduce ongoing spending, the County budget is balanced and structurally sound. As the economy has sustained moderate growth, property tax, sales tax, and transit occupancy tax have rebounded. The single largest source of discretionary revenue for the County's General Fund is

secured property tax, which is projected to increase 5.2% in FY 2018-19. Personnel costs are also increasing as the County is providing cost of living increases to our workforce and community partners.

The current economic expansion has now surpassed nine years. If the recovery continues through the end of FY 2018-19, it will have the longest recovery in modern history. Most leading economists project a slowdown within the next two years, however, the timing and severity of the slowdown is less certain, particularly in the Bay Area. To be a responsive government, the County must continue to understand major trends, adapt to new community needs, and plan for future uncertainties. Our goal is to exert the same financial discipline in good times that we did during the economic downturn.

MAJOR INITIATIVES

Preserving Affordable Housing

Home prices and rents continue to increase in Marin County, and have become unaffordable for many low- and moderate-income families and individuals. As a result, residents are being displaced from their homes and the local workforce experiences a longer commute.

In the year ahead, the County will pursue a variety of initiatives to acquire new property and preserve existing affordable housing. This includes the construction or acquisition of new rental housing for families, the purchase of the former U.S. Coast Guard facility in Point Reyes Station for affordable housing units, and the expansion of housing options for agricultural workers. The County will also expand housing choice and support existing communities by enhancing rental protections to prevent displacement; working with cities and towns on source-of-income protections and mandatory mediation ordinances; funding the landlord partnerships program to increase housing choices for federal Section 8 voucher holders; and conducting evaluations of multifamily zoning districts to remove remnants of historical exclusionary zoning practices.

A general shortage of affordable housing in Marin has prompted the County to explore alternative policy solutions to increase the overall housing supply. Regulation and oversight on short-term rentals have expanded, especially in West Marin, and the promotion of Accessory Dwelling Units and Junior Access Dwelling Units is expected to result in more livable units inside and adjacent to existing homes. The Board allocated \$500,000 to continue a partnership with the Marin Housing Authority to provide housing locator services and to offer financial incentives for landlords to rent to Section 8 voucher holders. The County will also continue working closely with neighboring agencies and municipalities to coordinate code enforcement efforts for rental units.

Prioritizing Racial Equity

As the safety net provider for the community, the County and the Board of Supervisors are committed to creating an atmosphere that promotes and advances racial equity. The County has defined equity as just and fair inclusion in which everyone – including members of all racial and ethnic groups – can participate, prosper, and reach their full potential. Equity gives all people a chance in life despite historic patterns of racial and economic exclusion. The County will evaluate policy decisions through a racial equity lens to ensure that marginalized communities are not negatively impacted.

Recent data from the Advancement Project shows that Marin is the most racially disparate county in California. One important step to address historical disparity in Marin is to establish and align departmental equity initiatives with Board of Supervisor's goals and to set measurable outcomes to evaluate the success of those initiatives. The Board devoted a public workshop to equity in May 2018 and within the next year, the County will create an Equity Director position to lead equity initiatives and develop stronger community partnerships. The Director will develop a racial equity tool that will be used to evaluate policy impacts on the community and will partner with County employees, focusing on both internal equity initiatives and equitable service delivery in Marin.

Departments across the County also are implementing equity initiatives. For instance, Marin County Parks adjusted park access fees to encourage more residents to enjoy its facilities by removing economic

barriers. Probation, the Public Defender and the Marin County Free Library also waived fees that created barriers to County services. Human Resources developed a racial equity hiring toolkit and the County rolled out an eight-hour cultural competence training program for County employees in early 2018. This strategic investment will help ensure that County employees understand institutional racism and the importance of cultural awareness in the services delivered to the community.

Addressing Climate Change and Sea Level Rise

The County's Climate Action Plan (CAP) identifies several local actions to assist the County in achieving its target of reducing emissions from municipal operations to 15% 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.

In 2017, the County switched all electrical utility accounts to MCE "Deep Green" renewable energy program. These actions have reduced the County's annual carbon emissions by more than 2,270 tons and have enabled the County to achieve its 2020 municipal emissions reduction target two years ahead of schedule. The FY 2018-19 budget included additional funding to support the implementation of Drawdown: Marin, a collaborative, community-wide strategy and campaign that engages all segments of Marin to catalyze climate action. The FY 2018-19 budget also includes \$500,000 for a Sustainability Project Fund that will provide grant funds for sea level rise projects throughout the County.

Over the next two years, the County will continue to support reduced vehicle emissions by replacing its aging fleet with hybrid vehicles and installing additional electric vehicle charging stations at the Civic Center. The ongoing RideGreen commute alternatives program continues to encourage and incentivize employees to use public or human-powered transportation to get to and from work.

Through public workshops, community education events and outreach, the Community Development Agency and Department of Public Works address impacts and planning for Marin's ocean coast through an ongoing program called "Collaboration: Sea-level Marin Adaptation Response Team" or C-SMART. A separate effort to address climate change and sea level rise impacts on Marin's bayside communities is called the Marin Bay Waterfront Adaptation Vulnerability Evaluation, or BayWAVE. Both programs encourage residents to understand and take part in proposing solutions to the long-term challenge of sea level rise.

Marin County ranks second in the Bay Area for potential infrastructure impacts due to sea level rise. Over the past few years, the County has leveraged State Coastal Conservancy grant funds to complete a vulnerability assessment of sea level rise impacts along the bay shoreline. The assessment part of BayWAVE (Bay Waterfront Assessment and Vulnerability Evaluation), which is a collaborative effort involving County staff, elected officials, and staff from all 11 of the County's cities and towns, staff from local and regional agencies, and private organizations with assets along the shoreline.

The vulnerability assessment will serve as a foundation to understand the impacts of sea level rise and will help Marin begin planning for adaptation. In addition to the assessment, the County has an ongoing effort to expand engagement efforts by using community partnerships and a diverse range of tools.

Improving Disaster Preparedness

Both the size and scope of wildland fires in California have grown significantly over the past decade. Cumulatively, the North Bay wildfires of October 2017 were the most destructive and deadly wildland fire disaster in American history, with 44 deaths, 185 injuries, 8,900 homes destroyed and the scorching of 245,000 acres. The County of Marin opened a temporary emergency shelter for one week to house displaced Sonoma and Napa County residents and contributed emergency personnel to neighboring jurisdictions. The people of Marin responded with overwhelming financial and in-kind support. Over the next two years, the County will focus on expanding resident education and preparedness, augmenting

fuel reduction programs, increasing defensible space, improving disaster planning, and enhancing capabilities in emergency alerts and warning systems in our own community. County staff will update fire evacuation plans and support an increased number of evacuation drills around the County. A Board of Supervisors subcommittee on Public Disaster Education and Preparedness is emphasizing school-based training, the neighborhood "Get Ready Marin" program, and the preparation of public employees who serve as disaster service workers. County residents also face new threats in the form of sea level rise and climate change. The Sheriff's Office of Emergency Services will update the Multi-Agency Local Hazard Mitigation Plan to include these threats. Another critical initiative is the development of a Continuity of Government Plan, which is led by the Information Services and Technology Department, and ensures the timely restoration of the County's most important network and information systems in the event of a disaster or a major cybercrime.

The obligation to quickly and effectively alert residents of danger has never been greater, and have dedicated funding priorities towards one-time enhancements to the County's emergency preparations and the replacement of the Urban Search and Rescue (USAR) trailer. Marin must develop an emergency alert system that is accessible to all residents on multiple communication mediums. Alert systems, such as Alert Marin, Nixle, and other tools are critical to resident safety and ongoing efforts are needed to increase the number of subscribers and coordinate the messaging of the various alert services.

Investing in County Infrastructure

Providing quality County facilities and road maintenance is a vital component of local government service and the County's recent investments in road improvements have resulted in increased pavement quality (PCI) for County-maintained roads to a score of 67 in FY 2017-18. Despite the recent investments and improved PCI scores, current spending levels do not significantly reduce a backlog of deferred maintenance. The recent passage of the state's Road Repair and Accountability Act of 2017 (SB 1) increased state gas taxes to create additional ongoing revenue for County road improvements. This new revenue source is critical to maintaining progress toward improving pavement conditions, as the previous gas tax did not keep pace with maintenance requirements and construction costs. The County received \$1.4 million in SB 1 revenues during FY 2017-18 and expects to receive \$3.8 million in FY 2018-19. As the new tax measure is fully implemented over the next 10 years, the County is expected to receive about \$5 million annually. Over the next several years, the County also plans to leverage approximately \$38 million in federal grant funds for improvements to more than 23 miles of roadway in West Marin as part of the Federal Land Access Program (FLAP).

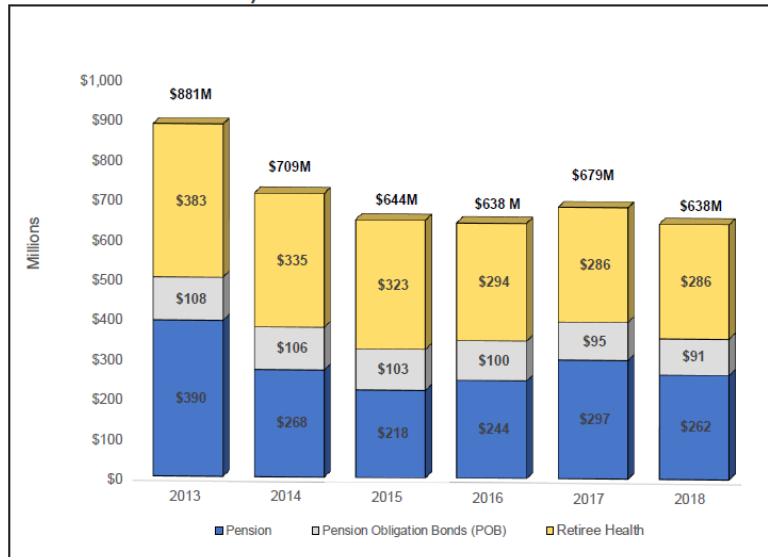
The County owns 44 buildings across the county, and many of them have significant deferred maintenance needs. At the Frank Lloyd Wright-designed Civic Center, Public Works is amid an unprecedented roof replacement project and an upgrade of the building's electrical system. Significant plans are unfolding for renovations at the nearby Veterans Memorial Auditorium and Exhibition Hall to restore that aging facility. The West Marin Service Center recently reopened after an extensive remodel, and plans are also progressing for a new fire station in Tomales. Although the County has made important facility upgrades over the past few years, deferred maintenance continues to grow and now totals over \$100 million Countywide. In February 2018, the Board of Supervisors held a workshop to identify long-term funding plans to address deferred maintenance needs. The County has appropriated for ongoing funding for facility maintenance projects, including a contribution to the Facility Reserve for annual debt service payments. The deferred replacement of Countywide technology infrastructure has also grown in recent years. In addition to ongoing replacement of computers and servers, core infrastructure components, such as telephones systems and the data center, are beyond their useful life and in need of replacement, and has called for the establishment of a long-term replacement program for Countywide technology infrastructure.

Reducing Unfunded Retiree Obligations

The County remains committed to fully budgeting and funding its annual required contributions to both pension and retiree health benefits. Over the past few years, the County has established an irrevocable trust for retiree healthcare benefits, creating a pension rate stabilization reserve, and made accelerated discretionary payments to pay down unfunded retiree liabilities.

As shown below, these actions, along with investment earnings, have reduced the County's total unfunded retiree obligations by over \$240 million since 2013, and are among the primary factors in the County's 'AAA' credit rating.

Summary of Unfunded Retiree Liabilities



LONG-TERM FINANCIAL PLANNING

Over the past 70 years, economic expansions have averaged approximately five years. The current expansion has now surpassed nine years. If the recovery continues through the end of FY 2018-19, it will have been the longest recovery in modern history. Given that the country is nearing a record-long economic expansion, and with the potential for global risks arising from import tariffs or tax policies, most leading economists project a slowdown within the next two years. However, the timing and severity of the slowdown are less certain, particularly for the Bay Area.

Nationally, most economic indicators are strong. Gross domestic product (GDP) growth remained above 2% over the past year and is projected to continue moderate growth for the foreseeable future. Unemployment is at the lowest rate in nearly 20 years, personal income is expected to increase over the next year, and consumer confidence remains optimistic.

Economic indicators for Marin County also remain positive. In terms of unemployment and personal income measures, Marin remains ranked among the top counties in the state. The housing market is also strong, particularly in terms of median sales prices. In 2017, the median sales price of a single-family home in Marin rose by 2.6% to \$1 million, and the number of units sold increased by 10% to 3,249. Marin continues to be one of the healthiest counties in the state, despite having one of the oldest populations. However, total population growth and the number of new housing units in Marin have slowed recently, and both lag behind other counties in the Bay Area.

Despite a strong local economy and a relatively stable fiscal outlook for the state, Marin continues to see slowing growth in local revenues. This is a function of the County's financial structure, with nearly 40% of discretionary revenue coming from local taxes. Since the County of Marin is primarily funded by property tax, the County's fiscal outlook is closely linked to changes in local assessed property values.

Because of Proposition 13 limitations and relatively low levels of new construction, the County is projecting a 5.2% growth rate for countywide assessed value in FY 2018- 19. Recent annual growth in assessed values peaked in FY 2015-16 at 7.1% and has declined each year since. Based on these trends, and in collaboration with the County Assessor, the County is projecting a 5.0% growth rate in FY 2019-20 and beyond, which is slightly below the County's long-term average of 5.7%.

Educational Revenue Augmentation Fund (ERAF)

Since FY 1992-93, local taxing entities (cities, special districts, and the County) are mandated to shift a portion of their property tax dollars to the ERAF to be used to reduce the State's obligation in funding school districts. School districts that receive less than their minimum State guaranteed amount are eligible to receive revenues from the ERAF, while those that receive property taxes equal to or greater than their minimum State guaranteed amount do not.

Any monies in the ERAF after funding school districts and special education up to their allowable amounts are refunded back to the local taxing agencies in the same proportion as their contributions. These refunded monies are referred to as Excess ERAF.

The County's portion of Excess ERAF monies was \$43.6 million in FY 2017-18. The County is conservative in budgeting Excess ERAF monies, as the revenues are subject to legislative risk.

Employee's Retirement Plan

In FY 2014-15, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 68 related to financial reporting of pension plans on its financial statements. It also requires additional disclosure in the Notes to the Basic financial statements and Required Supplementary Information sections of the CAFR. The Marin County Employees' Retirement Association (MCERA) administers the pension plan for the County and its employees. Because of this reporting standard, MCERA and the County now use different actuarial valuation methods for its pension plan – one for financial reporting purposes as required by GASB 68, and the other for funding purposes to determine the County's annual contribution to the plan.

Other Postemployment Benefits (OPEB)

The County sponsors, and MCERA provides administrative services for, an "other postemployment benefits" (OPEB) Retiree Health Plan. The County prefunds its OPEB obligations through the California Employers' Retirement Benefit Trust (CERBT).

This year, the County implemented GASB Statement No. 75, which specifies the accounting and financial reporting requirements for postemployment benefits other than pension. GASB 75 is similar to pension reporting standards (GASB 68), in that it requires reporting of the net OPEB liability amount on the face of the financial statements. It also requires additional disclosures in the CAFR's Notes to the Basic Financial Statements and Required Supplementary Information sections about the actuarial assumptions and methods used to account for OPEB plans. These changes will improve transparency of the plan and its unfunded liabilities.

EMERGING ISSUES

Housing for People Experiencing Homelessness

Homelessness in Marin has declined slightly in recent years, but it is increasing among people with disabilities and it will continue to be a top priority for the County. To address the issue, the County partners with neighboring jurisdictions and community partners to coordinate funding and improve access to services. In 2016, the Board of Supervisors reevaluated the traditional “first-come, first-served” approach and adopted the evidence-based Housing First model as the governing philosophy of Marin’s homelessness efforts. In a Housing First model, which is also commonly referred to as “permanent supportive housing,” people experiencing homelessness are first placed in permanent housing regardless of any conditions or qualifications, and then provided with the services they need.

For the model to succeed, services and housing must be robust, flexible, and readily available. The Health and Human Services Whole Person Care program, which is a state-funded, multi-disciplinary approach to care that focuses on outcomes, has partnered with the Marin Housing Authority to provide 50 additional supportive housing vouchers to help house the most vulnerable individuals with complex needs. The County is also applying to participate in the State of California’s No Place Like Home initiative, and Partnership Health will provide \$1.2 million in one-time funding to support efforts to address homelessness in Marin. Finally, the Marin Housing Authority is acquiring new vouchers for homeless military veterans through a partnership between the federal Department of Veterans Affairs and Department of Housing and Urban Development.

People experiencing homelessness frequently struggle to access the resources most appropriate for their circumstances due to lack of information, a difficult-to-navigate system, and programs operating in isolation from one another. In alignment with national best practices to counter those problems, the County continues to partner with local nonprofits to implement a Coordinated Entry System. Through Coordinated Entry, everyone experiencing homelessness receives the same screening, all permanent supportive housing programs across the county receive placements from the same centralized pool of assessed people, and the most vulnerable people receive housing first. Since the October 2017 launch of the Coordinated Entry System, hundreds of Marin’s most vulnerable residents have been assessed and 30 have been housed.

Over the next two years, County staff will work with community partners to transform the local shelter system. The goals are to reduce barriers to access, revamp outreach programs, and better connect people who need intensive services with the appropriate housing. The County is also a key partner in the collaborative Opening Doors Marin, which is committed to preserving, acquiring, and creating sufficient housing to end chronic homelessness by 2022. The County will work to fully capture the needs of youths and families experiencing homelessness and to reduce first-time occurrences by connecting people with alternative options prior to shelter entry.

Enhancing Mental Health Services

Within the County of Marin Health and Human Services, the Behavioral Health and Recovery Services (BHRS) division provides services to individuals with mental health and/or substance use issues. Over the next two years, focus areas include enhanced services and improved access for vulnerable residents. BHRS has added peer counselors, psychiatric support, and a part-time clinician to provide therapy services for youths who are at risk for schizophrenia. Construction is also in progress for upgrades to the Crisis Stabilization Unit at Marin General Hospital, which will double the facility’s capacity.

Through the nationwide Stepping Up Initiative, adopted by the Board of Supervisors in March 2017, the County is improving multi-department coordination and exploring public-private partnerships to reduce the number of people with mental illness in jails. Over the past year, the County has expanded behavioral health services to individuals connected to criminal justice through assisted outpatient treatment and additional staffing and programming at the Marin County Jail. In July 2018, the County added new Crisis Specialist positions dedicated to the detention mental health program.

Costs continue to rise for the care and treatment of the County's residents with serious mental health needs. While the number of residents served has remained flat over the past four years, the costs per day for adult residential placements have increased by over 30%. The cost increases are due in part to the lack of residential facilities within the County, particularly for lower levels of care. The County has apportioned funding to keep pace with the current cost trends for mandated services. The County will also continue efforts to identify local sites for adult residential treatment facilities.

A collaboration between the County and Buckelew Programs resulted in the new Helen Vine Recovery Center that opened in the spring of 2018, assuring that a first-class detoxification facility is available for indigent and low-income residents. In addition, with the opioid abuse crisis now recognized on a national scale, BHRS is working with contracted providers and community partners to offer additional medications to those assessed with opiate use disorders. Distribution and training on the use of naloxone, which revives someone who has overdosed on opiates, was completed by all Marin law enforcement agencies, treatment centers and sober living residences.

Changes in Federal and State Policy

Nearly 40% of the County's budget comes from federal revenues or state matching revenues. With recent and potential federal policy revisions, the County is at substantial risk of reduced ongoing funding for safety net programs. The County is hopeful about promises to invest \$1 trillion in new infrastructure spending in the U.S. economy over the next 10 years. Risks remain, however, with recent White House proposals to pull back \$15 billion in spending, including the Children's Health Insurance Program, and with the potential for additional reductions resulting from the dramatic cuts in tax revenues.

It's not only funding issues that cause local concern, but policy changes as well. As a coastal county drastically affected by sea level rise and working to be more environmentally sustainable, the County opposes federal efforts to slow or reverse efforts to mitigate climate change. The County will continue to oppose immigration policy efforts that would eliminate pathways to full and equal citizenship, restrict the rights of immigrants, break up families, or build a wall along the U.S.-Mexico border. The County strongly supports restoration of the Deferred Action for Childhood Arrivals (DACA) program and opposes a rollback on the Affordable Care Act (ACA), including proposals to shift to a block grant or per-capita funding system for Medicaid funding to states.

Finally, with the disastrous North Bay fires of 2017, the County urges federal efforts and funding related to disaster preparedness and to help manage fire risk in Marin, which includes approximately 100,000 acres of federal responsibility areas in the Golden Gate National Recreation Area, Muir Woods National Monument, and the Point Reyes National Seashore.

At the state level, the County expects stable funding next year. With the May 2018 Budget Revision, state tax collections are up nearly \$9 billion. However, citing an overdue recession, the Governor has resisted any new ongoing spending and has instead proposed to save most of the surplus.

Creating a New Performance Management Program

In 2003, the County developed and implemented "Managing for Results" (MFR), a way to measure effectiveness and community outcomes of its approximately 200 programs, and to achieve its vision of being a well-managed county. MFR identified the County's most important priorities, aligned department and program activities to reflect those priorities, and used measures to track progress in accomplishing them.

Acknowledging the need to continually improve performance management, the County assembled a Performance Management Working Group in 2017 consisting of employees from all levels of the organization as well as community members. As an initial step, the working group asked each department to develop one initiative for FY 2018-19 that engages department employees and includes meaningful metrics to gauge success or improvement. Those initiatives were presented to the Board of Supervisors

at the March 2018 Budget Workshop. In Fall 2018, the revised format was presented to the County's Executive Leadership Team for adoption and roll- out to County departments.

RELEVANT FISCAL POLICIES

Balanced Budget

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

Use of "One-Time" Funds

The Board expects that one-time revenues are dedicated for use as one-time expenditures. Annual budgets will not be increased to the point that ongoing operational costs become overly reliant on cyclical or unreliable one-time revenues. In the face of economic downturns or any significant state cuts in subventions for locally-mandated services, the use of one-time sources will only be used to ease the transition to downsized and/or reorganized operations. The State owes Marin County for unpaid state mandate reimbursements. Since these payments are reimbursing the General Fund for prior year support and are one-time revenues, the Department of Finance will deposit these funds directly into the one-time reserve. Any spending of these funds will be subject to future appropriation by the Board of Supervisors.

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, who then 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, departments should consider how funding will be provided for its duration. To the extent legally possible, all grant applications should be based on full costing, including overhead and indirect costs. Where matching funds are required for grant purposes, departments should provide as much "in-kind" contribution as allowed instead of hard-dollar matches. Unless long-term funding is secure, departments should avoid adding staff to support new grant-supported programs. If it is necessary to add staff, fixed-term positions should be used to support short-term programs.

Debt Financing

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

Workers Compensation Funding

The County initiated a self-insured liability program for workers compensation in 1993. 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.

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. The County should strive to maintain contingency reserves between 5% and 10% of the operating budget. 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).

Additional Contributions Toward Deferred Road & Bridge Maintenance

Effective FY 2013-14, the Board adopted a policy determining that, for at least five years, 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 shall be allocated to address deferred road maintenance.

Other Post-Employment Benefits (OPEB)

Contributions will be made each year to the County’s irrevocable trust for retiree healthcare costs to reduce and ultimately eliminate the unfunded liability. The annual required contributions (ARC), as determined by the County’s actuary, will at a minimum, be fully budgeted and funded each year.

CONCLUSION

The County is on more stable footing because of the actions taken by the Board of Supervisors over the past several years. Providing responsive services that support a healthy, safe, equitable and sustainable community involves meaningful participation and effective collaboration at all levels. Our County will face unique challenges in the coming years and we will continue our efforts to reprioritize existing services in order to adapt and respond to emerging community issues.

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, 2017. This was the seventh year the County issued a CAFR and received this prestigious award for all seven 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.

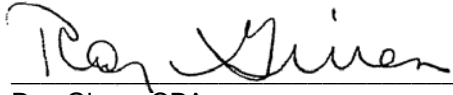
Acknowledgements

The preparation of this Comprehensive Annual Financial report was made possible by the 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, CliftonLarsonAllen, 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,

A handwritten signature in cursive script that reads "Roy Given". The signature is written in black ink and is positioned above a horizontal line.

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, 2017

Christopher P. Morill

Executive Director/CEO

**COUNTY OF MARIN
ELECTED AND APPOINTED PUBLIC OFFICIALS
JUNE 30, 2018**

ELECTED OFFICIALS

Supervisor - First District	Damon Connolly
Supervisor - Second District	Katie Rice
Supervisor - Third District	Kathrin Sears
Supervisor - Fourth District	Dennis Rodoni
Supervisor - Fifth District	Judy Arnold
Assessor-Recorder-County Clerk	Richard N. Benson
District Attorney	Edward S. Berberian
Sheriff - Coroner	Robert T. Doyle

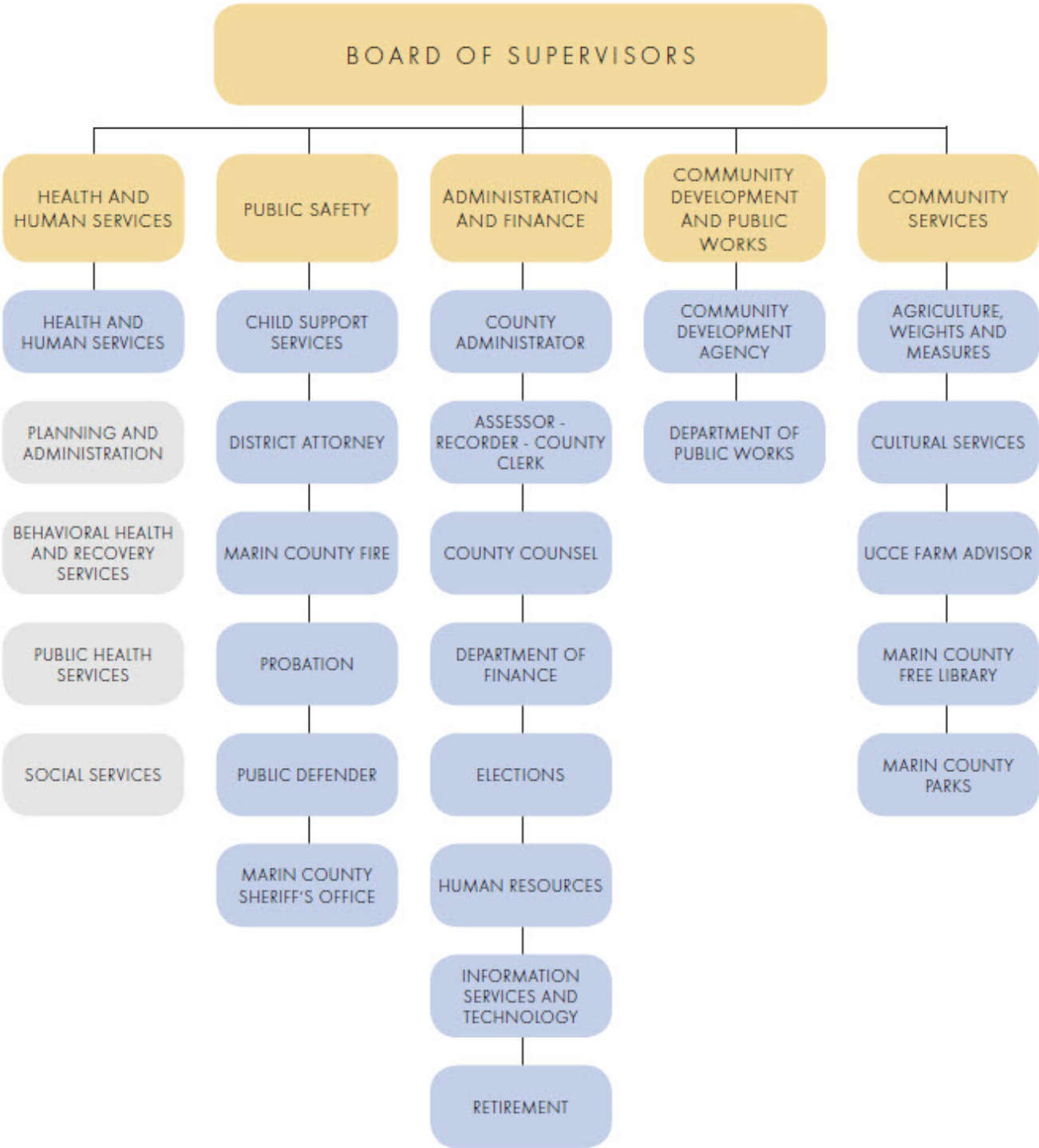
APPOINTED OFFICIALS (by the Board of Supervisors)

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	Brian E. Washington
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	Liza Massey
Registrar of Voters	Lynda Roberts

**COUNTY OF MARIN
ORGANIZATIONAL CHART
JUNE 30, 2018**



FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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, 2018, 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.

Auditors' 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, 2018:

<u>Opinion Unit</u>	<u>Assets</u>	<u>Revenues/ Additions</u>
Business-Type Activities	82.4%	87.3%
Aggregate Discretely Presented Component Units	100.0	100.0

Those financial statements were audited by other auditors whose reports 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.

Auditors' Responsibility (Continued)

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, 2018, 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.

Emphasis Matter

Implementation of New Accounting Standards

As disclosed in Note 2 to the financial statements, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*, during fiscal year 2018. Our opinion is not modified with respect to this matter.

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, schedule of changes in net OPEB liability and related ratios, and schedule of County's OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2018 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Roseville, California
December 31, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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COUNTY OF MARIN
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(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, 2018. 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, 2018 by \$1,344.5 million (*net position*):

- \$1,372.9 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.
- \$190.1 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*).
- (\$218.5) million represents the County's unrestricted net position, which as of fiscal year-end is earmarked for deferred pension obligation and deferred other post-employment benefits (OPEB). Generally, unrestricted net position may be used to meet the County's ongoing obligations to its citizens and creditors (*unrestricted net position*).

In June 2016, GASB issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which establishes new accounting and financial reporting for OPEB plans. 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*. As of July 1, 2017, the County implemented this statement and restated the beginning net position on the government-wide statements by \$174.1 million.

In consideration of the above-noted prior period adjustment, the County's total net position increased by \$69.1 million to \$1,344.5 million over the year. The positive change in the County's net position indicates that the financial position of the County continues to improve.

- \$52.3 million increase in net position was derived from governmental activities. The increase was due to total revenue of \$609 million exceeding total expenses and transfers of \$556.7 million, mostly attributable to increase in charges for services, operating grants and capital grant contributions, coupled with an overall decrease in expenses, primarily relating to public protection and public assistance.
- \$16.8 million increase in net position was derived from business-type activities, primarily from Transit District's \$11.9 million increase in net position, due to increased intergovernmental operating revenue including Federal, State and local Measure A sales tax and Gross Airport's \$2.2 million increase in net position, due to an increase in intergovernmental revenues.

COUNTY OF MARIN
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Capital assets and debt administration

The County's *capital assets, net of accumulated depreciation*, increased by \$19.7 million, from \$1,506.6 million to \$1,526.3 million, with \$5.3 million from governmental activities and \$14.4 million from business-type activities. For governmental activities, the overall increase was mostly attributable to \$3.5 million in construction in progress (CIP) for the County Civic Center roof replacement project, and \$2.1 million in intangible assets for the on-going implementation work for the County's new human capital management system. For business-type activities, the overall increase was mostly due to \$3.6 million in CIP for Gross Airport's runway extension project, and \$10.6 million in Transit District's equipment additions, primarily relating to fare revenue collection equipment and revenue vehicles.

The County's total outstanding balance on long-term debt (e.g. bonds, loans, certificates of participation, and capital leases) decreased by \$6.1 million, from \$250.5 million to \$244.4 million. The decrease was primarily due to current year scheduled debt service payments totaling \$10.6 million, offset by \$1 million in accretion adjustments to tobacco settlement asset-back bonds, and \$2.3 million in additional loan amounts drawn by Marin Commons Property Management for building improvement loans.

Governmental funds financial analysis

The County's governmental funds reported combined fund balances of \$452 million at fiscal year-end, which is an increase of \$32.8 million compared to the prior fiscal year. Of this amount, \$194.2 million (sum of assigned and unassigned fund balances), or 43%, 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 99-105. 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 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).

COUNTY OF MARIN
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

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, Marin Commons Property Management, Gness Airport, Marin County Fair, Marin.Org, Marin Center Promotions, and San Geronimo Golf Course.

Pages 42-44 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 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 balances 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 balances for the General Fund and the Health and Human Services Operating Fund, which are considered to be major funds. 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 and the Health and Human Services Operating Fund to demonstrate compliance with the budget and are located in the Required Supplementary Information section of the report.

Pages 45-48 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), Marin Commons Property Management, Gness Airport, Marin County Fair, Marin.Org, , Marin Center Promotions, and San Geronimo Golf Course. 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, Transit District, and Marin Commons Property Management, which are considered to be major

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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 49-52 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 53-54 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, permanent road districts, 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.

Pages 55-98 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 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 99-105 of this report display the Required Supplementary Information.

Combining and individual fund statements and schedules provide information for non-major governmental funds, enterprise funds, and fiduciary funds and are presented immediately following the Required Supplementary Information.

Pages 106-178 of this report display the combining and individual fund statements and schedules.

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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 \$1,449.3 million as of June 30, 2018. Further details are provided in the table below.

Condensed Statement of Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2018	2017	2018	2017	2018	2017	Dollar Change	Percent Change
Assets:								
Current and other assets	\$ 515,640	\$ 493,434	\$ 47,665	\$ 47,751	\$ 563,305	\$ 541,185	\$ 22,120	4.1%
Capital assets, net	1,459,683	1,454,359	66,619	52,209	1,526,302	1,506,568	19,734	1.3%
Total assets	1,975,323	1,947,793	114,284	99,960	2,089,607	2,047,753	41,854	2.0%
Deferred outflows	111,163	131,993	2,221	1,235	113,384	133,228	(19,844)	-14.9%
Liabilities:								
Current and other liabilities	55,768	68,662	10,613	11,790	66,381	80,452	(14,071)	-17.5%
Noncurrent liabilities	748,174	615,271	14,407	11,787	762,581	627,058	135,523	21.6%
Total liabilities	803,942	683,933	25,020	23,577	828,962	707,510	121,452	17.2%
Deferred inflows	29,203	20,748	360	3,311	29,563	24,059	5,504	22.9%
Net position:								
Net investment in capital assets	1,314,933	1,307,080	57,932	45,737	1,372,865	1,352,817	20,048	1.5%
Restricted	182,899	169,513	7,189	7,109	190,088	176,622	13,466	7.6%
Unrestricted	(244,490)	(101,488)	26,005	21,461	(218,485)	(80,027)	(138,458)	173.0%
Subtotal net position	1,253,342	1,375,105	91,126	74,307	1,344,468	1,449,412	(104,944)	-7.2%
Total net position	\$ 1,253,342	\$ 1,375,105	\$ 91,125	\$ 74,307	\$ 1,344,468	\$ 1,449,412	\$ (104,944)	-7.2%

Governmental Activities

Total assets and deferred outflows from governmental activities increased by \$6.7 million, or 0.3%, from the prior fiscal year. The overall increase was attributable to the following significant changes:

- *Cash and investments* increased by \$29.7 million, from \$422.7 million in the prior year as compared to \$452.4 million in the current year. The increase was primarily due to increase in property tax revenue of approximately \$9.3 million, transient occupancy tax of \$0.8 million, and intergovernmental revenue from State and Federal agencies of \$15.6 million.
- *Receivables* decreased by \$8.3 million, from \$64.2 million in the prior year as compared to \$55.9 million in the current year. The decrease is mostly attributable to more timely cash collection in the current year as compared to the prior year, including collection of property taxes and reimbursements from outside agencies.
- *Deferred outflows of resources* decreased by \$20.8 million, from \$132 million in the prior year as compared to \$111.2 million in the current year. This decrease was mostly attributable to the provisions of GASB 68, and GASB 75, whereby the County deferred outflows of resources related to its pension plan and other post-employment benefits plan (OPEB).
- *Capital assets, net of accumulated depreciation* increased by \$5.3 million, from \$1,454.4 in the prior year as compared to \$1,459.7 million in the current year. The increase was primarily due to current year additions to Intangible Assets and Construction in Progress (CIP) of \$2.1 million and \$18.1 million, respectively, as well as current year additions to depreciable capital assets of \$6.7 million, offset by current year depreciation expense of \$21.5 million. The current year addition to Intangible Assets was attributable to \$2.1 million in capitalized costs for on-going implementation work of the County's new human capital management system. For CIP, the most notable

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projects for FY 2017-18 included \$3.5 million for the County of Marin Civic Center roof replacement project, \$2.8 million for West Marin Service Center facility renovation, \$2.2 million for the construction of Fire Station 57 in San Rafael, \$2.1 million for Western Region road resurfacing, \$1.2 million in Juvenile Hall improvements, \$1.2 million in various office space renovations, and \$828 thousand for Jail improvements. For current year increase in depreciable assets, the most notable additions were due to the completion of the North Civic Center Campus improvements, including SMART Station enhancement project amounting to \$6.4 million.

Total liabilities and deferred inflows from governmental activities increased by \$128.5 million, or 18.2%, from the prior fiscal year. The overall increase was attributable to the following significant changes:

- *Long-Term Liabilities, Due Beyond One Year* decreased by \$8.5 million, from \$235.4 million in the prior year as compared to \$226.9 million in the current year. The decrease was the result of regularly-scheduled debt service payments during the fiscal year.
- *Liability for Other Postemployment Benefits* increased by \$192.1 million, from \$93.9 million in the prior year as compared to \$286 million in the current year. The increase is due to the implementation of GASB 75.
- *Net Pension Liability* decreased by \$52.2 million, from \$260 million in the prior year as compared to \$207.8 million in the current year. This decrease reflects the actuarially determined amount required to provide pension benefits to both active and retired members.

Business-type Activities

Total assets and deferred outflows from business-type activities increased by \$15.3 million, or 15.1%, from the prior fiscal year. The overall increase was due to the following significant changes:

- *Cash and investments* increased by \$3 million, from \$24.3 million in the prior year to \$27.3 million in the current year. The increase was mostly attributable to Transit District's increase in total cash due to claiming of additional local Measure A sales tax funding for service expansions that started in June 2016.
- *Restricted cash* decreased by \$3.1 million, from \$5.9 million in the prior year to \$2.8 million in the current year. The decrease is primarily attributable to Housing Authority's restricted cash balance which included a prepaid HUD grant received in the prior year for \$2.8 million.
- *Capital assets, net of accumulated depreciation* increased by \$14.4 million, from \$52.2 million in the prior year to \$66.6 million in the current year. Approximately \$3.6 million of this increase was due to runway extension work for Gness Airport, while the remaining balance of the increase was primarily attributable to Transit District's acquisition of multiple hybrid transit vehicles, as well as the construction of new transit facilities and bus stops, and the acquisition of new communication and data equipment, fare revenue collection equipment, and furniture and fixtures.

