

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Auditor-Controller

BOARD AGENDA #: B-8

AGENDA DATE: March 15, 2016

SUBJECT:

Approval to Accept Annual Audited Financial Reports for Fiscal Year Ended June 30, 2015

BOARD ACTION AS FOLLOWS:

No. 2016-137

On motion of Supervisor Withrow, Seconded by Supervisor DeMartini
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

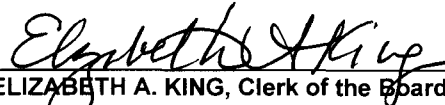
2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:


ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Auditor-Controller

Urgent

Routine

BOARD AGENDA #: B-8

AGENDA DATE: March 15, 2016

CEO CONCURRENCE: *Pat*

4/5 Vote Required: Yes No

SUBJECT:

Approval to Accept Annual Audited Financial Reports for Fiscal Year Ended June 30, 2015

STAFF RECOMMENDATIONS:

Accept the following audited financial reports for the fiscal year ended June 30, 2015, prepared by Brown Armstrong Accountancy Corporation:

1. Comprehensive Annual Financial Report, and
2. Single Audit Report.

DISCUSSION:

The financial audit is the examination of financial data as presented in the Comprehensive Annual Financial Report of the County. The annual audit is performed by an accounting firm that is independent of the County. The Comprehensive Annual Financial Report includes the basic financial statements and accompanying notes.

The purpose of the audit is to form an "opinion" on whether the information presented in the Annual Financial Report, taken as a whole, reflects the financial position of the County as of June 30, 2015. The audit is conducted in accordance with auditing standards contained in Government Auditing Standards, issued by the Comptroller General of the United States.

The Comprehensive Annual Financial Report includes the independent auditor's opinion report. Based on the audit performed by Brown Armstrong Accountancy Corporation, the County received an unmodified opinion. An unmodified opinion expresses no reservations concerning the financial statements. This is also known as a clean opinion meaning that the financial statements appear to be presented fairly. An unmodified opinion is the highest level of opinion that can be expressed on audited statements.

No audit exceptions or findings were noted.

The Single Audit Report is performed in accordance with the Single Audit Act to provide assurance to the federal agencies as to the management and use of these funds by the County. This report includes a schedule of all federal funds by program utilized by the County. The Single Audit Report is submitted to the Federal Audit Clearing House.

The Single Audit received an unmodified opinion.

Of the approximately \$179 million expenditures of federal awards reported, an exception to the eligibility compliance associated with the Foster Care – IV-E (Catalog of Federal Domestic Assistance – CFDA No. 93.658) was noted. During the eligibility testing phase of the audit, a participant was noted as being underpaid for a benefit payment. Once the oversight was brought to the attention of the Department, a payment was issued to the participant to compensate for the difference in the benefit. The monthly benefit amount had increased for participants in this program. This particular case had become inactive one month after the change in rate. The Community Services Agency (CSA) has revisited the reconciliation procedures to ensure that active and inactive cases are reviewed and monitored for accurate benefit payments.

With the exception of this single finding, the County complied, in all material respects, with the federal program guidelines.

An exit conference occurred on February 24, 2016. Brown Armstrong Certified Public Accountants presented a summary and explanation of the audit documents. Members of the Grand Jury, department heads, and other County staff attended the exit conference.

Copies of the reports are available from the Clerk of the Board and on-line on the County Auditor-Controller's website.

POLICY ISSUE:

The Board of Supervisors is required by law (Government Code Section 25250) to examine and audit, or cause to be audited the financial accounts and records of all officers having responsibility for the care, management, collection, or disbursement of money belonging to the County or money received or disbursed by them under authority of law. The audit report also meets the requirements of the Grand Jury financial examination (Penal Code Section 925). The audit was performed in conformity with United States Generally Accepted Accounting Principles (GAAP).

Government Code Section 25250 and 25253 authorize the Board of Supervisors to employ the services of an independent certified public accountant to perform an examination of the financial statements of the county in accordance with generally accepted auditing standards.

FISCAL IMPACT:

The total cost for the audit was \$85,700. The fee associated with the Comprehensive Annual Financial Report was \$66,000 and \$19,700 for the Single Audit. Funding for the audit was included in the Board of Supervisors 2015-2016 Adopted Final Budget.

Cost of recommended action:		\$	85,700
Source(s) of Funding:			
Departmental Revenue	60,444		
Funding Total:		\$	60,444
Net Cost to County General Fund		\$	25,256

Fiscal Year:	2015-2016
Budget Adjustment/Appropriations needed:	No

Fund Balance as of N/A

BOARD OF SUPERVISORS' PRIORITY:

The recommended action is in alignment with the Board's priority for the Efficient Delivery of Public Services by providing fiscal transparency of audit performance to the Board of Supervisors and the public.

STAFFING IMPACT:

The preparation of the audited financial statements is the primary function of the General Ledger Division of the Auditor-Controller's Office.

CONTACT PERSON:

Kashmir Gill, Assistant Auditor-Controller Telephone: (209) 525-6579

ATTACHMENT(S):

- A. Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2015
- B. Single Audit Report for Fiscal Year Ended June 30, 2015

ATTACHMENT A

Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2015

COMPREHENSIVE ANNUAL FINANCIAL REPORT

County of Stanislaus, California

Fiscal Year Ended June 30, 2015



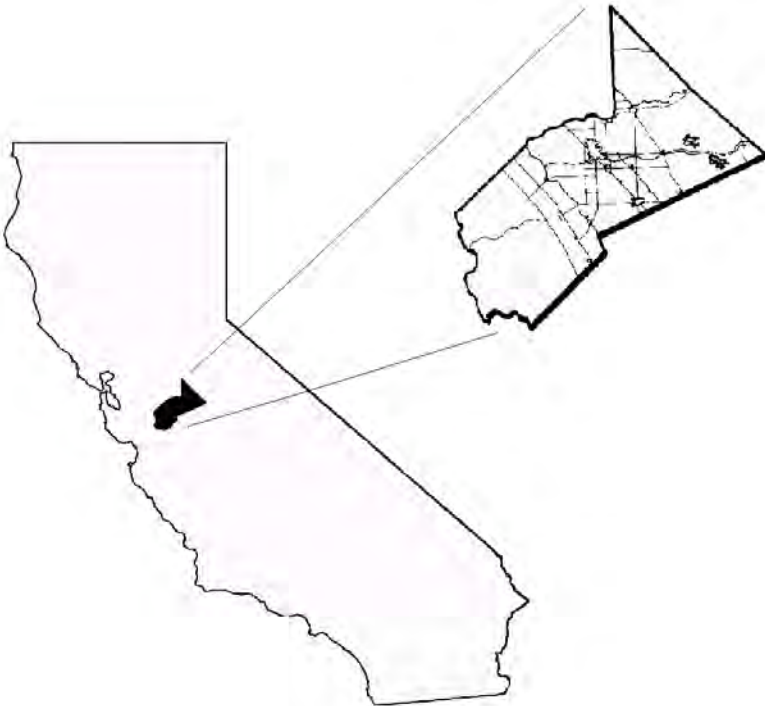
Prepared By

Stanislaus County Auditor-Controller's Office

Lauren Klein, CPA, Auditor-Controller

Comprehensive Annual Financial Report

County of Stanislaus, California
Fiscal Year Ended
June 30, 2015



Prepared By
Stanislaus County Auditor-Controller's Office
Lauren Klein, CPA, Auditor-Controller

**County of Stanislaus
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015**

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Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015**

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AUDITOR-CONTROLLER

Lauren Klein, CPA
Auditor-Controller

1010 10TH Street, Suite 5100, Modesto, CA 95354
PO Box 770, Modesto, CA 95353-0770
Phone: 209.525.6398 Fax: 209.525.7507



January 25, 2016

The Honorable Board of Supervisors
County of Stanislaus
1010 10th Street, Suite 6500
Modesto, CA 95354

Dear Supervisors:

In accordance with Section 25253 of the Government Code of California, I hereby submit the Comprehensive Annual Financial Report (CAFR) of the County of Stanislaus for the year ended June 30, 2015. The report contains financial statements that have been prepared in accordance with generally accepted accounting principles (GAAP) prescribed for governmental entities, and provides a comprehensive overview of the County's financial operations and financial position. The accuracy, completeness and fairness of the presentation of all information in this report are the responsibility of the County.

The Independent Auditor's Report is presented at the front of the financial section of this report. Management's Discussion and Analysis (MD&A), immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The report includes financial data for all County funds. Additionally, the following entities are considered part of the County for purposes of meeting the reporting entity requirements prescribed by the Governmental Accounting Standards Board:

Stanislaus County Capital Improvements Financing Authority
Lighting Districts
Stanislaus County Tobacco Funding Corporation
In-Home Supportive Services Public Authority of Stanislaus County
Stanislaus County Children and Families Commission

These entities are component units of the County and are included in the County's basic financial Statements because the County Board of Supervisors is financially accountable for them. All component units are blended into the basic financial statements. Note 1 to the basic financial

statements contains additional information regarding the relationship between the County and these entities.

Other local government entities provide public or specialized services to the residents of the county including nine incorporated cities, thirteen unincorporated cities, school districts and 52 independent districts. The operations of these entities are not included in the County's reporting entity since each entity is responsible for conducting its own day-to-day operations and is compelled to answer to its own separately elected governing board. Significant entities that do not meet the criteria for inclusion in this report include the Stanislaus County Office of Education, Modesto City School District, Yosemite Community College District, and Stanislaus County Superior Court.

STANISLAUS COUNTY AND ITS SERVICES

Stanislaus County is located in Central California within 90 minutes of the San Francisco Bay Area, the Silicon Valley, Sacramento, the Sierra Nevada Mountains and California's Central Coast. With approximately 532,000 people calling this area home, our community reflects a region rich in diversity with a strong sense of community.

The County is home to a vibrant arts community with the world-class Gallo Center for the Arts, a symphony orchestra, and abundant visual and performing arts. Stanislaus County is a global center for agribusiness, positioned by its mild Mediterranean climate, rich soils and progressive farming practices. The area is recognized internationally for agricultural innovation with wine, almonds, poultry, milk, cattle, and walnuts being some of our featured industries. The County is also home to California State University, Stanislaus, Modesto Junior College and other high quality educational institutions.

The County was established in 1854 and has a total land area of 1,494 square miles. Temperatures range from an average low of 38 degrees Fahrenheit in the winter to an average high of 85 degrees in the summer. Temperatures move up into the 90s during the summer months with low humidity and cool evening breezes from the San Joaquin Delta.

The County is governed by a five-member Board of Supervisors who are elected by district to serve alternating four-year terms. The Assessor, Auditor-Controller, Clerk-Recorder, Tax Collector, District Attorney, and Sheriff are also elected officials while all other departments are headed by appointed officials.

ECONOMY

Stanislaus County is an international agri-business powerhouse. The value of agricultural commodities produced in 2013 increased by 12% to nearly \$3.6 billion in value. Almond meats are the number one commodity at \$1.1 billion followed by milk at \$804 million in value. The value of almonds increased by 53% in a single year in 2013 and quickly overtook milk as the number one agricultural industry in the County.

Farmers in Stanislaus County export more than 133 commodities to 102 countries around the world. In 2013, 8,939 export certificates were issued. Hong Kong receives 16% of exports followed by Japan and Germany at 9% with Spain and South Korea at 8% of exports.

Manufacturing continues to be an important employer sector in Stanislaus County. Some of the largest brands in the world can be found with operations here. The County is home to the headquarters of Gallo and Bronco Wineries, global nursery providers and a burgeoning high-tech agricultural industry.

The healthcare sector plays a major part in the County's economic engine with some of the finest hospitals in the world located in Stanislaus County. Tenet Healthcare, Sutter Health and Kaiser Permanente have major facilities in the County.

The County's annual unemployment rate for March, 2015, is 10.4%, an improvement from 11.1% in 2014, but significantly higher than the State rate of 7.3%. Unemployment rates in the central valley are historically twice the national average (currently 5.5%) and economic growth has been slow in the valley after the recession.

Home values increased 17.5% from March 2014 to March 2015 in Stanislaus County. Values are up nearly 82% from the low of \$129,000 during the recession. The 2014-2015 Property Tax Assessment Role showed an 11.5% increase reflecting the strong improvement in the real estate market.

Stanislaus County tracks issued single family residential construction permits as a way of monitoring the home construction, building materials and construction employment sector. Issued permits plummeted from a high of over 4,000 in 2005 to a low of 113 in 2011. Issued permits continue with the trend of small increases over the past few years up to 404 in 2014.

The construction sector was one of the largest employment sectors of the Stanislaus economy in the early 2000's before the Great Recession. The construction industry employed more than 14,000 people in 2005 compared to just over 6,000 in 2011.

BUDGET PROCESS AND FINANCIAL POLICIES

Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. Measurable means the amount of the transaction is known; available means the revenue will be collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the related liability is incurred, except for (1) principal of and interest on general long-term debt which are recognized when due; and (2) employee annual leave and claims and judgments for litigation and self-insurance, which are recorded in the period due and payable.

Full accrual is similar to commercial accounting. Recognition occurs at the time of the transaction – revenue when earned and expenses when incurred.

The County budget is prepared on the modified accrual basis of accounting, with the exception that encumbrances outstanding at year-end are considered expenditures. Encumbrances

outstanding at year-end are reported as assignments of fund balances since the commitments will be honored through subsequent years' continuing appropriations. Encumbrances do not constitute expenditures or liabilities for GAAP reporting purposes.

The annual budget is prepared, reviewed, and approved in accordance with the provisions of Sections 29000 and 29144, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act. The County prepares a budget for each fiscal year on or before October 2, pursuant to the County Budget Act. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This Resolution 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.

The Budget and the Annual Financial Report are prepared using Generally Accepted Accounting Principles (GAAP). The accounts of the County are organized on the basis of fund and organizational groups, each of which is considered a separate accounting entity. Governmental type funds like the General Fund, Special Revenue Funds, Capital Projects, and Debt Service use modified accrual basis, while Proprietary Funds use the full accrual basis.

To ensure the long-term economic stability of the organization, the County of Stanislaus has developed a series of financial and budgetary policies. Using both operational guidelines and qualitative standards, these policies strive to maintain a stable and positive financial position for the foreseeable future. Moreover, they provide guidelines to management in planning and directing the County's day-to-day financial affairs and in developing recommendations to the Chief Executive Officer and the Board of Supervisors.

The budget for Stanislaus County is an operational plan, a fiscal plan, and a staffing plan for the provision of services to the residents of Stanislaus County. The budget process encompasses the manner in which resources are assigned to goals, objectives, and community priorities set by the Board of Supervisors. A balanced budget is where the amount of budgeted expenditures is equal to or less than the amount of budgeted revenue plus other available resources. In order for government to remain in business, the law requires that an adopted budget be in place by the beginning of each fiscal year July 1st through June 30th.

CAPITAL IMPROVEMENT PLAN

The County's Final Capital Improvement Plan (CIP) was approved by the Board of Supervisors on February 25, 2014 for Fiscal Year 2013-2014. At that time, the Board of Supervisors amended the current annual review cycle, and authorized staff to review and update the Final CIP every two years beginning in Fiscal Year 2015-2016.

The Capital Improvement Plan (CIP) was developed to assist County decision makers in determining priorities and identifying where scarce one-time funds should be allocated to address the County's most important capital needs. This analysis has been developed to assist the Board in making difficult resource allocation decisions.

The Final Capital Improvement Plan provides a forecast of capital improvement needs for the County over the next twenty (20) years. The Final CIP is a listing of project needs that have been identified generally requiring a one-time investment of public funds for acquisition, replacement, and/or development of new equipment or facilities. State law increased the dollar amount for qualifying capital improvement projects to over \$100,000. However, to make the CIP more useful as a planning tool, County policy recognizes a threshold of \$75,000 to define a capital improvement project.

Recognizing the tenuous fiscal environment in which the County operates, it is expected that the information presented may change from year to year as the County's needs and funding sources change and evolve. One of the most difficult challenges in developing a capital plan is to fairly compare and evaluate projects that stretch across a very broad spectrum. This plan provides a wide range of information including the estimated one-time and operating costs for constructing and operating facilities, any service related costs, the location, and how it may fit into the service delivery plan of the department proposing it. This information is critical to making informed and sound decisions.

County department heads and Chief Executive Office staff have collected and updated relevant information pertaining to the capital improvement needs of the County. The CIP identifies 145 capital improvement projects.

Some of the major capital projects completed during Fiscal Year 2014-2015 include: Juvenile Justice Facility Roof Replacement and HVAC (Heating, Ventilation, and Air Conditioning); Public Health Laboratory Information Management System; Bonita Ranch Park Solar Lighting and Walking Paths; and various traffic signals and road widening projects.

Several projects currently in various stages of design or construction are included as follows:

- ◆ AB 900 Phase II Public Safety Center Jail Expansion
- ◆ County funded Jail Intake, Release, and Transportation facility
- ◆ Re-Entry and Enhanced Alternatives to Custody Training (REACT) Center Project
- ◆ Coroner's Facility
- ◆ Crisis Stabilization Unit

ACKNOWLEDGEMENTS

I would like to express my appreciation to the accounting division, the various County departments who assisted in the preparation of this report, and also acknowledge the efforts of our independent auditor.