Total liabilities and deferred inflows from business-type activities decreased by \$1.5 million, or 5.6%, from the prior fiscal year. The overall decrease was due to the following significant changes:

- *Accounts payable and accrued expenses* decreased by \$0.6 million, from \$4.6 million in the prior year as compared to \$4 million in the current year. The decrease was primarily due to the Marin County Fair's timing of Accounts Payable payment cycles.

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- *Other liabilities* decreased by \$0.5 million, from \$1.5 million in the prior year as compared to \$1 million in the current year. This decrease was primarily due to the Housing Authority's timing of Accounts Payable payment cycles.
- *Long-term liabilities, due within one year* decreased by \$0.4 million, from \$1.3 million in the prior year to \$0.9 million in the current year. The decrease was the result of regularly-scheduled debt service payments during the fiscal year.

Analysis of Net Position

The County's overall net position decreased by \$104.9 million during the current fiscal year, compared to \$60.5 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 \$ 1,372.9 million. The County uses these capital assets to provide services to citizens, and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate corresponding liabilities.
- *Restricted* net position – Approximately \$190.1 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 (\$218.5) million of the County's net position represents funds which may be used to meet the County's ongoing obligations to citizens and creditors.

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

Change in Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2018	2017	2018	2017	2018	2017	Dollar Change	% Change
Revenues:								
Program revenues:								
Fees, fines, and charges for services	\$ 91,123	\$ 81,941	\$ 11,844	\$ 12,950	\$ 102,967	\$ 94,891	\$ 8,076	8.5%
Operating grants and contributions	208,290	197,130	70,280	60,426	278,570	257,556	21,014	8.2%
Capital grants and contributions	12,940	7,356	11,419	4,525	24,359	11,881	12,478	105.0%
Program revenues subtotal:	<u>312,353</u>	<u>286,427</u>	<u>93,543</u>	<u>77,901</u>	<u>405,896</u>	<u>364,328</u>	<u>41,568</u>	<u>11.4%</u>
General revenues:								
Property taxes	260,131	244,943	4,321	4,112	264,452	249,055	15,397	6.2%
Sales and use taxes	17,898	18,261	-	-	17,898	18,261	(363)	-2.0%
Other taxes	3,438	7,826	-	-	3,438	7,826	(4,388)	-56.1%
Unrestricted interest & investment earnings	7,908	4,824	4,558	202	12,466	5,026	7,440	148.0%
Tobacco settlement	2,672	2,238	-	-	2,672	2,238	434	19.4%
Miscellaneous	4,608	4,605	1,230	1,196	5,838	5,801	37	0.6%
General revenues subtotal:	<u>296,655</u>	<u>282,697</u>	<u>10,109</u>	<u>5,510</u>	<u>306,764</u>	<u>288,207</u>	<u>18,557</u>	<u>6.4%</u>
Total revenues	<u>609,008</u>	<u>569,124</u>	<u>103,652</u>	<u>83,411</u>	<u>712,660</u>	<u>652,535</u>	<u>60,125</u>	<u>9.2%</u>
Expenses:								
General government	101,733	89,409	-	-	101,733	89,409	12,324	13.8%
Public protection	183,915	176,550	-	-	183,915	176,550	7,365	4.2%
Public ways and facilities	20,542	15,564	-	-	20,542	15,564	4,978	32.0%
Health and sanitation	108,437	97,962	-	-	108,437	97,962	10,475	10.7%
Public assistance	80,298	79,788	-	-	80,298	79,788	510	0.6%
Education	14,783	15,376	-	-	14,783	15,376	(593)	-3.9%
Recreation and cultural services	34,076	27,530	-	-	34,076	27,530	6,546	23.8%
Interest and fiscal charges	11,788	11,720	-	-	11,788	11,720	68	0.6%
Housing Authority	-	-	47,823	41,726	47,823	41,726	6,097	14.6%
Transit District	-	-	31,892	29,482	31,892	29,482	2,410	8.2%
Marin Commons Property Management	-	-	3,758	3,047	3,758	3,047	711	23.3%
Gnoss Airport	-	-	959	757	959	757	202	26.7%
Marin County Fair	-	-	2,167	2,706	2,167	2,706	(539)	-19.9%
Marin.Org	-	-	1,077	1,532	1,077	1,532	(455)	-29.7%
Marin Center Promotions	-	-	-	28	-	28	(28)	-100.0%
San Geronimo Golf Course	-	-	263	-	263	-	263	100.0%
Total expenses	<u>555,572</u>	<u>513,899</u>	<u>87,939</u>	<u>79,279</u>	<u>643,511</u>	<u>593,177</u>	<u>50,333</u>	<u>5.0%</u>
Excess before transfers	53,436	55,225	15,713	4,132	69,149	59,358	9,792	16.5%
Transfers, net	(1,105)	(1,761)	1,105	1,761	-	-	-	0.0%
Change in net position	52,331	53,464	16,818	5,893	69,149	59,358	9,792	16.5%
Net position, beginning - Restated	1,201,011	1,321,641	74,307	68,414	1,275,318	1,390,055	(114,737)	-8.3%
Net position, ending	<u>\$ 1,253,342</u>	<u>\$ 1,375,105</u>	<u>\$ 91,125</u>	<u>\$ 74,307</u>	<u>\$ 1,344,467</u>	<u>\$ 1,449,412</u>	<u>\$ (104,945)</u>	<u>-7.2%</u>

Analysis of Governmental Activities:

For governmental activities, the beginning net position was restated due to the implementation of GASB 75, which established a beginning net OPEB liability of \$292 million. Thus, the County's net position, in consideration of the restated beginning balance, increased by \$52.3 million to \$1,253.3 million for fiscal year ended June 30, 2018.

Program Revenues of \$312.4 million accounted for 51% 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 increased by \$25.9 million, or 9%, from the prior year. The significant changes included the following:

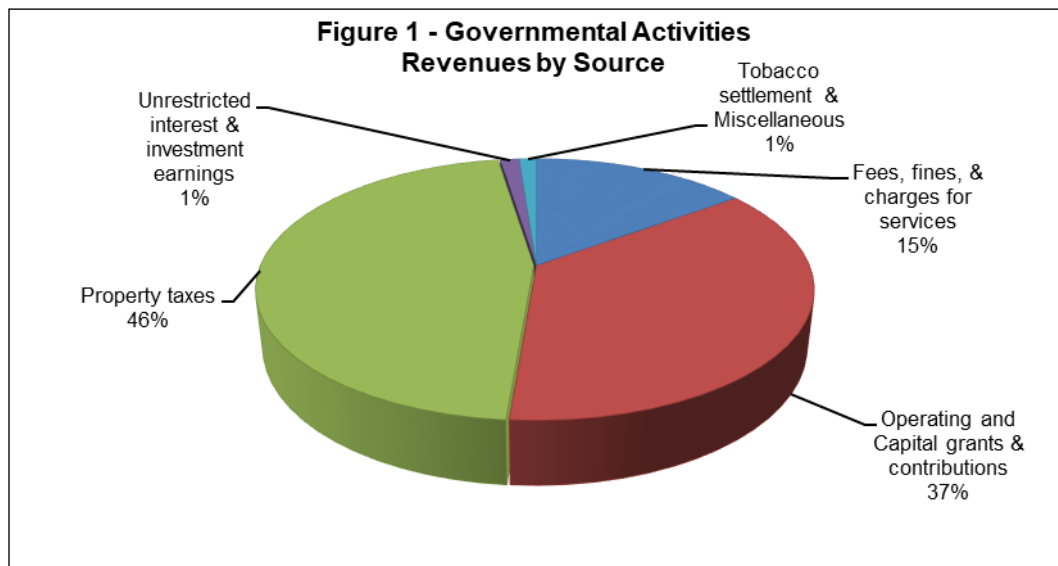
- *Fees, fines, and charges for services* increased by \$9.2 million, or 11%, to \$91.1 million. The increase was primarily due to the following:
 - \$5 million increase in forestry and fire protection reimbursements from the State.

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- \$1.5 million increase in rent revenue for the Marin County Health and Wellness campus.
- \$0.7 million increase for ambulance fee services.
- *Operating grants and contributions* increased \$11.2 million, or 6%, to \$208.3 million. The increase was primarily due to the following:
 - One-time state reimbursements for unfunded mandates from 2004-2011, amounting to \$5.4 million.
 - \$2.3 million increase in revenue from "Gas Tax," and Senate Bill (SB1) Road Repair Accountability Act of 2017.
 - \$2.6 million in State Medi-Cal reimbursements.

General Revenues increased \$14 million, or 5%, from the prior year. General revenues accounted for 49% of the County's overall governmental activities revenues. The significant changes included the following:

- *Property taxes* increased by \$15.2 million. Of this increase, approximately \$9 million is due to secured tax, attributable to the County's continuous rise in assessed property values and median home sales. Additionally, \$6 million of the increase was from additional Excess ERAF due to an increase in property taxes deposited into the ERAF.
- *Other taxes* decreased by \$4.4 million due to prior year disbursement of Excess ERAF revenues to respective taxing entities for five tax roll years.

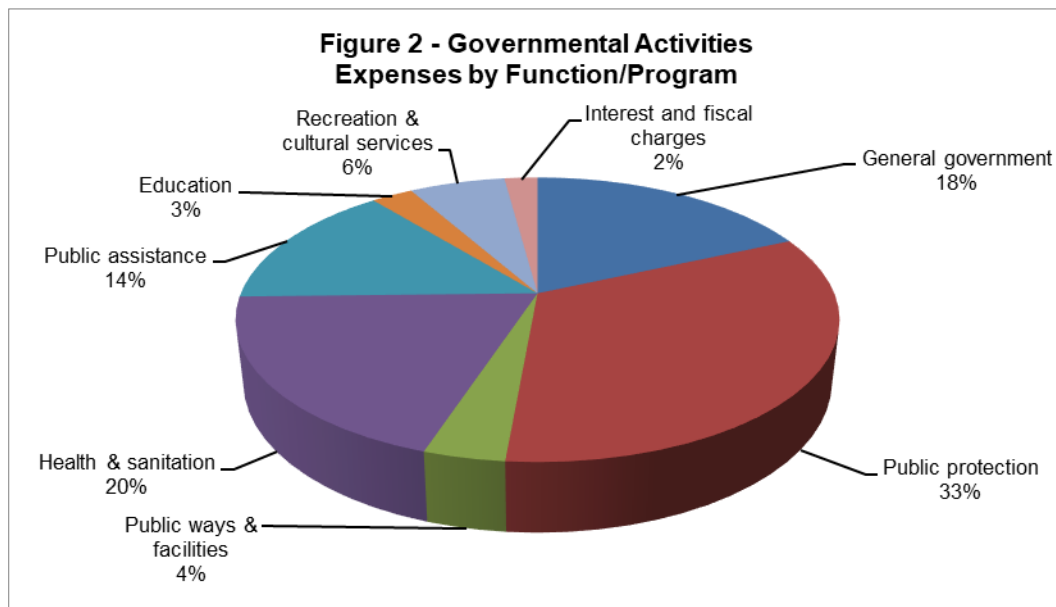


Expenses from governmental activities increased by \$41.7 million, or 8%, from the prior year. The overall increase was the result of increased spending in most categories of expenses, as detailed below:

- *General government* increased by \$12.3 million, primarily due to an increase in salaries and benefits expense due to a 3% Cost of Living Adjustments (COLA) which approximated \$6 million, as well as a \$2.7 million increase in operating lease expenses with Marin Commons Property Management for County departments leasing office space at 1600 Los Gamos. In addition, workers' compensation claim expenses increased by \$2.8 million.

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- *Public protection* increased by \$7.4 million, primarily due to an increase in salaries and benefit expenses, increase in expenses for Public Safety Fire Station 57 project, and various flood control zone projects.
- *Public ways and facilities* increased by \$5 million due to multiyear road resurfacing and roadway widening projects.
- *Health and Sanitation* increased by \$10.5 million, primarily attributable to a \$4 million increase in Whole Person Care administered by Health and Human Services, \$2.4 million increase in West Marin Service Center renovation project in Point Reyes Station, and a \$1.9 million increase in Mental Health Services under Proposition 63, as well as an increase in expenses for Residential Substance Abuse Treatment and Withdrawal Management.
- *Recreation and Cultural Services* increased by \$6.5 million, primarily due to grant contributions to Marin Agricultural Land Trust for Measure A farmland preservation program for the purpose of acquiring multiple agricultural conservation easements on the Bianchinia Ranch, J. Mclsacc Ranch, Furlong Ranch, and Evans-Giacomini Ranch.



Analysis of Business-type Activities:

Business-type activities increased the County's net position by \$16.8 million, compared to a prior year increase in net position of \$5.9 million. Current year revenues increased by \$20.2 million, while expenses increased by \$8.7 million as compared to prior year.

Program Revenues increased by \$19.5 million, or 25%, from the prior fiscal year. Of this increase, Housing Authority had a \$5.7 million increase in intergovernmental revenue from Federal grants and subsidies and state and local private grants, primarily from Housing Assistance Payments from HUD for their Housing Choice Voucher program. Similarly, Transit District experienced a \$1.6 million increase in federal revenue for operations. Gross Airport had a \$2.4 million increase in intergovernmental revenue due to grants received for their runway extension project, which was recently approved by the Federal Aviation Administration. In addition there was a \$2.7 million increase in charges for services for increase in rental income for Marin Commons Property Management, due to increase in tenants and leasing space.

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General Revenues increased by \$0.8 million, or 14%, from the prior fiscal year, due to increase in property taxes and increase in unrestricted interest and investment earnings.

Expenses from business-type activities increased by \$8.7 million, or 11%, from the prior year. The overall increase was the result of increased spending in most categories of expenses, as detailed below:

- Housing Authority's Housing Assistant Payments to landlords in the Housing Choice Voucher program increased by \$5.6 million as compared to prior year.
- Transit District experienced a \$1.3 million increase in purchased transportation services from increased contract rates, as well as a \$0.3 million increase in fuel expense due to price increases, and increased paratransit service demand.
- Marin Commons Property Management had increased services and supplies expense by \$0.4 million due to increase in tenants.

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, 2018, the County's governmental funds reported total assets of \$476.7 million, total liabilities and deferred inflow of \$24.7 million, and combined fund balances of \$452 million. Current year governmental fund balance of \$452 million represents an increase of \$32.8 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, 2018, total fund balance increased by \$25.9 million, or 15%, from \$171.4 million in the prior year to \$197.3 million in the current year. Of this amount, \$4 million is not in a spendable form, but rather held as prepaid items, long-term notes receivable, advances receivable, and inventory of supplies. The remaining \$193.3 million of fund balance is in a spendable form, however, \$43.5 million of fund balance is restricted, \$57.9 million of fund balance is committed, \$88.5 million of fund balance is assigned, and \$3.4 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.

The Health and Human Services Operating Fund is the primary operating fund for the Department of Health and Human Services to administer and manage its programs and services for general administration, behavioral health services, public health services and social services. At June 30, 2018 total fund balance increased by \$2.1 million from \$0.8 million in the prior year to \$2.9 million in the current year. Of this amount, \$1.4 million is restricted to various grant program expenditures, and \$1.5 million is assigned.

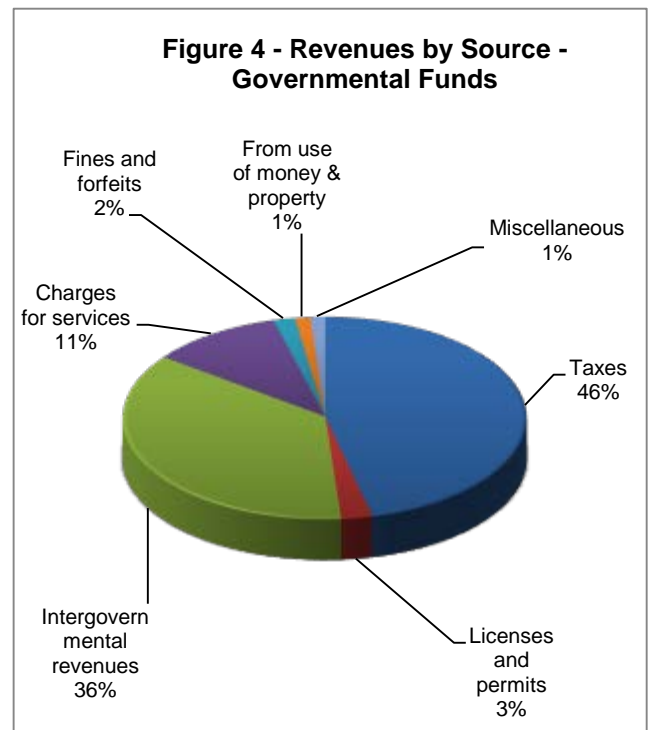
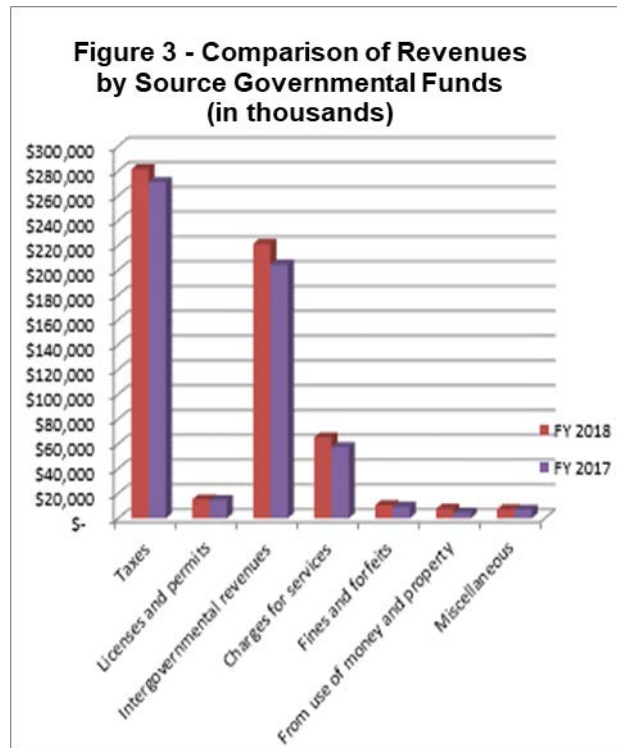
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Revenues:

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, 2018
 (in thousands)**

	FY 2018		FY 2017		Change	
	Amount	% of total	Amount	% of total	Amount	% of Change
Taxes	\$ 281,467	46%	\$ 271,029	48%	\$ 10,438	4%
Licenses and permits	15,085	3%	14,651	3%	434	3%
Intergovernmental revenues	221,230	36%	204,487	36%	16,743	8%
Charges for services	65,126	11%	57,296	10%	7,830	14%
Fines and forfeits	10,566	2%	9,188	2%	1,378	15%
From use of money and property	7,515	1%	4,445	1%	3,070	69%
Miscellaneous	7,280	1%	6,843	1%	437	6%
Total Revenues	\$ 608,269	100%	\$ 567,939	100%	\$ 40,330	7.1%



**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Significant changes in governmental funds revenue sources are summarized as follows:

- *Taxes* increased by \$10.4 million, or 4%, from the prior fiscal year. The increase is attributable to a \$9.3 million increase in property taxes, attributable to the County's continuous rise in assessed property values and median home sales. Additionally, there was an \$0.8 million increase in transient occupancy tax due to the growth in the short-term rental market, attributable to the overall increased usage of online rental platforms like Airbnb and VRBO.
- *Intergovernmental revenues* increased by \$16.7 million, or 8%, from the prior fiscal year. The increase was largely attributable to a \$12.6 million increase in State-funded realignment for social services, public health, and mental health services, and a \$2.3 million increase in revenue from "Gas Tax," and Senate Bill (SB1) Road Repair Accountability Act of 2017.
- *Charges for services* increased by \$7.8 million, or 14%, from the prior fiscal year primarily due to an increase of \$5 million in forestry and fire protection reimbursements from the State, \$1.5 million increase in rent revenue for the Marin County Health and Wellness campus, and \$0.7 million increase in ambulance fee services.
- *Fines and forfeits* increased by \$1.4 million, or 15%, from the prior fiscal year due to an increase in delinquency of secured tax payments and fines.
- *From use of money and property* increased by \$3.1 million, or 69%, from the prior fiscal year due to interest earned on monies held within the County pool. Interest rates increased this year to 0.95% as compared to 0.47% in the prior year. This, coupled with the \$27.6 million, or 7%, increase in Cash and Investments in County Pool balance, yielded a corresponding increase in interest earned.
- *Miscellaneous* increased by \$0.4 million, or 6%, from the prior fiscal year. The increase was primarily attributable to a corresponding \$0.4 million increase in a current year receipt of Tobacco Settlement revenue as compared to prior year.

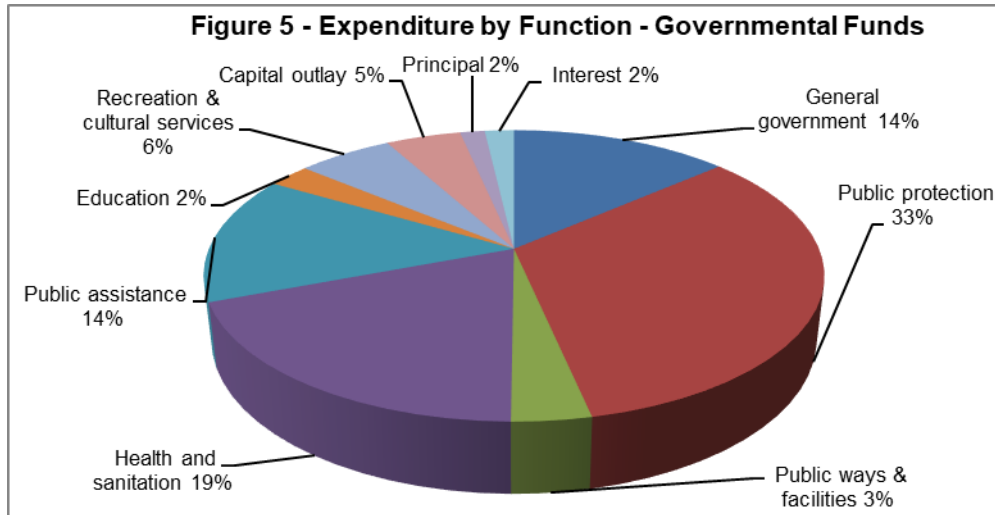
**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

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, 2018
(in thousands)**

	FY 2018		FY 2017		Change	
	Amount	% of total	Amount	% of total	Amount	% of Change
Current:						
General government	\$ 78,168	14%	\$ 71,993	13%	\$ 6,175	9%
Public protection	189,884	33%	181,559	34%	8,325	5%
Public ways and facilities	20,069	3%	14,964	3%	5,105	34%
Health and sanitation	109,689	19%	99,001	19%	10,688	11%
Public assistance	81,811	14%	80,470	15%	1,341	2%
Education	15,001	2%	15,426	3%	(425)	-3%
Recreation and cultural services	33,954	6%	27,540	5%	6,414	23%
Capital outlay	26,895	5%	28,615	5%	(1,720)	-6%
Debt service:						
Principal	8,823	2%	7,469	1%	1,354	18%
Interest	10,464	2%	10,810	2%	(346)	-3%
Total Expenditures	\$ 574,758	100%	\$ 537,847	100%	\$ 36,911	1%



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

- *General government* expenditures increased by \$6.2 million, or 9%, from the prior fiscal year. The increase was attributable to 3% increase in salaries and wages for an annual cost of living adjustment (COLA), \$2.7 million increase in operating rent expenses due to various County departments occupying office lease space in Los Gamos in San Rafael, and \$2.6 million settlement costs incurred for Silveira Ranch Settlement.
- *Public protection* increased by \$8.3 million, or 5%, from the prior fiscal year, primarily due to increase in salaries and benefit expenses, increase in costs incurred for Public Safety Fire Station 57 project, and various flood control zone projects.

**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

- *Public ways and facilities* expenditures increased by \$5.1 million, or 34%, from the prior fiscal year. The increase was due to expenditures incurred in the current year for multiyear road resurfacing and roadway widening projects.
- *Health and sanitation* expenditures increased by \$10.7 million, or 11%, from the prior fiscal year. The increase was due to a \$4 million increase in Whole Person Care administered by Health and Human Services, \$2.4 million increase in West Marin Service Center renovation project in Point Reyes Station, and a \$1.9 million increase in Mental Health Services Act under Proposition 63.
- *Recreation and cultural services* expenditures increased by \$6.4 million, or 23%, from the prior fiscal year, primarily due to grant contributions to Marin Agricultural Land Trust for Measure A farmland preservation program for the purpose of acquiring multiple agricultural conservation easements on the Bianchinia Ranch, J. McIsacc Ranch, Furlong Ranch, and Evans-Giacomini Ranch.

Proprietary Funds

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

Housing Authority of the County of Marin (Housing Authority)

- At December 31, 2017, the Housing Authority's total *net position* was \$24.9 million. Of this amount, *net investment in capital assets* was \$15.9 million, or 64% of total net position, *restricted* net position was \$7.2 million, or 29% of total net position, and *unrestricted* net position was \$1.8 million, or 7% 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 \$1.8 million was 3.7% of total operating expenses of \$47.6 million, as compared to 6.5% in the prior fiscal year.
- *Change in net position* for the Housing Authority decreased by \$0.5 million, from \$0.8 million in the prior fiscal year to \$0.3 million in the current fiscal year. This decrease was primarily due to an increase in expenses for Housing Assistance Payments (HAP) and other maintenance expenses incurred during the year.
- The major portion of the Housing Authority's ending *net position*, \$15.9 million, or 64%, 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 (Transit District)

- At June 30, 2018, Transit District's total *net position* was \$52.2 million. Of this amount, *net investment in capital assets* was \$29.1 million, or 56% of total net position and *unrestricted* net position was \$23.1 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 \$23.1 million was 72.7% of total operating expenses of \$31.8 million, as compared to 66% in the prior fiscal year.
- Total net position of Transit District increased by \$11.9 million. This increase is due to increased intergovernmental operating revenue, including Federal, State and local Measure A sales tax.

**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

- Transit District's *net investment in capital assets* of \$29.1 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.

Marin Commons Property Management

- At June 30, 2018, Marin Commons Property Management's total net position was \$2.1 million. Of this amount, *net investment in capital assets* was \$1.2 million, or 57% of total net position and *unrestricted* net position was \$0.9 million, or 43% of the total net position.
- Total net position of Marin Commons Property Management increased by \$1.2 million. This increase was primarily due to increased rental income.

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, 2018 amounted to \$1,526.3 million (net of accumulated depreciation), which is an increase of \$19.7 million, or 1.3%, 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 below 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 amortization / depreciation.

**Capital Assets
Net of Accumulated Amortization / Depreciation
(in thousands)**

	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	
	2018	2017	2018	2017	2018	2017	Amount	% Change
Land and improvements	\$ 1,250,631	\$ 1,250,631	\$ 6,274	\$ 6,274	\$ 1,256,905	\$ 1,252,884	\$ 4,021	0%
Easements	9,099	9,099	-	-	9,099	9,099	-	0%
Non-amortizable intangible assets	5,521	3,411	-	-	5,521	3,411	2,110	62%
Construction in progress	27,270	18,040	7,483	6,421	34,753	24,461	10,292	42%
Structures & improvements	107,994	114,533	21,023	18,422	129,017	132,955	(3,938)	-3%
Equipment	13,694	13,675	30,159	19,272	43,853	32,947	10,906	33%
Amortizable intangible assets	5,390	6,931	190	225	5,580	7,156	(1,576)	-22%
Infrastructure	40,084	38,039	-	-	40,084	38,039	2,045	5%
Other property	-	-	1,491	1,595	1,491	1,595	(104)	-7%
Total Capital Assets	\$ 1,459,683	\$ 1,454,359	\$ 66,620	\$ 52,209	\$ 1,526,303	\$ 1,502,547	\$ 23,756	1.6%

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

- *Non-amortizable intangible assets* increased by \$2.1 million, or 62% from the prior fiscal year. The increase was primarily due to current year capital expenditures incurred for the on-going implementation work for the County's new human capital management system.
- *Construction in progress (CIP)* increased by \$10.3 million, or 42%, from the prior fiscal year. The increase was the result of new CIP projects additions totaling \$22.6 million, offset by transfers to depreciable assets of \$12.3 million.

The major current year additions to CIP were as follows:

- \$3.6 million for Gness Airport's FAA-approved runway extension project.

**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

- \$3.5 million for Marin County Civic Center roof replacement.
- \$2.8 million for West Marin Service Center facility renovation in Point Reyes Station.
- \$2.2 million for the on-going construction of Fire Station 57 in San Rafael.
- \$2.1 million for Western Region pavement resurfacing of roadway, including repairing base failures with cold in place recycling method, roadway widening, drainage improvements and installing new traffic striping.
- \$1.2 million in Juvenile Hall improvements.
- \$1.2 million in various office space renovations.
- \$0.8 million for Jail improvements.

The above-noted CIP projects were offset by \$12.3 million in transfers to depreciable assets, following project completions. The most notable project completions for FY 2018 were as follows:

- \$6.4 million for North Civic Center campus improvements, including SMART Station enhancements.
- \$1.3 million for park staff facilities at Civic Center Lagoon and McInnis Park.
- \$0.5 million for various road replacement projects.
- *Structures and improvements* decreased by \$3.9 million, or 3%, from the prior fiscal year. The decrease was primarily due to current year depreciation of \$14.6 million, offset by \$6.4 million in transfers from *construction in progress* for completed Civic Center campus improvements, including SMART station enhancements.
- *Equipment* increased by \$10.9 million, or 33% from the prior fiscal year. The increase was due to current year additions of \$15.5 million, offset by disposals of \$3.2 million and current year depreciation of \$8.3 million. The additions included purchase of new vehicles by the County and Transit District, fare revenue collection equipment for Transit District, and other machinery and computerized hardware systems.
- *Amortized intangible assets* decreased by \$1.6 million, or 22%, from the prior fiscal year. The decrease was due to current year amortization expense of \$1.6 million.
- *Infrastructure* increased by \$2 million, or 5%, from the prior fiscal year. The increase was primarily due to \$0.8 million for Northern region road resurfacing project, and \$0.2 million for pump installation at Stafford Lake Park.

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

Debt Administration

At June 30, 2018, 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 \$244.4 million as compared to \$250.5 million in the prior fiscal year. The overall decrease of \$6.2 million, or 2.5%, was primarily due to current year scheduled debt service payments totaling to \$10.6 million, offset by \$1 million in accretion adjustments to tobacco settlement asset-backed bonds, and \$2.3 million in additional loan amounts drawn by Marin Commons Property Management for building improvement loans.

**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

**Outstanding Debt
(in thousands)**

	Governmental Activities		Business-type Activities		Total		Dollar Change	Percent Change
	2018	2017	2018	2017	2018	2017		
Bonds payable	\$ 145,034	\$ 150,472	\$ -	\$ -	\$ 145,034	\$ 150,472	\$ (5,438)	-3.6%
Loans payable	3,152	3,206	7,262	5,814	10,414	9,020	1,394	15.5%
Certificates of participation	87,478	89,476	-	-	87,478	89,476	(1,998)	-2.2%
Capital leases	-	-	1,426	1,573	1,426	1,573	(147)	-9.3%
Total Outstanding Debt	<u>\$ 235,664</u>	<u>\$ 243,154</u>	<u>\$ 8,688</u>	<u>\$ 7,387</u>	<u>\$ 244,352</u>	<u>\$ 250,541</u>	<u>\$ (6,189)</u>	<u>-2.5%</u>

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

VI. GENERAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year, there was a \$0.2 million increase in appropriations between the original adopted budget and the final amended budget.

During the current fiscal year there was a \$38.2 million or 13% increase in revenues between the original adopted budget and the final amended budget. Major components of the increase were as follows:

- *Taxes* increased by \$12.6 million, mainly due to excess ERAF of \$8 million, as well as increased forecasts for sales tax, transit occupancy tax and property transfer tax.
- *Intergovernmental revenues* increased by \$7.5 million, largely due to the prior year budget carryforward of grant project revenues associated with capital projects.
- *Charges for services* increased by \$16.6 million, attributable to a fire-assistance-by-hire increase of \$8.2 million, a reclassification of court security charges from intergovernmental revenue to charges for services, and rental income adjustment for the Marin County Health and Wellness Campus.

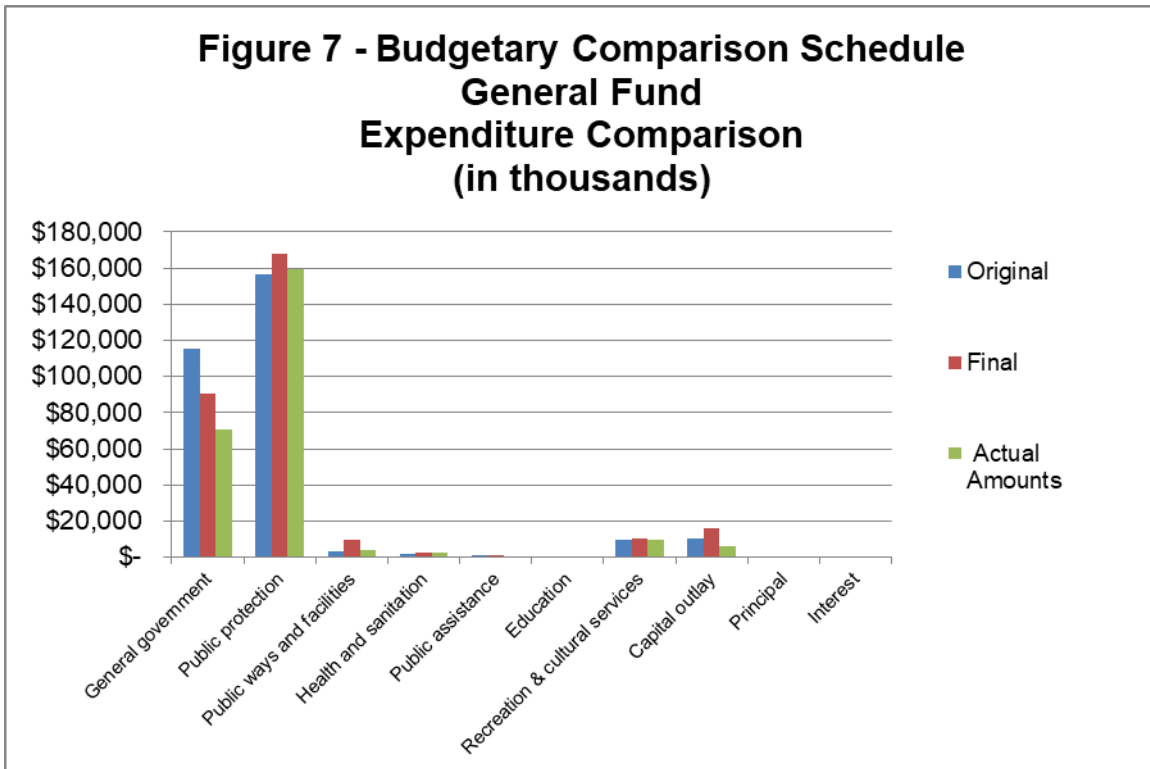
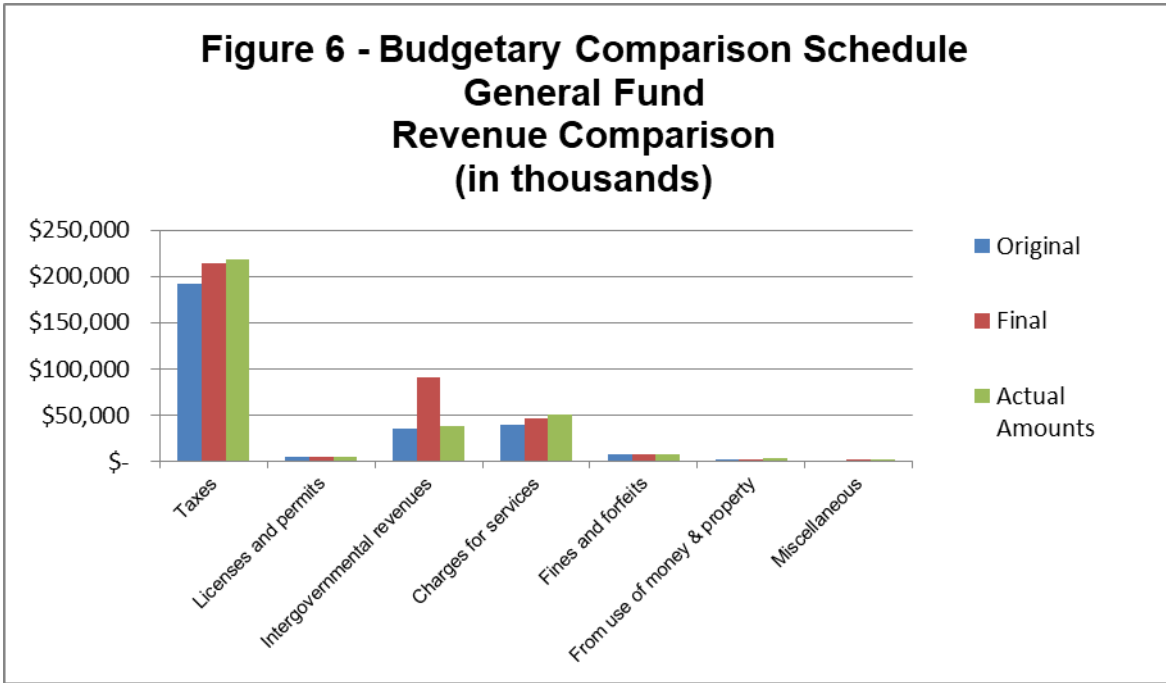
General Fund Budget to Actual Highlights

During the current fiscal year, total actual expenditures of \$253.5 million were \$45.8 million or 15% less than the final amended budget of \$299.3 million. This was due to project expenses being deferred to the next fiscal year, salary savings from unfilled positions, and unused administrative designations.

During the current fiscal year, total actual revenues of \$350.5 million were \$16.7 million or 5% greater than the final amended budget of \$333.8 million due to the following:

- *Taxes* were over budget by \$14.2 million, mainly due to excess and current ERAF.
- *Fines and forfeits* were over budget by \$1.8 million, mainly due to increase in penalties on delinquent taxes.
- *From use of money and property* was overbudget by \$1.7 million, mainly due to increased interest income.

**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**



**COUNTY OF MARIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

ECONOMIC FACTORS AND THE OUTLOOK FOR FISCAL YEAR 2018-19 BUDGET

Over the past 70 years, economic expansions have averaged approximately five years. The current expansion has now surpassed nine years. If the recovery continues through the end of FY 2018-19, it will have been the longest recovery in modern history. Given that the country is nearing a record-long economic expansion, and with the potential for global risks arising from import tariffs or tax policies, most leading economists project a slowdown within the next two years. However, the timing and severity of the slowdown are less certain, particularly for the Bay Area. Despite a strong local economy and a relatively stable fiscal outlook for the state, the County continues to see slowing growth in local revenues.

The County's budget for fiscal year 2018-19 was also prepared in consideration of the following economic indicators and Countywide initiatives:

- The County's unemployment rate and personal income measures remain ranked among the top counties in the State.
- The median sales price for a single-family residence in Marin County (detached and attached homes) increased by 7.3% from \$993,167 in June 2017 to \$1,065,710 in June 2018.
- The County continues to be one of the healthiest counties in the State, despite having one of the oldest populations.
- Total population growth and the number of new housing units in the County have slowed recently, falling short behind other counties in the Bay Area.
- Because of Proposition 13 limitations and relatively low levels of new construction, the County is projecting a 5.2% growth rate for FY 2018-19.
- Consistent with the Board's adopted budget policies, the budget reflects payments necessary to fund the County's Other Postemployment Benefit (OPEB) unfunded liability.
- The adopted budget for fiscal year 2018-20 refocuses the County's efforts to address such issues as preserving affordable housing, prioritizing racial equity, addressing climate change, improving disaster preparedness, and investing in County infrastructure.

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

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

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**COUNTY OF MARIN
STATEMENT OF NET POSITION
JUNE 30, 2018**

	Primary Government			Marin Housing Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Investments	\$ 452,377,916	\$ 27,347,991	\$ 479,725,907	\$ 1,221,543
Restricted Cash	-	2,758,324	2,758,324	559,749
Receivables:				
Accounts and Other - Net	4,382,727	208,672	4,591,399	5,489
Due from Other Agencies	21,910,311	9,232,528	31,142,839	-
Other Loans	29,553,004	7,510,062	37,063,066	-
Inventories	543,532	-	543,532	-
Prepaid Items and Other Assets	1,900,786	1,926,808	3,827,594	7,382
Restricted Cash Held with Trustee	3,652,055	-	3,652,055	-
Internal Balances	1,319,640	(1,319,640)	-	-
Capital Assets:				
Nondepreciable	1,292,320,994	13,756,944	1,306,077,938	714,752
Depreciable, Net	167,362,486	52,862,673	220,225,159	525,772
Total Assets	<u>1,975,323,451</u>	<u>114,284,362</u>	<u>2,089,607,813</u>	<u>3,034,687</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferral on Refunding - Bonds Payable and Certificates of Participation	5,967,745	-	5,967,745	-
Deferred Pensions	82,717,532	2,221,397	84,938,929	-
Deferred OPEB	22,478,000	-	22,478,000	-
Total Deferred Outflows of Resources	<u>111,163,277</u>	<u>2,221,397</u>	<u>113,384,674</u>	<u>-</u>
LIABILITIES				
Accounts Payable and Accrued Expenses	13,365,852	4,009,344	17,375,196	28,070
Salaries and Benefits Payable	49,382	244,907	294,289	-
Interest Payable	2,918,424	1,454,299	4,372,723	-
Unearned Revenues	1,372,371	593,290	1,965,661	-
Other Liabilities	2,926,270	1,017,922	3,944,192	-
Security Deposits and Escrows Payable	-	575,379	575,379	35,010
Housing Loan Liability	-	1,686,940	1,686,940	-
Estimated Claims:				
Due Within One Year	13,563,000	-	13,563,000	-
Due Beyond One Year	24,290,000	-	24,290,000	-
Compensated Absences:				
Due Within One Year	12,853,648	130,794	12,984,442	-
Due Beyond One Year	3,062,746	197,283	3,260,029	-
Long-Term Liabilities:				
Due Within One Year	8,718,720	899,897	9,618,617	21,416
Due Beyond One Year	226,945,733	7,787,582	234,733,315	1,264,819
Liability for Other Postemployment Benefits	286,034,000	720,380	286,754,380	6,216
Net Pension Liability	207,841,379	5,702,269	213,543,648	-
Total Liabilities	<u>803,941,525</u>	<u>25,020,286</u>	<u>828,961,811</u>	<u>1,355,531</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pensions	26,445,301	360,126	26,805,427	-
Deferred OPEB	2,758,000	-	2,758,000	-
Total Deferred Inflows of Resources	<u>29,203,301</u>	<u>360,126</u>	<u>29,563,427</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	1,314,933,122	57,932,138	1,372,865,260	479,028
Restricted for:				
General Government	46,425,846	-	46,425,846	-
Public Protection	54,864,815	-	54,864,815	-
Public Ways and Facilities	4,351,690	-	4,351,690	-
Health and Sanitation	15,326,063	-	15,326,063	-
Public Assistance	33,355,825	-	33,355,825	-
Education	6,923,104	-	6,923,104	-
Recreation and Cultural Services	4,478,050	-	4,478,050	-
Community Service Area Projects	16,179,143	-	16,179,143	-
Housing Authority	-	7,188,591	7,188,591	-
Other Purposes	994,218	-	994,218	-
Unrestricted	(244,489,974)	26,004,618	(218,485,356)	1,200,128
Total Net Position	<u>\$ 1,253,341,902</u>	<u>\$ 91,125,347</u>	<u>\$ 1,344,467,249</u>	<u>\$ 1,679,156</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 101,732,621	\$ 27,824,933	\$ 10,969,872	\$ 303,898
Public Protection	183,915,400	47,145,369	48,640,533	1,200,523
Public Ways and Facilities	20,541,650	4,387,897	-	11,436,051
Health and Sanitation	108,436,819	7,183,014	77,826,776	-
Public Assistance	80,298,399	810,335	70,316,646	-
Education	14,783,341	737,136	222,904	-
Recreation and Cultural Services	34,075,611	3,034,425	312,860	-
Debt Service:				
Interest and Fiscal Charges	11,788,169	-	-	-
Total Governmental Activities	<u>555,572,010</u>	<u>91,123,109</u>	<u>208,289,591</u>	<u>12,940,472</u>
Business-Type Activities:				
Housing Authority	47,822,928	1,555,719	45,432,181	424,378
Transit District	31,891,585	5,811,368	22,142,502	10,995,074
Marin Commons Property Management	3,757,812	3,813,732	-	-
Gross Airport	959,508	527,646	2,568,284	-
Marin County Fair	2,166,922	2,280,335	137,001	-
Marin.Org	1,077,261	1,267,504	-	-
San Geronimo Golf Course	263,239	401,531	-	-
Total Business-Type Activities	<u>87,939,255</u>	<u>15,657,835</u>	<u>70,279,968</u>	<u>11,419,452</u>
Total Primary Government	<u>\$ 643,511,265</u>	<u>\$ 106,780,944</u>	<u>\$ 278,569,559</u>	<u>\$ 24,359,924</u>
Marin Housing Component Units	<u>595,805</u>	<u>824,496</u>	<u>-</u>	<u>-</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Functions/Programs	Net Revenues (Expenses) and Changes in Net Position			
	Governmental Activities	Business- Type Activities	Total Primary Government	Component Units
Primary Government:				
Governmental Activities:				
General Government	\$ (62,633,918)	\$ -	\$ (62,633,918)	\$ -
Public Protection	(86,928,975)	-	(86,928,975)	-
Public Ways and Facilities	(4,717,702)	-	(4,717,702)	-
Health and Sanitation	(23,427,029)	-	(23,427,029)	-
Public Assistance	(9,171,418)	-	(9,171,418)	-
Education	(13,823,301)	-	(13,823,301)	-
Recreation and Cultural Services	(30,728,326)	-	(30,728,326)	-
Debt Service:				
Interest and Fiscal Charges	(11,788,169)	-	(11,788,169)	-
Total Governmental Activities	(243,218,838)	-	(243,218,838)	-
Business-Type Activities:				
Housing Authority	-	(410,650)	(410,650)	-
Transit District	-	7,057,359	7,057,359	-
Marin Commons Property Management	-	55,920	55,920	-
Gross Airport	-	2,136,422	2,136,422	-
Marin County Fair	-	250,414	250,414	-
Marin.Org	-	190,243	190,243	-
San Geronimo Golf Course	-	138,292	138,292	-
Total Business-Type Activities	-	9,418,000	9,418,000	-
Total Primary Government	(243,218,838)	9,418,000	(233,800,838)	-
Component Units	-	-	-	228,691
General Revenues:				
Taxes:				
Property Taxes	260,130,514	4,321,194	264,451,708	-
Sales and Use Taxes	17,898,335	-	17,898,335	-
Other	3,437,969	-	3,437,969	-
Unrestricted Interest and Investment				
Earnings	7,908,225	744,090	8,652,315	3,880
Tobacco Settlement	2,671,456	-	2,671,456	-
Miscellaneous	4,608,135	1,229,525	5,837,660	11,643
Transfers	(1,105,082)	1,105,082	-	-
Total General Revenues and Transfers	295,549,552	7,399,891	302,949,443	15,523
Change in Net Position	52,330,714	16,817,891	69,148,605	244,214
Net Position - Beginning of Year - Restated	1,201,011,188	74,307,456	1,275,318,644	1,434,942
Net Position - End of Year	<u>\$ 1,253,341,902</u>	<u>\$ 91,125,347</u>	<u>\$ 1,344,467,249</u>	<u>\$ 1,679,156</u>

See accompanying Notes to Basic Financial Statements.

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**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

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**COUNTY OF MARIN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General Fund	Health and Human Services Operating Fund	Other Governmental Funds	Total
ASSETS				
Cash and Investments in County Pool	\$ 185,747,670	\$ 180,479	\$ 227,744,371	\$ 413,672,520
Cash with Fiscal Agent	-	-	3,652,055	3,652,055
Accounts Receivable	3,986,752	123,007	272,968	4,382,727
Prepaid Items	1,804,147	-	96,209	1,900,356
Notes Receivable - Long Term	1,139,525	-	22,366,031	23,505,556
Due from Other Funds	6,519,640	-	-	6,519,640
Advance Receivable	594,688	-	-	594,688
Due from Other Governmental Agencies	2,646,995	14,438,540	4,824,776	21,910,311
Inventory of Supplies	431,549	-	111,983	543,532
	<u>\$ 202,870,966</u>	<u>\$ 14,742,026</u>	<u>\$ 259,068,393</u>	<u>\$ 476,681,385</u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 2,282,476	\$ 5,472,799	\$ 5,594,469	\$ 13,349,744
Accrued Salaries and Benefits	38,126	-	11,256	49,382
Due to Other Funds	-	5,200,000	-	5,200,000
Advances Payable	-	-	594,688	594,688
Unearned Revenue	488,471	252,172	631,728	1,372,371
Other Liabilities	1,793,332	933,743	199,195	2,926,270
Total Liabilities	<u>4,602,405</u>	<u>11,858,714</u>	<u>7,031,336</u>	<u>23,492,455</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	966,794	-	184,413	1,151,207
FUND BALANCES				
Nonspendable	3,969,909	-	208,192	4,178,101
Restricted	43,535,862	1,414,351	137,948,541	182,898,754
Committed	57,878,603	-	12,926,822	70,805,425
Assigned	88,474,268	1,468,961	100,777,656	190,720,885
Unassigned	3,443,125	-	(8,567)	3,434,558
Total Fund Balances	<u>197,301,767</u>	<u>2,883,312</u>	<u>251,852,644</u>	<u>452,037,723</u>
Total Liabilities and Fund Balances	<u>\$ 202,870,966</u>	<u>\$ 14,742,026</u>	<u>\$ 259,068,393</u>	<u>\$ 476,681,385</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF MARIN
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2018

Fund Balance - Total Governmental Funds \$ 452,037,723

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

Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds. 1,151,207

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	\$ 45,305,535	
Land Improvements	1,205,325,285	
Easements	9,099,188	
Construction in Progress	27,270,225	
Structures and Improvements, Net of Accumulated Depreciation	107,994,167	
Equipment, Net of Accumulated Depreciation	13,694,266	
Intangible Assets, Net of Accumulated Amortization	10,910,854	
Infrastructure, Net of Accumulated Depreciation	<u>40,083,960</u>	
Total Capital Assets		1,459,683,480

Long-term assets used in Governmental Activities, such as deferred outflows related to pension, OPEB, and deferral on refunding of debt, are not current financial resources and, therefore, are not reported in the governmental funds. 111,163,277

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. 6,047,448

Deferred inflows of resources reported in the statement of net position (29,203,301)

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 30th are:

Certificates of Participation, Bonds, and Loans Payable	(235,664,453)	
Accrued Interest on Long-Term Debt	(2,918,424)	
Compensated Absences	(15,916,394)	
Liability for Other Postemployment Benefits	(286,034,000)	
Estimated Claims - General Liability	(7,576,000)	
Net Pension Liability	<u>(207,841,379)</u>	
Total Long-Term Liabilities		(755,950,650)

Internal Service Fund assets and liabilities are included in the governmental activities in the Statement of Net Position 8,412,718

Net Position of Governmental Activities \$ 1,253,341,902

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018**

	General Fund	Health and Human Services Operating Fund	Other Governmental Funds	Total
REVENUES				
Taxes	\$ 227,847,570	\$ -	\$ 53,619,248	\$ 281,466,818
Licenses and Permits	5,526,303	43,750	9,515,004	15,085,057
Intergovernmental Revenues	41,142,965	70,692,835	109,394,262	221,230,062
Charges for Services	59,723,339	2,023,165	3,379,966	65,126,470
Fines and Forfeits	8,956,698	35,996	1,573,475	10,566,169
From Use of Money and Property	5,282,961	101,098	2,130,772	7,514,831
Miscellaneous	2,036,233	592,057	4,651,301	7,279,591
Total Revenues	<u>350,516,069</u>	<u>73,488,901</u>	<u>184,264,028</u>	<u>608,268,998</u>
EXPENDITURES				
Current:				
General Government	70,631,046	-	7,537,150	78,168,196
Public Protection	159,417,371	1,967,489	28,499,371	189,884,231
Public Ways and Facilities	3,726,268	-	16,342,820	20,069,088
Health and Sanitation	2,326,247	94,957,605	12,404,925	109,688,777
Public Assistance	718,568	79,176,212	1,916,450	81,811,230
Education	302,000	-	14,698,849	15,000,849
Recreation and Cultural Services	9,843,379	-	24,110,812	33,954,191
Capital Outlay	6,170,644	603,053	20,121,039	26,894,736
Debt Service:				
Principal	330,182	-	8,492,602	8,822,784
Interest	45,684	-	10,418,688	10,464,372
Total Expenditures	<u>253,511,389</u>	<u>176,704,359</u>	<u>144,542,706</u>	<u>574,758,454</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	97,004,680	(103,215,458)	39,721,322	33,510,544
OTHER FINANCING SOURCES (USES)				
Debt issued	354,723	-	-	354,723
Transfers In	2,681,637	109,439,166	37,871,920	149,992,723
Transfers Out	(74,121,419)	(4,180,757)	(72,794,473)	(151,096,649)
Total Other Financing Sources (Uses), Net	<u>(71,085,059)</u>	<u>105,258,409</u>	<u>(34,922,553)</u>	<u>(749,203)</u>
NET CHANGE IN FUND BALANCES	25,919,621	2,042,951	4,798,769	32,761,341
Fund Balances - Beginning of Year	<u>171,382,146</u>	<u>840,361</u>	<u>247,053,875</u>	<u>419,276,382</u>
FUND BALANCES - END OF YEAR	<u>\$ 197,301,767</u>	<u>\$ 2,883,312</u>	<u>\$ 251,852,644</u>	<u>\$ 452,037,723</u>

See accompanying Notes to Basic 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
YEAR ENDED JUNE 30, 2018

Net Change in Fund Balances - Total Governmental Funds \$ 32,761,341

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

Interest accrued on loans receivable is not recorded in the governmental funds. 393,394

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Sale of Capital Assets	\$ (28,410)	
Expenditures for General Capital Assets and Infrastructure	26,894,736	
Less: Current Year Depreciation	<u>(21,541,607)</u>	5,324,719

Governmental fund revenues deferred at year end due to unavailability, and therefore, deferred under the modified accrual basis method of accounting, were recognized as revenue on the full accrual method of accounting. 345,414

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.

Repayment and Adjustments of Bonds, Loans, Certificates of Participation, and Capital Leases	<u>7,018,094</u>	
Net Adjustment		7,018,094

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	(46,779)	
Change in Net OPEB Liability	1,676,000	
Change in General Claims Liability	408,000	
Change in Net Pension Liability	3,669,779	
Accrued Interest on Long-Term Debt	<u>126,170</u>	
Net Adjustment		5,833,170

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. 654,582

Change in Net Position of Governmental Activities \$ 52,330,714

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018/DECEMBER 31, 2017**

	Business-Type Activities					Governmental Activities
	Marin				Total	Workers' Compensation Internal Service Fund
	Housing Authority 12/31/2017	Transit District 6/30/2018	Commons Property Management 6/30/2018	Nonmajor Enterprise Funds 6/30/2018		6/30/2018
ASSETS						
Current Assets:						
Cash and Investments in County Pool	\$ -	\$ 15,360,438	\$ 1,508,107	\$ 807,974	\$ 17,676,519	\$ 38,705,396
Other Cash	8,361,404	1,310,068	-	-	9,671,472	-
Receivables:						
Accounts	33,463	-	77,158	-	110,621	-
Other	-	-	-	98,051	98,051	-
Prepaid Items and Other Assets	197,791	40,442	-	1,688,575	1,926,808	430
Due from Other Governments	547,004	8,685,524	-	-	9,232,528	-
Total Current Assets	<u>9,139,662</u>	<u>25,396,472</u>	<u>1,585,265</u>	<u>2,594,600</u>	<u>38,715,999</u>	<u>38,705,826</u>
Noncurrent Assets:						
Restricted Cash	2,758,324	-	-	-	2,758,324	-
Long-Term Notes Receivable	7,510,062	-	-	-	7,510,062	-
Capital Assets:						
Nondepreciable	3,433,290	748,556	-	9,575,098	13,756,944	-
Depreciable and Amortizable, Net	17,964,727	28,337,363	4,247,281	2,313,302	52,862,673	-
Total Noncurrent Assets	<u>31,666,403</u>	<u>29,085,919</u>	<u>4,247,281</u>	<u>11,888,400</u>	<u>76,888,003</u>	<u>-</u>
Total Assets	<u>40,806,065</u>	<u>54,482,391</u>	<u>5,832,546</u>	<u>14,483,000</u>	<u>115,604,002</u>	<u>38,705,826</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Pensions	2,221,397	-	-	-	2,221,397	-
LIABILITIES						
Current Liabilities:						
Accounts Payable	307,359	2,062,500	445,165	834,131	3,649,155	16,108
Interest Payable	1,344,757	-	96,254	13,288	1,454,299	-
Due to Other Funds	-	-	-	1,319,640	1,319,640	-
Due to Other Governments	360,189	-	-	-	360,189	-
Salaries and Benefits Payable	161,878	83,029	-	-	244,907	-
Other Liabilities	892,236	-	125,686	-	1,017,922	-
Unearned Revenues	350,254	15,267	-	227,769	593,290	-
Long-Term Notes Payable	-	-	626,751	48,000	674,751	-
Compensated Absences	51,191	60,232	-	19,371	130,794	-
Mortgages Payable	72,022	-	-	-	72,022	-
Capital Leases	153,124	-	-	-	153,124	-
Estimated Claims	-	-	-	-	-	6,793,000
Total Current Liabilities	<u>3,693,010</u>	<u>2,221,028</u>	<u>1,293,856</u>	<u>2,462,199</u>	<u>9,670,093</u>	<u>6,809,108</u>
Long-Term Liabilities:						
Security Deposits and Escrows Payable (Payable from Restricted Assets)	575,379	-	-	-	575,379	-
Long-Term Notes Payable	-	-	2,390,641	172,000	2,562,641	-
Compensated Absences	153,572	39,095	-	4,616	197,283	-
Loan Liability	1,686,940	-	-	-	1,686,940	-
Mortgages Payable	3,952,085	-	-	-	3,952,085	-
Capital Leases	1,272,856	-	-	-	1,272,856	-
Other Postemployment Benefits	720,380	-	-	-	720,380	-
Estimated Claims	-	-	-	-	-	23,484,000
Net Pension Liability	5,702,269	-	-	-	5,702,269	-
Total Noncurrent Liabilities	<u>14,063,481</u>	<u>39,095</u>	<u>2,390,641</u>	<u>176,616</u>	<u>16,669,833</u>	<u>23,484,000</u>
Total Liabilities	<u>17,756,491</u>	<u>2,260,123</u>	<u>3,684,497</u>	<u>2,638,815</u>	<u>26,339,926</u>	<u>30,293,108</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Pensions	360,126	-	-	-	360,126	-
NET POSITION						
Net Investment in Capital Assets	15,947,930	29,085,919	1,229,889	11,668,400	57,932,138	-
Restricted for Housing Authority	7,188,591	-	-	-	7,188,591	-
Unrestricted	1,774,324	23,136,349	918,160	175,785	26,004,618	8,412,718
Total Net Position	<u>\$ 24,910,845</u>	<u>\$ 52,222,268</u>	<u>\$ 2,148,049</u>	<u>\$ 11,844,185</u>	<u>\$ 91,125,347</u>	<u>\$ 8,412,718</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF MARIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018/DECEMBER 31, 2017

	Business-Type Activities		Business-Type Activities		Total	Governmental
	Housing Authority 12/31/2017	Transit District 6/30/2018	Marin Commons Property Management 6/30/2018	Nonmajor Enterprise Funds 6/30/2018		Workers' Compensation Internal Service Fund 6/30/2018
OPERATING REVENUES						
Charges for Services	\$ 1,555,719	\$ 5,811,368	\$ 3,813,732	\$ 4,477,016	\$ 15,657,835	\$ 8,782,762
Other Revenue	558,484	-	26,539	203,365	788,388	-
Total Operating Revenues	2,114,203	5,811,368	3,840,271	4,680,381	16,446,223	8,782,762
OPERATING EXPENSES						
Salaries and Employee Benefits	-	1,881,194	-	719,946	2,601,140	1,705,521
Services and Supplies	-	24,855,681	3,305,859	3,561,630	31,723,170	476,008
Housing Assistance	46,286,410	-	-	-	46,286,410	-
Claims Expense	-	-	-	-	-	5,945,495
Depreciation and Amortization	1,322,844	2,908,165	315,502	179,278	4,725,789	-
Other Operating	-	2,161,545	-	-	2,161,545	-
Total Operating Expenses	47,609,254	31,806,585	3,621,361	4,460,854	87,498,054	8,127,024
OPERATING INCOME (LOSS)	(45,495,051)	(25,995,217)	218,910	219,527	(71,051,831)	655,738
NONOPERATING REVENUES (EXPENSES)						
Property Tax Revenue	-	4,321,194	-	-	4,321,194	-
Intergovernmental Revenue	45,432,181	22,142,502	-	137,001	67,711,684	-
Advertising Revenue	-	280,788	-	-	280,788	-
Rental Income Revenue	-	158,256	-	-	158,256	-
Investment Income - Unrestricted	174,091	118,552	2,199	449,248	744,090	-
Interest Expense	(213,674)	-	(136,451)	(6,076)	(356,201)	-
Sale of Capital Assets	-	2,093	-	-	2,093	-
Other Nonoperating Expense	-	(85,000)	-	-	(85,000)	-
Total Nonoperating Revenues, Net	45,392,598	26,938,385	(134,252)	580,173	72,776,904	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(102,453)	943,168	84,658	799,700	1,725,073	655,738
CAPITAL CONTRIBUTIONS AND TRANSFERS						
Capital Contributions	424,378	10,995,074	-	2,568,284	13,987,736	-
Transfers In	-	-	1,100,000	15,000	1,115,000	-
Transfers Out	-	-	-	(9,918)	(9,918)	(1,156)
CHANGE IN NET POSITION	321,925	11,938,242	1,184,658	3,373,066	16,817,891	654,582
Net Position - Beginning of Year	24,588,920	40,284,026	963,391	8,471,119	74,307,456	7,758,136
NET POSITION - END OF YEAR	<u>\$ 24,910,845</u>	<u>\$ 52,222,268</u>	<u>\$ 2,148,049</u>	<u>\$ 11,844,185</u>	<u>\$ 91,125,347</u>	<u>\$ 8,412,718</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018/DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds				Total	Governmental Activities
	Housing Authority 12/31/2017	Transit District 6/30/2018	Marin Commons Property Management 6/30/2018	Nonmajor Enterprise Funds 6/30/2018		Workers' Compensation Internal Service Fund 6/30/2018
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Receipts from Customers	\$ 3,768,758	\$ 5,733,007	\$ 3,970,935	\$ 3,757,601	\$ 17,230,301	\$ -
Cash Receipts from Internal Fund Services Provided	-	-	-	-	-	8,782,332
Cash Paid to Suppliers for Goods and Services	(42,225,509)	(27,014,336)	(3,349,453)	(3,114,030)	(75,703,328)	(4,968,379)
Cash Paid to Employees for Salaries and Benefits	(4,787,740)	(1,661,951)	-	(735,364)	(7,185,055)	(1,711,000)
Net Cash Provided (Used) by Operating Activities	(43,244,491)	(22,943,280)	621,482	(91,793)	(65,658,082)	2,102,953
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property Tax Revenues	-	3,695,237	-	-	3,695,237	-
Operating Grants Received	42,723,062	-	-	-	42,723,062	-
Intergovernmental Revenues	-	20,565,652	-	137,001	20,702,653	-
Repayment of Notes Receivable	427,475	-	-	-	427,475	-
Interfund Loans	-	-	-	769,490	769,490	-
Notes Receivable Issued	(883,431)	-	-	(39,003)	(922,434)	-
Interest Received on Notes Receivable	122,638	-	-	-	122,638	-
Related Party Transactions	23,552	-	-	-	23,552	-
Debt Issued to Acquire Assets Held for Sale	465,000	-	-	-	465,000	-
Principal Paid on Debt Used to Acquire Assets Held	(1,380,000)	-	-	-	(1,380,000)	-
Other Noncapital Revenues Received	-	280,788	-	-	280,788	-
Internal Activities - Payment to Other Funds	-	-	-	15,000	15,000	-
Transfers In	-	-	1,100,000	-	1,100,000	-
Transfers Out	-	-	-	(9,918)	(9,918)	(1,156)
Net Cash Provided (Used) by Noncapital Financing Activities	41,498,296	24,541,677	1,100,000	872,570	68,012,543	(1,156)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Principal Repayments on Long-Term Debt	(212,881)	-	-	-	(212,881)	-
Capital Contributions	-	10,995,074	-	2,568,284	13,563,358	-
Grants received to acquire capital assets	422,694	-	-	-	422,694	-
Interest Repayments Related to Capital Purposes	(147,941)	-	-	-	(147,941)	-
Proceeds from Debt Related to the Acquisition of Capital Assets	106,909	2,093	-	220,000	329,002	-
Payments Related to the Acquisition of Capital Assets	(1,028,555)	(11,144,163)	(1,286,116)	(3,616,050)	(17,074,884)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(859,774)	(146,996)	(1,286,116)	(827,766)	(3,120,652)	-
CASH FLOWS FROM INVESTING ACTIVITY						
Interest and Investments Earnings Received	47,852	118,552	2,199	449,248	617,851	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,558,117)	1,569,953	437,565	402,259	(148,340)	2,101,797
Cash and Cash Equivalents - Beginning of Year	13,677,845	15,100,553	1,070,542	405,715	30,254,655	36,603,599
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 11,119,728</u>	<u>\$ 16,670,506</u>	<u>\$ 1,508,107</u>	<u>\$ 807,974</u>	<u>\$ 30,106,315</u>	<u>\$ 38,705,396</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018/DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Marin				Total	Workers' Compensation Internal Service Fund
	Housing Authority 12/31/2016	Transit District 6/30/2017	Commons Property Management 6/30/2018	Nonmajor Enterprise Funds 6/30/2017		6/30/2017
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ (45,495,051)	\$ (25,995,217)	\$ 218,910	\$ 219,527	\$ (71,051,831)	\$ 655,738
Depreciation and Amortization	1,322,844	2,908,165	315,502	179,278	4,725,789	-
Related Party Activity	(57,996)	-	-	-	(57,996)	-
Changes in Assets and Liabilities:						
(Increase) Decrease in:						
Accounts Receivable	25,138	158,256	136,070	(59,048)	260,416	-
Property Held for Resale	1,006,341	-	-	-	1,006,341	-
Prepaid Items and Other Assets	39,627	107,827	-	(929,649)	(782,195)	(430)
Deferred Outflows of Resources	(986,370)				(986,370)	
Increase (Decrease) in:					-	
Accounts Payable	(18,222)	111,416	(43,594)	447,600	497,200	(61,876)
Accrued Salaries and Benefits	39,537	3,262	-	(15,798)	27,001	(5,479)
Unearned Revenues	(616)	(236,617)	-	65,917	(171,316)	-
Compensated Absences	10,405	(372)	-	380	10,413	-
Other Liabilities	(20,309)	-	(5,406)	-	(25,715)	1,515,000
Other Postemployment Benefits	64,784	-	-	-	64,784	-
Net Pension Liability	813,240	-	-	-	813,240	-
Deferred Inflows of Resources	(111,112)	-	-	-	(111,112)	-
Security Deposits and Escrows Payable	123,269	-	-	-	123,269	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (43,244,491)</u>	<u>\$ (22,943,280)</u>	<u>\$ 621,482</u>	<u>\$ (91,793)</u>	<u>\$ (65,658,082)</u>	<u>\$ 2,102,953</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018**

	Investment Trust Funds	Agency Funds	Private Purpose Trust Funds
ASSETS			
Current Assets:			
Cash and Investments in County Pool	\$ 629,836,844	\$ 46,560,733	\$ 1,746,970
Cash with Fiscal Agent	-	1,048,463	659,387
Other Cash	536,030	-	-
Taxes Receivable	-	14,725,276	-
Interest Receivable	-	938,561	52,450
Prepaid Items	-	1,154,813	-
Notes Receivable	-	-	110,000
Capital Assets:			
Nondepreciable	-	-	30,014
Total Current Assets	630,372,874	64,427,846	2,598,821
LIABILITIES			
Accounts Payable	-	-	278,178
Accrued Interest Payable	-	-	116,639
Noncurrent Liabilities:			
Due Within One Year	-	-	577,679
Due in More than One Year	-	-	5,704,026
Agency Funds Held for Others	-	64,427,846	-
Total Liabilities	-	64,427,846	6,676,522
NET POSITION			
Net Position (Deficit) Held in Trust for Investment			
Pool Participants and Others	630,372,874	-	(4,077,701)
Total Net Position	\$ 630,372,874	\$ -	\$ (4,077,701)

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MARIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Investment Trust Funds	Private Purpose Trust Funds
ADDITIONS		
Property Tax Revenue	\$ -	\$ 3,402,245
Contributions to Investment Pool	1,578,567,728	-
Interest	5,418,399	16,399
Total Additions	1,583,986,127	3,418,644
DEDUCTIONS		
Distributions from Investment Pool	1,575,745,193	-
Tax Disbursements	-	2,397,755
Administrative and Other	-	133,781
Total Deductions	1,575,745,193	2,531,536
CHANGE IN NET POSITION	8,240,934	887,108
Net Position - Beginning of Year	622,131,940	(4,964,809)
NET POSITION - END OF YEAR	\$ 630,372,874	\$ (4,077,701)

See accompanying Notes to Basic Financial Statements.

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

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COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 accounting principles generally accepted in the United States of America (GAAP), 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 governing 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 nonprofit 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.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 fiscal 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.

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 fiscal year-end and issues a separate financial report that can be obtained by contacting the Housing Authority at 4020 Civic Center Drive, San Rafael, California 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 16,000 acres of open space and 249 miles of public roads and 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

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 Transit District is reported as a major enterprise fund in the County's basic financial statements, and issues a separate report that can be obtained by contacting the Transit District at 711 Grand Avenue, Suite 110, San Rafael, California 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 nonmajor special revenue funds in the County's basic financial statements.

C. Discretely Presented Component Units

Marin County Housing Development Financing Corporation (MCHDFC)

The Marin County Housing Development Financing Corporation (MCHDFC) is a California nonprofit 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 nonprofit corporation as described in section 501(c)(4) of the Internal Revenue Code and is exempt from federal income taxes and California franchise taxes. MCHDFC owns a 15-unit property known as Bradley House, located in Tiburon, California. The Board of MCHDFC is made up of nine directors, four of whom are employees of the Housing Authority. MCHDFC has no employees, and their accounting records are maintained by the Housing Authority.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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Marin Housing Development Corporation (MHDC)

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

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 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. Separate financial statements are not presented for these entities.

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 nonfiduciary 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 nonexchange transactions, are reported separately from business-type activities, which rely to a great extent on fees charged to external parties.

The statement of activities demonstrates the degree to which program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific program or function. Interest expense related to long-term debt is reported as a direct expense. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Interfund charges, which equal or approximate the external exchange value of services provided, are reported as program revenues. Interfund reimbursements, repayments from the funds responsible for particular expenses to the funds that initially paid for them, are treated as an adjustment to expenses.

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

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 nonmajor funds. Major individual governmental and enterprise funds are presented as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund and is used to account for all financial resources except those required by law or practice to be accounted for in another fund. 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 *Health and Human Services Operating Fund* was established in 2016 to account for all Health and Human Services revenues and expenditures, many of which are dedicated for specific safety net and social services. The fund also receives transfers from various special revenue funds as well as the General Fund to support operations.

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 fiscal year-end of December 31st.
- 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.
- The *Marin Commons Property Management* fund was established to account for the property management activities of 1600 Los Gamos Blvd. in San Rafael.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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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-through 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. Nonexchange 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 tax, 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

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

within 60 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.

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-cost-or-market 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 equally offset by nonspendable fund balance to indicate that portion of fund balance that is not in spendable form.

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 acquisition 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.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 statement of activities.

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. Current year deferred inflows and outflows consist of amounts related to pensions, other post-employment benefits, and the refunding of debt.

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.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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.

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 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

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 classification 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 as a whole. Property taxes are levied for each fiscal year on taxable real and personal property that is situated in the County. 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 (business and personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of property ownership or completion of new construction.

Secured and unsecured property taxes are levied based on the assessed value as of January 1st, the lien date, of the preceding fiscal year. Secured property tax is billed approximately October 1st of each fiscal year and due in two installments, on November 1st and February 1st. Collection dates are December 10th and April 10th which are also the delinquent dates. After the delinquent date, unpaid first installments are assessed a penalty of 10%, and unpaid second installments are assessed a 10% penalty, plus \$10 cost. Accounts that remain unpaid on June 30th are charged an additional 1.5% per month beginning July 1st 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 1st, due on July 31st, and has a collection date of August 31st which is also the delinquent date. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid by October 31st, 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

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 (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 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 are 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 GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

O. New Accounting Pronouncements

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. As of July 1, 2017 the County implemented this Statement and restated the beginning net position on the government-wide statements by \$174.1 million and to establish beginning net OPEB liability and deferred outflows of resources of \$292 million and \$24 million, respectively.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018, the net asset value of involuntary participation in the investment pool was \$630,372,874 or 55.04% 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, and yield. 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, to the investment pool participants, and the Board 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.

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

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

Cash and investments at June 30, 2018 consist of the following:

Cash and Investments in County Pool:	
Cash	\$ 12,360,440
Investments	1,158,259,359
Subtotal	<u>1,170,619,799</u>
Less: Outstanding Warrants and Other Reconciling	
Items	<u>(25,343,157)</u>
Total Cash and Investments in County Pool	1,145,276,642
Cash and Investments Outside County Pool:	
Other Deposits	2,922,342
Investments of Blended Component Units	14,211,087
Investments with Fiscal Agents	5,359,905
Specific Investments	<u>536,029</u>
Total Cash and Investments Outside	
County Pool	<u>23,029,363</u>
Total Cash and Investments	<u>\$ 1,168,306,005</u>

Total cash and investments at June 30, 2018 were presented on the County's financial statements as follows:

Primary Government	\$ 486,136,286
Component Units	1,781,292
Investment Trust Funds	630,372,874
Agency Funds	47,609,196
Private Purpose Trust Funds	<u>2,406,357</u>
Total	<u>\$ 1,168,306,005</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
Local Agency Bonds	2 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
State of California Obligations	2 Years	None	None
Banker's Acceptances	180 Days	30%	30%
Commercial Paper	270 Days	40%	10%
Negotiable Certificates of Deposit	2 Years	30%	None
Repurchase Agreements	1 Year	None	None
Medium Term Notes	2 Years	30%	None
Money Market Mutual Funds/Mutual Funds	N/A	20%	10%
Time Deposits	2 Years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

At June 30, 2018, the County's investments consisted of the following:

	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par Value</u>	<u>Fair Value</u>	<u>WAM (Years)</u>
Pooled Investments					
Federal Agencies - Coupon	0.91% - 2.96%	7/13/19 to 6/28/21	\$ 343,741,812	\$ 341,075,271	1.2800
Federal Agencies - Discount	0.0% - 2.24%	7/02/18 to 3/29/19	790,537,522	794,450,210	0.2800
Money Market	Variable	On Demand	20,000,000	20,000,000	0.0028
California Local Agency Investment Fund (LAIF)	Variable	On Demand	242,051	242,051	0.0028
Amortized Note	3.5% - 4.5%	7/01/19 to 9/01/22	3,017,392	3,017,392	4.0600
Miscellaneous Securities	3.3% - 3.65%	9/15/18 to 2/01/23	720,582	720,582	2.4800
Total Pooled Investments			<u>\$1,158,259,359</u>	<u>\$1,159,505,506</u>	
Specific Investments in Treasury - Nonpooled					
California Local Agency Investment Fund (LAIF)	Variable	On Demand	\$ 536,029	\$ 536,029	0.0028
Total Specific Investments in Treasury - Nonpooled			<u>\$ 536,029</u>	<u>\$ 536,029</u>	

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, 2018, the investment pool had a weighted average maturity of 0.58 years, or approximately 212 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, 2018, the County did have 10% or more of its net investment in any one money market mutual fund.

At June 30, 2018, 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	\$ 375,235,961
Federal Home Loan Bank	\$ 644,818,724

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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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, 2018.