Sincerely,



Lauren Klein, CPA
Auditor-Controller

**COUNTY OF STANISLAUS
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2015**

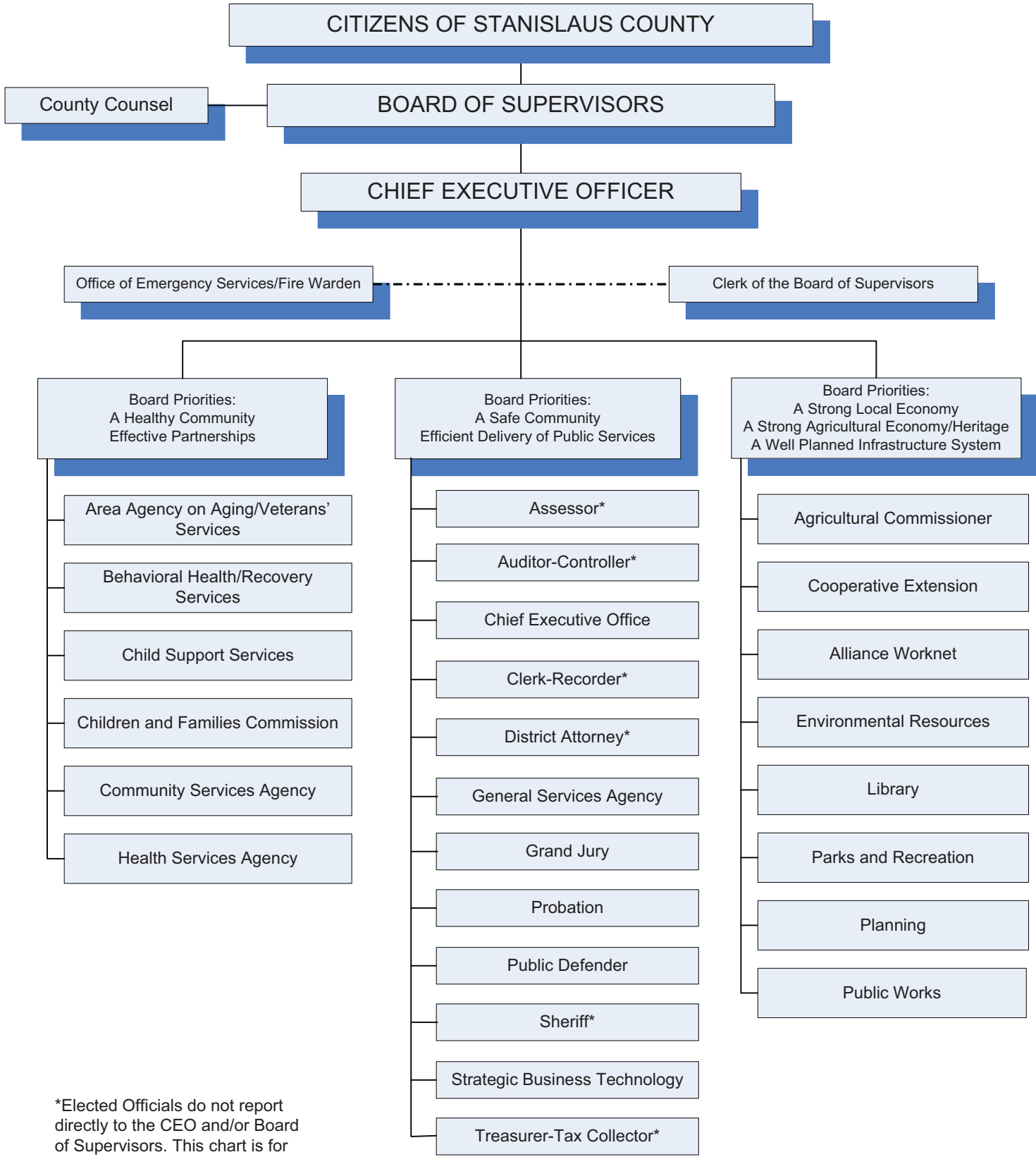
ELECTED OFFICIALS

Supervisor, District 1	William O'Brien
Supervisor, District 2	Vito Chiesa
Supervisor, District 3	Terry Withrow
Supervisor, District 4	Dick Monteith
Supervisor, District 5	Jim DeMartini
Assessor	Don H. Gaekle
Auditor-Controller	Lauren Klein
Clerk-Recorder.....	Lee Lundrigan
District Attorney	Birgit Fladager
Sheriff-Coroner and Public Administrator.....	Adam Christiansen
Treasurer and Tax Collector	Gordon B. Ford

APPOINTED DEPARTMENT HEADS

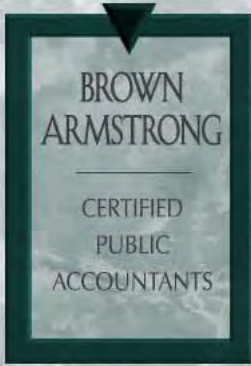
Agricultural Commissioner & Sealer of Weights & Measures	Milton O'Haire
Alliance Worknet Director.....	Kristie Santos
Animal Services Executive Director.....	Annette Patton
Area Agency on Aging/Veterans Services Office Director.....	Margie Palomino
Behavioral Health & Recovery Services Director	Madelyn Schlaepfer
Chief Executive Officer	Stan Risen
Child Support Services Director	Tamara Thomas
Children and Families Commission, Executive Director	John Sims
Clerk-Recorder.....	Lee Lundgren
Community Services Agency Director	Kathryn Harwell
Cooperative Extension County Director & Nutrition, Family Consumer Science Advisor.....	Theresa Spezzano
County Counsel.....	John P. Doering
Environmental Resources Director	Jami Aggers
General Services Agency	Keith D. Boggs
Health Services Agency Managing Director	Mary Ann Lee
Librarian.....	Diane McDonnell
Parks and Recreation Director	Jami Aggers
Personnel Director	Stan Risen
Planning and Community Development Director.....	Angela Freitas
Chief Probation Officer.....	Jill Silva
Public Defender	Tim Bazar
Public Works Director	Matt Machado
Stanislaus Regional 9-1-1 Director.....	Captain Joel Broumas
Strategic Business Technology Director.....	Marcia Cunningham

STANISLAUS COUNTY ORGANIZATIONAL CHART



*Elected Officials do not report directly to the CEO and/or Board of Supervisors. This chart is for budget purposes.

Financial Section



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Grand Jury
and Board of Supervisors of the
County of Stanislaus, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and the Respective Budgetary Comparison for the General Fund, Behavioral Health and Recovery Special Revenue Fund, and Community Services Agency Special Revenue Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual non-major fund financial statements, Long-Term Debt Statements of the Successor Agency to the Stanislaus County Redevelopment Agency, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section, combining and individual non-major fund financial statements, Long-Term Debt Statements of the Successor Agency to the Stanislaus County Redevelopment Agency, and statistical section 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 combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are 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.

Implementation of New Accounting Standards

As disclosed in the Note 1 to the financial statements, the County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, during the fiscal year 2015.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
January 25, 2016

Management's
Discussion and
Analysis

County of Stanislaus Management's Discussion and Analysis

As management of the County of Stanislaus (County), we offer this narrative overview and analysis of the financial activities of the County for the Fiscal Year ended June 30, 2015. Please read it in conjunction with the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- In Fiscal Year 2014-2015, the County adopted two new statements issued by Government Accounting Standards Board (GASB). See Note 1 (P) for more details.
 - Statement 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27"
 - Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68" relate to pension activityAs a result of Statement 68, a prior period adjustment was made which decreased the County's net position by \$289 million.
- The County's net position is \$539 million and is comprised of the following items:
 - The net investment in capital assets of \$439 million
 - The restricted net position of \$328 million
 - The net unrestricted net position of negative (\$228) million
- The government's total net position increased by \$87 million, excluding prior period adjustment related to GASB 68 of \$289 million.
- As of June 30, 2015, the County governmental funds reported combined fund balances of \$446 million, an increase of \$3 million from the prior year. The unassigned fund balance is \$16 million and represents 3.5% of the total fund balance of the governmental funds.
- At the end of the Fiscal Year, unassigned fund balance for the General Fund was \$16 million. It represents 5.9% of expenditures and transfers of the General Fund.
- The County's total long-term liabilities increased by a net \$194 million from the prior year. A significant portion of the increase relates to pension liability which was established as a result of the new accounting standard per GASB Statement No. 68.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. There are three components to the County's basic financial statements 1) **Government-wide** financial statements; 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. This report also contains other supplementary information.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

County of Stanislaus
Management's Discussion and Analysis (Continued)

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont.)