	<u>Moody's</u>	<u>S & P</u>	<u>% of Portfolio</u>
Investments in Investment Pool			
Federal Agencies Discount: Fed Home Ln Bk*	Unrated	Unrated	55.67 %
Federal Agencies Discount: Fed Home Ln Mtg Corp*	Unrated	Unrated	32.40
Federal Agencies Discount: Fed Natl Mgt Assn*	Unrated	Unrated	4.36
Federal Agencies Discount: Federal Agric Mtg Corp*	Unrated	Unrated	2.47
Federal Farm Credit Bank*	Unrated	Unrated	3.03
Miscellaneous Securities	Unrated	Unrated	0.06
Amortized Note	Unrated	Unrated	0.26
Money Market/Mutual Funds	Aaa	AAAm	1.73
California Local Agency Investment Fund (LAIF)	Unrated	Unrated	0.02
Total			<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.

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.

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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At June 30, 2018, the County's pooled investment position in LAIF was \$242,051, 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 \$88.82 billion. Of that amount, 100% was invested in nonderivative 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 \$2.8 million is 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, 2018:

Statement of Net Position

Equity of Internal Pool Participants	\$ 515,439,798
Equity of External Pool Participants	629,836,844
Total Net Position	<u><u>\$ 1,145,276,642</u></u>

Statement of Changes in Net Position

Net Position - Beginning of Year	\$ 1,089,102,767
Net Change in Investments by Pool Participants	56,173,875
Net Position - End of Year	<u><u>\$ 1,145,276,642</u></u>

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.

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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The County's pooled investments by fair value level as of June 30, 2018 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	\$ 1,134,279,334	\$ -	\$ 1,134,279,334
Pooled Investments not Subject to Fair Value Hierarchy:			
Local Agency Investment Fund (LAIF)	242,051		
Pooled Investments Measured at Amortized Cost:			
Money Market	20,000,000		
Miscellaneous Securities	720,582		
Amortized Note	3,017,392		
Total Investments Measured at Amortized Cost	23,737,974		
Total Pooled Investments	<u>\$ 1,158,259,359</u>		

NOTE 4 NOTES RECEIVABLE

Notes receivable consists of the following activities:

<u>Description</u>	<u>Balance July 1, 2017</u>	<u>Notes Issued</u>	<u>Repayments</u>	<u>Balance June 30, 2018</u>	<u>Short-Term Balance June 30, 2018</u>
Governmental Activities					
<u>General Fund</u>					
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	-
Subtotal General Fund	1,139,525	-	-	1,139,525	-
<u>Other Governmental Funds</u>					
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.	21,458,411	929,009	(21,389)	22,366,031	-
Total Governmental Activities	<u>\$ 22,597,936</u>	<u>\$ 929,009</u>	<u>\$ (21,389)</u>	<u>\$ 23,505,556</u>	<u>\$ -</u>

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

<u>Description</u>	<u>Balance July 1, 2017</u>	<u>Notes Issued</u>	<u>Repayments</u>	<u>Balance June 30, 2018</u>	<u>Short-Term Balance June 30, 2018</u>
Business-Type Activities					
<u>Marin Housing Authority</u>					
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.	<u>\$ 7,106,822</u>	<u>\$ 947,558</u>	<u>\$ (544,318)</u>	<u>\$ 7,510,062</u>	<u>\$ -</u>

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, 2018, the various components of unearned revenue were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Governmental Activities:		
General Fund:		
Fees for Services	<u>\$ 488,471</u>	<u>\$ 966,794</u>
Other Governmental Funds:		
Reimbursable Grant Advances	476,311	-
Fees for Services	<u>407,589</u>	<u>184,413</u>
Total Other Governmental Activities	<u>883,900</u>	<u>184,413</u>
Total Governmental Activities	<u>\$ 1,372,371</u>	<u>\$ 1,151,207</u>
Business-Type Activities:		
Fees for Services	<u>\$ 593,290</u>	<u>\$ -</u>
Total Business-Type Activities	<u>\$ 593,290</u>	<u>\$ -</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/from other funds" balances are generally used to reflect short-term interfund receivables and payables, whereas "Advances to/from other funds" balances are for long-term. 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.

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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The composition of interfund balances as of June 30, 2018 is as follows:

Due to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Health and Human Services Operating Fund	\$ 5,200,000	Temporary loans to cover short-term operational needs
	Nonmajor Enterprise Funds	1,319,640	Temporary loans to cover short-term operational needs
	Total	<u>\$ 6,519,640</u>	

Advances to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Nonmajor Governmental Funds	\$ 594,688	To cover operational needs

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:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>	<u>Purpose</u>	
General Fund	Health and Human Services Operating Fund	\$ 42,725,487	Health and Human Services funding	
	Health and Human Services Operating Fund	1,763,369	Various Health and Human Services program cost reimbursements	
	Other Nonmajor Governmental Funds	6,360,024	Various capital project funding	
	Other Nonmajor Governmental Funds	6,303,280	Allocation of pension obligation costs	
	Other Nonmajor Governmental Funds	4,000,000	County Capital Improvement Program	
	Other Nonmajor Governmental Funds	3,663,532	Road maintenance	
	Other Nonmajor Governmental Funds	3,544,929	Debt service	
	Other Nonmajor Governmental Funds	3,000,000	Road and bridge rehabilitation	
	Other Nonmajor Governmental Funds	1,426,637	Health and Human Services whole person care	
	Other Nonmajor Governmental Funds	360,175	Various program cost funding	
	Other Nonmajor Governmental Funds	250,000	Affordable Housing Trust funding	
	Other Nonmajor Governmental Funds	182,374	Salary reimbursement	
	Other Nonmajor Governmental Funds	16,612	Law Library computer project	
	Marin Commons Property Management	510,000	Capital project funding	
	Nonmajor Enterprise Funds	15,000	Marin County Fair shuttle	
		Subtotal	<u>74,121,419</u>	
	Health and Human Service Operating Fund	General Fund	685,092	Debt service
Other Nonmajor Governmental Funds		2,690,779	Allocation of pension obligation costs	
Other Nonmajor Governmental Funds		684,886	Debt service	
Other Nonmajor Governmental Funds		120,000	West Marin Service Center renovation project	
	Subtotal	<u>4,180,757</u>		
Nonmajor Enterprise Funds	Other Nonmajor Governmental Funds	9,918	Allocation of pension obligation costs	

COUNTY OF MARIN
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JUNE 30, 2018

Transfer from	Transfer to	Amount	Purpose
Internal Service Fund	Other Nonmajor Governmental Funds	1,156	Allocation of pension obligation costs
Other Nonmajor Governmental Funds	Health and Human Services Operating Fund	13,804,167	Various Health and Human Services program cost reimbursements
	Health and Human Services Operating Fund	49,893,681	Health and Human Services realignment
	Health and Human Services Operating Fund	809,343	Public Health programs
	Health and Human Services Operating Fund	443,119	Various capital project funding
	General Fund	1,108,137	Various program cost funding
	General Fund	594,460	Public Safety realignment
	General Fund	175,047	Affordable Housing Trust funding
	General Fund	100,000	Auto theft obligation program
	General Fund	18,901	Various Health and Human Services program cost reimbursements
	Other Nonmajor Governmental Funds	1,153,385	Debt service
	Other Nonmajor Governmental Funds	1,220,909	Allocation of pension obligation costs
	Other Nonmajor Governmental Funds	1,000,000	Road and bridge maintenance
	Other Nonmajor Governmental Funds	750,000	Road maintenance
	Other Nonmajor Governmental Funds	610,574	Various operating needs and cost reimbursements
	Other Nonmajor Governmental Funds	522,750	Various capital project funding
	Marin Commons Property Management	590,000	Various capital project funding
	Subtotal	<u>72,794,473</u>	
	Total	<u>\$ 151,107,723</u>	

NOTE 7 CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2018
Governmental Activities					
Capital Assets, not being Depreciated and Amortized:					
Land	\$ 45,305,535	\$ -	\$ -	\$ -	\$ 45,305,535
Land Improvements	1,205,125,438	-	-	-	1,205,125,438
Easements	9,099,188	-	-	-	9,099,188
Intangible Assets	3,411,154	2,109,454	-	-	5,520,608
Construction in Progress	18,039,606	18,113,851	-	(8,883,232)	27,270,225
Total Capital Assets not being Depreciated and Amortized	1,280,980,921	20,223,305	-	(8,883,232)	1,292,320,994
Capital Assets, being Depreciated and Amortized:					
Land Improvements	199,847	-	-	-	199,847
Structures and Improvements	277,679,962	502,807	(8,360)	6,141,268	284,315,677
Equipment	57,522,826	4,931,878	(3,177,775)	19,536	59,296,465
Intangible Assets	9,270,729	-	-	-	9,270,729
Infrastructure	328,822,978	1,236,746	(17,392)	2,722,428	332,764,760
Total Capital Assets being Depreciated and Amortized	673,496,342	6,671,431	(3,203,527)	8,883,232	685,847,478
Less Accumulated Depreciation and Amortization for:					
Structures and Improvements	(163,147,142)	(13,182,728)	8,360	-	(176,321,510)
Equipment	(43,847,911)	(4,903,653)	3,149,365	-	(45,602,199)
Intangible Assets	(2,339,447)	(1,541,036)	-	-	(3,880,483)
Infrastructure	(290,784,002)	(1,914,190)	17,392	-	(292,680,800)
Total Accumulated Depreciation and Amortization	(500,118,502)	(21,541,607)	3,175,117	-	(518,484,992)
Total Capital Assets being Depreciated and Amortized, Net	173,377,840	(14,870,176)	(28,410)	8,883,232	167,362,486
Governmental Activities Capital Assets, Net	<u>\$ 1,454,358,761</u>	<u>\$ 5,353,129</u>	<u>\$ (28,410)</u>	<u>\$ -</u>	<u>\$ 1,459,683,480</u>

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

	Balance July 1, 2017	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2018
Business-Type Activities					
Capital Assets, not being Depreciated:					
Land	\$ 6,273,763	\$ -	\$ -	\$ -	\$ 6,273,763
Construction in Progress	6,420,751	4,482,695	-	(3,420,265)	7,483,181
Total Capital Assets not being Depreciated	12,694,514	4,482,695	-	(3,420,265)	13,756,944
Capital Assets, being Depreciated and Amortized:					
Structures and Improvements	49,514,263	4,058,569	-	-	53,572,832
Equipment	27,756,064	10,585,515	(53,273)	3,420,265	41,708,571
Intangible Assets	305,330	9,995	-	-	315,325
Other Property	3,426,892	-	-	-	3,426,892
Total Capital Assets being Depreciated and Amortized	81,002,549	14,654,079	(53,273)	3,420,265	99,023,620
Less accumulated Depreciation and Amortization for:					
Structures and Improvements	(31,091,466)	(1,458,536)	-	-	(32,550,002)
Equipment	(8,484,193)	(3,118,567)	53,273	-	(11,549,487)
Intangible Assets	(80,401)	(45,147)	-	-	(125,548)
Other Property	(1,832,371)	(103,539)	-	-	(1,935,910)
Total Accumulated Depreciation and Amortization	(41,488,431)	(4,725,789)	53,273	-	(46,160,947)
Total Capital Assets being Depreciated and Amortized, Net	39,514,118	9,928,290	-	3,420,265	52,862,673
Business-Type Activities Capital Assets, Net	<u>\$ 52,208,632</u>	<u>\$ 14,410,985</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,619,617</u>

Depreciation and Amortization

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

Governmental Activities:

General Government	\$ 18,009,288
Public Protection	1,414,252
Public Ways and Facilities	1,085,854
Health and Sanitation	180,487
Public Assistance	69,191
Education	49,375
Recreation and Cultural Services	733,160
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 21,541,607</u>

Business-Type Activities:

Housing Authority	\$ 1,322,844
Transit District	2,908,165
Gross Airport	104,443
Marin County Fair	19,326
Marin.Org	55,509
Marin Commons Property Management	315,502
Total Depreciation and Amortization Expense - Business-Type Activities	<u>\$ 4,725,789</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 (A.M. Best Rated 'A+') with statutory limits (optimum no limit coverage per claim).

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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The actuarially determined outstanding claims liability, including incurred but not reported claims at marginally acceptable 70% confidence level, at June 30, 2018 is \$30,277,000. 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:

	2018	2017
Liability Balance - Beginning of Fiscal Year	\$ 28,762,000	\$ 28,245,000
Current Year Claims and Changes in Estimates	5,857,692	3,092,176
Claim Payments	(4,342,692)	(2,575,176)
Liability Balance - End of Fiscal Year	\$ 30,277,000	\$ 28,762,000

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, 2017, there were 31 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, 2017 was approximately \$56,000.

General Liability

The County maintains a self-insured retention (SIR) of \$1,000,000 per occurrence for its general liability program. Losses, which exceed the SIR, are covered by an excess insurance policy through Travelers Insurance Company (A.M. Best Rated 'A++'). The latest independent actuarial analysis (October 2018), concludes that given program assets, as of June 30, 2018 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, 2018 is \$7,576,000.

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

	2018	2017
Liability Balance - Beginning of Fiscal Year	\$ 7,984,000	\$ 11,119,000
Current Year Claims and Changes in Estimates	2,593,937	(2,792,892)
Claim Payments	(3,001,937)	(342,108)
Liability Balance - End of Fiscal Year	\$ 7,576,000	\$ 7,984,000

Settled claims have not exceeded coverage in any of the past three years. Nonincremental 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

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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 \$235,000.

The Transit District's insurance coverage is carried through CSAC (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 general liability insurance limit through CSAC was \$25,000,000 with a \$25,000 deductible at June 30, 2017. 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.

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, 2018:

	Balance July 1, 2017	Additions	Deletions	Adjustments *	Balance June 30, 2018	Amounts Due Within One Year
Governmental Activities						
Bonds Payable:						
Taxable Pension Obligation Bonds 2003	\$ 95,475,000	\$ -	\$ 4,945,000	\$ -	\$ 90,530,000	\$ 5,760,000
Tobacco Settlement Asset Backed Bonds 2007	50,010,384	-	1,065,000	1,002,062	49,947,446	-
Less: Unamortized Discount	(248,765)	-	(62,193)	-	(186,572)	(62,193)
Open Space Refunding Revenue Bonds 2013	4,835,446	-	476,351	-	4,359,095	491,892
Limited Obligation Improvement Bond 2014	400,285	-	16,190	-	384,095	16,773
Subtotal - Bonds Payable	150,472,350	-	6,440,348	1,002,062	145,034,064	6,206,472
Loans Payable	3,205,950	354,723	408,433	-	3,152,240	435,235
Certificates of Participation:						
Certificates of Participation 2001	9,600,000	-	450,000	-	9,150,000	470,000
Certificates of Participation 2012	696,891	-	51,810	-	645,081	55,973
Certificates of Participation 2015	76,770,000	-	1,410,000	-	75,360,000	1,465,000
Add: Unamortized Premium	2,409,108	-	86,040	-	2,323,068	86,040
Subtotal - Certificates of Participation	89,475,999	-	1,997,850	-	87,478,149	2,077,013
Compensated Absences	15,869,615	14,392,905	14,346,126	-	15,916,394	12,853,648
Claims Liability	36,746,000	8,451,629	7,344,629	-	37,853,000	13,563,000
Total Governmental Activities Long-Term Liabilities	<u>\$ 295,769,914</u>	<u>\$ 23,199,257</u>	<u>\$ 30,537,386</u>	<u>\$ 1,002,062</u>	<u>\$ 289,433,847</u>	<u>\$ 35,135,368</u>

* Accretion expense on loan

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	Balance July 1, 2017	Additions	Deletions	Adjustments *	Balance June 30, 2018	Amounts Due Within One Year
Business-Type Activities						
Notes Payable - HCD	\$ 2,051,161	\$ -	\$ -	\$ -	\$ 2,051,161	\$ -
Notes Payable - MCF	926,078	-	36,336	-	889,742	37,816
Mortgages Payable - Office Building Refinance	1,006,106	106,909	29,811	-	1,083,204	34,206
Housing Loans from Other Governmental Agencies	915,000	465,000	1,380,000	-	-	-
Building Improvement Loan	915,304	2,300,000	197,912	-	3,017,392	626,751
Runway Rehabilitation Loan	-	220,000	-	-	220,000	48,000
Capital Leases	1,572,714	-	146,734	-	1,425,980	153,124
Compensated Absences	317,345	225,312	214,580	-	328,077	130,794
Total Business-Type Activities Long-Term Liabilities	\$ 7,703,708	\$ 3,317,221	\$ 2,005,373	\$ -	\$ 9,015,556	\$ 1,030,691

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 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 FY 2012-13. Upon completion of this lease on December 19, 2027, the title will pass to the Housing Authority.

The following table summarizes the County's long-term obligations as of June 30, 2018:

	Maturity	Date of Issue	Interest Rates	Annual Principal Installments	Amount Authorized	Outstanding at June 30, 2018
Governmental Activities						
Pension Obligation Bonds:						
Taxable Pension Obligation Bonds Series A (Fund Pension Liability)	2027	2003	4.60%-5.41%	\$50,000 - \$14,940,000	\$ 112,805,000	\$ 90,530,000
Asset-Backed Bonds:						
Tobacco Settlement Asset-Backed Bonds (Series 2007A through F) Unamortized Discount	2057	2007	4.63%-6.90%	\$485,000 - \$8,350,986	49,870,081 (932,888)	49,947,446 (186,572)
Revenue Bonds:						
Open Space Refunding Revenue Bonds 2013	2027	2014	3.06%	\$270,309 - \$420,143	6,163,324	4,359,095
Improvement Bonds:						
Limited Obligation Improvement Bond 2014	2034	2015	3.60%	\$13,799 - \$29,537	492,712	384,095
Loans Payable:						
Energy Conservation Loan	2019	2009	3.95%	\$12,102 - \$21,517	233,120	20,517
Energy Resource Conservation - Solar Panels	2023	2009	4.50%	\$28,373 - \$49,287	553,345	225,881
I - Bank Loan	2027	2009	3.29%	\$47,681 - \$49,088	681,600	405,759
Energy Resource Conservation - Auditorium	2025	2011	1.00%	\$12,419 - \$15,732	410,781	213,250
Energy Resource Conservation - Exhibit Hall	2023	2008	4.50%	\$6,259 - \$14,822	326,477	134,353
California Energy Commission	2023	2012	0.00%	\$42,755 - \$60,711	1,054,869	461,243
Energy Efficiency Retrofit	2023	2012	0.00%	\$1,035	124,147	52,762
Energy Efficiency Retrofit	2024	2018	0.00%	\$4,379	354,723	319,690
Energy Conservation \$1.8 m loan	2031	2014	1.00%	\$30,056 - \$54,262	1,800,000	1,318,785
Loans Payable Subtotal					5,539,062	3,152,240

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	<u>Maturity</u>	<u>Date of Issue</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Amount Authorized</u>	<u>Outstanding at June 30, 2018</u>
Certificates of Participation:						
2001 Issue (Finance Capital Improvement Projects)	2032	2001	4.70%-7.00%	\$215,000 - \$880,000	14,100,000	9,150,000
2012 Issue (Homestead)	2027	2012	4.00%	\$16,897 - \$45,853	925,000	645,081
2015 Issue (Financing Project/ Defeases 2010 Issue)	2045	2016	2.00%-3.750%	\$2,000,000 - \$3,045,000	80,140,000	75,360,000
Unamortized Premium					<u>2,581,188</u>	<u>2,323,068</u>
Certificates of Participation Subtotal:					<u>97,746,188</u>	<u>87,478,149</u>
Compensated Absences					15,916,394	15,916,394
Claims Liabilities					<u>37,853,000</u>	<u>37,853,000</u>
Total Governmental Activities					<u>\$ 325,452,873</u>	<u>\$ 289,433,847</u>
Business-Type Activities						
Notes Payable - HCD	2024	2006	0%-3.00%	Deferred	\$ 2,861,319	\$ 2,051,161
Notes Payable - MCF	2024	2014	4.00%	\$72,720	1,000,000	889,742
Mortgages Payable - Office Building Refinance	2022	2012	5.50%	\$81,684 - \$917,282	1,100,000	1,083,204
Housing Loans from Other Governmental Agencies	Various	2012	0%	Various	-	-
Building Improvement Loan	Various	Various	3.5%-4.50%	\$43,949 - \$177,905	3,351,819	3,017,392
Runway Rehabilitation Loan	2023	2018	3.5%-4.0%	\$40,000-\$48,000	220,000	220,000
Capital Leases	2027	2012	4.26%-4.884%	\$208,412	2,474,823	1,425,980
Compensated Absences					<u>328,077</u>	<u>328,077</u>
Total Business-Type Activities					<u>\$ 11,336,038</u>	<u>\$ 9,015,556</u>

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 nonprofit 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 and 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

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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 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. 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.

G. 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.

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Annual debt service requirements of governmental activities as of June 30, 2018 to maturity are as follows:

Year Ending June 30,	Governmental Activities					
	Bonds Payable		Certificates of Participation		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 6,268,665	\$ 6,579,533	\$ 1,990,973	\$ 3,446,807	\$ 435,235	\$ 56,906
2020	7,178,921	6,232,219	2,079,883	3,362,769	423,428	47,464
2021	8,438,150	5,834,635	2,163,984	3,266,914	432,540	38,227
2022	9,166,270	5,323,652	2,273,284	3,158,463	441,885	28,751
2023	10,309,863	4,815,235	2,392,792	3,044,227	318,063	19,890
2024-2028	53,994,908	12,801,739	13,758,729	13,320,148	920,437	44,639
2029-2033	6,282,460	6,986,453	15,525,000	10,349,669	180,652	1,809
2034-2038	9,313,048	6,165,608	14,685,000	7,515,694	-	-
2039-2043	-	4,312,500	17,800,000	4,332,800	-	-
2044-2048	17,250,000	4,312,500	12,485,433	762,100	-	-
2049-2053	-	-	-	-	-	-
2054-2057	17,018,351	175,031,649	-	-	-	-
Less: Unamortized Premium (Discount)	(186,572)	-	2,323,068	-	-	-
Total	<u>\$ 145,034,064</u>	<u>\$ 238,395,723</u>	<u>\$ 87,478,146</u>	<u>\$ 52,559,591</u>	<u>\$ 3,152,240</u>	<u>\$ 237,686</u>

Annual debt service requirements for business-type activities as of June 30, 2018 to maturity are as follows:

Year Ending June 30,	Business-Type Activities					
	Mortgages Payable		Notes Payable		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 34,206	\$ 48,725	\$ 37,816	\$ 34,901	\$ 674,751	\$ 136,958
2020	35,800	47,131	39,357	33,361	648,253	110,799
2021	37,337	45,594	40,960	31,757	673,354	85,097
2022	39,207	43,724	42,629	30,088	699,675	58,142
2023	936,654	38,524	44,366	28,352	541,360	29,861
2024-2027	-	-	684,614	47,230	-	-
2056	-	-	2,051,161	3,740,418	-	-
Total	<u>\$ 1,083,204</u>	<u>\$ 223,698</u>	<u>\$ 2,940,903</u>	<u>\$ 3,946,107</u>	<u>\$ 3,237,393</u>	<u>\$ 420,857</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, and bond premiums 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.

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.

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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, 2018, 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	(592,890)
Equipment, Net, Under Capital Leases	\$ 1,606,763

The following is a schedule of future minimum lease payments under capital leases as of June 30, 2018:

Year Ending June 30,	Business-Type Activities
2019	\$ 210,949
2020	209,059
2021	206,391
2022	203,837
2023	203,837
2024-2027	657,369
Total Minimum Lease Payments	1,691,442
Less: Amount Representing Interest	(265,462)
Total Present Value of Minimum Lease Payments	\$ 1,425,980

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,				Business-Type Activities	
	Office Space	Computers and Equipment	Total	Office Space	Total
2019	\$ 4,067,514	\$ 1,082,686	\$ 5,150,200	\$ 136,684	\$ 136,684
2020	1,057,746	486,388	1,544,134	139,400	139,400
2021	739,945	298,926	1,038,870	142,116	142,116
2022	187,793	127,725	315,519	144,832	144,832
2023	23,512	52,044	75,556	97,761	97,761
2024-2028	40,111	-	40,111	-	-
2029-2047	149,748	-	149,748	-	-
Total	\$ 6,266,370	\$ 2,047,769	\$ 8,314,139	\$ 660,793	\$ 660,793

The County also leases various County-owned properties to other entities under noncancelable operating leases. Income from these rental activities amounted to \$4.4 million for the fiscal year ended June 30, 2018. Lease expense for business-type office space was \$98,832 for the fiscal year ended June 30, 2018.

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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 (Retirement Board). 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, 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. Postretirement 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, California 94903 or online at 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

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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.

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 5 years of service upon reaching 50 years of age. PEPRA members who are General members are eligible to retire after 5 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 from the performance of duty is eligible to apply for a nonservice connected disability retirement. Any member who becomes permanently incapacitated from 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.

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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.

C. Contributions – Governmental Activities

For the fiscal year ended June 30, 2018, the contributions recognized as part of pension expense for the County were as follows:

Contributions - Employer	\$ 43,682,830
Contributions - Employee (Paid by Employer)	15,811,893

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

As of June 30, 2018, the County reported net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Total Net Pension Liability	<u>\$ 207,841,379</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, 2017, 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, 2017. 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, 2016 and 2017 was as follows:

Proportion - June 30, 2016	54.4105 %
Proportion - June 30, 2017	56.3628
Change - Increase (Decrease)	1.9523

For the fiscal year ended June 30, 2018, the County recognized pension expense of \$42,997,689. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in Assumptions	\$ 20,396,802	\$ -
Differences Between Expected and Actual Experience	-	(4,818,116)
Change in Proportion	8,930,132	(4,781,589)
Difference Between Employer's Actual Contribution and the Employer's Proportionate Share of Contributions	6,723,130	-
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(16,845,596)
County's Contributions Subsequent to the Measurement Date	<u>46,667,468</u>	<u>-</u>
Total	<u>\$ 82,717,532</u>	<u>\$ (26,445,301)</u>

The County reported \$46,667,468 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, 2019. 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>Year Ending June 30,</u>	<u>Amortization Amount</u>
2019	\$ 4,529,908
2020	12,269,447
2021	3,772,297
2022	(10,966,889)
Total	<u>\$ 9,604,763</u>

Actuarial Assumptions – The County's net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial methods and assumptions:

Valuation Date	June 30, 2015 (to determine FY 2016-17 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 5-year phase-in/out (3 years for assumptions changes) of the payments/credits for each annual layer.
Asset Valuation Method	Market value

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Actuarial Assumptions:

Discount Rate	7.25%
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) 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, which is conducted on a triennial basis, can be found on MCERA's website.

*** Except for the additional UAL attributable to the extraordinary loss from 2009, which is being amortized over a separate closed period (22 years as of June 30, 2016).

Discount Rate – The discount rate used to measure the total pension liability was 7.25% as of June 30, 2017. 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, 2017.

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.

**COUNTY OF MARIN
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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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	23.00 %	0.75 %
Domestic Equities	32.00	4.60
International Equities	22.00	4.75
Public Real Assets	7.00	5.60
Real Estate	8.00	3.50
Private Equity	8.00	5.10
Total	<u>100.00 %</u>	

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	\$ 407,045,026
Current Discount Rate	7.25%
Net Pension Liability	\$ 207,841,379
1% Increase	8.25%
Net Pension Liability	\$ 43,980,893

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

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, 2016 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.’

COUNTY OF MARIN
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The Housing Authority's plan is made up of two 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 PEPRRA.

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, 2017, using an annual actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. As of December 31, 2017 the Housing Authority's net pension liability was \$5,702,269.

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, 2017. The deferred outflows also include contributions made to CalPERS subsequent to the measurement date of June 30, 2017, but prior to the Housing Authority's fiscal year-end of December 31, 2017. As of December 31, 2017 deferred outflows of resources was \$2,221,397 which contained \$954,633 of contributions subsequent to the measurement date, and deferred inflows of resources was \$360,126.

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 21 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, 2018, the Transit District recognized pension expense of \$185,692.

Employees are fully vested in employer contributions after six months of service. Nonvested 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, 2018.

COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 11 OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

A. Plan Description

The County of Marin sponsors, and MCERA provides administrative services for, an agent multiple-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 five years of County service, and continuity of coverage to be eligible. Retirees are not eligible for open enrollment and those waiving coverage may not re-enroll.

- 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 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 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. The last cap increase was at 3% on January 1, 2009. No cap increases have been adopted since that time and the Plan 3 cap remains at \$8,853 per year. The most recent action by the Board was on August 8, 2017 when it approved no change to the Plan 3 cap for 2018.
- 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

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

GASB Statement No. 45 must be included in County postretirement healthcare calculations.

B. Employees Covered by Benefit Terms

At June 30, 2017, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	1,591
Inactive Employees Entitled to but not yet Receiving Benefits	-
Active Employees	<u>2,040</u>
Total	<u><u>3,631</u></u>

C. Contributions

The contribution rate is determined on an annual basis by an independent actuary and is authorized by the County Board of Supervisors. For the year ended June 30, 2018, the County's average contribution rate was 11.77 percent of covered-employee payroll. Employees are not required to contribute to the plan.

D. Actuarial Assumptions

The County's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2017
Actuarial Cost Method	Entry Age Normal*
Actuarial Experience Study	July 1, 2011 through June 30, 2014**
Amortization Method	Level Percent of Projected Payroll
Amortization Period	Investment gain/loss: Over a closed 25-year period that includes a 3-year phase-in from 2017/18.
	Other: Over closed 25-year period from 2017/18.
Asset Valuation Method	Market value

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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Actuarial Assumptions	
Discount Rate	5.50%
Expected Long-Term Rate of Return	5.50%
Inflation	2.75%
Mortality Improvement	Mortality projected fully generational with Scale MP-2017
Healthcare Trend	
	Non-Medicare: 7.50% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years
	Medicare: 6.50% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years
	Medicare Part B: 0.0% for 2019, increasing to Medicare Trend in 2023 and later years
Plan 3 Cap Increase	3.0% per year

* 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, which is conducted on a triennial basis, can be found on MCERA's website.

E. Target Asset Allocation

The long-term expected rate of return on OPEB 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 OPEB 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 County selected CERBT Fund Strategy 1 for its asset allocations as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	57.0 %	4.82 %
U.S. Fixed Income	27.0	1.47
Treasury Inflation Protected Securities (TIPS)	5.0	1.29
Commodities	3.0	0.84
Real Estate Investment Trusts (REITs)	8.0	3.76
Total	100.0 %	

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

F. Changes in the OPEB Liability

The changes in the net OPEB liability for the County are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance - June 30, 2016	\$358,720,000	\$ 66,466,000	292,254,000
Change in the Year:			
Service Cost	5,731,000	-	5,731,000
Interest on Total OPEB Liability	19,676,000	-	19,676,000
Benefit Changes	-	-	-
Differences Between Expected and Actual Experience	-	-	-
Changes of Assumptions	-	-	-
Contributions - Employer	-	24,264,000	(24,264,000)
Contributions - Employee	-	-	-
Net Investment Income	-	7,400,000	(7,400,000)
Benefit Payments, Including Refunds of Employee Contributions	(13,435,000)	(13,435,000)	-
Administrative Expenses	-	(37,000)	37,000
Net Changes	<u>11,972,000</u>	<u>18,192,000</u>	<u>(6,220,000)</u>
Balance - June 30, 2017	<u>\$370,692,000</u>	<u>\$ 84,658,000</u>	<u>\$286,034,000</u>

G. Discount Rate and Trend Sensitivity

The following presents the net OPEB liability of the County, as well as what the County's net OPEB 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 discount rate:

	Discount Rate		
	1% Decrease 4.50%	Current Rate 5.50%	1% Increase 6.50%
Net OPEB Liability	\$340,411,000	\$286,034,000	\$241,607,000

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
Net OPEB Liability	\$266,346,000	\$286,034,000	\$304,001,000

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

H. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the County recognized OPEB expense of \$20,802,000. As of fiscal year ended June 30, 2018, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 22,478,000	\$ -
Change in Assumptions	-	-
Differences Between Expected and Actual Experience	-	-
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(2,758,000)
Total	\$ 22,478,000	\$ (2,758,000)

The \$22,478,000 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB expense will be recognized as follows:

Year Ending June 30,	Amortization Amount
2019	\$ (689,000)
2020	(689,000)
2021	(689,000)
2022	(691,000)
Total	\$ (2,758,000)

F. Housing Authority of Marin

Plan Description

The Housing Authority provides postemployment 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 medial insurance for retirees. Monthly benefit amounts for the calendar year 2017 was \$96.00 for unrepresented retirees and \$89.60 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 five years of service, or upon disability.

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

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 Postemployment 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.

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:

Annual Required Contribution	\$	113,732
Interest on Net OPEB Obligation		28,141
Adjustment to Annual Required Contribution		<u>(52,512)</u>
Annual OPEB Cost (Expense)		89,361
Subsidized Premiums		(11,047)
Contributions Made		(13,850)
Net OPEB Obligation - Beginning of Year		662,132
Increase in Net OPEB Obligation		64,464
Net OPEB Obligation - End of Year	<u>\$</u>	<u>726,596</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:

<u>Fiscal Year Ending December 31,</u>	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	End of Year Net OPEB Obligation
2017	\$ 89,361	27.86 %	\$ 726,596
2016	85,983	19.40	662,132
2015	84,301	10.90	592,827

Funding Status and Funding Progress

As of January 1, 2016 (the latest actuarial measurement date), the actuarial accrued liability for benefits was \$1,208,888, all of which is unfunded. The covered payroll (annual payroll of active employees covered by the plan) for the current fiscal year was \$2.6 million; therefore, unfunded actuarial accrued liability as a percentage of covered payroll is 47.25%.

Actuarial Methods and Assumptions

Specific actuarial assumptions selected by the Authority are, a) a discount rate of 4.25% per year, b) salary increases of 3.25% per year, based on a long-term inflation

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

assumption of 3% per year, c) funding method is entry age normal, with the normal cost computed as a level percentage of salaries, d) the unfunded actuarial accrued liability is amortized as a level percentage of salaries over an open 15-year period, e) turnover, mortality, and retirement rates are taken from the 2014 CalPERS OPEB assumptions model, f) medical premiums are assumed to increase 4% per year after 2017, g) the future eligible retired employees assumed to participate is 52.5% in 2016, increasing to 70% after 2023, h) retirees are expected to keep their same medical plan and marital status after retirement, i) CalPERS administrative expenses are assumed to remain 0.30% in all future years, and j) 50% of the time between age 30 and hire age has been added to past service to approximate CalPERS service with prior employees.

G. Marin County Transit District

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

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, 2018, the County’s General Fund had a total of \$50.9 million in encumbrances.

NOTE 13 FUND BALANCES/NET POSITION

Restatement of Beginning Net Position

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

	Statement of Activities
	Governmental Activities
Net Position - Beginning of Year, as Originally Reported	\$ 1,375,105,384
Implementation of GASB 75	(174,094,196)
Net Position - Beginning of Year, Restated	\$ 1,201,011,188

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
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Net Position, Net Investment in Capital Assets

Net Position, net investment in capital assets as of June 30, 2018 consisted of the following:

	Governmental Activities	Business-Type Activities
Capital Assets, Net of Accumulated Depreciation	\$ 1,459,683,480	\$ 66,619,617
Outstanding Principal of Capital-Related Debt	(144,750,358)	(8,687,479)
Net Position Net Investment in Capital Assets	\$ 1,314,933,122	\$ 57,932,138

Fund Balance Classifications

In accordance with the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, 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	Health and Human Services Fund	Other Governmental Funds	Total
Fund Balances				
Nonspendable:				
Prepaid items	\$ 1,804,147	\$ -	\$ 94,105	\$ 1,898,252
Notes Receivable - Long Term	1,139,525	-	-	1,139,525
Advances to Other Funds	594,688	-	-	594,688
Deposits with Others	-	-	2,104	2,104
Inventory of Supplies	431,549	-	111,983	543,532
Total Nonspendable	3,969,909	-	208,192	4,178,101
Restricted for:				
General Government	43,535,862	-	2,413,500	45,949,362
Public Protection	-	-	25,988,853	25,988,853
Public Ways and Facilities	-	-	3,870,513	3,870,513
Health and Sanitation	-	-	11,050,200	11,050,200
Affordable Housing	-	-	30,076,225	30,076,225
Building Inspection	-	-	930,843	930,843
Child Support Services	-	-	250,833	250,833
Community Service Area Projects	-	-	16,179,143	16,179,143
Employee Retirement Obligation	-	-	189,511	189,511
Fish and Game Preservation	-	-	63,375	63,375
Flood Control District Zones Projects	-	-	28,121,481	28,121,481
In-Home Supportive Services	-	-	3,544	3,544
Library	-	-	6,923,104	6,923,104
Lighting District	-	-	3,090,089	3,090,089
Open Space	-	-	4,478,050	4,478,050
Permanent Road Districts	-	-	481,177	481,177
Sewage Districts	-	-	503,648	503,648
Health Services	-	-	2,787,485	2,787,485
Health and Human Services	-	1,414,351	-	1,414,351
Environmental Health Services	-	-	70,483	70,483
Tobacco Settlement Security	-	-	476,484	476,484
Total Restricted	43,535,862	1,414,351	137,948,541	182,898,754
Committed to:				
Contingency Reserves	28,000,000	-	-	28,000,000
Self Insurance	9,690,000	-	-	9,690,000
Recreation and Cultural Services	-	-	4,434,533	4,434,533
Public Protection	-	-	5,537,264	5,537,264
Miscellaneous Capital Projects	14,384,649	-	-	14,384,649
State Budget	5,803,954	-	-	5,803,954
Open Space	-	-	2,929,933	2,929,933
Road Maintenance	-	-	25,092	25,092
Total Committed	57,878,603	-	12,926,822	70,805,425

**COUNTY OF MARIN
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

Fund Balances	General Fund	Health and Human Services Fund	Other Governmental Funds	Total
Assigned to:				
General Government	31,890,282	-	26,722	31,917,004
Planned Use of Prior Year Fund Balance	39,284,597	-	-	39,284,597
Retiree Liability	8,900,000	-	-	8,900,000
Employee Retirement Obligation	-	-	4,734,356	4,734,356
Facility Improvements	6,100,000	-	-	6,100,000
Public Protection	-	-	2,083,311	2,083,311
Public Ways and Facilities	-	-	1,000,067	1,000,067
Health and Sanitation	-	-	21,809,900	21,809,900
Recreation and Cultural Services	-	-	13,351,046	13,351,046
Affordable Housing	-	-	1,337,492	1,337,492
Building Inspection	-	-	172,753	172,753
Child Support Services	-	-	13,063	13,063
Community Service Area Projects	-	-	224,447	224,447
Debt Service	-	-	798,010	798,010
Health Services	-	-	26,051	26,051
Health and Human Services	-	1,468,961	-	1,468,961
Environmental Health Services	-	-	801,232	801,232
Fish and Game Preservation	-	-	3,127	3,127
Flood Control District Zones Projects	-	-	58,411	58,411
Hi Tech ID Theft	-	-	-	-
In-Home Supportive Services	-	-	6,961	6,961
Library	-	-	2,051,976	2,051,976
Lighting District	-	-	74,948	74,948
Courthouse Construction Projects	-	-	694,049	694,049
Miscellaneous Capital Projects	-	-	46,121,307	46,121,307
Vehicle and Equipment Replacement	1,349,389	-	-	1,349,389
Other Capital Projects	950,000	-	-	950,000
Road Maintenance	-	-	645,528	645,528
Sewage District	-	-	10,033	10,033
Tobacco Settlement Security	-	-	3,654,528	3,654,528
Open Space	-	-	1,039,858	1,039,858
Permanent Road Districts	-	-	38,480	38,480
Total Assigned	88,474,268	1,468,961	100,777,656	190,720,885
Unassigned	3,443,125	-	(8,567)	3,434,558
Total Fund Balance	\$ 197,301,767	\$ 2,883,312	\$ 251,852,644	\$ 452,037,723

The amounts assigned in the General Fund for general government purposes are comprised of amounts which have been earmarked for public defense services, affordable housing preservation, building maintenance services, investment in IST systems and applications, 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 and purchase orders within various functions of the government including 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 a deficit net position of (\$4,082,575). 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.