The *statement of net position* presents information on all County assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent Fiscal Year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are 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 Fink and Geer Road Sanitary Landfills, Health Clinics and Ancillary Services and Inmate Welfare/Commissary and Transit.

The government-wide financial statements include not only the County (known as the primary government), but also legally separate entities (component units) for which the County is financially accountable. There are five component units included in these financial statements. Stanislaus County Capital Improvements Financing Authority, Stanislaus County Tobacco Funding Corporation, Stanislaus County Children and Families Commission, In-Home Supportive Services Public Authority and the Lighting Districts, although legally separate, function for all practical purposes as departments of the County and therefore, are included as an integral part of the primary government.

The government-wide financial statements can be found on pages 17-19 of this report.

Fund Financial Statements are groupings of related accounts that are 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 finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds 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 may be useful in evaluating a county's near-term financing requirements.

County of Stanislaus
Management's Discussion and Analysis (Continued)

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont.)

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

For the governmental funds, information is presented separately for the General Fund, Tobacco Settlement, Behavioral Health and Recovery Services, Community Services Agency, and Public Facility Fees, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and most of its Special Revenue Funds. Budgetary comparison statements have been provided in this report for the General Fund and the major Special Revenue Funds.

The governmental funds financial statements can be found on pages 20 - 32 of this report.

Proprietary funds are divided into two types. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Fink and Geer Road Landfills, Health Clinics and Ancillary Services, Inmate Welfare/Commissary and Transit activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insurance activities, Central Services, Fleet Services, Technology and Communication, Facilities Maintenance and Morgan Shop Garage. All of these activities, except the Professional Liability Self-insurance Fund, predominantly benefit governmental functions and have been included within *governmental activities* in the government-wide financial statements. The Professional Liability Insurance Fund predominantly benefits business type functions and is included within the *business-type* 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 Fink Road Sanitary Landfill, and the Health Clinics and Ancillary Services Fund are considered to be major funds of the County. The County's internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary funds financial statements can be found on pages 33 - 36 of this report.

**County of Stanislaus
Management's Discussion and Analysis (Continued)**

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont.)

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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 programs. The accounting used for fiduciary funds is much like that used for proprietary funds except for agency funds.

The fiduciary fund financial statements can be found on pages 37 - 38 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 39 - 94 of this report.

The combining and individual fund statements referred to earlier provide information for non-major governmental funds, enterprise and internal service funds and are presented following the notes to the financial statements. Combining and individual fund statements can be found on pages 100 - 132 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table provides an analysis of the County's net position at the government wide level:

	County of Stanislaus Net Position					
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 605,915,590	\$ 583,099,422	\$ 63,775,229	\$ 56,588,881	\$ 669,690,819	\$ 639,688,303
Capital assets	442,007,551	422,053,317	27,149,973	28,812,078	469,157,524	450,865,395
Total assets	1,047,923,141	1,005,152,739	90,925,202	85,400,959	1,138,848,343	1,090,553,698
Deferred outflows of resources-pension	44,731,104	-	1,978,164	-	46,709,268	-
Long-term liabilities outstanding	416,527,943	230,629,828	20,004,399	11,684,818	436,532,342	242,314,646
Other liabilities	96,930,064	85,712,398	4,217,138	21,023,601	101,147,202	106,735,999
Total liabilities	513,458,007	316,342,226	24,221,537	32,708,419	537,679,544	349,050,645
Deferred inflows of resources-pension	103,909,203	-	4,594,158	-	108,503,361	-
Net position:						
Net investment in capital assets	411,359,448	380,595,362	27,149,973	28,812,078	438,509,421	409,407,440
Restricted	308,311,889	310,193,664	20,111,762	20,102,454	328,423,651	330,296,118
Unrestricted	(244,384,302)	(1,978,513)	16,825,936	3,778,008	(227,558,366)	1,799,495
Total net position	<u>\$ 475,287,035</u>	<u>\$ 688,810,513</u>	<u>\$ 64,087,671</u>	<u>\$ 52,692,540</u>	<u>\$ 539,374,706</u>	<u>\$ 741,503,053</u>

Another significant portion of the County's net position, \$328 million represents resources that are subject to external restrictions on how they may be used. The net unrestricted balance is a negative (\$228 million). A prior period adjustment of (\$289 million) which is related to the new accounting pension pronouncement contributes to the negative unrestricted balance.

County's net position increased by \$87 million as general revenues of \$155 million exceeded program related deficit of \$68 million.

County of Stanislaus
Management's Discussion and Analysis (*Continued*)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont.)

For business-type activities, the County reported a balance of \$17 million in unrestricted net position compared to \$4 million in the prior year. The favorable variance from the prior year's unrestricted net position balance is due to increases due to program revenues exceeding program expenses, increased sales tax revenue and a \$15 million transfer from the General Fund to Health Clinics & Ancillary offset with a negative (\$12 million) prior period adjustment.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$539 million at the close of the 2014-2015 Fiscal Year.

By far the largest portion of the County's net position of \$439 million (81%) reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment), less any outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

County of Stanislaus Management's Discussion and Analysis (Continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont.)

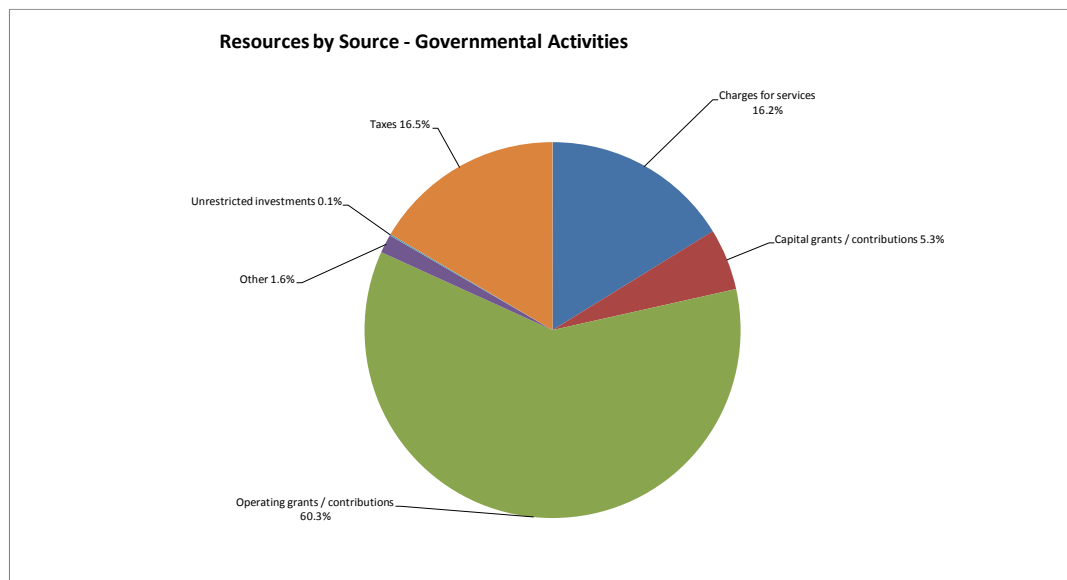
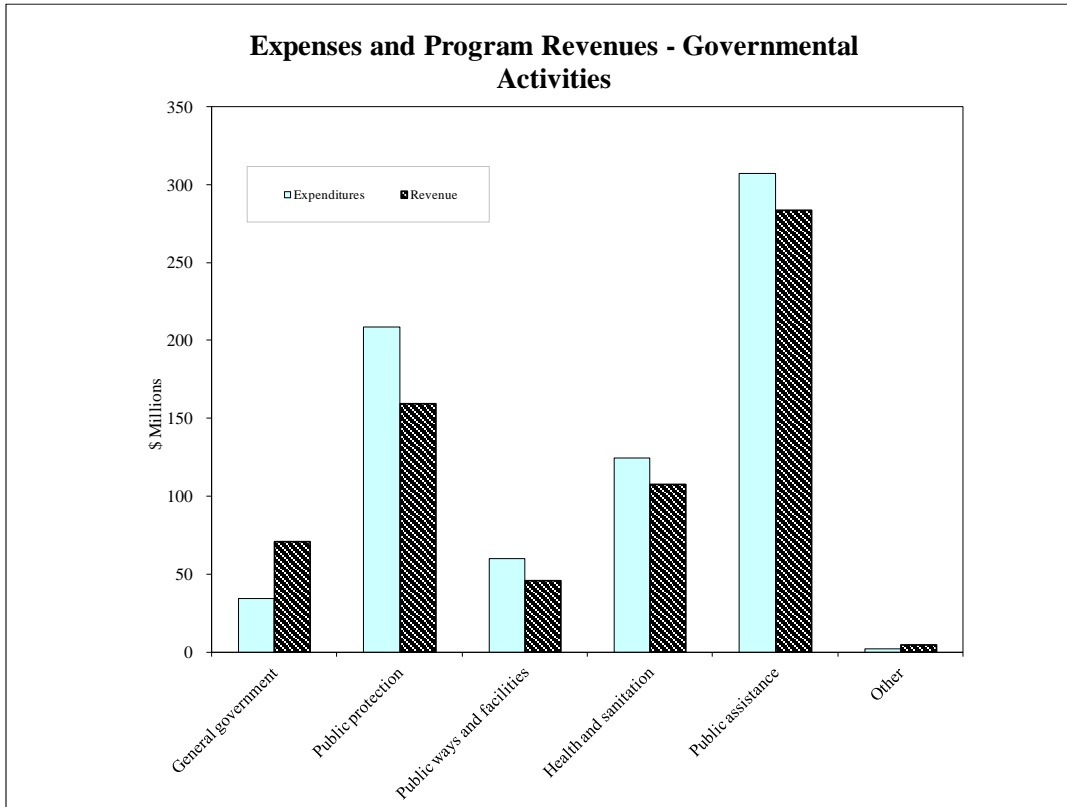
The following table indicates the changes in net position for governmental and business-type activities:

	County of Stanislaus Changes in Net Position					
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues						
Charges for services	\$ 132,935,018	\$ 122,755,875	\$ 46,219,638	\$ 40,221,842	\$ 179,154,656	\$ 162,977,717
Operating grants and contributions	493,130,740	485,384,295	3,339,513	4,312,029	496,470,253	489,696,324
Capital grants and contributions	43,111,386	16,423,263	-	-	43,111,386	16,423,263
General revenues						
Property taxes	97,990,771	90,233,301	-	-	97,990,771	90,233,301
Sales taxes	32,819,560	32,606,659	4,895,572	6,537,281	37,715,132	39,143,940
Other taxes	3,264,767	2,607,534	-	-	3,264,767	2,607,534
Sale of capital assets	-	-	12,985	-	12,985	-
Unrestricted investment earnings	884,347	818,300	758,618	687,854	1,642,965	1,506,154
Grants/contributions not restricted	1,235,724	1,111,071	-	-	1,235,724	1,111,071
Other general revenue	13,269,382	8,952,442	-	-	13,269,382	8,952,442
Total revenues	<u>818,641,695</u>	<u>760,892,740</u>	<u>55,226,326</u>	<u>51,759,006</u>	<u>873,868,021</u>	<u>812,651,746</u>
Expenses						
General government	34,068,208	29,418,322	-	-	34,068,208	29,418,322
Public protection	208,625,928	203,134,867	-	-	208,625,928	203,134,867
Public ways and facilities	59,796,563	61,684,798	-	-	59,796,563	61,684,798
Health and sanitation	124,226,055	128,083,298	-	-	124,226,055	128,083,298
Public assistance	306,804,683	294,889,889	-	-	306,804,683	294,889,889
Education	10,001,794	9,457,254	-	-	10,001,794	9,457,254
Recreation	6,506,067	6,466,131	-	-	6,506,067	6,466,131
Interest on long-term debt	(14,796,048)	12,441,241	-	-	(14,796,048)	12,441,241
Landfills	-	-	6,252,577	4,570,478	6,252,577	4,570,478
Health Clinics and Ancillary	-	-	38,176,229	37,029,440	38,176,229	37,029,440
Inmate Welfare and Commissary	-	-	1,506,293	1,389,576	1,506,293	1,389,576
Transit	-	-	6,141,560	6,165,247	6,141,560	6,165,247
Total expenses	<u>735,233,250</u>	<u>745,575,800</u>	<u>52,076,659</u>	<u>49,154,741</u>	<u>787,309,909</u>	<u>794,730,541</u>
Net position increase (decrease) before transfers	83,408,445	15,316,940	3,149,667	2,604,265	86,558,112	17,921,205
Transfers	(20,466,733)	(5,030,124)	20,466,733	5,030,124	-	-
Change in net position	<u>62,941,712</u>	<u>10,286,816</u>	<u>23,616,400</u>	<u>7,634,389</u>	<u>86,558,112</u>	<u>17,921,205</u>
Net position, July 1	688,810,513	678,523,697	52,692,540	45,058,151	741,503,053	723,581,848
Prior period adjustment	(276,465,190)	-	(12,221,269)	-	(288,686,459)	-
Net position – July 1, restated	<u>412,345,323</u>	<u>678,523,697</u>	<u>40,471,271</u>	<u>45,058,151</u>	<u>452,816,594</u>	<u>723,581,848</u>
Net position – June 30	<u>\$ 475,287,035</u>	<u>\$ 688,810,513</u>	<u>\$ 64,087,671</u>	<u>\$ 52,692,540</u>	<u>\$ 539,374,706</u>	<u>\$ 741,503,053</u>

County of Stanislaus Management's Discussion and Analysis (Continued)

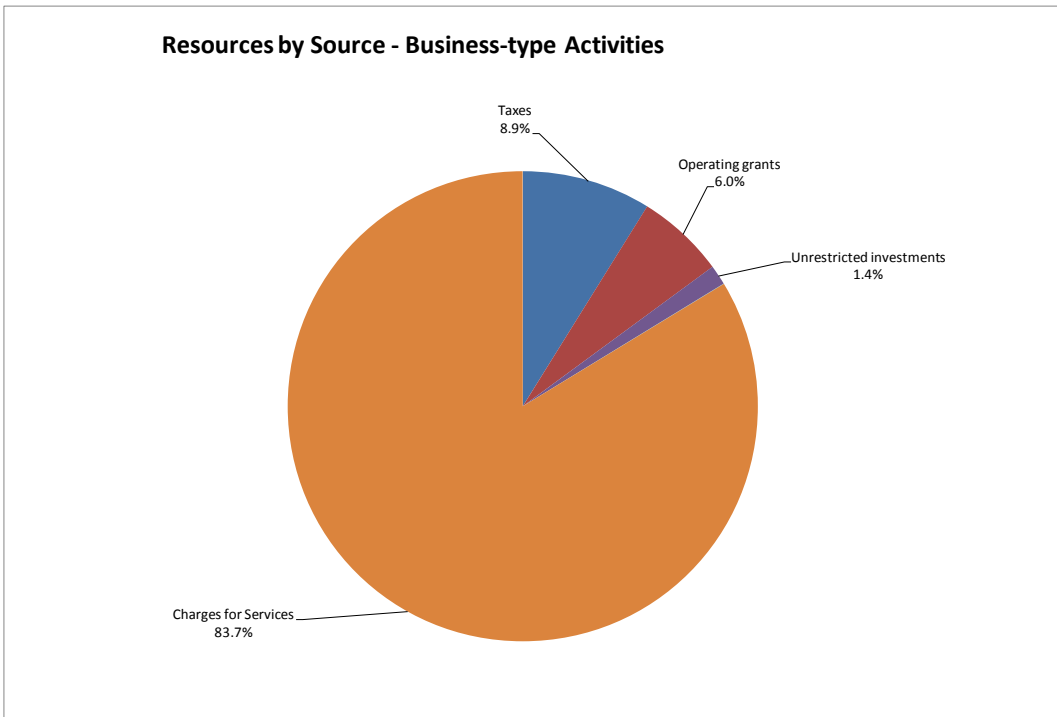
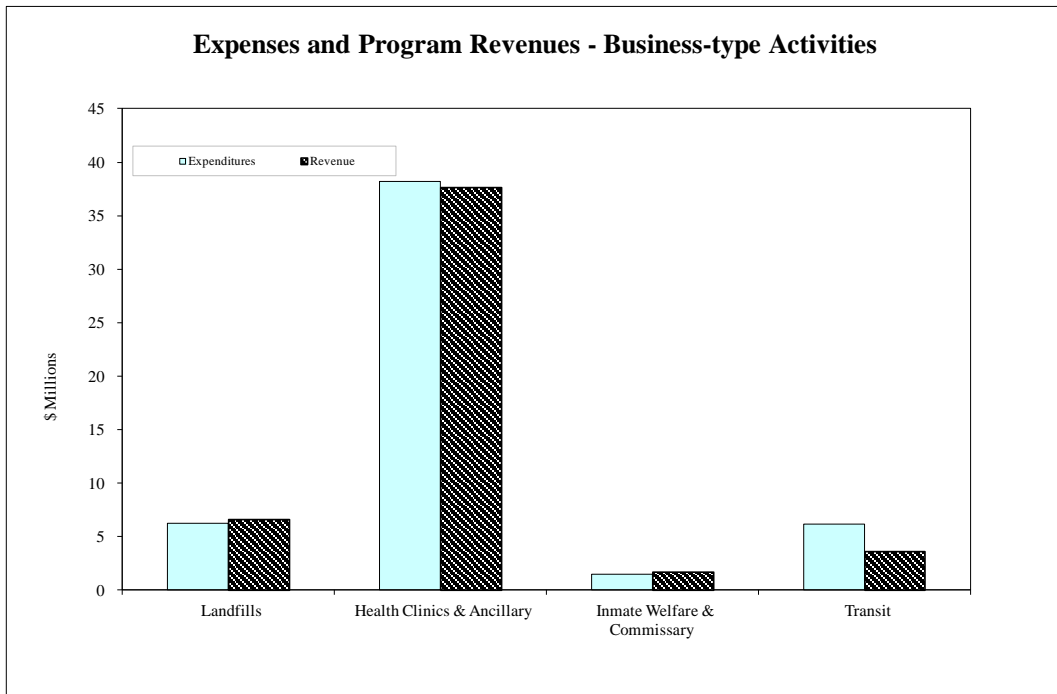
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont.)