REQUIRED SUPPLEMENTARY INFORMATION

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**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018**

Proportionate Share of the Net Pension Liability

	County of Marin			
	Reporting Period			
	<i>Measurement Date</i>			
Last 10 Fiscal Years*	June 30, 2018 <i>June 30, 2017</i>	June 30, 2017 <i>June 30, 2016</i>	June 30, 2016 <i>June 30, 2015</i>	June 30, 2015 <i>June 30, 2014</i>
Proportion of the Net Pension Liability	56.3628 %	54.4105 %	52.5803 %	57.4629 %
Proportionate Share of the Net Pension Liability	207,841,379	260,044,342	203,688,484	142,013,491
Covered - Payroll	\$ 182,952,561	\$ 180,339,571	\$ 167,380,610	\$ 160,513,845
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	113.6 %	144.2 %	121.7 %	88.5 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Collective)	86.3 %	81.5 %	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 Liability

Last 10 Fiscal Years*	County of Marin			
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contributions (Actuarially Determined)	\$ 46,667,468	\$ 48,693,249	\$ 48,302,383	\$ 45,217,493
Contributions in Related to the Actuarially Determined Contribution	46,667,468	48,693,249	48,302,383	45,217,493
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 185,696,849	\$ 182,952,561	\$ 180,339,571	\$ 167,380,610
Contributions as a Percentage of Covered Payroll	25.1 %	26.6 %	26.8 %	27.0 %

*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 are intended to present information to illustrate changes in the County's proportionate share of the net pension liability and contributions over a 10-year period. Additional years will be displayed as they become available.

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018**

Schedule of Changes in Net OPEB Liability and Related Ratios

Last 10 Fiscal Years*	Reporting Fiscal Year (Measurement Date) June 30, 2018 <u>June 30, 2017</u>
TOTAL OPEB LIABILITY	
Service Cost	\$ 5,731,000
Interest on Total OPEB Liability	19,676,000
Benefit Changes	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(13,435,000)</u>
Net Change in Total OPEB Liability	11,972,000
Total OPEB Liability – Beginning	358,720,000
Total OPEB Liability – Ending (a)	<u>\$ 370,692,000</u>
PLAN FIDUCIARY NET POSITION	
Contributions – Employer	\$ 24,264,000
Contributions – Employee	-
Net Investment Income	7,400,000
Benefit Payments, Including Refunds of Employee Contributions	<u>(13,435,000)</u>
Administrative Expenses	<u>(37,000)</u>
Net Change in Fiduciary Net Position	18,192,000
Plan Fiduciary Net Position – Beginning	66,466,000
Plan Fiduciary Net Position – Ending (b)	<u>\$ 84,658,000</u>
Plan OPEB Liability/(Asset) – Ending (a) - (b)	<u>\$ 286,034,000</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	22.8%
Covered Payroll	\$ 203,311,000
Net OPEB liability as a percentage of covered payroll	140.7%

* Fiscal year 2018 was the 1st year of implementation. Additional years will be presented as they become available.

Schedule of County's OPEB Contributions

	Reporting Fiscal Year <u>June 30, 2018</u>
Actuarially Determined Contribution	\$ 21,561,000
Contributions in Relation to the Actuarially Determined Contribution	<u>(22,478,000)</u>
Contribution Deficiency (Excess)	<u>\$ (917,000)</u>
Covered Payroll	\$ 209,589,000
Contributions as a Percentage of Covered Payroll	10.7%

Methods and assumptions used to determine contribution rates:

Valuation Date	July 1, 2017
Actuarial cost method	Entry Age Normal, Level Percentage of Payroll
Amortization method	Level percentage of payroll
	Investment gain/loss - Over closed 25-year period that includes a 3-year phase-in from 2017/18
	Other - Over closed 25-year period from 2017/18
Asset valuation method	Market value of assets

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 201,096,000	\$ 213,691,000	\$ 227,847,570	\$ 14,156,570
Licenses and Permits	5,471,547	5,548,493	5,526,303	(22,190)
Intergovernmental Revenues	34,207,774	41,684,290	41,142,965	(541,325)
Charges for Services	43,687,161	60,276,488	59,723,339	(553,149)
Fines and Forfeits	7,142,961	7,142,961	8,956,698	1,813,737
From Use of Money and Property	2,399,932	3,596,099	5,282,961	1,686,862
Miscellaneous	1,603,440	1,892,098	2,036,233	144,135
Total Revenues	295,608,815	333,831,429	350,516,069	16,684,640
EXPENDITURES				
Current:				
General Government:				
Assessor-Recorder	7,933,311	7,967,166	7,234,871	732,295
Board of Supervisors	3,672,119	3,756,301	3,421,273	335,028
County Administrator	6,964,179	9,770,613	9,299,547	471,066
County Counsel	5,419,020	5,409,507	5,221,381	188,126
Cultural Services	263,000	363,000	346,324	16,676
Department of Finance	8,973,170	8,772,992	7,807,869	965,123
Elections	3,147,807	3,280,850	2,599,359	681,491
Human Resources	6,708,149	6,679,527	5,925,705	753,822
Information Services and Technology	21,601,948	18,463,900	18,457,035	6,865
Nondepartmental	(2,809,608)	3,134,649	(9,453,906)	12,588,555
Public Works	53,600,880	22,659,591	19,771,588	2,888,003
Total General Government	115,473,975	90,258,096	70,631,046	19,627,050
Public Protection:				
Agricultural Weights and Measures	2,510,355	2,576,158	2,454,750	121,408
Assessor-Recorder	2,043,718	2,033,325	1,880,891	152,434
Child Support Services	1,090,592	1,090,592	930,537	160,055
Community Development Agency	6,870,450	8,475,541	6,671,115	1,804,426
County Administrator	3,375,530	3,430,530	3,381,810	48,720
Department of Finance	531,586	604,739	576,551	28,188
District Attorney	14,669,932	16,117,377	15,100,513	1,016,864
Fire Department	24,408,956	31,048,215	29,599,470	1,448,745
Nondepartmental	2,810,831	2,808,637	2,293,535	515,102
Probation	16,886,899	17,196,774	16,207,508	989,266
Public Defender	7,744,189	7,774,189	7,667,429	106,760
Public Works	6,032,921	7,310,203	5,117,725	2,192,478
Sheriff	67,208,980	67,592,342	67,535,537	56,805
Total Public Protection	156,184,939	168,058,622	159,417,371	8,641,251

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued):				
Public Ways and Facilities:				
Public Works	3,438,361	9,563,232	3,726,268	5,836,964
Total Public Ways and Facilities	<u>3,438,361</u>	<u>9,563,232</u>	<u>3,726,268</u>	<u>5,836,964</u>
Health and Sanitation:				
Community Development Agency	211,299	283,766	223,406	60,360
Public Works	1,562,262	2,324,495	2,102,841	221,654
Total Health and Sanitation	<u>1,773,561</u>	<u>2,608,261</u>	<u>2,326,247</u>	<u>282,014</u>
Public Assistance:				
Community Development Agency	983,673	1,034,511	718,568	315,943
Health and Human Services	-	220,000	-	220,000
Total Public Assistance	<u>983,673</u>	<u>1,254,511</u>	<u>718,568</u>	<u>535,943</u>
Education:				
Farm Advisor/UC Coop Ext	303,292	355,492	302,000	53,492
Total Education	<u>303,292</u>	<u>355,492</u>	<u>302,000</u>	<u>53,492</u>
Recreation and Cultural Services:				
Cultural Services	3,574,018	3,914,490	3,554,976	359,514
Parks	6,367,653	6,541,037	6,288,403	252,634
Total Recreation and Cultural Services	<u>9,941,671</u>	<u>10,455,527</u>	<u>9,843,379</u>	<u>612,148</u>
Capital Outlay	10,662,243	16,388,229	6,170,644	10,217,585
Debt Service:				
Principal	339,729	341,029	330,182	10,847
Interest	53,700	52,400	45,684	6,716
Total Debt Service	<u>393,429</u>	<u>393,429</u>	<u>375,866</u>	<u>17,563</u>
Total Expenditures	<u>299,155,144</u>	<u>299,335,399</u>	<u>253,511,389</u>	<u>45,824,010</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,546,329)	34,496,030	97,004,680	(62,508,650)

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Debt Issued	-	355,000	354,723	(277)
Transfers In	1,676,590	4,133,338	2,681,637	(1,451,701)
Transfers Out	(74,551,230)	(79,154,933)	(74,121,419)	5,033,514
Total Other Financing Sources (Uses), Net	(72,874,640)	(74,666,595)	(71,085,059)	3,581,536
NET CHANGE IN FUND BALANCE	(76,420,969)	(40,170,565)	25,919,621	66,090,186
Fund Balance - Beginning of Year	171,382,146	171,382,146	171,382,146	-
FUND BALANCE - END OF YEAR	<u>\$ 94,961,177</u>	<u>\$ 131,211,581</u>	<u>\$ 197,301,767</u>	<u>\$ 66,090,186</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
HEALTH AND HUMAN SERVICES OPERATING FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and Permits	\$ 15,000	\$ 15,000	\$ 43,750	\$ 28,750
Intergovernmental	69,960,301	74,853,162	70,692,835	(4,160,327)
Charges for Services	3,182,300	3,419,320	2,023,165	(1,396,155)
Fines and Forfeits	50,880	50,880	35,996	(14,884)
From Use of Money and Property	8,000	8,000	101,098	93,098
Miscellaneous	15,600	640,091	592,057	(48,034)
Total Revenues	<u>73,232,081</u>	<u>78,986,453</u>	<u>73,488,901</u>	<u>(5,497,552)</u>
EXPENDITURES				
Current:				
Public Protection:				
Health and Human Services	2,031,362	2,047,823	1,967,489	80,334
Health and Sanitation:				
Health and Human Services	106,130,978	111,236,693	94,957,605	16,279,088
Public Assistance:				
Health and Human Services	84,108,639	83,683,466	79,176,212	4,507,254
Capital Outlay	<u>114,263</u>	<u>2,216,187</u>	<u>603,053</u>	<u>1,613,134</u>
Total Expenditures	<u>192,385,242</u>	<u>199,184,169</u>	<u>176,704,359</u>	<u>22,479,810</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(119,153,161)	(120,197,716)	(103,215,458)	16,982,258
OTHER FINANCING SOURCES (USES)				
Transfers In	116,455,974	131,573,432	109,439,166	(22,134,266)
Transfers Out	<u>(5,837,327)</u>	<u>(6,604,820)</u>	<u>(4,180,757)</u>	<u>2,424,063</u>
Total Other Financing Sources (Uses), Net	<u>110,618,647</u>	<u>124,968,612</u>	<u>105,258,409</u>	<u>(19,710,203)</u>
NET CHANGE IN FUND BALANCE	(8,534,514)	4,770,896	2,042,951	(2,727,945)
Fund Balance - Beginning of Year	<u>840,361</u>	<u>840,361</u>	<u>840,361</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (7,694,153)</u></u>	<u><u>\$ 5,611,257</u></u>	<u><u>\$ 2,883,312</u></u>	<u><u>\$ (2,727,945)</u></u>

See accompanying Notes to Required Supplementary Information.

COUNTY OF MARIN
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018

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 30th. 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, 2018 totaled to \$50.9 million.

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

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SUPPLEMENTARY INFORMATION

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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NONMAJOR GOVERNMENTAL FUNDS

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**COUNTY OF MARIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
ASSETS				
Cash and Investments in County Pool	\$ 173,913,017	\$ 5,538,279	\$ 48,293,075	\$ 227,744,371
Cash with Fiscal Agent	-	3,652,055	-	3,652,055
Accounts Receivable	272,968	-	-	272,968
Prepaid Items	94,105	2,104	-	96,209
Notes Receivable - Long Term	22,366,031	-	-	22,366,031
Due from Other Governmental Agencies	4,620,876	-	203,900	4,824,776
Inventory of Supplies	111,983	-	-	111,983
	<u>\$ 201,378,980</u>	<u>\$ 9,192,438</u>	<u>\$ 48,496,975</u>	<u>\$ 259,068,393</u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 3,913,379	\$ 5,868	\$ 1,675,222	\$ 5,594,469
Accrued Salaries and Benefits	11,256	-	-	11,256
Advances Payable	594,688	-	-	594,688
Unearned Revenue	631,728	-	-	631,728
Other Liabilities	192,796	-	6,399	199,195
Total Liabilities	<u>5,343,847</u>	<u>5,868</u>	<u>1,681,621</u>	<u>7,031,336</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>184,413</u>	<u>-</u>	<u>-</u>	<u>184,413</u>
FUND BALANCES				
Nonspendable	206,088	2,104	-	208,192
Restricted	137,948,541	-	-	137,948,541
Committed	12,926,822	-	-	12,926,822
Assigned	44,777,836	9,184,466	46,815,354	100,777,656
Unassigned	(8,567)	-	-	(8,567)
Total Fund Balances	<u>195,850,720</u>	<u>9,186,570</u>	<u>46,815,354</u>	<u>251,852,644</u>
Total Liabilities and Fund Balances	<u>\$ 201,378,980</u>	<u>\$ 9,192,438</u>	<u>\$ 48,496,975</u>	<u>\$ 259,068,393</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
REVENUES				
Taxes	\$ 52,869,268	\$ 749,980	\$ -	\$ 53,619,248
Licenses and Permits	9,515,004	-	-	9,515,004
Intergovernmental Revenues	104,853,528	-	4,540,734	109,394,262
Charges for Services	3,098,814	-	281,152	3,379,966
Fines and Forfeits	1,196,791	-	376,684	1,573,475
From Use of Money and Property	1,828,601	153,642	148,529	2,130,772
Miscellaneous	1,689,645	2,674,072	287,584	4,651,301
Total Revenues	<u>175,051,651</u>	<u>3,577,694</u>	<u>5,634,683</u>	<u>184,264,028</u>
EXPENDITURES				
Current:				
General Government	3,060,501	50,625	4,426,024	7,537,150
Public Protection	28,499,371	-	-	28,499,371
Public Ways and Facilities	11,120,318	-	5,222,502	16,342,820
Health and Sanitation	12,394,969	9,956	-	12,404,925
Public Assistance	1,916,450	-	-	1,916,450
Education	14,698,849	-	-	14,698,849
Recreation and Cultural Services	24,074,010	21,492	15,310	24,110,812
Capital Outlay	5,042,814	-	15,078,225	20,121,039
Debt Service:				
Principal	95,678	8,396,924	-	8,492,602
Interest	34,062	10,384,626	-	10,418,688
Total Expenditures	<u>100,937,022</u>	<u>18,863,623</u>	<u>24,742,061</u>	<u>144,542,706</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	74,114,629	(15,285,929)	(19,107,378)	39,721,322
OTHER FINANCING SOURCES (USES)				
Transfers In	6,521,210	15,609,242	15,741,468	37,871,920
Transfers Out	(70,933,081)	-	(1,861,392)	(72,794,473)
Total Other Financing Sources (Uses), Net	<u>(64,411,871)</u>	<u>15,609,242</u>	<u>13,880,076</u>	<u>(34,922,553)</u>
NET CHANGE IN FUND BALANCES	9,702,758	323,313	(5,227,302)	4,798,769
Fund Balances - Beginning of Year	<u>186,147,962</u>	<u>8,863,257</u>	<u>52,042,656</u>	<u>247,053,875</u>
FUND BALANCES - END OF YEAR	<u>\$ 195,850,720</u>	<u>\$ 9,186,570</u>	<u>\$ 46,815,354</u>	<u>\$ 251,852,644</u>

NONMAJOR SPECIAL REVENUE FUNDS

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COUNTY OF MARIN NONMAJOR SPECIAL REVENUE 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 nonmajor special revenue funds are comprised of the following:

Road Maintenance Fund

The Road Maintenance 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 Maintenance 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 and user fees, 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 Board. The Board 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 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)

The Child Support Services Fund 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. The Fund receives funding from federal and state grants, as well as matching funds from the County 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, including realignment.

- **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.

COUNTY OF MARIN
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

- Mental Health Services Act – The Mental Health Services Act Fund was established by Proposition 63, a California state initiative which added a 1% tax on individuals earning over \$1 million dollars annually. The initiative was approved by voters in November 2004 to expand and transform California's county mental health services system to provide better coordinated and more comprehensive care to those with serious mental illness, particularly in underserved populations.
- Substance Abuse Prevention and Treatment – The primary purpose of the Substance Abuse Prevention and Treatment (SAPT) fund is to account for prevention funds to strengthen the capacity of coalitions and other community-based partnerships to effectively reduce and prevent substance use related problems in the community by influencing policies and organizational practices, ensuring consistent enforcement of laws and policies, reducing community risk factors and increasing community preventative factors.

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.

Environmental Health Services Fund

The Environmental Health Services 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 Services 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 State of California's five regional task forces, including the Northern California Computer Crimes Task Force. 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.

COUNTY OF MARIN
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Sewer Districts Fund

The Sewer Districts Fund provides maintenance of reliable sanitary sewer systems, providing sensitive sewage treatment and disposal to sewer and sanitary districts within the County. The Sewer Districts 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 Areas Fund accounts 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.

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.

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 34 open space preserves, which includes an extensive network of approximately 249 miles of roads and trails, 335 entry points to nearly 16,000 acres of lands managed by the District. Monies in this fund are used for the acquisition and development of parks and open space parcels, for renovation of existing parks and recreation facilities, and 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.

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.

COUNTY OF MARIN
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Miscellaneous Special Revenue Fund

This fund is used to account for various countywide grant program expenditures, such as records modernization, waste management, and other countywide grants.

Public Protection Fund

- Public Safety Realignment – Established by California Assembly Bill 109 in 2011, the legislation that realigned low-level offenders from state prison to county jails. The Community Corrections Partnership Board manages the provision of criminal justice services through the departments of Probation, Health and Human Services, the Public Defender, the District Attorney, Marin County Sheriff and the Courts. Other funds providing related services include the Juvenile Justice Crime Prevention Fund, the Youth Offender Fund, and the Adult Felony Probation Fund.
- Juvenile Justice Crime Prevention Realignment – The Juvenile Justice Crime Prevention Act (JJCPA) was created by the Crime Prevention Act of 2000 to provide a stable funding source for local juvenile justice programs aimed at reducing crime and delinquency among at-risk youth and young offenders.
- Community Corrections Performance – This fund was established as a result of California Senate Bill 678. These funds are utilized to reduce recidivism of felony probationers by improving probation services.

Public Ways and Facilities Fund

- Roadway Impact Fee – Funds are derived from development fees, calculated at 1% of the value of proposed improvements, in order to provide funds for ongoing and future road improvement and maintenance impacts.
- Nonmotorized Transportation Program – The U.S. Department of Transportation Federal Highway Administration established a nonmotorized transportation pilot program to construct a network of nonmotorized transportation infrastructure facilities, including sidewalks, bicycle lanes, and pedestrian and bicycle trails, that connect directly with transit stations, schools, residences, businesses, recreation areas, and other community activity centers. Marin County is one of four communities in the nation to be selected for this pilot program. More information can be found at www.walkbikemarin.org.

Restricted Housing Fund

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

Recreational and Cultural Services Fund

- Measure A Parks Open Space Fund – This fund was established to account for proceeds obtained through the ¼ cent sales tax approved by voters in November 2012 to care for Marin's existing parks and open spaces, support regional community parks projects and programs, and farmland preservation.

MCERA Employee Operations Fund

The Marin County Employee Retirement Association (MCERA) is an independent special district, governed by the Retirement Board. This County fund accounts solely for the salaries and benefits of MCERA employees.

Health Services Fund

The Health Service Fund accounts for federal and state funding to support health services for Medi-Cal beneficiaries and other underserved populations.

**COUNTY OF MARIN
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Road Maintenance Fund	Library Fund	Fish and Game Fund	Child Support Fund
ASSETS				
Cash and Investments in County Pool	\$ 710,674	\$ 9,073,656	\$ 64,486	\$ 263,447
Accounts Receivable	-	68,895	-	450
Prepaid Items	-	-	-	-
Notes Receivable - Long Term	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-
Inventory of Supplies	111,983	-	-	-
	<u>111,983</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 822,657</u>	<u>\$ 9,142,551</u>	<u>\$ 64,486</u>	<u>\$ 263,897</u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 40,053	\$ 89,227	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-
Advances Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	13,459	-	-
Total Liabilities	<u>40,053</u>	<u>102,686</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	64,783	-	-
	<u>-</u>	<u>64,783</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	111,983	-	-	-
Restricted	-	6,923,104	62,694	250,833
Committed	25,092	-	-	-
Assigned	645,529	2,051,978	1,792	13,064
Unassigned	-	-	-	-
Total Fund Balances	<u>782,604</u>	<u>8,975,082</u>	<u>64,486</u>	<u>263,897</u>
Total Liabilities and Fund Balances	<u>\$ 822,657</u>	<u>\$ 9,142,551</u>	<u>\$ 64,486</u>	<u>\$ 263,897</u>

**COUNTY OF MARIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Health and Sanitation Fund	Building Inspection Fund	Environmental Health Services Fund	Fishnet Fund
ASSETS				
Cash and Investments in County Pool	\$ 31,335,337	\$ 1,141,985	\$ 1,089,810	\$ 2,016
Accounts Receivable	12	9,987	23,110	-
Prepaid Items	-	-	-	-
Notes Receivable - Long Term	-	-	-	-
Due from Other Governmental Agencies	1,642,448	6,930	176,341	-
Inventory of Supplies	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 32,977,797</u></u>	<u><u>\$ 1,158,902</u></u>	<u><u>\$ 1,289,261</u></u>	<u><u>\$ 2,016</u></u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ -	\$ 53,118	\$ 14,040	\$ -
Accrued Salaries and Benefits	-	1,615	-	-
Advances Payable	-	-	-	-
Unearned Revenue	-	-	401,552	-
Other Liabilities	117,993	584	1,972	-
Total Liabilities	<u>117,993</u>	<u>55,317</u>	<u>417,564</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	11,050,200	930,843	70,483	681
Committed	-	-	-	-
Assigned	21,809,604	172,742	801,214	1,335
Unassigned	-	-	-	-
Total Fund Balances	<u>32,859,804</u>	<u>1,103,585</u>	<u>871,697</u>	<u>2,016</u>
Total Liabilities and Fund Balances	<u><u>\$ 32,977,797</u></u>	<u><u>\$ 1,158,902</u></u>	<u><u>\$ 1,289,261</u></u>	<u><u>\$ 2,016</u></u>

**COUNTY OF MARIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	HUD Fund	High Tech Theft Fund	Sewer Districts Fund	CSA's Fund
ASSETS				
Cash and Investments in County Pool	\$ 38,427	\$ 228,360	\$ 522,792	\$ 17,712,538
Accounts Receivable	-	-	494	27,073
Prepaid Items	-	11,825	-	-
Notes Receivable - Long Term	15,237,014	-	-	-
Due from Other Governmental Agencies	506,690	-	-	-
Inventory of Supplies	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 15,782,131</u>	<u>\$ 240,185</u>	<u>\$ 523,286</u>	<u>\$ 17,739,611</u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 60,815	\$ 236,927	\$ 8,256	\$ 1,308,528
Accrued Salaries and Benefits	-	-	-	-
Advances Payable	594,688	-	-	-
Unearned Revenue	-	-	-	420
Other Liabilities	16,757	-	855	-
Total Liabilities	<u>672,260</u>	<u>236,927</u>	<u>9,111</u>	<u>1,308,948</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	494	27,073
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES				
Nonspendable	-	11,825	-	-
Restricted	15,109,871	-	503,648	16,179,143
Committed	-	-	-	-
Assigned	-	-	10,033	224,447
Unassigned	-	(8,567)	-	-
Total Fund Balances	<u>15,109,871</u>	<u>3,258</u>	<u>513,681</u>	<u>16,403,590</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 15,782,131</u>	<u>\$ 240,185</u>	<u>\$ 523,286</u>	<u>\$ 17,739,611</u>

**COUNTY OF MARIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	<u>Lighting Fund</u>	<u>PRD's Fund</u>	<u>Tobacco Settlement Fund</u>	<u>IHSS Fund</u>
ASSETS				
Cash and Investments in County Pool	\$ 3,180,764	\$ 519,657	\$ 478,913	\$ 111,824
Accounts Receivable	5,090	478	-	-
Prepaid Items	-	-	-	82,280
Notes Receivable - Long Term	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-
Inventory of Supplies	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 3,185,854</u></u>	<u><u>\$ 520,135</u></u>	<u><u>\$ 478,913</u></u>	<u><u>\$ 194,104</u></u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 15,727	\$ -	\$ -	\$ 99,745
Accrued Salaries and Benefits	-	-	-	1,574
Advances Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Total Liabilities	<u>15,727</u>	<u>-</u>	<u>-</u>	<u>101,319</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>5,090</u>	<u>478</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	82,280
Restricted	3,090,089	481,177	476,484	3,544
Committed	-	-	-	-
Assigned	74,948	38,480	2,429	6,961
Unassigned	-	-	-	-
Total Fund Balances	<u>3,165,037</u>	<u>519,657</u>	<u>478,913</u>	<u>92,785</u>
Total Liabilities and Fund Balances	<u><u>\$ 3,185,854</u></u>	<u><u>\$ 520,135</u></u>	<u><u>\$ 478,913</u></u>	<u><u>\$ 194,104</u></u>

**COUNTY OF MARIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Open Space District Fund	Low-Income Housing Fund	Flood Control District Zones Fund	Miscellaneous Special Revenue Fund
ASSETS				
Cash and Investments in County Pool	\$ 8,541,215	\$ 7,067,236	\$ 28,293,352	\$ 2,662,739
Accounts Receivable	51,625	-	78,256	2,656
Prepaid Items	-	-	-	-
Notes Receivable - Long Term	-	6,583,342	-	-
Due from Other Governmental Agencies	-	-	636	-
Inventory of Supplies	-	-	-	-
	<u>8,592,840</u>	<u>13,650,578</u>	<u>28,372,244</u>	<u>2,665,395</u>
Total Assets	<u>\$ 8,592,840</u>	<u>\$ 13,650,578</u>	<u>\$ 28,372,244</u>	<u>\$ 2,665,395</u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 85,103	\$ 21,288	\$ 155,876	\$ 658
Accrued Salaries and Benefits	-	-	-	44
Advances Payable	-	-	-	-
Unearned Revenue	5,617	-	-	224,139
Other Liabilities	4,260	18,627	-	9
Total Liabilities	<u>94,980</u>	<u>39,915</u>	<u>155,876</u>	<u>224,850</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>50,020</u>	<u>-</u>	<u>36,475</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	4,478,050	12,309,367	28,121,481	2,413,502
Committed	2,929,933	-	-	-
Assigned	1,039,857	1,301,296	58,412	27,043
Unassigned	-	-	-	-
Total Fund Balances	<u>8,447,840</u>	<u>13,610,663</u>	<u>28,179,893</u>	<u>2,440,545</u>
Total Liabilities and Fund Balances	<u>\$ 8,592,840</u>	<u>\$ 13,650,578</u>	<u>\$ 28,372,244</u>	<u>\$ 2,665,395</u>

**COUNTY OF MARIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Public Protection Fund	Public Ways and Facilities Fund	Restricted Housing Fund	Recreational and Cultural Services Fund
ASSETS				
Cash and Investments in County Pool	\$ 33,879,938	\$ 4,878,996	\$ 2,107,750	\$ 16,839,900
Accounts Receivable	446	4,396	-	-
Prepaid Items	-	-	-	-
Notes Receivable - Long Term	-	-	545,675	-
Due from Other Governmental Agencies	-	-	39,757	2,248,074
Inventory of Supplies	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 33,880,384</u></u>	<u><u>\$ 4,883,392</u></u>	<u><u>\$ 2,693,182</u></u>	<u><u>\$ 19,087,974</u></u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ 260,318	\$ 8,326	\$ -	\$ 1,291,215
Accrued Salaries and Benefits	-	-	-	8,023
Advances Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	10,636	4,486	-	3,158
Total Liabilities	<u>270,954</u>	<u>12,812</u>	<u>-</u>	<u>1,302,396</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	25,988,853	3,870,513	2,656,986	-
Committed	5,537,264	-	-	4,434,533
Assigned	2,083,313	1,000,067	36,196	13,351,045
Unassigned	-	-	-	-
Total Fund Balances	<u>33,609,430</u>	<u>4,870,580</u>	<u>2,693,182</u>	<u>17,785,578</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u><u>\$ 33,880,384</u></u>	<u><u>\$ 4,883,392</u></u>	<u><u>\$ 2,693,182</u></u>	<u><u>\$ 19,087,974</u></u>

**COUNTY OF MARIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	MCERA Employee Operations Fund	Health Services Fund	Total
ASSETS			
Cash and Investments in County Pool	\$ 189,510	\$ 2,977,695	\$ 173,913,017
Accounts Receivable	-	-	272,968
Prepaid Items	-	-	94,105
Notes Receivable - Long Term	-	-	22,366,031
Due from Other Governmental Agencies	-	-	4,620,876
Inventory of Supplies	-	-	111,983
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 189,510</u></u>	<u><u>\$ 2,977,695</u></u>	<u><u>\$ 201,378,980</u></u>
LIABILITIES			
Accounts Payable and Accrued Expenditures	\$ -	\$ 164,159	\$ 3,913,379
Accrued Salaries and Benefits	-	-	11,256
Advances Payable	-	-	594,688
Unearned Revenue	-	-	631,728
Other Liabilities	-	-	192,796
Total Liabilities	<u> </u>	<u> </u>	<u> </u>
	-	164,159	5,343,847
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	<u> </u>	<u> </u>	<u> </u>
	-	-	184,413
FUND BALANCES			
Nonspendable	-	-	206,088
Restricted	189,510	2,787,485	137,948,541
Committed	-	-	12,926,822
Assigned	-	26,051	44,777,836
Unassigned	-	-	(8,567)
Total Fund Balances	<u> </u>	<u> </u>	<u> </u>
	189,510	2,813,536	195,850,720
Total Liabilities and Fund Balances	<u><u>\$ 189,510</u></u>	<u><u>\$ 2,977,695</u></u>	<u><u>\$ 201,378,980</u></u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018**

	Road Maintenance Fund	Library Fund	Fish and Game Fund	Child Support Fund
REVENUES				
Taxes	\$ -	\$ 15,360,266	\$ -	\$ -
Licenses and Permits	636,112	-	-	-
Intergovernmental Revenues	5,661,334	219,403	-	3,691,852
Charges for Services	474,809	737,136	-	-
Fines and Forfeits	-	-	47,208	-
From Use of Money and Property	12,397	67,809	601	6,527
Miscellaneous	95,396	236,304	-	121
Total Revenues	<u>6,880,048</u>	<u>16,620,918</u>	<u>47,809</u>	<u>3,698,500</u>
EXPENDITURES				
Current:				
General Government	2,902	15,671	-	-
Public Protection	-	-	42,433	3,601,989
Public Ways and Facilities	10,250,417	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Education	-	14,698,849	-	-
Recreation and Cultural Services	-	-	-	-
Capital Outlay	151,593	276,463	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>10,404,912</u>	<u>14,990,983</u>	<u>42,433</u>	<u>3,601,989</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,524,864)	1,629,935	5,376	96,511
OTHER FINANCING SOURCES (USES)				
Transfers In	2,503,786	854,682	-	-
Transfers Out	(167,665)	(785,324)	(2,200)	(96,390)
Total Other Financing Sources (Uses), Net	<u>2,336,121</u>	<u>69,358</u>	<u>(2,200)</u>	<u>(96,390)</u>
NET CHANGE IN FUND BALANCES	(1,188,743)	1,699,293	3,176	121
Fund Balances - Beginning of Year	<u>1,971,347</u>	<u>7,275,789</u>	<u>61,310</u>	<u>263,776</u>
FUND BALANCES - END OF YEAR	<u>\$ 782,604</u>	<u>\$ 8,975,082</u>	<u>\$ 64,486</u>	<u>\$ 263,897</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018**

	Health and Sanitation Fund	Building Inspection Fund	Environmental Health Services Fund	Fishnet Fund
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	54,954	3,020,250	3,714,258	-
Intergovernmental Revenues	50,439,535	-	84,400	-
Charges for Services	64,689	70,438	338,605	-
Fines and Forfeits	701,153	-	-	-
From Use of Money and Property	325,254	17,028	10,710	1,300
Miscellaneous	6,966	35,626	9,639	6,085
Total Revenues	<u>51,592,551</u>	<u>3,143,342</u>	<u>4,157,612</u>	<u>7,385</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Protection	-	3,829,892	-	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	3,830,672	-
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Cultural Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>3,829,892</u>	<u>3,830,672</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	51,592,551	(686,550)	326,940	7,385
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	130,000	-
Transfers Out	(50,525,319)	(86,318)	(97,600)	(136,000)
Total Other Financing Sources (Uses), Net	<u>(50,525,319)</u>	<u>(86,318)</u>	<u>32,400</u>	<u>(136,000)</u>
NET CHANGE IN FUND BALANCES	1,067,232	(772,868)	359,340	(128,615)
Fund Balances - Beginning of Year	<u>31,792,572</u>	<u>1,876,453</u>	<u>512,357</u>	<u>130,631</u>
FUND BALANCES - END OF YEAR	<u>\$ 32,859,804</u>	<u>\$ 1,103,585</u>	<u>\$ 871,697</u>	<u>\$ 2,016</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018**

	HUD Fund	High Tech Theft Fund	Sewer Districts Fund	CSA's Fund
REVENUES				
Taxes	\$ -	\$ -	\$ 144,290	\$ 6,603,931
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	1,525,590	1,329,279	337	18,466
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
From Use of Money and Property	1,579	2,435	4,840	172,662
Miscellaneous	-	-	-	5,299
Total Revenues	<u>1,527,169</u>	<u>1,331,714</u>	<u>149,467</u>	<u>6,800,358</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Protection	-	1,348,477	-	3,800,058
Public Ways and Facilities	-	-	-	75,144
Health and Sanitation	-	-	165,799	443,879
Public Assistance	1,453,850	-	-	-
Education	-	-	-	-
Recreation and Cultural Services	-	-	-	1,361,138
Capital Outlay	-	6,329	-	2,158,166
Debt Service:				
Principal	-	-	-	51,814
Interest	-	-	-	27,398
Total Expenditures	<u>1,453,850</u>	<u>1,354,806</u>	<u>165,799</u>	<u>7,917,597</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	73,319	(23,092)	(16,332)	(1,117,239)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	13,612	-	25,000
Transfers Out	(7,315)	-	-	-
Total Other Financing Sources (Uses), Net	<u>(7,315)</u>	<u>13,612</u>	<u>-</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCES	66,004	(9,480)	(16,332)	(1,092,239)
Fund Balances - Beginning of Year	<u>15,043,867</u>	<u>12,738</u>	<u>530,013</u>	<u>17,495,829</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 15,109,871</u></u>	<u><u>\$ 3,258</u></u>	<u><u>\$ 513,681</u></u>	<u><u>\$ 16,403,590</u></u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018**

	Lighting Fund	PRD's Fund	Tobacco Settlement Fund	IHSS Fund
REVENUES				
Taxes	\$ 1,027,095	\$ 71,019	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	3,472	326	568,708	2,218,445
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
From Use of Money and Property	28,217	4,719	1,523	6,096
Miscellaneous	150	-	-	1,552
Total Revenues	<u>1,058,934</u>	<u>76,064</u>	<u>570,231</u>	<u>2,226,093</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Protection	-	-	-	-
Public Ways and Facilities	618,554	51,028	-	-
Health and Sanitation	-	-	-	2,410,289
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Cultural Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	43,864	-	-	-
Interest	6,664	-	-	-
Total Expenditures	<u>669,082</u>	<u>51,028</u>	<u>-</u>	<u>2,410,289</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	389,852	25,036	570,231	(184,196)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	(93,037)	-
Total Other Financing Sources (Uses), Net	<u>-</u>	<u>-</u>	<u>(93,037)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	389,852	25,036	477,194	(184,196)
Fund Balances - Beginning of Year	<u>2,775,185</u>	<u>494,621</u>	<u>1,719</u>	<u>276,981</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,165,037</u>	<u>\$ 519,657</u>	<u>\$ 478,913</u>	<u>\$ 92,785</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018**

	Open Space District Fund	Low-Income Housing Fund	Flood Control District Zones Fund	Miscellaneous Special Revenue Fund
REVENUES				
Taxes	\$ 7,510,488	\$ -	\$ 8,740,287	\$ -
Licenses and Permits	-	406,496	-	-
Intergovernmental Revenues	50,839	-	1,196,921	711,279
Charges for Services	3,968	-	607,825	401,377
Fines and Forfeits	-	-	-	-
From Use of Money and Property	103,625	130,904	262,662	27,047
Miscellaneous	74,389	1,009,371	57,928	602
Total Revenues	<u>7,743,309</u>	<u>1,546,771</u>	<u>10,865,623</u>	<u>1,140,305</u>
EXPENDITURES				
Current:				
General Government	461,862	-	-	-
Public Protection	-	-	8,863,277	899,198
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	202,465	-	-
Education	-	-	-	-
Recreation and Cultural Services	6,695,431	-	-	-
Capital Outlay	260,248	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>7,417,541</u>	<u>202,465</u>	<u>8,863,277</u>	<u>899,198</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	325,768	1,344,306	2,002,346	241,107
OTHER FINANCING SOURCES (USES)				
Transfers In	133,247	250,000	1,106,495	-
Transfers Out	(291,172)	(175,047)	-	(265,664)
Total Other Financing Sources (Uses), Net	<u>(157,925)</u>	<u>74,953</u>	<u>1,106,495</u>	<u>(265,664)</u>
NET CHANGE IN FUND BALANCES	167,843	1,419,259	3,108,841	(24,557)
Fund Balances - Beginning of Year	<u>8,279,997</u>	<u>12,191,404</u>	<u>25,071,052</u>	<u>2,465,102</u>
FUND BALANCES - END OF YEAR	<u>\$ 8,447,840</u>	<u>\$ 13,610,663</u>	<u>\$ 28,179,893</u>	<u>\$ 2,440,545</u>

COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Public Protection Fund	Public Ways and Facilities Fund	Restricted Housing Fund	Recreational and Cultural Services Fund
REVENUES				
Taxes	\$ -	\$ 67,504	\$ -	\$ 13,344,388
Licenses and Permits	-	1,682,934	-	-
Intergovernmental Revenues	25,801,620	1,015,934	-	170,017
Charges for Services	379,216	20,751	-	-
Fines and Forfeits	448,430	-	-	-
From Use of Money and Property	342,319	85,947	19,851	178,341
Miscellaneous	33,942	9,737	-	106,297
Total Revenues	<u>27,005,527</u>	<u>2,882,807</u>	<u>19,851</u>	<u>13,799,043</u>
EXPENDITURES				
Current:				
General Government	21,500	-	-	143,684
Public Protection	6,114,047	-	-	-
Public Ways and Facilities	-	125,175	-	-
Health and Sanitation	881,727	48,698	-	-
Public Assistance	260,135	-	-	-
Education	-	-	-	-
Recreation and Cultural Services	-	-	-	16,017,441
Capital Outlay	250,452	-	-	1,939,563
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>7,527,861</u>	<u>173,873</u>	<u>-</u>	<u>18,100,688</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,477,666	2,708,934	19,851	(4,301,645)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	77,751
Transfers Out	(14,021,272)	(2,079,225)	-	(153,127)
Total Other Financing Sources (Uses), Net	<u>(14,021,272)</u>	<u>(2,079,225)</u>	<u>-</u>	<u>(75,376)</u>
NET CHANGE IN FUND BALANCES	5,456,394	629,709	19,851	(4,377,021)
Fund Balances - Beginning of Year	<u>28,153,036</u>	<u>4,240,871</u>	<u>2,673,331</u>	<u>22,162,599</u>
FUND BALANCES - END OF YEAR	<u>\$ 33,609,430</u>	<u>\$ 4,870,580</u>	<u>\$ 2,693,182</u>	<u>\$ 17,785,578</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018**

	MCERA Employee Operations Fund	Health Services Fund	Total
REVENUES			
Taxes	\$ -	\$ -	\$ 52,869,268
Licenses and Permits	-	-	9,515,004
Intergovernmental Revenues	2,508,945	7,636,826	104,853,528
Charges for Services	-	-	3,098,814
Fines and Forfeits	-	-	1,196,791
From Use of Money and Property	-	14,208	1,828,601
Miscellaneous	241	-	1,689,645
Total Revenues	<u>2,509,186</u>	<u>7,651,034</u>	<u>175,051,651</u>
EXPENDITURES			
Current:			
General Government	2,414,882	-	3,060,501
Public Protection	-	-	28,499,371
Public Ways and Facilities	-	-	11,120,318
Health and Sanitation	-	4,613,905	12,394,969
Public Assistance	-	-	1,916,450
Education	-	-	14,698,849
Recreation and Cultural Services	-	-	24,074,010
Capital Outlay	-	-	5,042,814
Debt Service:			
Principal	-	-	95,678
Interest	-	-	34,062
Total Expenditures	<u>2,414,882</u>	<u>4,613,905</u>	<u>100,937,022</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	94,304	3,037,129	74,114,629
OTHER FINANCING SOURCES (USES)			
Transfers In	-	1,426,637	6,521,210
Transfers Out	<u>(77,919)</u>	<u>(1,872,487)</u>	<u>(70,933,081)</u>
Total Other Financing Sources (Uses), Net	<u>(77,919)</u>	<u>(445,850)</u>	<u>(64,411,871)</u>
NET CHANGE IN FUND BALANCES	16,385	2,591,279	9,702,758
Fund Balances - Beginning of Year	<u>173,125</u>	<u>222,257</u>	<u>186,147,962</u>
FUND BALANCES - END OF YEAR	<u>\$ 189,510</u>	<u>\$ 2,813,536</u>	<u>\$ 195,850,720</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
ROAD MAINTENANCE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and Permits	\$ -	\$ -	\$ 636,112	\$ 636,112
Intergovernmental Revenues	5,831,264	5,831,264	5,661,334	(169,930)
Charges for Services	1,057,840	1,058,250	474,809	(583,441)
From Use of Money and Property	5,000	5,000	12,397	7,397
Miscellaneous	60,000	60,000	95,396	35,396
Total Revenues	<u>6,954,104</u>	<u>6,954,514</u>	<u>6,880,048</u>	<u>(74,466)</u>
EXPENDITURES				
Current:				
General Government:				
Public Works	-	2,902	2,902	-
Public Ways and Facilities:				
Public Works	11,902,152	11,731,599	10,250,417	1,481,182
Capital Outlay	<u>100,045</u>	<u>199,255</u>	<u>151,593</u>	<u>47,662</u>
Total Expenditures	<u>12,002,197</u>	<u>11,933,756</u>	<u>10,404,912</u>	<u>1,528,844</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,048,093)	(4,979,242)	(3,524,864)	1,454,378
OTHER FINANCING SOURCES (USES)				
Transfers In	2,503,786	2,503,786	2,503,786	-
Transfers Out	<u>(182,144)</u>	<u>(182,144)</u>	<u>(167,665)</u>	<u>14,479</u>
Total Other Financing Sources (Uses), Net	<u>2,321,642</u>	<u>2,321,642</u>	<u>2,336,121</u>	<u>14,479</u>
NET CHANGE IN FUND BALANCE	(2,726,451)	(2,657,600)	(1,188,743)	1,468,857
Fund Balance - Beginning of Year	<u>1,971,347</u>	<u>1,971,347</u>	<u>1,971,347</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (755,104)</u>	<u>\$ (686,253)</u>	<u>\$ 782,604</u>	<u>\$ 1,468,857</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
LIBRARY FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 15,056,200	\$ 15,056,200	\$ 15,360,266	\$ 304,066
Intergovernmental Revenues	210,928	210,928	219,403	8,475
Charges for Services	814,408	814,408	737,136	(77,272)
From Use of Money and Property	13,369	13,369	67,809	54,440
Miscellaneous	42,107	121,663	236,304	114,641
Total Revenues	<u>16,137,012</u>	<u>16,216,568</u>	<u>16,620,918</u>	<u>404,350</u>
EXPENDITURES				
Current:				
General Government:				
Marin County Free Library	121,417	98,506	15,671	82,835
Education:				
Law Library	168,612	214,112	203,349	10,763
Marin County Free Library	16,697,345	16,629,866	14,495,500	2,134,366
Total Education	<u>16,865,957</u>	<u>16,843,978</u>	<u>14,698,849</u>	<u>2,145,129</u>
Capital Outlay	<u>453,488</u>	<u>970,810</u>	<u>276,463</u>	<u>694,347</u>
Total Expenditures	<u>17,440,862</u>	<u>17,913,294</u>	<u>14,990,983</u>	<u>2,922,311</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,303,850)	(1,696,726)	1,629,935	3,326,661
OTHER FINANCING SOURCES (USES)				
Transfers In	180,000	750,327	854,682	104,355
Transfers Out	<u>(339,291)</u>	<u>(806,618)</u>	<u>(785,324)</u>	<u>21,294</u>
Total Other Financing Sources (Uses), Net	<u>(159,291)</u>	<u>(56,291)</u>	<u>69,358</u>	<u>125,649</u>
NET CHANGE IN FUND BALANCE	(1,463,141)	(1,753,017)	1,699,293	3,452,310
Fund Balance - Beginning of Year	<u>7,275,789</u>	<u>7,275,789</u>	<u>7,275,789</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 5,812,648</u></u>	<u><u>\$ 5,522,772</u></u>	<u><u>\$ 8,975,082</u></u>	<u><u>\$ 3,452,310</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
FISH AND GAME FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and Forfeits	\$ 40,000	\$ 40,000	\$ 47,208	\$ 7,208
From Use of Money and Property	-	-	601	601
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>47,809</u>	<u>7,809</u>
EXPENDITURES				
Current:				
Public Protection:				
Nondepartmental	<u>40,000</u>	<u>45,000</u>	<u>42,433</u>	<u>2,567</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(5,000)	5,376	10,376
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	<u>(2,200)</u>	<u>(2,200)</u>	-
NET CHANGE IN FUND BALANCE	-	(7,200)	3,176	10,376
Fund Balance - Beginning of Year	<u>61,310</u>	<u>61,310</u>	<u>61,310</u>	-
FUND BALANCE - END OF YEAR	<u><u>\$ 61,310</u></u>	<u><u>\$ 54,110</u></u>	<u><u>\$ 64,486</u></u>	<u><u>\$ 10,376</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
CHILD SUPPORT FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 3,869,987	\$ 3,869,987	\$ 3,691,852	\$ (178,135)
From Use of Money and Property	2,000	2,000	6,527	4,527
Miscellaneous	135,149	135,149	121	(135,028)
Total Revenues	<u>4,007,136</u>	<u>4,007,136</u>	<u>3,698,500</u>	<u>(308,636)</u>
EXPENDITURES				
Current:				
Public Protection:				
Child Support Services	<u>3,908,673</u>	<u>3,908,673</u>	<u>3,601,989</u>	<u>306,684</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	98,463	98,463	96,511	(1,952)
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(98,463)</u>	<u>(98,463)</u>	<u>(96,390)</u>	<u>2,073</u>
NET CHANGE IN FUND BALANCE	-	-	121	121
Fund Balance - Beginning of Year	<u>263,776</u>	<u>263,776</u>	<u>263,776</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 263,776</u>	<u>\$ 263,776</u>	<u>\$ 263,897</u>	<u>\$ 121</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
HEALTH AND SANITATION FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and Permits	\$ 66,000	\$ 66,000	\$ 54,954	\$ (11,046)
Intergovernmental Revenues	52,083,116	65,407,343	50,439,535	(14,967,808)
Charges for Services	-	15,000	64,689	49,689
Fines and Forfeits	765,255	790,555	701,153	(89,402)
From Use of Money and Property	-	-	325,254	325,254
Miscellaneous	-	-	6,966	6,966
Total Revenues	<u>52,914,371</u>	<u>66,278,898</u>	<u>51,592,551</u>	<u>(14,686,347)</u>
EXPENDITURES				
Health and Sanitation				
Health and Human Services	<u>-</u>	<u>4,200</u>	<u>-</u>	<u>4,200</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	52,914,371	66,274,698	51,592,551	(14,682,147)
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(52,914,371)</u>	<u>(66,274,698)</u>	<u>(50,525,319)</u>	<u>15,749,379</u>
NET CHANGE IN FUND BALANCE	-	-	1,067,232	1,067,232
Fund Balance - Beginning of Year	<u>31,792,572</u>	<u>31,792,572</u>	<u>31,792,572</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 31,792,572</u></u>	<u><u>\$ 31,792,572</u></u>	<u><u>\$ 32,859,804</u></u>	<u><u>\$ 1,067,232</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
BUILDING INSPECTION FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and Permits	\$ 3,110,500	\$ 3,110,500	\$ 3,020,250	\$ (90,250)
Charges for Services	52,000	52,000	70,438	18,438
From Use of Money and Property	-	-	17,028	17,028
Miscellaneous	-	-	35,626	35,626
Total Revenues	<u>3,162,500</u>	<u>3,162,500</u>	<u>3,143,342</u>	<u>(19,158)</u>
EXPENDITURES				
Current:				
Public Protection:				
Community Development Agency	3,513,821	3,890,853	3,829,892	60,961
Capital Outlay	<u>50,000</u>	<u>66,726</u>	<u>-</u>	<u>66,726</u>
Total Expenditures	<u>3,563,821</u>	<u>3,957,579</u>	<u>3,829,892</u>	<u>127,687</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(401,321)	(795,079)	(686,550)	108,529
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(83,313)</u>	<u>(86,318)</u>	<u>(86,318)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(484,634)	(881,397)	(772,868)	108,529
Fund Balance - Beginning of Year	<u>1,876,453</u>	<u>1,876,453</u>	<u>1,876,453</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 1,391,819</u></u>	<u><u>\$ 995,056</u></u>	<u><u>\$ 1,103,585</u></u>	<u><u>\$ 108,529</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
ENVIRONMENTAL HEALTH SERVICES FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	3,722,438	3,722,438	\$ 3,714,258	\$ (8,180)
Intergovernmental Revenues	220,000	220,000	84,400	(135,600)
Charges for Services	247,257	287,457	338,605	51,148
From Use of Money and Property	-	-	10,710	10,710
Miscellaneous	3,605	3,605	9,639	6,034
Total Revenues	<u>4,193,300</u>	<u>4,233,500</u>	<u>4,157,612</u>	<u>(75,888)</u>
EXPENDITURES				
Current:				
Health and Sanitation:				
Community Development Agency	4,539,837	4,388,045	3,830,672	557,373
Capital Outlay	<u>48,000</u>	<u>53,900</u>	<u>-</u>	<u>53,900</u>
Total Expenditures	<u>4,587,837</u>	<u>4,441,945</u>	<u>3,830,672</u>	<u>611,273</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(394,537)	(208,445)	326,940	535,385
OTHER FINANCING SOURCES (USES)				
Transfers In	-	146,600	130,000	(16,600)
Transfers Out	<u>(100,778)</u>	<u>(100,778)</u>	<u>(97,600)</u>	<u>3,178</u>
Total Other Financing Sources (Uses), Net	<u>(100,778)</u>	<u>45,822</u>	<u>32,400</u>	<u>(13,422)</u>
NET CHANGE IN FUND BALANCE	(495,315)	(162,623)	359,340	521,963
Fund Balance - Beginning of Year	<u>512,357</u>	<u>512,357</u>	<u>512,357</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 17,042</u>	<u>\$ 349,734</u>	<u>\$ 871,697</u>	<u>\$ 521,963</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
FISHNET FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
From Use of Money and Property	\$ -	\$ 1,000	\$ 1,300	\$ 300
	-	-	6,085	6,085
Total Revenues	<u>-</u>	<u>1,000</u>	<u>7,385</u>	<u>6,385</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	1,000	7,385	6,385
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(136,000)	(136,000)	-
NET CHANGE IN FUND BALANCE	-	(135,000)	(128,615)	6,385
Fund Balance - Beginning of Year	<u>130,631</u>	<u>130,631</u>	<u>130,631</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 130,631</u>	<u>\$ (4,369)</u>	<u>\$ 2,016</u>	<u>\$ 6,385</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
HUD FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 1,732,870	\$ 3,478,295	\$ 1,525,590	\$ (1,952,705)
Miscellaneous	-	-	1,579	1,579
Total Revenues	<u>1,732,870</u>	<u>3,478,295</u>	<u>1,527,169</u>	<u>(1,951,126)</u>
EXPENDITURES				
Current:				
Public Assistance:				
Community Development Agency	<u>1,732,870</u>	<u>3,976,324</u>	<u>1,453,850</u>	<u>2,522,474</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(498,029)	73,319	571,348
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(14,198)	(7,315)	6,883
Total Other Financing Uses	<u>-</u>	<u>(14,198)</u>	<u>(7,315)</u>	<u>6,883</u>
NET CHANGE IN FUND BALANCE	-	(512,227)	66,004	578,231
Fund Balance - Beginning of Year	<u>15,043,867</u>	<u>15,043,867</u>	<u>15,043,867</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 15,043,867</u></u>	<u><u>\$ 14,531,640</u></u>	<u><u>\$ 15,109,871</u></u>	<u><u>\$ 578,231</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
HIGH TECH THEFT FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 3,078,791	\$ 3,078,791	\$ 1,329,279	\$ (1,749,512)
From Use of Money and Property	-	-	2,435	2,435
Total Revenues	<u>3,078,791</u>	<u>3,078,791</u>	<u>1,331,714</u>	<u>(1,747,077)</u>
EXPENDITURES				
Current:				
Public Protection:				
District Attorney	2,804,659	2,804,659	1,348,477	1,456,182
Capital Outlay	<u>274,132</u>	<u>274,132</u>	<u>6,329</u>	<u>267,803</u>
Total Expenditures	<u>3,078,791</u>	<u>3,078,791</u>	<u>1,354,806</u>	<u>1,723,985</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(23,092)	(23,092)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	<u>13,612</u>	<u>13,612</u>
NET CHANGE IN FUND BALANCE	-	-	(9,480)	(9,480)
Fund Balance - Beginning of Year	<u>12,738</u>	<u>12,738</u>	<u>12,738</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 12,738</u>	<u>\$ 12,738</u>	<u>\$ 3,258</u>	<u>\$ (9,480)</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
SEWER DISTRICTS FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 138,465	\$ 138,465	\$ 144,290	\$ 5,825
Intergovernmental Revenues	325	325	337	12
From Use of Money and Property	1,250	1,250	4,840	3,590
Total Revenues	<u>140,040</u>	<u>140,040</u>	<u>149,467</u>	<u>9,427</u>
EXPENDITURES				
Current:				
SMD Murray Park	162,287	162,287	97,857	64,430
SMD San Quentin	100,231	74,571	67,942	6,629
Total Health and Sanitation	<u>262,518</u>	<u>236,858</u>	<u>165,799</u>	<u>71,059</u>
NET CHANGE IN FUND BALANCE	(122,478)	(96,818)	(16,332)	80,486
Fund Balance - Beginning of Year	<u>530,013</u>	<u>530,013</u>	<u>530,013</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 407,535</u>	<u>\$ 433,195</u>	<u>\$ 513,681</u>	<u>\$ 80,486</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
COUNTY SERVICE AREAS FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 6,142,716	\$ 6,174,915	\$ 6,603,931	\$ 429,016
Intergovernmental Revenues	17,509	17,509	18,466	957
From Use of Money and Property	17,663	17,663	172,662	154,999
Miscellaneous	-	-	5,299	5,299
Total Revenues	<u>6,177,888</u>	<u>6,210,087</u>	<u>6,800,358</u>	<u>590,271</u>
EXPENDITURES				
Current:				
General Government:				
Public Protection:				
CSA #31 County Fire	563,250	563,250	548,000	15,250
CSA #13 Marin County Upper Lucas	838,744	818,366	675,766	142,600
CSA #17 Kentfield	186,768	201,568	201,111	457
CSA #19 Fire Protection Services	2,491,000	2,491,000	2,235,727	255,273
CSA #29 Paradise Cay	50,676	50,676	17,115	33,561
CSA #6 Santa Venetia	153,461	160,142	122,339	37,803
Total Public Protection	<u>4,283,899</u>	<u>4,285,002</u>	<u>3,800,058</u>	<u>484,944</u>
Public Ways and Facilities:				
Public Works	6,237	43,426	38,888	4,538
CSA #1 Loma Verde	77,997	77,997	10,617	67,380
CSA #9 Northbridge	29,255	29,255	25,639	3,616
Total Public Ways and Facilities	<u>113,489</u>	<u>150,678</u>	<u>75,144</u>	<u>75,534</u>
Health and Sanitation:				
CSA #27 Ross Valley Paramedic	51,704	51,704	51,471	233
CSA #28 West Marin Paramedic	395,205	395,205	392,408	2,797
Total Health and Sanitation	<u>446,909</u>	<u>446,909</u>	<u>443,879</u>	<u>3,030</u>
Recreation and Cultural Services:				
CSA #14 Homestead Valley	352,972	304,945	281,760	23,185
CSA #16 Greenbrae	570,069	511,669	325,554	186,115
CSA #17 Kentfield	1,659,910	1,512,356	594,532	917,824
CSA #18 Gallinas Village Area	176,128	176,037	133,208	42,829
CSA #20 Indian Valley	100,084	100,084	84	100,000
CSA #33 Stinson Beach	50,855	38,898	26,000	12,898
Total Recreation and Cultural Services	<u>2,910,018</u>	<u>2,643,989</u>	<u>1,361,138</u>	<u>1,282,851</u>
Capital Outlay	200,000	5,084,613	2,158,166	2,926,447
Debt Service:				
Principal	52,246	52,210	51,814	396
Interest	27,362	27,398	27,398	-
Total Debt Service	<u>79,608</u>	<u>79,608</u>	<u>79,212</u>	<u>396</u>
Total Expenditures	<u>8,033,923</u>	<u>12,690,799</u>	<u>7,917,597</u>	<u>4,773,202</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
COUNTY SERVICE AREAS FUND (CONTINUED)
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,856,035)	\$ (6,480,712)	\$ (1,117,239)	\$ 5,363,473
OTHER FINANCING SOURCES (USES)				
Transfers In	25,000	25,000	25,000	-
NET CHANGE IN FUND BALANCE	(1,831,035)	(6,455,712)	(1,092,239)	5,363,473
Fund Balance - Beginning of Year	17,495,829	17,495,829	17,495,829	-
FUND BALANCE - END OF YEAR	<u>\$ 15,664,794</u>	<u>\$ 11,040,117</u>	<u>\$ 16,403,590</u>	<u>\$ 5,363,473</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
LIGHTING FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 882,260	\$ 900,504	\$ 1,027,095	\$ 126,591
Intergovernmental Revenues	3,541	3,541	3,472	(69)
From Use of Money and Property	3,229	3,229	28,217	24,988
Miscellaneous	16,450	16,450	150	(16,300)
Total Revenues	<u>905,480</u>	<u>923,724</u>	<u>1,058,934</u>	<u>135,210</u>
EXPENDITURES				
Current:				
Public Ways and Facilities:				
Marin County Lighting	518,187	596,827	508,820	88,007
Rush Creek Lighting	121,300	121,075	109,734	11,341
Total Public Ways and Facilities	<u>639,487</u>	<u>717,902</u>	<u>618,554</u>	<u>99,348</u>
Debt Service:				
Principal	38,618	43,868	43,864	4
Interest	11,910	6,665	6,664	1
Total Debt Service	<u>50,528</u>	<u>50,533</u>	<u>50,528</u>	<u>5</u>
Total Expenditures	<u>690,015</u>	<u>768,435</u>	<u>669,082</u>	<u>99,353</u>
NET CHANGE IN FUND BALANCE	215,465	155,289	389,852	234,563
Fund Balance - Beginning of Year	<u>2,775,185</u>	<u>2,775,185</u>	<u>2,775,185</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,990,650</u></u>	<u><u>\$ 2,930,474</u></u>	<u><u>\$ 3,165,037</u></u>	<u><u>\$ 234,563</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
PERMANENT ROAD DISTRICTS FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 14,772	\$ 14,772	\$ 71,019	\$ 56,247
Intergovernmental Revenues	88	88	326	238
From Use of Money and Property	184	184	4,719	4,535
Total Revenues	<u>15,044</u>	<u>15,044</u>	<u>76,064</u>	<u>61,020</u>
EXPENDITURES				
Current:				
Public Ways and Facilities:				
PRD Bolinas Highlands	37,005	37,005	-	37,005
PRD Inverness Div#2	23,000	23,000	4,991	18,009
PRD Monte Cristo	30,070	30,070	-	30,070
PRD Paradise Estates	100,000	85,120	46,037	39,083
Total Public Ways and Facilities	<u>190,075</u>	<u>175,195</u>	<u>51,028</u>	<u>124,167</u>
NET CHANGE IN FUND BALANCE	(175,031)	(160,151)	25,036	185,187
Fund Balance - Beginning of Year	<u>494,621</u>	<u>494,621</u>	<u>494,621</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 319,590</u>	<u>\$ 334,470</u>	<u>\$ 519,657</u>	<u>\$ 185,187</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
TOBACCO SETTLEMENT FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 150,000	\$ 658,183	\$ 568,708	\$ (89,475)
From Use of Money and Property	-	-	1,523	1,523
Total Revenues	<u>150,000</u>	<u>658,183</u>	<u>570,231</u>	<u>(87,952)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(150,000)</u>	<u>(658,183)</u>	<u>(93,037)</u>	<u>565,146</u>
NET CHANGE IN FUND BALANCE	-	-	477,194	477,194
Fund Balance - Beginning of Year	<u>1,719</u>	<u>1,719</u>	<u>1,719</u>	-
FUND BALANCE - END OF YEAR	<u><u>\$ 1,719</u></u>	<u><u>\$ 1,719</u></u>	<u><u>\$ 478,913</u></u>	<u><u>\$ 477,194</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
IN-HOME SUPPORTIVE SERVICES FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ -	\$ 375,000	\$ 2,218,445	\$ 1,843,445
From Use of Money and Property	-	-	6,096	6,096
Miscellaneous	-	-	1,552	1,552
Total Revenues	-	375,000	2,226,093	1,851,093
EXPENDITURES				
Current:				
Health and Sanitation:				
IHSS Public Authority	2,295,260	2,670,260	2,410,289	259,971
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,295,260)	(2,295,260)	(184,196)	2,111,064
OTHER FINANCING SOURCES (USES)				
Transfers In	2,295,260	2,295,260	-	(2,295,260)
NET CHANGE IN FUND BALANCE	-	-	(184,196)	(184,196)
Fund Balance - Beginning of Year	276,981	276,981	276,981	-
FUND BALANCE - END OF YEAR	<u>\$ 276,981</u>	<u>\$ 276,981</u>	<u>\$ 92,785</u>	<u>\$ (184,196)</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
OPEN SPACE DISTRICT FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 7,193,238	\$ 7,193,238	\$ 7,510,488	\$ 317,250
Intergovernmental Revenues	35,809	35,809	50,839	15,030
Charges for Services	-	-	3,968	3,968
From Use of Money and Property	32,434	32,434	103,625	71,191
Miscellaneous	82,000	82,000	74,389	(7,611)
Total Revenues	<u>7,343,481</u>	<u>7,343,481</u>	<u>7,743,309</u>	<u>399,828</u>
EXPENDITURES				
Current:				
General Government:				
Open Space	203,464	475,134	461,862	13,272
Recreation and Cultural Services:				
Open Space	7,456,314	7,232,033	6,695,431	536,602
Capital Outlay	<u>245,301</u>	<u>313,552</u>	<u>260,248</u>	<u>53,304</u>
Total Expenditures	<u>7,905,079</u>	<u>8,020,719</u>	<u>7,417,541</u>	<u>603,178</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(561,598)	(677,238)	325,768	1,003,006
OTHER FINANCING SOURCES (USES)				
Transfers in	-	133,247	133,247	-
Transfers Out	<u>(136,427)</u>	<u>(291,172)</u>	<u>(291,172)</u>	<u>-</u>
Total Other Financing Uses, Net	<u>(136,427)</u>	<u>(157,925)</u>	<u>(157,925)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(698,025)	(835,163)	167,843	1,003,006
Fund Balance - Beginning of Year	<u>8,279,997</u>	<u>8,279,997</u>	<u>8,279,997</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 7,581,972</u></u>	<u><u>\$ 7,444,834</u></u>	<u><u>\$ 8,447,840</u></u>	<u><u>\$ 1,003,006</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
LOW-INCOME HOUSING FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and Permits	\$ -	\$ -	\$ 406,496	\$ 406,496
Charges for Services	450,000	450,000	-	(450,000)
From Use of Money and Property	-	-	130,904	130,904
Miscellaneous	-	-	1,009,371	1,009,371
Total Revenues	<u>450,000</u>	<u>450,000</u>	<u>1,546,771</u>	<u>1,096,771</u>
EXPENDITURES				
Current:				
Public Assistance:				
Community Development Agency	<u>546,484</u>	<u>507,212</u>	<u>202,465</u>	<u>304,747</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(96,484)	(57,212)	1,344,306	1,401,518
OTHER FINANCING SOURCES (USES)				
Transfers In	250,000	250,000	250,000	-
Transfers Out	<u>(175,047)</u>	<u>(175,047)</u>	<u>(175,047)</u>	<u>-</u>
Total Other Financing Sources (Uses), Net	<u>74,953</u>	<u>74,953</u>	<u>74,953</u>	<u>-</u>
NET CHANGE IN FUND BALANCE				
	(21,531)	17,741	1,419,259	1,401,518
Fund Balance - Beginning of Year	<u>12,191,404</u>	<u>12,191,404</u>	<u>12,191,404</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 12,169,873</u></u>	<u><u>\$ 12,209,145</u></u>	<u><u>\$ 13,610,663</u></u>	<u><u>\$ 1,401,518</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
FLOOD CONTROL DISTRICT ZONES FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 7,170,072	\$ 7,170,072	\$ 8,740,287	\$ 1,570,215
Intergovernmental Revenues	24,966	24,966	1,196,921	1,171,955
Charges for Services	607,825	607,825	607,825	-
From Use of Money and Property	48,488	48,488	262,662	214,174
Miscellaneous	1,900	1,900	57,928	56,028
Total Revenues	<u>7,853,251</u>	<u>7,853,251</u>	<u>10,865,623</u>	<u>3,012,372</u>
EXPENDITURES				
Current:				
Public Protection:				
FCZ #1 Novato	5,349,531	4,545,100	1,788,326	2,756,774
FCZ #3 Richardson Bay	5,135,632	4,185,234	1,321,995	2,863,239
FCZ #4 Bel Air and Strawberry Circle	1,433,542	1,080,245	658,271	421,974
FCZ #5 Stinson Beach	87,897	114,467	68,232	46,235
FCZ #6 San Rafael Meadows	50,113	107,343	13,785	93,558
FCZ #7 Santa Venetia	493,227	458,050	338,219	119,831
FCZ #9 Ross Valley Corte Madera	7,957,147	4,168,820	3,982,116	186,704
FCZ #10 Inverness	25,127	12,963	6,873	6,090
Marin County Stormwater Pollution	819,152	750,985	685,460	65,525
Total Public Protection	<u>21,351,368</u>	<u>15,423,207</u>	<u>8,863,277</u>	<u>6,559,930</u>
Capital Outlay	<u>3,800,000</u>	<u>1,575,988</u>	<u>-</u>	<u>1,575,988</u>
Total Expenditures	<u>25,151,368</u>	<u>16,999,195</u>	<u>8,863,277</u>	<u>8,135,918</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,298,117)	(9,145,944)	2,002,346	11,148,290
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>215,175</u>	<u>1,106,495</u>	<u>1,106,495</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(17,082,942)	(8,039,449)	3,108,841	11,148,290
Fund Balance - Beginning of Year	<u>25,071,052</u>	<u>25,071,052</u>	<u>25,071,052</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,988,110</u>	<u>\$ 17,031,603</u>	<u>\$ 28,179,893</u>	<u>\$ 11,148,290</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
MISCELLANEOUS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ -	\$ 768,896	\$ 711,279	\$ (57,617)
Charges for Services	595,000	595,000	401,377	(193,623)
From Use of Money and Property			27,047	27,047
Miscellaneous	-	-	602	602
Total Revenues	<u>595,000</u>	<u>1,363,896</u>	<u>1,140,305</u>	<u>(223,591)</u>
EXPENDITURES				
Current:				
Public Protection:				
Assessor-Recorder	475,204	610,913	475,604	135,309
Sheriff	14,300	836,979	423,594	413,385
Total Public Protection	<u>489,504</u>	<u>1,447,892</u>	<u>899,198</u>	<u>548,694</u>
Capital Outlay	-	104,352	-	104,352
Total Expenditures	<u>489,504</u>	<u>1,552,244</u>	<u>899,198</u>	<u>653,046</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	105,496	(188,348)	241,107	429,455
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(260,665)</u>	<u>(265,665)</u>	<u>(265,664)</u>	<u>1</u>
NET CHANGE IN FUND BALANCE	(155,169)	(454,013)	(24,557)	429,456
Fund Balance - Beginning of Year	<u>2,465,102</u>	<u>2,465,102</u>	<u>2,465,102</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,309,933</u>	<u>\$ 2,011,089</u>	<u>\$ 2,440,545</u>	<u>\$ 429,456</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
PUBLIC PROTECTION FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 19,739,725	\$ 22,994,316	\$ 25,801,620	\$ 2,807,304
Charges for Services	222,789	332,553	379,216	46,663
Fines and Forfeits	450,000	450,000	448,430	(1,570)
From Use of Money and Property	-	-	342,319	342,319
Miscellaneous	-	42,000	33,942	(8,058)
Total Revenues	<u>20,412,514</u>	<u>23,818,869</u>	<u>27,005,527</u>	<u>3,186,658</u>
EXPENDITURES				
Current:				
General Government				
Nondepartmental	-	21,500	21,500	-
Public Protection:				
District Attorney	-	113,781	102,659	11,122
Public Defender	3,623			-
Probation	4,715,742	7,357,124	4,543,345	2,813,779
Sheriff	1,540,350	1,673,866	1,468,043	205,823
Total Public Protection	<u>6,259,715</u>	<u>9,144,771</u>	<u>6,114,047</u>	<u>3,030,724</u>
Health and Sanitation:				
Health and Human Services	1,326,064	1,251,214	881,727	369,487
Public Assistance:				
Health and Human Services	453,105	279,060	260,135	18,925
Capital Outlay	<u>25,777</u>	<u>425,169</u>	<u>250,452</u>	<u>174,717</u>
Total Expenditures	<u>8,064,661</u>	<u>11,121,714</u>	<u>7,527,861</u>	<u>3,593,853</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,347,853	12,697,155	19,477,666	6,780,511
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(12,756,838)</u>	<u>(16,113,653)</u>	<u>(14,021,272)</u>	<u>2,092,381</u>
NET CHANGE IN FUND BALANCE	(408,985)	(3,416,498)	5,456,394	8,872,892
Fund Balances - Beginning of Year	<u>28,153,036</u>	<u>28,153,036</u>	<u>28,153,036</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 27,744,051</u></u>	<u><u>\$ 24,736,538</u></u>	<u><u>\$ 33,609,430</u></u>	<u><u>\$ 8,872,892</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
PUBLIC WAYS AND FACILITIES FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 67,000	\$ 67,000	\$ 67,504	\$ 504
Licenses and Permits	790,000	790,000	1,682,934	892,934
Intergovernmental Revenues	-	642,520	1,015,934	373,414
Charges for Services	-	-	20,751	20,751
From Use of Money and Property	-	-	85,947	85,947
Miscellaneous	-	-	9,737	9,737
Total Revenues	<u>857,000</u>	<u>1,499,520</u>	<u>2,882,807</u>	<u>1,383,287</u>
EXPENDITURES				
Current:				
Public Ways and Facilities:				
Public Works	168,195	2,190,891	125,175	2,065,716
Health and Sanitation:				
Community Development Agency	<u>86,650</u>	<u>80,062</u>	<u>48,698</u>	<u>31,364</u>
Total Expenditures	<u>254,845</u>	<u>2,270,953</u>	<u>173,873</u>	<u>2,097,080</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>602,155</u>	<u>(771,433)</u>	<u>2,708,934</u>	<u>3,480,367</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,770,000)</u>	<u>(2,079,225)</u>	<u>(2,079,225)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,167,845)	(2,850,658)	629,709	3,480,367
Fund Balance - Beginning of Year	<u>4,240,871</u>	<u>4,240,871</u>	<u>4,240,871</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 3,073,026</u></u>	<u><u>\$ 1,390,213</u></u>	<u><u>\$ 4,870,580</u></u>	<u><u>\$ 3,480,367</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
RESTRICTED HOUSING FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
From Use of Money and Property	\$ -	\$ -	\$ 19,851	\$ 19,851
NET CHANGE IN FUND BALANCE	-	-	19,851	19,851
Fund Balance - Beginning of Year	2,673,331	2,673,331	2,673,331	-
FUND BALANCE - END OF YEAR	<u>\$ 2,673,331</u>	<u>\$ 2,673,331</u>	<u>\$ 2,693,182</u>	<u>\$ 19,851</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
RECREATIONAL AND CULTURAL SERVICES FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 13,893,483	\$ 13,893,483	\$ 13,344,388	\$ (549,095)
Intergovernmental Revenues	-	814,168	170,017	(644,151)
From Use of Money and Property	-	-	178,341	178,341
Miscellaneous	-	1,725	106,297	104,572
Total Revenues	<u>13,893,483</u>	<u>14,709,376</u>	<u>13,799,043</u>	<u>(910,333)</u>
EXPENDITURES				
Current:				
General Government				
Parks	150,000	143,684	143,684	-
Recreation and Cultural Services				
Parks	18,477,072	32,073,171	16,017,441	16,055,730
Capital Outlay	-	2,399,031	1,939,563	459,468
Total Expenditures	<u>18,627,072</u>	<u>34,615,886</u>	<u>18,100,688</u>	<u>16,515,198</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,733,589)	(19,906,510)	(4,301,645)	15,604,865
OTHER FINANCING SOURCES (USES)				
Transfers In	-	77,751	77,751	-
Transfers Out	(82,846)	(160,597)	(153,127)	7,470
Total Other Financing Sources (Uses), Net	<u>(82,846)</u>	<u>(82,846)</u>	<u>(75,376)</u>	<u>7,470</u>
NET CHANGE IN FUND BALANCE	(4,816,435)	(19,989,356)	(4,377,021)	15,612,335
Fund Balance - Beginning of Year	<u>22,162,599</u>	<u>22,162,599</u>	<u>22,162,599</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 17,346,164</u>	<u>\$ 2,173,243</u>	<u>\$ 17,785,578</u>	<u>\$ 15,612,335</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
MCERA EMPLOYEE OPERATIONS FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,736,000	\$ 2,736,000	\$ 2,508,945	\$ (227,055)
Miscellaneous	-	-	241	241
Total Revenues	<u>2,736,000</u>	<u>2,736,000</u>	<u>2,509,186</u>	<u>(226,814)</u>
EXPENDITURES				
Current:				
General Government:				
Retirement	<u>2,649,289</u>	<u>2,649,289</u>	<u>2,414,882</u>	<u>234,407</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	86,711	86,711	94,304	7,593
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(86,711)</u>	<u>(86,711)</u>	<u>(77,919)</u>	<u>8,792</u>
Total Other Financing Uses	<u>(86,711)</u>	<u>(86,711)</u>	<u>(77,919)</u>	<u>8,792</u>
NET CHANGE IN FUND BALANCE	-	-	16,385	16,385
Fund Balance - Beginning of Year	<u>173,125</u>	<u>173,125</u>	<u>173,125</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 173,125</u>	<u>\$ 173,125</u>	<u>\$ 189,510</u>	<u>\$ 16,385</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
HEALTH SERVICES FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 287,510	\$ 8,101,943	\$ 7,636,826	\$ (465,117)
From Use of Money and Property	-	-	14,208	14,208
Total Revenues	<u>287,510</u>	<u>8,101,943</u>	<u>7,651,034</u>	<u>(450,909)</u>
EXPENDITURES				
Current:				
Health and Sanitation:				
Health and Human Services	521,623	7,252,403	4,613,905	2,638,498
Capital Outlay	-	53,750	-	53,750
Total Expenditures	<u>521,623</u>	<u>7,306,153</u>	<u>4,613,905</u>	<u>2,692,248</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(234,113)	795,790	3,037,129	2,241,339
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,500,000	1,426,637	(1,073,363)
Transfers Out	<u>(158,081)</u>	<u>(2,030,568)</u>	<u>(1,872,487)</u>	<u>158,081</u>
NET CHANGE IN FUND BALANCE	(392,194)	1,265,222	2,591,279	1,326,057
Fund Balance - Beginning of Year	<u>222,257</u>	<u>222,257</u>	<u>222,257</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (169,937)</u>	<u>\$ 1,487,479</u>	<u>\$ 2,813,536</u>	<u>\$ 1,326,057</u>

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NONMAJOR DEBT SERVICE FUNDS

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**COUNTY OF MARIN
NONMAJOR DEBT SERVICE 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 2013 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 for the purpose of refunding on a current basis the Marin County Open Space Financing Authority's 2002 revenue bonds, and to provide funds to finance public capital improvements.