Governmental activities (Cont.)



County of Stanislaus
Management's Discussion and Analysis (Continued)
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont.)

Business-type activities



County of Stanislaus
Management's Discussion and Analysis (Continued)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The general government functions are contained in the general, special revenue, debt service, and capital projects funds. Included in these funds are the special districts governed by the County Board of Supervisors. 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 financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the Fiscal Year.

At June 30, 2015, the County's governmental funds reported combined fund balances of \$446 million compared to \$443 million in the prior year. The increase of \$3 million is partially due to excess revenue over the expenditures.

The unassigned fund balance of the Governmental Funds is \$16 million. The remainder of fund balance is categorized as follows:

1) Non-spendable	\$ 15 million
2) Restricted	\$ 282 million
3) Committed	\$ 11 million
4) Assigned	\$ 123 million

The General Fund is the chief operating fund of the County. At June 30, 2015, unassigned fund balance of the General Fund was \$16 million while total fund balance was \$142 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures, including transfers out. Unassigned fund balance represents 5.9% of total fund expenditures and transfers out. The total fund balance of the General Fund represents 52.5% of the total fund expenditures and transfers out.

The unassigned fund balance of the General Fund of \$16 million is comparable to prior year balance of \$17 million.

The County assigns (earmarks) fund balance to a particular function, project, activity, or for purposes beyond the current year. Of the total fund balance in the General Fund of \$142 million, \$101 million is assigned.

The total fund balance of the County's General Fund is \$142 million which is \$4 million higher than prior year balance of \$138 million. Excess revenues contribute to the increased fund balance in the General Fund.

County of Stanislaus
Management's Discussion and Analysis (Continued)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (Cont.)

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

The following table shows actual revenues, expenses and results of operations for the current Fiscal Year:

	County of Stanislaus Enterprise Funds			
	Major Funds		Non-major	Total
	Fink Road	Health Clinics	Other	
	Landfill	& Ancillary	Enterprise Funds	
Operating revenues	\$ 6,302,357	\$ 36,845,727	\$ 2,210,149	
Operating expenses	4,757,157	37,578,363	9,143,273	51,478,793
Operating income (loss)	1,545,200	(732,636)	(6,933,124)	(6,120,560)
Non-operating revenues (expenses), net	774,743	101,940	8,295,662	9,172,345
Net income (loss) before contributions and transfers	2,319,943	(630,696)	1,362,538	3,051,785
Contributions and transfers	(1,182,470)	20,466,733	1,182,470	20,466,733
Net income	\$ 1,137,473	\$ 19,836,037	\$ 2,545,008	\$ 23,518,518

GENERAL FUND BUDGETARY HIGHLIGHTS

The County appropriated \$7.5 million in a contingency budget for emergencies and other unanticipated expenses as part of administrative policy. As of June 30, 2015 General Fund actual revenues were higher than budgetary estimates by \$7 million. Expenditures based on budgetary basis, excluding other financing uses, were \$30 million less than budgetary estimates.

During the year, appropriations increased by \$1.6 million resulting in a difference between the original budget and the final amended budget. The increase in appropriations was primarily due to increased costs in Sheriff's Operations fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The County's investment (net of accumulated depreciation) in capital assets for its governmental and business-type activities as of June 30, 2015, amounted to \$469 million compared to \$451 million in the prior year. This investment in capital assets includes land and easements, roads, highways, bridges, park facilities, structures and improvements, and equipment. The County's total investment in capital assets for the current period increased by \$18 million from the prior year.

County of Stanislaus
Management's Discussion and Analysis (*Continued*)

CAPITAL ASSETS AND DEBT ADMINISTRATION (Cont.)

The increase in capital assets is primarily due to the constructions cost of public safety center jail project offset by retirements of infrastructure assets.

Major capital asset events during the Fiscal Year 2014-2015 Fiscal Year include:

- Construction started in Fiscal Year 2014-2015 and is on-going for the design-build Public Safety Center site of the AB 900 Phase II Public Safety Center Jail Expansion Projects for Project One (Maximum-Security Units/Mental Health Units), Project Two (Day Reporting Center), and Project Three (Intake, Release, Transportation).
- The Re-Entry and Enhanced Alternatives to Custody Training (REACT) Center Project which is in design phase. This project is funded by \$40 million from the State of California Board of State and Community Corrections under Senate Bill (SB) 1022 Adult Local Criminal Justice Facilities Construction Financing Program.

The project will contain approximately 288 jail beds in adult detention transitional housing units with all associated support and program space, a security administration (control) center, and circulation and common space. In addition, the REACT Center will provide services to the offender population under the Sheriff's jurisdiction, including post-release and out-of-custody/monitored release programs. The REACT Center will also include public lobby/reception areas, administration space, classrooms, counseling rooms and a multipurpose room.

- Authorized the cleanup and sale of the former Honor Farm at 8224 W Grayson Road to Camp Taylor, a nonprofit public benefit corporation. The former Honor Farm site was declared surplus by the Board of Supervisors in June 2014.
- Completed construction of the Juvenile Justice Center Roofing and Heating, Ventilation and Air Conditioning (HVAC) Replacement Project at 2215 Blue Gum Avenue, Modesto. The total project budget was \$3.3 million funded from the Chief Executive Office County Facilities budget.
- Awarded a contract for construction of the new Sheriff-Coroner's Facility at 921 County Center III Court and Oakdale Road in Modesto, to Simile Construction Services, Inc. The approved project budget is \$6.3 million and is funded from General Fund balance, Public Facilities Fees, savings from the Juvenile Justice Center Roofing and Heating, Ventilation and Air Conditioning (HVAC) Replacement Project, and insurance proceeds from the Honor Farm Fire.

County of Stanislaus
Management's Discussion and Analysis (Continued)

CAPITAL ASSETS AND DEBT ADMINISTRATION (Cont.)

- Awarded a contract to Pires, Lipomi & Navarro (PLN) of Modesto to design the Crisis Stabilization Unit at the Stanislaus Recovery Center located at 1904 Richland Avenue in Ceres. The approved project budget is \$1.4 million and is funded from Mental Health Services Act funding as well as proceeds from the 2007 sale of the Stanislaus Behavioral Health Center.
- Completed the sale of the former Medical Arts Building in downtown Modesto, which was declared surplus by the Board of Supervisors in May, 2014.

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

County of Stanislaus Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land and right of ways	\$ 43,483,445	\$ 43,647,477	\$ 15,462,882	\$ 15,462,882	\$ 58,946,327	\$ 59,110,359
Infrastructure	160,510,222	175,044,739	-	-	160,510,222	175,044,739
Structures and improvements	138,200,398	138,433,909	5,223,311	5,768,495	143,423,709	144,202,404
Equipment	36,969,316	38,468,034	6,290,754	7,505,219	43,260,070	45,973,253
Intangible assets	2,575,794	2,738,797	-	-	2,575,794	2,738,797
Construction in progress	60,268,376	23,720,361	173,026	75,482	60,441,402	23,795,843
Total	\$ 442,007,551	\$ 422,053,317	\$ 27,149,973	\$ 28,812,078	\$ 469,157,524	\$ 450,865,395

Long-term debt

At June 30, 2015, the County had total long-term debt outstanding of \$151 million compared to \$159 million as of June 30, 2014. A net decrease of \$8 million is due to annual debt service payments.

As of December 2015, Stanislaus County's credit rating is an "AA-" with a stable outlook from Standard & Poor's Corporation and an "A1 with a stable outlook" from Moody's Investors Service as of August 2012.

County of Stanislaus
Management's Discussion and Analysis (Continued)

CAPITAL ASSETS AND DEBT ADMINISTRATION (Cont.)

County of Stanislaus
Outstanding Debt (Principal)

	Governmental Activities	
	2015	2014
Certificates of participation	\$ 11,725,000	\$ 15,930,000
2013 Lease refunding	14,765,000	19,540,000
2012 Lease refunding	4,598,695	6,065,970
Issue premium	362,046	502,193
Tobacco securitization note	87,488,611	89,503,611
Accreted interest tobacco note	31,738,345	27,339,863
	\$ 150,677,697	\$ 158,881,637
Total		

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- The unemployment rate in the County for September 2015 was 7.6% compared to 5.5% for the State of California and 4.9% for the nation.
- Median home prices increased from September 2014 to September 2015 at the following rate:
 - 9.1% Stanislaus County
 - 4.3% Statewide
- Building permits for single family units issued in Stanislaus County decreased by 83% in October 2015 compared to the prior year. Statewide issuance of building permits for single family units increased by 5.2% for the same period.
- Assigned fund balance of \$14 million is being used to balance the General Fund budget for Fiscal Year 2015-2016.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Auditor-Controller's Office, 1010 Tenth Street, Suite 5100, P.O. Box 770, Modesto, CA 95353.



Stanislaus

County

Striving to be the Best

Basic Financial Statements

County of Stanislaus
Statement of Net Position
June 30, 2015

	<u>Governmental Activites</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and investments	\$ 379,869,652	\$ 29,971,372	\$ 409,841,024
Investments with fiscal agent	99,616,056	96,440	99,712,496
Taxes receivable	15,899,953	-	15,899,953
Accounts receivable	71,496,780	19,358,730	90,855,510
Interest and other receivables	1,748,654	134,798	1,883,452
Notes receivable	78,246	-	78,246
Inventory	735,598	9,196	744,794
Prepaid items	350,413	287,229	637,642
Loans to other governments	8,389,078	-	8,389,078
Internal balances	6,149,633	(6,149,633)	-
Restricted cash and investments	4,240,485	20,067,097	24,307,582
Investments - joint ventures	17,341,042	-	17,341,042
Capital assets: (net of accumulated depreciation)			
Land & right of ways	43,483,445	15,462,882	58,946,327
Infrastructure	160,510,222	-	160,510,222
Structures and improvements	138,200,398	5,223,311	143,423,709
Equipment	36,969,316	6,290,754	43,260,070
Intangible assets	2,575,794	-	2,575,794
Construction in progress	60,268,376	173,026	60,441,402
Total capital assets	<u>442,007,551</u>	<u>27,149,973</u>	<u>469,157,524</u>
Total assets	<u>1,047,923,141</u>	<u>90,925,202</u>	<u>1,138,848,343</u>
Deferred outflows of resources			
Deferred pension	44,731,104	1,978,164	46,709,268
Total deferred outflows of resources	<u>44,731,104</u>	<u>1,978,164</u>	<u>46,709,268</u>
Liabilities			
Accounts payable	37,870,512	2,102,307	39,972,819
Salaries and benefits payable	12,963,625	738,468	13,702,093
Interest payable	410,177	-	410,177
Unearned revenue	45,295,328	-	45,295,328
Deposits from others	18,950	28,617	47,567
Due to other governments	371,472	-	371,472
Payables to external parties	-	1,347,746	1,347,746
Long-term liabilities			
Portion due within one year			
Risk management liability	12,905,681	111,531	13,017,212
Capital leases	182,775	-	182,775
Compensated absences	3,671,255	215,214	3,886,469
Long-term obligations	15,400,901	-	15,400,901
Portion due in more than one year			
Risk management liability	19,485,785	101,482	19,587,267
Other post-employment benefits (OPEB)	8,762,454	541,995	9,304,449
Net pension liability	193,511,360	8,554,257	202,065,617
Capital leases payable	283,597	-	283,597
Compensated absences	27,087,339	1,135,654	28,222,993
Long-term obligations	135,236,796	-	135,236,796
Estimated cost of landfill closure/postclosure	-	9,344,266	9,344,266
Total liabilities	<u>513,458,007</u>	<u>24,221,537</u>	<u>537,679,544</u>
Deferred inflows of resources			
Deferred pension	103,909,203	4,594,158	108,503,361
Total deferred inflows of resources	<u>103,909,203</u>	<u>4,594,158</u>	<u>108,503,361</u>
Net position			
Net investment in capital assets	411,359,448	27,149,973	438,509,421
Restricted for			
Capital projects	72,429,482	-	72,429,482
Debt service	10,250,135	-	10,250,135
Other purposes	225,632,272	20,111,762	245,744,034
Unrestricted (deficit)	<u>(244,384,302)</u>	<u>16,825,936</u>	<u>(227,558,366)</u>
Total net position	<u>\$ 475,287,035</u>	<u>\$ 64,087,671</u>	<u>\$ 539,374,706</u>

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

County of Stanislaus
Statement of Activities
For the Fiscal Year Ended June 30, 2015

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	\$ 34,068,208	\$ 19,053,035	\$ 51,245,908	\$ 28,288
Public protection	208,625,928	48,427,401	86,927,047	23,477,985
Public ways and facilities	59,796,563	8,161,907	17,569,126	19,513,362
Health and sanitation	124,226,055	43,037,345	64,433,158	30,089
Public assistance	306,804,683	10,627,429	272,371,512	-
Education	10,001,794	571,470	186,422	19,414
Recreation	6,506,067	3,056,431	397,567	42,248
Interest on long-term debt	(14,796,048)	-	-	-
Total governmental activities	<u>735,233,250</u>	<u>132,935,018</u>	<u>493,130,740</u>	<u>43,111,386</u>
Business-type activities:				
Landfills	6,252,577	6,499,463	125,253	-
Health Clinics & Ancillary	38,176,229	37,510,027	107,753	-
Inmate Welfare and Commissary	1,506,293	1,670,882	6,990	-
Transit	6,141,560	539,266	3,099,517	-
Total business-type activities	<u>52,076,659</u>	<u>46,219,638</u>	<u>3,339,513</u>	<u>-</u>
Total primary government	<u>\$ 787,309,909</u>	<u>\$ 179,154,656</u>	<u>\$ 496,470,253</u>	<u>\$ 43,111,386</u>

General revenues:

Taxes:

- Property taxes
- Property taxes in lieu vehicle license fees
- Property taxes - unsecured
- Sales taxes
- Sales taxes - library
- Sales taxes - road
- In lieu sales tax
- Other taxes

Franchise fees

Unrestricted investment earnings

Sale of fixed assets

Miscellaneous

Net transfers

 Total general revenues and transfers

Change in net position

Net position--beginning

 Prior Period Adjustment

Net position--beginning, restated

Net position--ending

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

County of Stanislaus
Statement of Activities
For the Fiscal Year Ended June 30, 2015

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Functions/Programs</u>
\$ 36,259,023	\$ -	\$ 36,259,023	Primary government
(49,793,495)	-	(49,793,495)	Governmental activities:
(14,552,168)	-	(14,552,168)	General government
(16,725,463)	-	(16,725,463)	Public protection
(23,805,742)	-	(23,805,742)	Public ways and facilities
(9,224,488)	-	(9,224,488)	Health and sanitation
(3,009,821)	-	(3,009,821)	Public assistance
14,796,048	-	14,796,048	Education
(66,056,106)	-	(66,056,106)	Recreation
			Interest and fiscal charges on long-term debt
		-	Total governmental activities
	372,139	372,139	Business-type activities:
	(558,449)	(558,449)	Landfills
	171,579	171,579	Health Clinics & Ancillary
	(2,502,777)	(2,502,777)	Inmate Welfare and Commissary
	(2,517,508)	(2,517,508)	Transit
\$ (66,056,106)	\$ (2,517,508)	\$ (68,573,614)	Total business-type activities
			Total primary government
		-	General revenues:
45,319,180	-	45,319,180	Taxes:
50,476,186	-	50,476,186	Property taxes
2,195,405	-	2,195,405	Property taxes in lieu vehicle license fees
16,388,134	4,895,572	21,283,706	Property taxes - unsecured
9,073,939	-	9,073,939	Sales taxes
1,944,039	-	1,944,039	Sales taxes - library
5,413,448	-	5,413,448	Sales taxes - road
3,264,767	-	3,264,767	In lieu sales tax
1,235,724	-	1,235,724	Other taxes
884,347	758,618	1,642,965	Franchise fees
-	12,985	12,985	Unrestricted investment earnings
13,269,382	-	13,269,382	Sale of fixed assets
(20,466,733)	20,466,733	-	Miscellaneous
128,997,818	26,133,908	155,131,726	Net transfers
			Total general revenues and transfers
62,941,712	23,616,400	86,558,112	Change in net position
688,810,513	52,692,540	741,503,053	Net position--beginning
(276,465,190)	(12,221,269)	(288,686,459)	Prior Period Adjustment
412,345,323	40,471,271	452,816,594	Net position--beginning, restated
\$ 475,287,035	\$ 64,087,671	\$ 539,374,706	Net position--ending