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 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.

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 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 principle, interest, and related costs.

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**COUNTY OF MARIN
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2018**

	Open Space Debt Service Fund	2003 POB Fund	Debt Service Fund	Tobacco Securitization Fund	Total
ASSETS					
Cash and Investments in County Pool	\$ 665,161	\$ 4,734,357	\$ 138,376	\$ 385	\$ 5,538,279
Cash with Fiscal Agent	-	-	341	3,651,714	3,652,055
Prepaid Items	-	-	2,104	-	2,104
Total Assets	<u>\$ 665,161</u>	<u>\$ 4,734,357</u>	<u>\$ 140,821</u>	<u>\$ 3,652,099</u>	<u>\$ 9,192,438</u>
LIABILITIES					
Accounts Payable and Accrued Expenditures	\$ 5,868	\$ -	\$ -	\$ -	\$ 5,868
Total Liabilities	<u>5,868</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,868</u>
FUND BALANCES					
Nonspendable	-	-	2,104	-	2,104
Assigned	659,293	4,734,357	138,717	3,652,099	9,184,466
Total Fund Balances	<u>659,293</u>	<u>4,734,357</u>	<u>140,821</u>	<u>3,652,099</u>	<u>9,186,570</u>
Total Liabilities and Fund Balances	<u>\$ 665,161</u>	<u>\$ 4,734,357</u>	<u>\$ 140,821</u>	<u>\$ 3,652,099</u>	<u>\$ 9,192,438</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2018**

	Open Space Debt Service Fund	2003 POB Fund	Debt Service Fund	Tobacco Securitization Fund	Total
REVENUES					
Taxes	\$ 660,366	\$ -	\$ 89,614	\$ -	\$ 749,980
From Use of Money and Property	3,970	11,858	1,123	136,691	153,642
Miscellaneous	2,616	-	-	2,671,456	2,674,072
Total Revenues	<u>666,952</u>	<u>11,858</u>	<u>90,737</u>	<u>2,808,147</u>	<u>3,577,694</u>
EXPENDITURES					
Current:					
General Government	-	4,657	27,343	18,625	50,625
Health and Sanitation	-	-	9,956	-	9,956
Recreation and Cultural Services	21,492	-	-	-	21,492
Debt Service:					
Principal	476,351	4,945,000	1,910,573	1,065,000	8,396,924
Interest	140,645	4,993,294	3,527,487	1,723,200	10,384,626
Total Expenditures	<u>638,488</u>	<u>9,942,951</u>	<u>5,475,359</u>	<u>2,806,825</u>	<u>18,863,623</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	28,464	(9,931,093)	(5,384,622)	1,322	(15,285,929)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	10,226,042	5,383,200	-	15,609,242
NET CHANGE IN FUND BALANCES	28,464	294,949	(1,422)	1,322	323,313
Fund Balances - Beginning of Year	<u>630,829</u>	<u>4,439,408</u>	<u>142,243</u>	<u>3,650,777</u>	<u>8,863,257</u>
FUND BALANCES - END OF YEAR	<u>\$ 659,293</u>	<u>\$ 4,734,357</u>	<u>\$ 140,821</u>	<u>\$ 3,652,099</u>	<u>\$ 9,186,570</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
OPEN SPACE DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 658,500	\$ 658,500	\$ 660,366	\$ 1,866
From Use of Money and Property	-	-	3,970	3,970
Miscellaneous	-	-	2,616	2,616
Total Revenues	<u>658,500</u>	<u>658,500</u>	<u>666,952</u>	<u>8,452</u>
EXPENDITURES				
Current:				
Recreation and Cultural Services:				
Open Space	36,500	36,500	21,492	15,008
Debt Service:				
Principal	480,000	480,000	476,351	3,649
Interest	142,000	142,000	140,645	1,355
Total Debt Service	<u>622,000</u>	<u>622,000</u>	<u>616,996</u>	<u>5,004</u>
Total Expenditures	<u>658,500</u>	<u>658,500</u>	<u>638,488</u>	<u>20,012</u>
NET CHANGE IN FUND BALANCE	-	-	28,464	28,464
Fund Balance - Beginning of Year	<u>630,829</u>	<u>630,829</u>	<u>630,829</u>	-
FUND BALANCE - END OF YEAR	<u><u>\$ 630,829</u></u>	<u><u>\$ 630,829</u></u>	<u><u>\$ 659,293</u></u>	<u><u>\$ 28,464</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
PENSION OBLIGATION BOND FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
From Use of Money and Property	\$ 5,000	\$ 5,000	\$ 11,858	\$ 6,858
Miscellaneous	9,945,621	9,945,621	-	(9,945,621)
Total Revenues	<u>9,950,621</u>	<u>9,950,621</u>	<u>11,858</u>	<u>(9,938,763)</u>
EXPENDITURES				
Current:				
General Government:				
Nondepartmental	12,000	12,000	4,657	7,343
Debt Service:				
Principal	4,945,000	4,945,000	4,945,000	-
Interest	4,993,621	4,993,621	4,993,294	327
Total Debt Service	<u>9,938,621</u>	<u>9,938,621</u>	<u>9,938,294</u>	<u>327</u>
Total Expenditures	<u>9,950,621</u>	<u>9,950,621</u>	<u>9,942,951</u>	<u>7,670</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(9,931,093)	(9,931,093)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	10,226,042	10,226,042
NET CHANGE IN FUND BALANCE	-	-	294,949	294,949
Fund Balance - Beginning of Year	<u>4,439,408</u>	<u>4,439,408</u>	<u>4,439,408</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 4,439,408</u></u>	<u><u>\$ 4,439,408</u></u>	<u><u>\$ 4,734,357</u></u>	<u><u>\$ 294,949</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 95,200	\$ 95,200	\$ 89,614	\$ (5,586)
From Use of Money and Property	-	-	1,123	1,123
Total Revenues	<u>95,200</u>	<u>95,200</u>	<u>90,737</u>	<u>(4,463)</u>
EXPENDITURES				
Current:				
General Government:				
Nondepartmental	20,000	16,919	27,343	(10,424)
Health and Sanitation				
Community Development Agency	10,000	11,100	9,956	1,144
Debt Service:				
Principal	1,893,000	1,910,690	1,910,573	117
Interest	3,576,746	3,561,038	3,527,487	33,551
Total Debt Service	<u>5,469,746</u>	<u>5,471,728</u>	<u>5,438,060</u>	<u>33,668</u>
Total Expenditures	<u>5,499,746</u>	<u>5,499,747</u>	<u>5,475,359</u>	<u>24,388</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,404,546)	(5,404,547)	(5,384,622)	19,925
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>5,404,546</u>	<u>5,409,546</u>	<u>5,383,200</u>	<u>(26,346)</u>
NET CHANGE IN FUND BALANCE	-	4,999	(1,422)	(6,421)
Fund Balance - Beginning of Year	<u>142,243</u>	<u>142,243</u>	<u>142,243</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 142,243</u>	<u>\$ 147,242</u>	<u>\$ 140,821</u>	<u>\$ (6,421)</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
TOBACCO SECURITIZATION FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
From Use of Money and Property	\$ 125,000	\$ 125,000	\$ 136,691	\$ 11,691
Miscellaneous	<u>2,280,000</u>	<u>2,780,000</u>	<u>2,671,456</u>	<u>(108,544)</u>
Total Revenues	<u>2,405,000</u>	<u>2,905,000</u>	<u>2,808,147</u>	<u>(96,853)</u>
EXPENDITURES				
Current:				
General Government:				
Nondepartmental	75,000	75,000	18,625	56,375
Debt Service:				
Principal	500,000	1,106,000	1,065,000	41,000
Interest	<u>1,830,000</u>	<u>1,724,000</u>	<u>1,723,200</u>	<u>800</u>
Total Debt Service	<u>2,330,000</u>	<u>2,830,000</u>	<u>2,788,200</u>	<u>41,800</u>
Total Expenditures	<u>2,405,000</u>	<u>2,905,000</u>	<u>2,806,825</u>	<u>98,175</u>
NET CHANGE IN FUND BALANCE	-	-	1,322	1,322
Fund Balance - Beginning of Year	<u>3,650,777</u>	<u>3,650,777</u>	<u>3,650,777</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 3,650,777</u></u>	<u><u>\$ 3,650,777</u></u>	<u><u>\$ 3,652,099</u></u>	<u><u>\$ 1,322</u></u>

NONMAJOR CAPITAL PROJECTS FUNDS

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**COUNTY OF MARIN
NONMAJOR CAPITAL PROJECT 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 is a general government fund used to account for revenues and expenditures related to capital improvements and infrastructure rehabilitation.

Other Capital Projects Fund

This fund is used primarily to finance or reimburse the financing of various County capital improvements, including the County's road and bridge infrastructure program, and projects financed by the 2015 certificates of participation proceeds.

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**COUNTY OF MARIN
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2018**

	Courthouse Construction Fund	Miscellaneous Capital Projects Fund	Other Capital Projects Fund	Total
ASSETS				
Cash and Investments in County Pool	\$ 697,934	\$ 4,501,172	\$ 43,093,969	\$ 48,293,075
Due from Other Governmental Agencies	-	4,397	199,503	203,900
Total Assets	<u>\$ 697,934</u>	<u>\$ 4,505,569</u>	<u>\$ 43,293,472</u>	<u>\$ 48,496,975</u>
LIABILITIES				
Accounts Payable and Accrued Expenditures	\$ -	\$ 303,149	\$ 1,372,073	\$ 1,675,222
Other Liabilities	3,885	2,510	4	6,399
Total Liabilities	<u>3,885</u>	<u>305,659</u>	<u>1,372,077</u>	<u>1,681,621</u>
FUND BALANCES				
Assigned	<u>694,049</u>	<u>4,199,910</u>	<u>41,921,395</u>	<u>46,815,354</u>
Total Fund Balances	<u>694,049</u>	<u>4,199,910</u>	<u>41,921,395</u>	<u>46,815,354</u>
Total Liabilities and Fund Balances	<u>\$ 697,934</u>	<u>\$ 4,505,569</u>	<u>\$ 43,293,472</u>	<u>\$ 48,496,975</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
YEAR ENDED JUNE 30, 2018**

	Courthouse Construction Fund	Miscellaneous Capital Projects Fund	Other Capital Projects Fund	Total
REVENUES				
Intergovernmental Revenues	\$ -	\$ 610,149	\$ 3,930,585	\$ 4,540,734
Charges for Service	-	281,152	-	281,152
Fines and Forfeits	376,684	-	-	376,684
Use of Money and Property	7,517	28,030	112,982	148,529
Miscellaneous	-	101,396	186,188	287,584
Total Revenues	<u>384,201</u>	<u>1,020,727</u>	<u>4,229,755</u>	<u>5,634,683</u>
EXPENDITURES				
Current:				
General Government	-	4,263,293	162,731	4,426,024
Public Ways and Facilities	-	-	5,222,502	5,222,502
Recreation and Cultural Services	-	15,310	-	15,310
Capital Outlay	-	4,789,950	10,288,275	15,078,225
Total Expenditures	<u>-</u>	<u>9,068,553</u>	<u>15,673,508</u>	<u>24,742,061</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	384,201	(8,047,826)	(11,443,753)	(19,107,378)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	7,116,722	8,624,746	15,741,468
Transfers Out	(353,385)	(1,508,007)	-	(1,861,392)
Total Other Financing Sources (Uses), Net	<u>(353,385)</u>	<u>5,608,715</u>	<u>8,624,746</u>	<u>13,880,076</u>
NET CHANGE IN FUND BALANCES	30,816	(2,439,111)	(2,819,007)	(5,227,302)
Fund Balances - Beginning of Year	<u>663,233</u>	<u>6,639,021</u>	<u>44,740,402</u>	<u>52,042,656</u>
FUND BALANCES - END OF YEAR	<u>\$ 694,049</u>	<u>\$ 4,199,910</u>	<u>\$ 41,921,395</u>	<u>\$ 46,815,354</u>

**COUNTY OF MARIN
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
OTHER CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 1,500,000	\$ 4,208,439	\$ 3,930,585	\$ (277,854)
From Use of Money and Property	-	-	112,982	112,982
Miscellaneous	-	-	186,188	186,188
Total Revenues	<u>1,500,000</u>	<u>4,208,439</u>	<u>4,229,755</u>	<u>21,316</u>
EXPENDITURES				
Current:				
General Government:				
Department of Public Works	3,625,903	220,039	162,731	57,308
Public Ways and Facilities:				
Public Works	10,900,202	19,961,115	5,222,502	14,738,613
Capital Outlay	<u>-</u>	<u>24,038,000</u>	<u>10,288,275</u>	<u>13,749,725</u>
Total Expenditures	<u>14,526,105</u>	<u>44,219,154</u>	<u>15,673,508</u>	<u>28,545,646</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,026,105)	(40,010,715)	(11,443,753)	28,566,962
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>5,000,000</u>	<u>8,624,746</u>	<u>8,624,746</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(8,026,105)	(31,385,969)	(2,819,007)	28,566,962
Fund Balance - Beginning of Year	<u>44,740,402</u>	<u>44,740,402</u>	<u>44,740,402</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 36,714,297</u>	<u>\$ 13,354,433</u>	<u>\$ 41,921,395</u>	<u>\$ 28,566,962</u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
COURTHOUSE CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and Forfeits	\$ 350,000	\$ 350,000	\$ 376,684	\$ 26,684
From Use of Money and Property	-	-	7,517	7,517
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>384,201</u>	<u>34,201</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(350,000)</u>	<u>(355,000)</u>	<u>(353,385)</u>	<u>1,615</u>
NET CHANGE IN FUND BALANCE	-	(5,000)	30,816	35,816
Fund Balance - Beginning of Year	<u>663,233</u>	<u>663,233</u>	<u>663,233</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 663,233</u></u>	<u><u>\$ 658,233</u></u>	<u><u>\$ 694,049</u></u>	<u><u>\$ 35,816</u></u>

**COUNTY OF MARIN
BUDGETARY COMPARISON SCHEDULE
MISCELLANEOUS CAPITAL PROJECT FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 222,001	\$ 4,318,461	\$ 610,149	\$ (3,708,312)
Charges for Services	501,834	821,834	281,152	(540,682)
From Use of Money and Property	-	-	28,030	28,030
Miscellaneous	-	836,071	101,396	(734,675)
Total Revenues	<u>723,835</u>	<u>5,976,366</u>	<u>1,020,727</u>	<u>(4,955,639)</u>
EXPENDITURES				
Current:				
General Government:				
County Administrator	(3,570)	(3,570)	111,332	(114,902)
Public Works	8,502,205	6,614,526	4,151,961	2,462,565
Total General Government	<u>8,498,635</u>	<u>6,610,956</u>	<u>4,263,293</u>	<u>2,347,663</u>
Health and Sanitation:				
Community Development Agency	-	58,398	-	58,398
Recreation and Cultural Services:				
Parks	231,776	17,677	15,310	2,367
Capital Outlay	<u>-</u>	<u>12,505,065</u>	<u>4,789,950</u>	<u>7,715,115</u>
Total Expenditures	<u>8,730,411</u>	<u>19,192,096</u>	<u>9,068,553</u>	<u>10,123,543</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,006,576)	(13,215,730)	(8,047,826)	5,167,904
OTHER FINANCING SOURCES (USES)				
Transfers In	4,000,000	10,598,932	7,116,722	(3,482,210)
Transfers Out	(47,095)	(1,508,007)	(1,508,007)	-
Total Other Financing Sources (Uses), Net	<u>3,952,905</u>	<u>9,090,925</u>	<u>5,608,715</u>	<u>(3,482,210)</u>
NET CHANGE IN FUND BALANCE	(4,053,671)	(4,124,805)	(2,439,111)	1,685,694
Fund Balance - Beginning of Year	<u>6,639,021</u>	<u>6,639,021</u>	<u>6,639,021</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,585,350</u></u>	<u><u>\$ 2,514,216</u></u>	<u><u>\$ 4,199,910</u></u>	<u><u>\$ 1,685,694</u></u>

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NONMAJOR ENTERPRISE FUNDS

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COUNTY OF MARIN NONMAJOR ENTERPRISE FUNDS

ENTERPRISE FUNDS

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

Gross Airport

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

Marin County Fair

The Marin County Fair fund was established to provide for operations of the annual Marin County Fair. 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 Center Promotions

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

San Geronimo Golf Course

In late 2017, the Board of Supervisors approved the purchase of the San Geronimo Golf Course and established an interim maintenance agreement for its operation while the community engagement provides informed future uses of the property. The San Geronimo Golf Course enterprise was established to account for all revenues and expenses that occur throughout the interim use of the golf course.

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**COUNTY OF MARIN
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2018**

	Gross Airport	Marin County Fair	Marin.Org	Marin Center Promotions	San Geronimo Golf Course	Total
ASSETS						
Current Assets:						
Cash and Investments in County Pool	\$ 269,271	\$ 53	\$ 370,820	\$ 36,093	\$ 131,737	\$ 807,974
Accounts Receivable	39,003	49,837	-	-	9,211	98,051
Prepaid Items and Other Assets	-	1,688,575	-	-	-	1,688,575
Total Current Assets	<u>308,274</u>	<u>1,738,465</u>	<u>370,820</u>	<u>36,093</u>	<u>140,948</u>	<u>2,594,600</u>
Noncurrent Assets:						
Capital Assets:						
Nondepreciable	7,797,439	1,777,659	-	-	-	9,575,098
Depreciable and Amortizable, Net	1,581,345	636,433	95,524	-	-	2,313,302
Total Noncurrent Assets	<u>9,378,784</u>	<u>2,414,092</u>	<u>95,524</u>	<u>-</u>	<u>-</u>	<u>11,888,400</u>
Total Assets	<u>\$ 9,687,058</u>	<u>\$ 4,152,557</u>	<u>\$ 466,344</u>	<u>\$ 36,093</u>	<u>\$ 140,948</u>	<u>\$ 14,483,000</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 4,230	\$ 782,278	\$ 46,898	\$ -	\$ 725	\$ 834,131
Interest Payable	6,076	-	7,212	-	-	13,288
Due to Other Funds	1,100,000	219,640	-	-	-	1,319,640
Unearned Revenues	-	227,769	-	-	-	227,769
Long-Term Notes Payable	48,000	-	-	-	-	48,000
Compensated Absences	19,371	-	-	-	-	19,371
Total Current Liabilities	<u>1,177,677</u>	<u>1,229,687</u>	<u>54,110</u>	<u>-</u>	<u>725</u>	<u>2,462,199</u>
Long-Term Liabilities:						
Long-Term Notes Payable	172,000	-	-	-	-	172,000
Compensated Absences	4,616	-	-	-	-	4,616
Total Noncurrent Liabilities	<u>176,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,616</u>
Total Liabilities	<u>1,354,293</u>	<u>1,229,687</u>	<u>54,110</u>	<u>-</u>	<u>725</u>	<u>2,638,815</u>
NET POSITION						
Net Investment in Capital Assets	9,158,784	2,414,092	95,524	-	-	11,668,400
Unrestricted	(826,019)	508,778	316,710	36,093	140,223	175,785
Total Net Position	<u>\$ 8,332,765</u>	<u>\$ 2,922,870</u>	<u>\$ 412,234</u>	<u>\$ 36,093</u>	<u>\$ 140,223</u>	<u>\$ 11,844,185</u>
Total Liabilities and Net Position	<u>\$ 9,687,058</u>	<u>\$ 4,152,557</u>	<u>\$ 466,344</u>	<u>\$ 36,093</u>	<u>\$ 140,948</u>	<u>\$ 14,483,000</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018**

	Gross Airport	Marin County Fair	Marin.Org	Marin Center Promotions	San Geronimo Golf Course	Total
OPERATING REVENUES						
Charges for Services	\$ 527,646	\$ 2,280,335	\$ 1,267,504	\$ -	\$ 401,531	\$ 4,477,016
Other Revenue	7,014	192,943	1,649	-	1,759	203,365
Total Operating Revenues	<u>534,660</u>	<u>2,473,278</u>	<u>1,269,153</u>	<u>-</u>	<u>403,290</u>	<u>4,680,381</u>
OPERATING EXPENSES						
Salaries and Employee Benefits	192,690	378,967	148,289	-	-	719,946
Services and Supplies	656,300	1,768,628	873,463	-	263,239	3,561,630
Depreciation and Amortization	104,442	19,327	55,509	-	-	179,278
Total Operating Expenses	<u>953,432</u>	<u>2,166,922</u>	<u>1,077,261</u>	<u>-</u>	<u>263,239</u>	<u>4,460,854</u>
OPERATING INCOME (LOSS)	(418,772)	306,356	191,892	-	140,051	219,527
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental Revenue	-	137,001	-	-	-	137,001
Investment Income - Unrestricted	104,401	332,642	2,010	10,023	172	449,248
Interest Expense	(6,076)	-	-	-	-	(6,076)
Total Nonoperating Revenues, Net	<u>98,325</u>	<u>469,643</u>	<u>2,010</u>	<u>10,023</u>	<u>172</u>	<u>580,173</u>
INCOME BEFORE TRANSFERS	(320,447)	775,999	193,902	10,023	140,223	799,700
Capital Contributions	2,568,284	-	-	-	-	2,568,284
Transfers In	-	15,000	-	-	-	15,000
Transfers Out	(4,994)	-	(4,924)	-	-	(9,918)
CHANGE IN NET POSITION	2,242,843	790,999	188,978	10,023	140,223	3,373,066
Net Position - Beginning of Year	<u>6,089,922</u>	<u>2,131,871</u>	<u>223,256</u>	<u>26,070</u>	<u>-</u>	<u>8,471,119</u>
NET POSITION - END OF YEAR	<u>\$ 8,332,765</u>	<u>\$ 2,922,870</u>	<u>\$ 412,234</u>	<u>\$ 36,093</u>	<u>\$ 140,223</u>	<u>\$ 11,844,185</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018**

	<u>Gross Airport</u>	<u>Marin County Fair</u>	<u>Marin.Org</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from Customers	\$ 534,660	\$ 1,559,709	\$ 1,269,153
Cash Paid to Suppliers for Goods and Services	(683,742)	(1,324,879)	(842,895)
Cash Paid to Employees for Salaries and Benefits	(198,548)	(378,967)	(157,849)
Net Cash Provided (Used) by Operating Activities	<u>(347,630)</u>	<u>(144,137)</u>	<u>268,409</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Revenues	-	137,001	-
Interfund Loans	1,100,000	(330,510)	-
Notes Receivable Issued	(39,003)	-	-
Internal Activities - Receipts from Other Funds	-	15,000	-
Transfers Out	(4,994)	-	(4,924)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,056,003</u>	<u>(178,509)</u>	<u>(4,924)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Contributions	2,568,284	-	-
Proceeds from Debt Related to the Acquisition of Capital Assets	220,000	-	-
Payments Related to the Acquisition of Capital Assets	(3,606,055)	(9,995)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,386,055)</u>	<u>(9,995)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITY			
Interest and Investments Earnings Received	<u>104,401</u>	<u>332,642</u>	<u>2,010</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,573,281)	1	265,495
Cash and Cash Equivalents - Beginning of Year	<u>274,268</u>	<u>52</u>	<u>105,325</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ (2,299,013)</u>	<u>\$ 53</u>	<u>\$ 370,820</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (418,772)	\$ 306,356	\$ 191,892
Depreciation and Amortization	104,442	19,327	55,509
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	(49,837)	-
Prepaid Items and Other Assets	-	(929,649)	-
Increase (Decrease) in:			
Accounts Payable	(27,442)	443,749	30,568
Accrued Salaries and Benefits	(6,238)	-	(9,560)
Unearned Revenues	-	65,917	-
Compensated Absences	380	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (347,630)</u>	<u>\$ (144,137)</u>	<u>\$ 268,409</u>

**COUNTY OF MARIN
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018**

	Marin Center Promotions	San Geronimo Golf Course	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from Customers	\$ -	\$ 394,079	\$ 3,757,601
Cash Paid to Suppliers for Goods and Services	-	(262,514)	(3,114,030)
Cash Paid to Employees for Salaries and Benefits	-	-	(735,364)
Net Cash Provided (Used) by Operating Activities	-	131,565	(91,793)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Revenues	-	-	137,001
Interfund Loans	-	-	769,490
Notes Receivable Issued	-	-	(39,003)
Internal Activities - Receipts from Other Funds	-	-	15,000
Transfers Out	-	-	(9,918)
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	872,570
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
	-	-	2,568,284
Proceeds from Debt Related to the Acquisition of Capital Assets	-	-	220,000
Payments Related to the Acquisition of Capital Assets	-	-	(3,616,050)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(3,396,050)
CASH FLOWS FROM INVESTING ACTIVITY			
Interest and Investments Earnings Received	10,023	172	449,248
Net increase (decrease) in cash and cash equivalents	10,023	131,737	(2,166,025)
Cash and Cash Equivalents - Beginning of Year	26,070	-	405,715
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 36,093</u>	<u>\$ 131,737</u>	<u>\$ (1,760,310)</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ -	\$ 140,051	\$ 219,527
Depreciation and Amortization	-	-	179,278
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	(9,211)	(59,048)
Prepaid Items and Other Assets	-	-	(929,649)
Increase (Decrease) in:			
Accounts Payable	-	725	447,600
Accrued Salaries and Benefits	-	-	(15,798)
Unearned Revenues	-	-	65,917
Compensated Absences	-	-	380
Net Cash Provided (Used) by Operating Activities	<u>\$ -</u>	<u>\$ 131,565</u>	<u>\$ (91,793)</u>

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS

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**COUNTY OF MARIN
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2018**

	MCHDFC	MHDC	Total
ASSETS			
Current Assets:			
Cash and Investments	\$ 850,504	\$ 371,039	\$ 1,221,543
Restricted Cash	6,957	552,792	559,749
Accounts and Other Receivables - Net	5,489	-	5,489
Prepaid Items and Other Assets	3,266	4,116	7,382
Capital Assets:			
Nondepreciable	135,252	579,500	714,752
Depreciable, Net	178,064	347,708	525,772
Total Assets	1,179,532	1,855,155	3,034,687
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,680	26,390	28,070
Security Deposits	6,957	28,053	35,010
Notes Payable, Current Portion	-	21,416	21,416
Total current liabilities	8,637	75,859	84,496
Long-Term Liabilities:			
Notes Payable	-	1,264,819	1,264,819
Liability for Other Postemployment Benefits	2,239	3,977	6,216
Total Long-Term Liabilities	2,239	1,268,796	1,271,035
Total Liabilities	10,876	1,344,655	1,355,531
NET POSITION (DEFICIT)			
Net Investment in Capital Assets	313,316	165,712	479,028
Unrestricted	855,340	344,788	1,200,128
Total Net Position (Deficit)	\$ 1,168,656	\$ 510,500	\$ 1,679,156

**COUNTY OF MARIN
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED JUNE 30, 2018**

	<u>MCHDFC</u>	<u>MHDC</u>	<u>Total</u>
OPERATING REVENUES			
Rent Revenue	\$ 341,027	\$ 483,469	\$ 824,496
Other Revenue	1,607	10,036	11,643
Total Operating Revenues	<u>342,634</u>	<u>493,505</u>	<u>836,139</u>
OPERATING EXPENSES			
Salaries and Employee Benefits	30,291	40,943	71,234
Services and Supplies	171,407	282,557	453,964
Depreciation	16,695	53,912	70,607
Total Operating Expenses	<u>218,393</u>	<u>377,412</u>	<u>595,805</u>
OPERATING INCOME (LOSS)	124,241	116,093	240,334
NONOPERATING REVENUES (EXPENSES)			
Investment Income - Unrestricted	<u>3,547</u>	<u>333</u>	<u>3,880</u>
Total Nonoperating Revenues, Net	<u>3,547</u>	<u>333</u>	<u>3,880</u>
CHANGE IN NET POSITION	127,788	116,426	244,214
Net Position - Beginning of Year	<u>1,040,867</u>	<u>394,075</u>	<u>1,434,942</u>
NET POSITION - END OF YEAR	<u>\$ 1,168,655</u>	<u>\$ 510,501</u>	<u>\$ 1,679,156</u>

FIDUCIARY FUNDS

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COUNTY OF MARIN 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.

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 are independent of the County Board of Supervisors, and therefore have been excluded from the County's basic financial statements.

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 are independent of the County Board of Supervisors, and therefore 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

This fund was established to account for the activities of the Successor Agency to the Marin County Redevelopment Agency (RDA).

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 the 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 was 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 the Successor Agency.

Marin City Community Services District (CSD) Trust Fund

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

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**COUNTY OF MARIN
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 INVESTMENT TRUST FUNDS
 JUNE 30, 2018**

	<u>Special Districts</u>	<u>School Districts</u>	<u>Total</u>
ASSETS			
Cash and Investments in County Pool	\$ 116,865,313	\$ 512,971,531	\$ 629,836,844
Other Cash	100,537	435,493	536,030
Total Assets	<u>\$ 116,965,850</u>	<u>\$ 513,407,024</u>	<u>\$ 630,372,874</u>
NET POSITION			
Net Position Held in Trust for Investment Pool Participants and Others	<u>\$ 116,965,850</u>	<u>\$ 513,407,024</u>	<u>\$ 630,372,874</u>

**COUNTY OF MARIN
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 INVESTMENT TRUST FUNDS
 YEAR ENDED JUNE 30, 2018**

	<u>Special Districts</u>	<u>School Districts</u>	<u>Total</u>
ADDITIONS			
Contributions to Investment Pool	408,613,557	1,169,954,171	\$ 1,578,567,728
Interest	974,740	4,443,659	5,418,399
Total Additions	<u>409,588,297</u>	<u>1,174,397,830</u>	<u>1,583,986,127</u>
DEDUCTIONS			
Distributions from Investment Pool	<u>393,790,597</u>	<u>1,181,954,596</u>	<u>1,575,745,193</u>
CHANGE IN NET POSITION	15,797,700	(7,556,766)	8,240,934
Net Position - Beginning of Year	<u>101,168,150</u>	<u>520,963,790</u>	<u>622,131,940</u>
NET POSITION - END OF YEAR	<u>\$ 116,965,850</u>	<u>\$ 513,407,024</u>	<u>\$ 630,372,874</u>

**COUNTY OF MARIN
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2018**

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
MCRDA MARIN CITY MELLO-ROOS				
Assets:				
Cash	\$ 85,879	\$ 172,753	\$ 176,314	\$ 82,318
Cash with Fiscal Agent	1,080,525	-	32,062	1,048,463
Taxes Receivable	1,127,100	-	-	1,127,100
Total Assets	<u>\$ 2,293,504</u>	<u>\$ 172,753</u>	<u>\$ 208,376</u>	<u>\$ 2,257,881</u>
Liabilities:				
Agency Funds Held for Others	\$ 2,293,504	\$ 172,753	\$ 208,376	\$ 2,257,881
Total Liabilities	<u>\$ 2,293,504</u>	<u>\$ 172,753</u>	<u>\$ 208,376</u>	<u>\$ 2,257,881</u>
COUNTY AGENCY FUNDS				
Assets:				
Cash	\$ 30,599,250	\$ 2,791,341,496	\$ 2,775,462,331	\$ 46,478,415
Taxes Receivable	14,439,701	1,050,679,012	1,051,520,537	13,598,176
Other Receivable	63,188	1,123,990	248,617	938,561
Prepaid Items	1,113,848	1,154,813	1,113,848	1,154,813
Total Assets	<u>\$ 46,215,987</u>	<u>\$ 3,844,299,311</u>	<u>\$ 3,828,345,333</u>	<u>\$ 62,169,965</u>
Liabilities:				
Agency Funds Held for Others	\$ 46,215,987	\$ 3,844,299,311	\$ 3,828,345,333	\$ 62,169,965
Total Liabilities	<u>\$ 46,215,987</u>	<u>\$ 3,844,299,311</u>	<u>\$ 3,828,345,333</u>	<u>\$ 62,169,965</u>
AGENCY FUNDS COMBINED				
Assets:				
Cash	\$ 30,685,129	\$ 2,791,514,249	\$ 2,775,638,645	\$ 46,560,733
Cash with Fiscal Agent	1,080,525	-	32,062	1,048,463
Taxes Receivable	15,566,801	1,050,679,012	1,051,520,537	14,725,276
Other Receivable	63,188	1,123,990	248,617	938,561
Prepaid Items	1,113,848	1,154,813	1,113,848	1,154,813
Total Assets	<u>\$ 48,509,491</u>	<u>\$ 3,844,472,064</u>	<u>\$ 3,828,553,709</u>	<u>\$ 64,427,846</u>
Liabilities:				
Agency Funds Held for Others	\$ 48,509,491	\$ 3,844,472,064	\$ 3,828,553,709	\$ 64,427,846
Total Liabilities	<u>\$ 48,509,491</u>	<u>\$ 3,844,472,064</u>	<u>\$ 3,828,553,709</u>	<u>\$ 64,427,846</u>

**COUNTY OF MARIN
STATEMENT OF NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2018**

	<u>Successor Agency - Marin County Redevelopment Agency</u>	<u>Marin City CSD Trust Fund</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and Investments in County Pool	\$ 1,622,164	\$ 124,806	\$ 1,746,970
Cash with Fiscal Agent	659,387	-	659,387
Interest Receivable	52,450	-	52,450
Notes Receivable	110,000	-	110,000
Capital Assets:			
Nondepreciable	<u>30,014</u>	<u>-</u>	<u>30,014</u>
 Total Assets	 2,474,015	 124,806	 2,598,821
LIABILITIES			
Current Liabilities:			
Accounts Payable	158,246	119,932	278,178
Accrued Interest Payable	116,639	-	116,639
Bond Payable, Current Portion	<u>577,679</u>	<u>-</u>	<u>577,679</u>
Total current liabilities	852,564	119,932	972,496
Long-Term Liabilities:			
Bond Payable	5,704,026	-	5,704,026
Due to Bondholders	<u>-</u>	<u>-</u>	<u>-</u>
Total Long-Term Liabilities	<u>5,704,026</u>	<u>-</u>	<u>5,704,026</u>
 Total Liabilities	 <u>6,556,590</u>	 <u>119,932</u>	 <u>6,676,522</u>
NET POSITION (DEFICIT)			
Net Investment in Capital Assets	30,014	-	30,014
Unrestricted (Deficit)	<u>(4,112,589)</u>	<u>4,874</u>	<u>(4,107,715)</u>
 Total Net Position (Deficit)	 <u>\$ (4,082,575)</u>	 <u>\$ 4,874</u>	 <u>\$ (4,077,701)</u>

**COUNTY OF MARIN
STATEMENT OF CHANGES IN NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2018**

	Successor Agency - Marin County Redevelopment Agency	Marin City CSD Trust Fund	Total
ADDITIONS			
Property Tax Revenue	\$ 3,402,245	\$ -	\$ 3,402,245
Interest	15,101	1,298	16,399
Total Additions	<u>3,417,346</u>	<u>1,298</u>	<u>3,418,644</u>
DEDUCTIONS			
Tax Disbursements	2,397,755	-	2,397,755
Administrative and Other	133,781	-	133,781
Total Deductions	<u>2,531,536</u>	<u>-</u>	<u>2,531,536</u>
CHANGE IN NET POSITION	885,810	1,298	887,108
Net Position (Deficit) - Beginning of the Year	<u>(4,968,385)</u>	<u>3,576</u>	<u>(4,964,809)</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ (4,082,575)</u>	<u>\$ 4,874</u>	<u>\$ (4,077,701)</u>

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STATISTICAL SECTION

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**COUNTY OF MARIN
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.	180-184
<u>Revenue Capacity</u>	
This segment includes information to help the reader assess the County's most significant local revenue source, property tax.	185-188
<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.	189-191
<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.	192-194
<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.	195-196

**COUNTY OF MARIN
GOVERNMENT-WIDE NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Governmental Activities:										
Net Investment in Capital Assets ¹	\$ 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	\$ 1,307,079,747	\$ 1,314,933,122
Restricted	96,059,870	104,933,566	173,980,351	2,861,133	164,729,907	180,676,987	197,508,591	174,870,093	169,513,523	182,898,754
Unrestricted	77,080,634	78,853,651	11,266,738	48,905,187	19,059,115	6,281,718	(229,883,825)	(153,404,084)	(101,487,886)	(244,489,974)
Total Governmental Activities Net Position	<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>	<u>\$ 1,375,105,384</u>	<u>\$ 1,253,341,902</u>
Business-Type Activities:										
Net Investment in Capital Assets ¹	\$ 27,414,256	\$ 28,492,170	\$ 28,317,111	\$ 30,730,037	\$ 32,934,675	\$ 32,713,894	\$ 33,647,390	\$ 43,142,844	\$ 45,737,269	\$ 57,932,138
Restricted	9,883,350	8,565,480	9,403,055	9,071,725	7,343,795	6,793,821	6,774,022	7,159,321	7,108,961	7,188,591
Unrestricted	14,933,495	12,796,903	13,712,010	7,942,516	11,751,468	13,722,499	16,833,618	18,112,302	21,461,226	26,004,618
Total Business-Type Activities Net Position	<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>	<u>\$ 74,307,456</u>	<u>\$ 91,125,347</u>
Primary Government:										
Net Investment in Capital Assets ¹	\$ 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	\$ 1,352,817,016	\$ 1,372,865,260
Restricted	105,943,220	113,499,046	183,383,406	11,932,858	172,073,702	187,470,808	204,282,613	182,029,414	176,622,484	190,087,345
Unrestricted	92,014,129	91,650,554	24,978,748	56,847,703	30,810,583	20,004,217	(213,050,207)	(135,291,782)	(80,026,660)	(218,485,356)
Total Primary Government Net Position ^{2,3}	<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>	<u>\$ 1,449,412,840</u>	<u>\$ 1,344,467,249</u>
Percent of Increase (Decrease) in Primary Government Net Position	(3.35)%	(0.55)%	(0.57)%	(11.12)%	9.65 %	2.23 %	(12.97)%	3.52 %	4.27 %	(7.24)%

Notes:

- ¹ Capital assets include land, land improvement, easements, construction in progress, intangible assets, structures and improvements, equipment, infrastructure, and other property.
- ² 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.
- ³ The decrease in net position starting with the fiscal year ended June 30, 2015 was primarily due to the recording of the County's net pension liability in accordance with GASB Statement No. 68.

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

**COUNTY OF MARIN
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

COUNTY OF MARIN

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
EXPENSES										
Governmental Activities:										
General Government	\$ 78,944,173	\$ 71,617,475	\$ 78,174,626	\$ 77,172,865	\$ 121,258,708	\$ 84,027,170	\$ 82,921,707	\$ 86,880,607	\$ 89,409,204	\$ 101,732,621
Public Protection	169,921,297	169,011,775	160,691,198	158,129,592	156,064,850	156,154,574	154,983,553	163,364,793	176,550,146	183,915,400
Public Ways and Facilities	40,003,824	35,134,260	33,946,789	26,208,192	32,538,571	44,560,810	32,075,029	17,609,082	15,563,001	20,541,650
Health and Sanitation	96,157,874	94,895,462	87,682,812	89,241,808	90,853,837	89,232,186	85,648,934	95,898,060	97,961,789	108,436,819
Public Assistance	64,310,157	73,137,027	73,445,107	68,793,982	63,600,190	68,703,203	67,182,553	65,199,856	79,787,633	80,298,399
Education	13,376,491	13,025,776	13,415,872	13,348,168	15,521,694	15,811,986	13,120,661	14,635,952	15,375,928	14,783,341
Recreation and Cultural Services	17,060,038	15,941,380	16,854,659	16,191,066	17,139,646	25,554,382	18,229,115	26,649,314	27,530,700	34,075,611
Debt Service:										
Interest and Fiscal Charges	11,312,313	11,190,274	11,751,268	12,017,811	10,936,573	10,512,668	10,001,182	10,432,237	11,720,752	11,788,169
Total Governmental Activities Expense	491,086,167	483,953,429	475,962,331	461,103,484	507,914,069	494,556,979	464,162,734	480,669,901	513,899,153	555,572,010
Business-Type Activities:										
Housing Authority	36,119,347	36,591,718	39,403,887	41,825,266	39,919,898	39,280,670	39,317,842	38,621,407	41,725,977	47,822,928
Other Business-Type Activities	30,357,102	31,891,178	32,205,334	32,475,679	30,287,766	32,758,672	34,873,634	35,586,849	37,552,519	40,116,327
Total Business-Type Activities Expenses	66,476,449	68,482,896	71,609,221	74,300,945	70,207,664	72,039,342	74,191,476	74,208,256	79,278,496	87,939,255
Total Primary Government Expenses	<u>\$ 557,562,616</u>	<u>\$ 552,436,325</u>	<u>\$ 547,571,552</u>	<u>\$ 535,404,429</u>	<u>\$ 578,121,733</u>	<u>\$ 566,596,321</u>	<u>\$ 538,354,210</u>	<u>\$ 554,878,157</u>	<u>\$ 593,177,649</u>	<u>\$ 643,511,265</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	\$ 29,853,998	\$ 24,023,409	\$ 28,148,514	\$ 25,973,978	\$ 24,598,118	\$ 15,154,492	\$ 31,833,841	\$ 25,433,009	\$ 15,234,296	\$ 27,824,933
Public Protection	31,585,415	38,555,176	38,912,554	36,397,954	37,629,406	50,836,345	37,902,032	44,274,532	45,569,728	47,145,369
Other Activities	11,220,698	15,028,100	15,681,773	18,715,086	19,186,522	20,479,315	17,702,864	18,841,627	21,136,907	16,152,807
Operating Grants and Contributions	165,629,111	172,043,483	167,332,764	169,407,784	176,334,689	185,429,959	199,007,331	184,740,139	197,130,229	208,289,591
Capital Grants and Contributions	10,764,586	21,165,980	15,331,128	2,134,985	5,789,750	1,881,829	2,897,874	4,153,767	7,356,278	12,940,472
Total Governmental Activities Program Revenues	249,053,808	270,816,148	265,406,733	252,629,787	263,538,485	273,781,940	289,343,942	277,443,074	286,427,438	312,353,172
Business-Type Activities:										
Charges for Services:										
Housing Authority	3,880,406	2,960,138	4,359,716	1,804,211	1,557,962	2,231,254	1,530,162	1,719,140	1,737,680	1,555,719
Other Business-Type Activities	12,705,975	12,119,158	13,710,708	11,074,217	11,194,640	10,806,818	11,034,225	11,379,022	11,211,984	14,102,116
Operating Grants and Contributions	48,705,910	45,471,438	50,103,335	49,918,083	50,579,746	53,957,004	54,484,780	56,816,161	60,426,442	70,279,968
Capital Grants and Contributions	13,659,585	2,138,810	1,628,485	3,603,727	4,358,421	2,010,153	2,894,521	12,392,023	4,525,493	11,419,452
Total Business-Type Activities Program Revenues	78,951,876	62,689,544	69,802,244	66,400,238	67,690,769	69,005,229	69,943,688	82,306,346	77,901,599	97,357,255
Total Primary Government Program Revenues	<u>\$ 328,005,684</u>	<u>\$ 333,505,692</u>	<u>\$ 335,208,977</u>	<u>\$ 319,030,025</u>	<u>\$ 331,229,254</u>	<u>\$ 342,787,169</u>	<u>\$ 359,287,630</u>	<u>\$ 359,749,420</u>	<u>\$ 364,329,037</u>	<u>\$ 409,710,427</u>
NET REVENUE (EXPENSE)¹										
Governmental Activities	\$ (242,032,359)	\$ (213,137,281)	\$ (210,555,598)	\$ (208,473,697)	\$ (244,375,584)	\$ (220,775,039)	\$ (174,818,792)	\$ (203,226,827)	\$ (227,471,715)	\$ (243,218,838)
Business-Type Activities	12,475,427	(5,793,352)	(1,806,977)	(7,900,707)	(2,516,895)	(3,034,113)	(4,247,788)	8,098,090	(1,376,897)	9,418,000
Total Primary Government Net Expense	<u>\$ (229,556,932)</u>	<u>\$ (218,930,633)</u>	<u>\$ (212,362,575)</u>	<u>\$ (216,374,404)</u>	<u>\$ (246,892,479)</u>	<u>\$ (223,809,152)</u>	<u>\$ (179,066,580)</u>	<u>\$ (195,128,737)</u>	<u>\$ (228,848,612)</u>	<u>\$ (233,800,838)</u>

**COUNTY OF MARIN
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 195,047,145	\$ 183,657,725	\$ 189,146,127	\$ 181,655,215	\$ 183,586,166	\$ 179,525,969	\$ 201,773,959	\$ 212,879,125	\$ 244,942,858	\$ 260,130,514
Sales and Use Taxes	2,920,483	2,627,825	2,617,299	3,843,242	3,784,814	3,881,496	16,575,719	18,664,903	18,260,803	17,898,335
Other	8,438,480	3,952,498	3,912,590	3,595,633	4,398,288	6,380,276	7,569,436	7,492,496	7,825,635	3,437,969
Unrestricted Interest and Investment Earnings	13,928,177	9,082,873	6,053,144	4,785,362	2,956,134	2,988,564	3,718,232	3,838,317	4,823,768	7,908,225
Miscellaneous	3,538,084	2,962,336	2,561,688	2,036,152	3,389,105	5,496,912	2,200,297	2,175,600	2,237,567	2,671,456
Tobacco Settlement	2,856,389	3,131,196	2,632,091	2,199,785	2,243,241	3,410,665	4,854,591	1,464,157	4,605,829	4,608,135
Transfers	-	-	(7,048)	86,461	19,615	(50,000)	(1,509,557)	(1,922,343)	(1,760,796)	(1,105,082)
Total Governmental Activities	226,728,758	205,414,453	206,915,891	198,201,850	200,377,363	201,633,882	235,182,677	244,592,255	280,935,664	295,549,552
Business-Type Activities:										
Taxes	3,233,545	3,225,852	3,258,947	3,141,177	3,168,788	3,229,758	3,611,357	3,848,373	4,111,657	4,321,194
Investment Earnings	382,508	803,328	150,809	40,958	289,122	616,378	359,221	440,017	201,731	744,090
Related Party Contribution	-	-	-	-	400,000	-	-	-	-	-
Miscellaneous	510,973	64,679	-	-	2,763,769	2,531,026	2,677,010	1,250,251	1,195,702	1,229,525
Transfers	-	-	7,048	(86,461)	(19,615)	50,000	1,509,557	1,922,343	1,760,796	1,105,082
Total Business-Type Activities	4,127,026	4,093,859	3,416,804	3,095,674	6,602,064	6,427,162	8,157,145	7,460,984	7,269,886	7,399,891
Total Primary Government	<u>\$ 230,855,784</u>	<u>\$ 209,508,312</u>	<u>\$ 210,332,695</u>	<u>\$ 201,297,524</u>	<u>\$ 206,979,427</u>	<u>\$ 208,061,044</u>	<u>\$ 243,339,822</u>	<u>\$ 252,053,239</u>	<u>\$ 288,205,550</u>	<u>\$ 302,949,443</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ (15,303,601)	\$ (7,722,828)	\$ (3,639,707)	\$ (10,271,847)	\$ (8,096,334)	\$ (42,720,952)	\$ 60,363,885	\$ 41,365,428	\$ 53,463,949	\$ 52,330,714
Business-Type Activities	16,602,453	(1,699,493)	1,609,827	(4,805,033)	(1,298,643)	3,910,267	3,909,357	15,559,074	5,892,989	16,817,891
Total Primary Government	<u>\$ 1,298,852</u>	<u>\$ (9,422,321)</u>	<u>\$ (2,029,880)</u>	<u>\$ (15,076,880)</u>	<u>\$ (9,394,977)</u>	<u>\$ (38,810,685)</u>	<u>\$ 64,273,242</u>	<u>\$ 56,924,502</u>	<u>\$ 59,356,938</u>	<u>\$ 69,148,605</u>

Notes:

¹ 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)**

	2008-09	2009-10	2010-11 ²	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
General Fund:										
Reserved	\$ 28,289	\$ 32,956								
Unreserved	143,216	156,096								
Total General Fund	<u>\$ 171,505</u>	<u>\$ 189,052</u>								
Capital Projects Fund:										
Reserved	\$ -	\$ -								
Unreserved	-	-								
Total Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>								
Flood Control District Zones:										
Reserved	\$ 2,225	\$ 866								
Unreserved	11,828	15,446								
Total Flood Control District Zones	<u>\$ 14,053</u>	<u>\$ 16,312</u>								
All Other Governmental Funds: ¹										
Reserved	\$ 14,479	\$ 14,547								
Unreserved, Reported in:	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	<u>\$ 103,983</u>	<u>\$ 119,287</u>								
General Fund:										
Nonspendable			\$ 1,765	\$ 3,939,117	\$ 4,719,830	\$ 4,137,997	\$ 3,647,441	\$ 3,443,062	\$ 4,051,967	\$ 3,969,909
Restricted			10,097	12,093,012	10,740,177	17,650,224	27,298,270	18,029,448	40,820,909	43,535,862
Committed			118,593	114,628,535	68,600,588	77,384,472	67,592,806	75,183,409	56,360,224	57,878,603
Assigned			48,097	44,626,225	37,094,588	36,770,748	51,133,913	60,208,192	68,329,554	88,474,268
Unassigned			14,837	6,588,685	4,176,408	3,896,463	3,215,908	99,631	1,819,492	3,443,125
Total General Fund			<u>\$ 193,389</u>	<u>\$ 181,875,574</u>	<u>\$ 125,331,591</u>	<u>\$ 139,839,904</u>	<u>\$ 152,888,338</u>	<u>\$ 156,963,742</u>	<u>\$ 171,382,146</u>	<u>\$ 197,301,767</u>
Other Major Special Revenue Funds:										
Nonspendable			\$ -	\$ -	\$ 13,276				\$ -	\$ -
Restricted			1,637	30,353,031	18,747,903				750,316	1,414,351
Assigned			-	-	11,202,104				90,045	1,468,961
Total Miscellaneous Special Revenue Fund			<u>\$ 1,637</u>	<u>\$ 30,353,031</u>	<u>\$ 29,963,283</u>				<u>\$ 840,361</u>	<u>\$ 2,883,312</u>
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				44,740,402	
Total Miscellaneous Capital Projects Fund			<u>\$ 58,966</u>	<u>\$ 59,470,249</u>	<u>\$ 63,075,401</u>				<u>\$ 44,740,402</u>	
All Other Governmental Funds: ¹										
Nonspendable			\$ 6,327	\$ 6,273,145	\$ 112,376	\$ 106,351	\$ 108,962	\$ 103,310	\$ 123,989	\$ 208,192
Restricted			114,873	91,926,263	110,612,255	143,013,079	151,795,932	156,840,645	127,942,298	137,948,541
Committed			1,164	2,459,990	500,000	525,092	140,092	140,092	20,749,601	12,926,822
Assigned			20,708	22,975,609	14,130,484	20,726,807	27,298,060	76,760,976	53,497,585	100,777,656
Unassigned			-	-	-	-	-	-	-	(8,567)
Total All Other Governmental Funds			<u>\$ 143,072</u>	<u>\$ 123,635,007</u>	<u>\$ 125,355,115</u>	<u>\$ 164,371,329</u>	<u>\$ 179,343,046</u>	<u>\$ 233,845,023</u>	<u>\$ 202,313,473</u>	<u>\$ 251,852,644</u>

Notes:

¹ Governmental funds include general fund, special revenue funds, debt service funds, and capital project funds.

² 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)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
REVENUES										
Taxes	\$ 190,740	\$ 195,676	\$ 189,886	\$ 192,014	\$ 189,788	\$ 223,824	\$ 225,919	\$ 239,037	\$ 271,029	\$ 281,467
Licenses, Fees, and Permits	9,280	10,385	11,395	12,884	13,655	15,620	15,139	15,003	14,651	15,085
Intergovernmental Revenues	9,559	12,695	182,664	171,543	11,505	10,437	12,145	10,222	9,188	10,566
Charges for Services	9,083	6,053	58,234	55,986	2,989	3,315	3,233	3,464	4,445	7,515
Fines and Forfeits	176,194	188,421	13,768	12,217	182,124	187,312	201,372	188,894	204,487	221,230
From Use of Money and Property	54,587	56,828	4,785	2,956	56,322	60,471	60,688	63,324	57,296	65,126
Miscellaneous	6,093	4,726	4,181	5,632	8,908	3,539	7,055	3,640	6,843	7,280
Total Revenues	455,536	474,784	464,913	453,232	465,291	504,518	525,551	523,584	567,939	608,269
EXPENDITURES										
Current:										
General Government	62,051	54,432	59,576	60,063	113,846	71,713	69,589	64,062	71,994	78,168
Public Protection	153,674	155,404	154,993	147,075	153,065	162,849	164,831	173,724	181,559	189,884
Public Ways and Facilities	27,787	24,321	23,885	16,038	22,797	34,294	31,922	19,893	14,964	20,069
Health and Sanitation	90,416	91,008	85,285	85,864	90,784	88,476	88,845	99,774	99,002	109,689
Public Assistance	59,671	68,972	67,638	65,988	63,496	67,607	69,330	77,352	80,470	81,811
Education	12,589	12,136	12,898	12,677	15,542	14,600	14,762	15,024	15,426	15,001
Recreation and Cultural Services	15,116	14,722	15,869	15,105	16,866	21,899	22,192	27,654	27,540	33,954
Capital Outlay	25,312	4,550	5,575	37,594	18,257	42,901	26,887	23,877	28,615	26,895
Debt Service:										
Principal	4,657	4,744	5,259	5,130	7,548	5,215	6,361	7,304	7,469	8,823
Interest	10,227	10,162	10,590	11,261	11,103	10,419	10,298	10,481	10,810	10,464
Bond Issuance Costs	-	-	1,062	-	-	-	-	-	-	-
Total Expenditures	461,500	440,451	442,630	456,795	513,304	519,973	505,017	519,145	537,848	574,758
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(5,964)	34,333	22,283	(3,563)	(48,013)	(15,455)	20,534	4,439	30,091	33,511
OTHER FINANCING SOURCES (USES)										
Inception of Capital Lease	-	96	1,689	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	1,989	6	-	-	-	131	-
Debt Refunding to Escrow Agent	-	-	(17,465)	-	-	-	-	(60,483)	-	-
Proceeds from Borrowing	858	682	63,885	1,980	124	6,413	1,769	82,721	-	-
Payment Refunded to Escrow Agent	-	-	-	-	-	(6,003)	-	-	-	-
Transfers In	21,824	33,776	136,668	114,039	110,017	100,196	105,469	178,847	144,338	149,993
Transfers Out	(21,824)	(33,778)	(136,577)	(114,014)	(113,713)	(96,574)	(106,973)	(180,763)	(146,092)	(151,097)
Total Other Financing Sources (Uses), Net	858	776	48,200	3,994	(3,566)	4,032	265	20,322	(1,624)	(1,104)
NET CHANGE IN FUND BALANCES BEFORE EXTRAORDINARY ITEM/SPECIAL ITEMS	(5,106)	35,109	70,483	431	(51,579)	(11,423)	20,799	24,761	28,468	32,407
EXTRAORDINARY ITEM/SPECIAL ITEM										
RDA Dissolution	-	-	-	(600)	21	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ (5,106)</u>	<u>\$ 35,109</u>	<u>\$ 70,483</u>	<u>\$ (169)</u>	<u>\$ (51,558)</u>	<u>\$ (11,423)</u>	<u>\$ 20,799</u>	<u>\$ 24,761</u>	<u>\$ 28,468</u>	<u>\$ 32,407</u>
Debt Service as a Percentage of Noncapital Expenditures	3.41%	3.42%	3.63%	3.91%	3.77%	3.28%	3.48%	3.59%	3.59%	3.52%

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

**COUNTY OF MARIN
 ASSESSED VALUATION OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)**

Fiscal Year	Secured ¹	Unsecured ²	Exempt ³	Total Taxable Assessed Value	Total Direct Tax Rate
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
2016-17	70,952,207	1,566,336	2,079,024	70,439,519	1.00
2017-18	74,686,005	1,610,799	2,157,806	74,138,998	1.00

Notes:

- 1 Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines.
- 2 Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.
- 3 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 RATES¹
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)**

Fiscal Year	County Direct Rate	Overlapping Rates ²			Total Direct and Overlapping ²
		Local Special Districts	Schools	Cities	
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
2016-17	1.0000	0.9221	0.8506	0.2394	3.0121
2017-18	1.0000	0.9041	0.8381	0.2353	2.9775

Notes:

¹ 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.

² 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, 2018

Taxpayer	Type of Business	Total Taxes ^{1,2}	Percentage of Total County Taxes
Pacific Gas and Electric Company	Utilities	\$ 9,038,191	0.86 %
Biomarin Pharmaceutical, Inc.	Pharmaceutical	3,859,096	0.37
California Corporate Center Acquisit	Commercial Rental Property	3,124,879	0.30
JCC Cal Properties, LLC	Commercial Rental Property	2,725,538	0.26
MGP XI Northgate LLC	Commercial Rental Property	2,620,767	0.25
Skywalker Properties LTD	Film and Entertainment	2,585,478	0.24
RP Maximus Cove Owner, LLC	Commercial Rental Property	1,938,762	0.18
Corte Madera Village LLC	Commercial Rental Property	1,854,664	0.18
Novato FF Property LLC	Commercial Rental Property	1,821,376	0.17
RPR Larkspur Owner LLC	Residential Rental Property	1,629,106	0.15
Total		<u>\$ 31,197,858</u>	2.95
Total Taxes of All Taxpayers		<u>\$ 1,056,156,242</u>	

June 30, 2008

Taxpayer	Type of Business	Total Taxes ¹	Percentage of Total County Taxes
Pacific Gas and Electric Company	Utilities	\$ 2,916,300	0.43 %
Novato FF Property LLC	Commercial Rental Property	2,340,243	0.34
Skywalker Properties LTD	Film and Entertainment	2,101,580	0.31
James Campbell Co LLC	Commercial Rental Property	1,591,649	0.23
Corte Madera Village LLC	Commercial Rental Property	1,475,168	0.22
Northgate Mall Association	Commercial Rental Property	1,400,182	0.20
SPK Larkspur/Drakes Landing & Wood Island Office Park/Complex LLC	Commercial Rental Property	1,183,414	0.17
770 Tamalpais Dr INC	Commercial Rental Property	1,057,499	0.15
McVay W H TR L/L etal	Commercial Rental Property	1,035,751	0.15
Pacific Bell Telephone Co.,DBA	Utilities	871,207	0.13
Total		<u>\$ 15,972,993</u>	2.34
Total Taxes of All Taxpayers		<u>\$ 684,007,251</u>	

Notes:

¹ Taxable assessed secured amounts

² 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**

Fiscal Year Ending June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Cumulative Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2009	\$ 717,958,385	\$ 696,748,890	97.05 %	\$ 20,510,641	\$ 716,006,232	99.73 %	\$ 1,952,153	0.27 %
2010	746,290,576	727,942,762	97.54	17,746,498	745,334,870	99.87	955,706	0.13
2011	755,085,588	740,943,048	98.13	13,468,853	753,918,469	99.85	1,167,119	0.15
2012	769,537,466	757,441,903	98.43	11,547,158	768,451,733	99.86	1,085,733	0.14
2013	782,812,148	773,795,588	98.85	8,418,551	781,757,562	99.87	1,054,586	0.13
2014	817,201,889	808,364,147	98.92	7,997,075	816,182,809	99.88	1,019,080	0.12
2015	858,418,809	850,569,761	99.09	6,877,434	856,474,108	99.77	1,944,701	0.23
2016	929,551,558	922,760,747	99.27	5,870,140	928,091,461	99.84	1,460,097	0.16
2017	985,641,306	977,622,873	99.19	5,494,906	977,622,873	99.19	8,018,433	0.81
2018	1,056,156,242	1,049,173,344	99.34	-	1,049,173,344	99.34	6,982,898	0.66

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				General Bonded Debt Per Capita ¹
	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 Debt	Total General Bonded Debt	Percentage of Personal Income ¹	Per Capita ¹	
2008-09	\$ 11,390	\$ 112,755	\$ 48,502	\$ -	\$ 36,005	\$ 2,398	\$ 882	\$ 211,932	\$ 5,107	\$ -	\$ 5,107	\$ 217,039	\$ 208,652	0.97 %	\$ 866	\$ 832
2009-10	11,080	112,325	48,481	-	32,760	3,062	558	208,266	5,674	-	5,674	213,940	204,646	1.03	846	810
2010-11	10,740	111,480	48,779	-	75,178	3,453	1,955	251,585	6,061	202	6,263	257,848	246,177	1.18	1,011	965
2011-12 ²	6,185	110,185	48,999	-	73,410	4,722	1,536	245,037	5,169	-	5,169	250,206	238,779	10.50	977	932
2012-13	5,860	108,400	48,163	-	71,097	2,766	1,103	237,389	4,212	2,172	6,384	243,773	233,520	0.97	944	904
2013-14	6,163	106,085	48,550	-	68,731	2,780	700	233,009	4,535	2,147	6,682	239,691	229,529	0.93	919	880
2014-15	5,743	103,195	48,902	430	66,308	3,912	354	228,844	4,622	2,051	6,673	235,517	224,578	0.83	902	860
2015-16	5,295	99,675	49,309	416	91,411	3,662	-	249,768	5,084	1,939	7,023	256,791	246,106	0.85	985	944
2016-17	4,835	95,475	49,762	400	89,476	3,206	-	243,154	5,664	1,573	7,237	250,391	239,948	0.77	960	919
2017-18	4,359	90,530	49,761	384	87,478	3,152	-	235,664	7,262	1,426	8,688	244,352	246,404	Unavailable	Unavailable	Unavailable

Notes:

¹ 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.

² 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
JUNE 30, 2018
(IN THOUSANDS)**

	Fiscal Year 2018	
	1.25 %	3.75 %
Debt Limit	\$ 926,737	\$ 2,780,212
Total Net Debt Applicable to Limit	224,229	224,261
Legal Debt Margin	\$ 702,508	\$ 2,555,951
 Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	 24.20%	 8.07%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed Value	\$ 76,296,804	\$ 76,296,804
Less: Exempt Real Property	(2,157,806)	(2,157,806)
Total Assessed Value	\$ 74,138,998	\$ 74,138,998

CERTIFICATES OF PARTICIPATION

Debt Limit (1.25% and 3.75% of Total Assessed Value) ¹	\$ 926,737	\$ 2,780,212
Debt Applicable to Limit:		
Certificates of Participation	87,478	87,478
Less: Amount Set Aside for Repayment of Outstanding Debt	(2,077)	(2,077)
Total Net Debt Applicable to Limit	85,401	85,401

OTHER BONDED DEBT

Debt Applicable to Limit:		
Revenue Bonds	4,359	4,359
Pension Obligation Bonds	90,530	90,530
Tobacco Settlement Asset-Backed Bonds	49,761	49,761
Limited Obligation Improvement Bond 2014	384	416
Less: Amount Set Aside for Repayment of Outstanding Debt	(6,206)	(6,206)
Total Net Debt Applicable to Limit	138,828	138,860
Legal Debt Margin	\$ 1,150,966	\$ 3,004,473

Notes:

¹ 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
JUNE 30, 2018**

FY 2017-18 Assessed Valuation (including unitary utility valuation)

\$ 75,111,888,158

	Percentage Applicable (1)	County's Share of Overlapping Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u>		
School Districts:		
Marin Community College District	100.000%	\$ 310,065,000
Novato Unified School District	100.000%	116,890,000
Shoreline Joint Unified School District	55.056%	6,317,676
Petaluma Joint Union High School District	0.850%	493,698
San Rafael High School District	100.000%	63,280,315
Tamalpais Union High School District	100.000%	109,685,000
Larkspur-Corte Madera School District	100.000%	55,011,669
Mill Valley School District	100.000%	63,639,562
Reed Union School District	100.000%	27,205,000
Ross Valley School District	100.000%	43,596,489
San Rafael School District	100.000%	63,724,158
Other School Districts	0.124%-100%	112,272,807
Cities:		
Town of Fairfax	100.000%	6,713,600
City of Novato	100.000%	8,874,967
City of San Anselmo	100.000%	5,015,000
City of Sausalito	100.000%	11,818,894
Special Districts:		
Strawberry Recreation and Park District Zone No. 4	100.000%	345,000
Marin County Healthcare District	100.000%	378,740,000
Marin Emergency Radio Authority Parcel Tax Obligations	100.000%	33,000,000
Public Utility Districts	100.000%	39,000
County Water Districts	100.000%	58,291,566
Marin County Limited Obligation Bonds	100.000%	4,743,190
1915 Act Bonds	100.000%	20,570,852
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		1,500,333,443
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</u>		
Direct General Fund Obligation Debt:		
Marin County General Fund Obligations	100.000%	\$ 87,478,146 (2)
Marin County Pension Obligation Bonds, Tobacco Bonds and Other Bonds	100.000%	145,034,064
Marin County Loan Obligations	100.000%	3,152,240
School Districts:		
Marin Community College District General Fund Obligations	100.000%	9,690,834
San Rafael School District General Fund Obligations	100.000%	3,275,000
Sausalito School District Certificates of Participation	100.000%	3,295,000
Other School District General Fund Obligations	0.124%-0.85%	46,737
Cities and Towns:		
Town of Corte Madera General Fund Obligations	100.000%	9,046,739
City of Novato Certificates of Participation and Pension Obligations	100.000%	16,514,698
City of San Rafael General Fund and Pension Obligations	100.000%	56,147,916
Other Cities and Towns General Fund and Pension Obligations	100.000%	23,437,575
Special Districts:		
Fire Protection District Certificates of Participation	100.000%	4,692,240
Other Special District General Fund Obligations	100.000%	566,318
Total Gross Direct and Overlapping General Fund Obligation Debt		\$ 362,377,507
Less: City of San Rafael obligations supported by enterprise revenues		5,175,000
Total Net Direct and Overlapping General Fund Debt		\$ 357,202,507
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)	100.000%	\$ 59,631,504
TOTAL DIRECT DEBT		\$ 240,407,640
TOTAL GROSS OVERLAPPING DEBT		\$ 1,681,934,814
TOTAL NET OVERLAPPING DEBT		\$ 1,676,759,814
COMBINED TOTAL DEBT		\$ 1,922,342,454 (3)
COMBINED TOTAL DEBT		1,917,167,454
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 (\$3,325,190). 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.		
<u>Ratio to 2016-17 Assessed Valuation:</u>		
Total Overlapping Tax and Assessment Debt	2.00%	
Total Direct Debt (\$185,903,576)	0.25%	
Gross Combined Total Debt	2.48%	
Net Combined Total Debt	2.47%	
<u>Ratios to Redevelopment Incremental Valuation (\$4,228,086,516):</u>		
Total Overlapping Tax Increment Debt	1.16%	
Marin County General Fund Obligations	\$ 87,478,146	
Marin County population	260,955	
Marin County General Fund Obligations per capita	\$ 335	

Source: California Municipal Statistics, Inc.

**COUNTY OF MARIN
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ending June 30,</u>	<u>Population¹</u>	<u>Personal Income¹</u>	<u>Per Capita Personal Income¹</u>	<u>School Enrollment²</u>	<u>Unemployment Rate³</u>
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	260,651	30,222,883,000	115,952	33,633	3.50
2017	260,955	32,502,500,000	124,552	33,741	2.20
2018	Unavailable	Unavailable	Unavailable	Unavailable	2.30

Sources:

¹ US Department of Commerce, Bureau of Economic Analysis - www.bea.gov

² California Department of Education, Educational Demographics Office - www.ed-data.org/county/Marin

³ Employment Development Department, Labor Market Information - www.labormarketinfo.edd.ca.gov

**COUNTY OF MARIN
PRINCIPAL EMPLOYERS
MOST RECENT YEAR AND TEN YEARS AGO**

2017			2007		
Employer	Employees	Percentage of Total County Employment	Employer	Employees	Percentage of Total County Employment
County of Marin	2,305	1.67 %	County of Marin	2,215	1.75 %
Kaiser Permanente Medical Center	2,092	1.52	San Quentin Prison	1,822	1.44
BioMarin	1,700	1.23	Kaiser Permanente	1,456	1.15
Marin General Hospital	1,602	1.16	Firemna's Fund Insurance Co.	1,125	0.89
San Quentin State Prison	1,600	1.16	Autodesk, Inc.	1,081	0.86
Novato Unified School District	850	0.62	Marin General Hospital	881	0.70
Glassdoor	750	0.54	Novato Unified School District	850	0.67
San Rafael City Schools	700	0.51	Safeway, Inc.	611	0.48
Marin County Office of Education	600	0.44	Macy's	605	0.48
Dominican University	319	0.23	BioMarin	557	0.44
Total	<u>12,518</u>	9.09	Total	<u>11,203</u>	8.86
Total County Employment	<u>137,700</u>		Total County Employment	<u>126,400</u>	

Sources:

Community Profile, County of Marin

Employment Development Department, Labor Market Information - www.Labormarketinfo.edd.ca.gov

**COUNTY OF MARIN
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

<u>Function/Program</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>	<u>2016-17</u>	<u>2017-18</u>
General Government	362.82	362.57	356.73	354.15	354.58	360.20	372.08	374.08	372.25	369.75
Public Protection	723.29	709.97	681.58	663.16	666.91	663.03	670.53	673.78	678.07	680.07
Public Ways and Facilities	324.10	321.03	304.53	300.78	307.93	312.53	318.03	324.53	333.53	338.53
Health and Sanitation	391.53	376.34	352.66	338.50	340.22	360.58	379.67	379.67	414.97	426.07
Public Assistance	261.02	250.89	235.10	225.67	226.81	240.39	253.11	253.11	276.65	284.05
Education	96.76	95.93	94.83	94.95	100.11	98.95	104.74	104.75	106.25	104.41
Recreation and Cultural Services	81.75	81.00	77.50	76.50	87.80	93.92	95.75	95.75	101.05	102.05
Total Full-Time Equivalent Employees	<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>	<u>2,282.77</u>	<u>2,304.93</u>

Source: Department of Finance - County of Marin, California

**COUNTY OF MARIN
OPERATING INDICATORS BY FUNCTION
LAST SEVEN FISCAL YEARS**

	Fiscal Year						
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Public Protection							
<u>Sheriff</u>							
Jail Bookings	7,761	7,619	7,511	7,144	6,994	6,640	7,340
Jail Average Daily Population	289	289	287	266	293	324	321
Average Daily Dispatch Calls	83	83	82	84	113	181	170
Number of Major Crimes Task Force Cases Assigned	134	98	126	126	200	186	269
Number of Physical Arrests	7,761	7,619	7,511	7,039	1,807	1,769	1,043
Number of Parking Violations	5,650	3,506	5,125	3,610	5,570	5,286	795
Number of Fire or Emergency Medical Calls Received	23,739	24,796	24,903	26,234	28,442	31,949	31,600
<u>District Attorney</u>							
Number of Felony Referrals	2,912	2,600	2,579	2,141	1,981	1,835	1,867
Number of Misdemeanor Referrals	5,706	5,412	5,404	5,726	5,855	5,411	5,661
Number of Felony Cases Filed	832	843	909	783	702	648	544
Number of Misdemeanor Cases Filed	3,705	3,113	3,120	3,220	3,187	2,882	3,031
DUI's Cases Referred	1,251	1,320	1,347	1,383	1,235	1,072	1,220
DUI's Cases Filed	1,155	1,228	1,275	1,258	1,147	996	1,118
Domestic Violence Cases Referred	874	813	838	788	795	761	699
Domestic Violence Cases Filed	329	272	297	277	339	272	332
<u>Probation</u>							
Probation Investigations and Reports	536	486	542	505	685	567	880
Juvenile Hall Average Daily Population	16	12	9	14	15	12	12
Number of Adult Probation Cases Supervised	2,566	2,024	2,289	1,955	1,908	1,729	1,778
<u>Public Defender</u>							
Number of Requests for Public Defender Assistance at Arraignments	1,975	n/a	n/a	1,859	1,888	1,562	n/a
Number of Cases Settled through Negotiation at Arraignment	264	n/a	n/a	501	688	336	n/a
<u>Environmental Health</u>							
Food Facility Operating Permits Issued	1,535	1,545	1,545	1,519	1,544	1,367	1,542
Housing and Institution Operating Permits Issued	686	679	679	682	691	684	694
Recreational Health Operating Permits Issued	548	548	578	551	547	379	380
Liquid Waste Operating Permits Issued	307	318	318	351	371	383	405
Health and Sanitation							
<u>Youth and Family Services</u>							
Number of Children Assessed who Need Treatment	359	187	272	261	80	83	93
Total Days in Residential Treatment	3,376	-	-	-	-	1,463	n/a
<u>Mental Health</u>							
Total Number of Medi-Cal beneficiaries	24,147	23,261	25,855	41,436	2,442	43,369	2,324
Number of Children and Adolescents Admitted to Psychiatric Emergency Services	112	153	135	136	127	172	173
Number of Adults Admitted to Psychiatric Emergency Services	924	865	982	1,120	825	885	901
Public Ways and Facilities							
<u>Roads</u>							
Street Resurfacing (Square Miles)	6	48.0	68	25	11.5	4	10
Potholes Repaired	1,800	1,800	1,800	1,800	1,800	2,200	1,869
Public Assistance							
<u>Social Services</u>							
Number of New Applications Received for Food Stamps	5,850	6,814	6,446	6,086	5,892	5,626	5,489
Percent of New Food Stamp Applications Approved	62%	57%	58%	61%	64%	68%	64%
Number of New Applications Received for Medi-Cal	8,950	9,371	17,141	12,119	9,420	9,567	8,904
Percent of New Medi-Cal Applications Approved	57%	58%	62%	59%	63%	95%	61%
Number of Children Served by Child Welfare Services	176	142	157	247	197	2,217	1,656
Number of Adoptive Parents Served in Adoption Assistant Program Families	207	227	223	183	166	164	133
Education							
<u>Library</u>							
Number of Virtual Visits	300,304	414,820	412,733	393,695	359,014	827,896	483,312
Number of Community Outreach Activities	989	897	256	325	458	n/a	n/a
Number of Community Partnerships	75	93	149	159	193	n/a	n/a
Number of Items Circulated	1,717,470	2,197,422	2,335,607	1,986,529	1,863,463	1,717,322	1,721,068
Number of Visits to all Branch Libraries	1,134,067	1,046,825	961,943	1,045,756	1,092,871	1,100,000	1,134,503
Recreation and Cultural Services							
<u>Parks</u>							
Number of Park Passes Issued	315	348	348	325	637	725	481
Transit District							
<u>Buses</u>							
Total Number of Passengers	3,376,520	3,410,383	3,546,112	3,424,628	3,332,265	3,216,894	3,293,385
Service Hours	188,287	194,563	204,500	213,218	216,640	234,489	243,825
Total Number of Routes	26	25	30	30	31	28	28

Source: Various Marin County departments

**COUNTY OF MARIN
CAPITAL ASSET STATISTICS BY FUNCTION
LAST SEVEN FISCAL YEARS**

Function	Fiscal Year						
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Public Protection:							
Sheriff:							
Stations (Headquarters and Substations)	4	4	4	4	5	5	4
Patrol Units	31	31	31	31	31	33	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	6	7
Type 3 Fire Engines	11	11	11	11	11	11	11
Type 4 Fire Engines	1	1	1	2	2	2	-
Type 6 Fire Engines	-	-	-	-	-	2	2
Ambulances	5	5	5	5	4	4	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	2	2	2
Heavy Rescue Vehicles	2	2	2	2	4	4	4
Transport	1	1	1	1	1	1	1
Crew Carrier	-	1	1	1	1	1	1
Utilities/Support Vehicles	23	23	23	23	23	24	24
ATV	2	3	3	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	419	419	422
Bridges	56	56	56	56	56	56	56
Street Light	2,025	2,025	2,025	2,025	1,724	1,724	2,062
Traffic Signals	13	13	13	13	15	15	15
Education:							
Library:							
Number of Library Branches	11	11	11	11	10	10	10
Recreation and Cultural Services:							
Parks and Open Space:							
Number of Open Space Acres Maintained	15,087	15,109	15,113	15,159	15,171	15,262	15,262
Number of Parks Acres Maintained	934	934	942	942	458	2,100	2,100
Transit District:							
Buses:							
Total Number of Buses	50	58	64	66	90	113	105

Source: Various Marin County departments