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

**County of Stanislaus
Balance Sheet
Governmental Funds
June 30, 2015**

	General Fund	Tobacco Settlement	Behavioral Health and Recovery	Community Services Agency	Public Facility Fees	Other Governmental Funds	Total Governmental Funds
Assets and deferred outflows of resources							
Assets							
Cash and investments	\$ 108,433,695	\$ 422	\$ 46,368,662	\$ 6,788,118	\$ 62,136,896	\$ 108,577,178	\$ 332,304,971
Investments with fiscal agent	-	89,391,740	-	-	-	10,224,316	99,616,056
Taxes receivable	15,899,953	-	-	-	-	-	15,899,953
Accounts receivable	13,536,632	2,629,424	16,230,479	11,667,988	-	27,173,616	71,238,139
Interest and other receivables	437,582	869,636	92,888	112	144,199	123,680	1,668,097
Notes receivable	78,245	-	-	-	-	-	78,245
Interfund receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	520,875	520,875
Due from other funds	5,858,528	-	125,018	43,379	-	6,197,102	12,224,027
Due from other governments	-	-	-	-	-	-	-
Deposit with others	-	-	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-
Loans to other governments	2,442,144	5,946,934	-	-	-	-	8,389,078
Advances to other funds	100,000	-	-	-	-	-	100,000
Prepaid items	175,302	-	-	-	-	175,112	350,414
Restricted cash and investments	4,240,485	-	-	-	-	-	4,240,485
Total assets	151,202,566	98,838,156	62,817,047	18,499,597	62,281,095	152,991,879	546,630,340
Total assets and deferred outflows of resources	151,202,566	98,838,156	62,817,047	18,499,597	62,281,095	152,991,879	546,630,340
Liabilities, deferred inflows of resources and fund balances							
Liabilities							
Accounts payable	2,365,498	-	14,880,105	117,504	-	18,669,938	36,033,045
Salaries and benefits payable	5,449,913	-	1,425,809	2,932,598	-	2,866,712	12,675,032
Due to other funds	215,866	-	-	-	-	5,858,528	6,074,394
Due to other governments	-	-	-	293,211	-	78,261	371,472
Deposits from others	18,950	-	-	-	-	-	18,950
Advances from grantors & third parties	789,212	-	28,237,983	14,983,995	-	1,284,140	45,295,330
Advances from other funds	-	-	-	-	-	100,000	100,000
Total liabilities	8,839,439	-	44,543,897	18,327,308	-	28,857,579	100,568,223
Total liabilities & deferred inflows of resources	8,839,439	-	44,543,897	18,327,308	-	28,857,579	100,568,223
Fund balances							
Non-spendable	14,029,333	-	8,550	25,450	-	533,757	14,597,090
Restricted	4,240,486	98,838,156	13,180,274	140,016	62,068,978	103,842,382	282,310,292
Committed	6,933,209	-	2,957,886	-	-	699,952	10,591,047
Assigned	101,215,033	-	2,126,440	6,823	212,117	19,430,625	122,991,038
Unassigned							
General fund	15,945,066	-	-	-	-	-	15,945,066
Special revenue funds	-	-	-	-	-	(372,416)	(372,416)
Capital project funds	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Total fund balance	142,363,127	98,838,156	18,273,150	172,289	62,281,095	124,134,300	446,062,117
Total liabilities, deferred inflows of resources & fund balances	\$ 151,202,566	\$ 98,838,156	\$ 62,817,047	\$ 18,499,597	\$ 62,281,095	\$ 152,991,879	\$ 546,630,340

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

County of Stanislaus
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015

Total fund balances for governmental funds (page 20) \$ 446,062,117

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

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

Land	\$ 43,483,445	
Intangible Assets - Internally Generated Software	344,555	
Infrastructure	160,510,222	
Structures and improvements	137,548,912	
Equipment	30,149,653	
Construction in progress	60,268,376	
Total capital assets		432,305,163

Investments - Joint ventures 17,341,042

Internal service funds are used by the County to charge the cost of risk management, plus central services, fleet services, technology and communication, Morgan Shop garage, and facility maintenance to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net assets. 16,471,939

Net pension liability and Deferred Outflows and inflows of resources (247,125,122)

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--both current and long-term--are reported in the statement of net assets.

Balances at June 30, 2015 are:

Certificates of participation	(31,450,741)	
Tobacco securitization notes	(119,186,957)	
Capital leases	(466,372)	
Accrued interest on long term debt	(410,177)	
Other post-employment benefits (OPEB)	(8,518,500)	
Compensated absences	(29,735,357)	
Total long-term liabilities		(189,768,104)

Net position of governmental activities (page 17) \$ 475,287,035

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

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General Fund	Tobacco Settlement	Behavioral Health and Recovery	Community Services Agency	Public Facility Fees	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 121,567,936	\$ -	\$ -	\$ -	\$ -	\$ 12,507,167	\$ 134,075,103
Licenses, permits and franchises	2,448,875	-	-	78,653	-	1,788,667	4,316,195
Fines, forfeitures and penalties	7,291,940	-	100,702	-	-	2,520,667	9,913,309
Revenue from use of money and property	3,096,965	2,463,098	591,301	4,399	380,408	695,559	7,231,730
Intergovernmental	82,198,394	-	49,936,904	199,957,966	-	197,537,458	529,630,722
Charges for services	46,492,438	-	30,929,095	1,054,249	4,942,251	36,324,338	119,742,371
Miscellaneous	1,601,232	-	973,031	308,507	29,133	10,295,813	13,207,716
Total revenues	264,697,780	2,463,098	82,531,033	201,403,774	5,351,792	261,669,669	818,117,146
Expenditures							
Current:							
General government	30,568,532	-	-	-	-	689,502	31,258,034
Public protection	148,703,362	-	1,138,790	-	-	57,610,195	207,452,347
Public ways and facilities	568,310	-	-	-	-	45,651,218	46,219,528
Health and sanitation	9,178,769	-	81,864,460	-	-	34,791,979	125,835,208
Public assistance	437,489	-	-	221,426,683	-	86,667,753	308,531,925
Education	435,590	-	-	-	-	9,074,166	9,509,756
Recreation and cultural services	4,891,144	-	-	-	-	462,801	5,353,945
Capital outlay	-	-	-	-	42,681	44,031,608	44,074,289
Debt service:							
Interest and fiscal charges	647	-	753	16,348	-	3,936,322	3,954,070
Principal	7,363	-	15,437	163,563	-	12,548,274	12,734,637
Total expenditures	194,791,206	-	83,019,440	221,606,594	42,681	295,463,818	794,923,739
Excess (deficiency) of revenues over (under) expenditures	69,906,574	2,463,098	(488,407)	(20,202,820)	5,309,111	(33,794,149)	23,193,407
Other financing sources (uses)							
Transfers in	10,774,620	-	2,737,770	21,724,835	173,334	48,050,375	83,460,934
Transfers out	(76,481,770)	(6,690,704)	(1,396,815)	(1,625,436)	(13,629,838)	(4,226,327)	(104,050,890)
Sale of capital assets	51,347	-	6,686	-	-	3,629	61,662
Total other financing sources (uses)	(65,655,803)	(6,690,704)	1,347,641	20,099,399	(13,456,504)	43,827,677	(20,528,294)
Net change in fund balances	4,250,771	(4,227,606)	859,234	(103,421)	(8,147,393)	10,033,528	2,665,113
Fund balance -- beginning	138,112,356	103,065,762	17,413,916	275,710	70,428,488	114,100,772	443,397,004
Fund balances -- ending	\$ 142,363,127	\$ 98,838,156	\$ 18,273,150	\$ 172,289	\$ 62,281,095	\$ 124,134,300	\$ 446,062,117

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

County of Stanislaus
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2015

Net change in fund balances - total governmental funds (page 22) \$ 2,665,113

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

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.

Expenditures for capital assets and infrastructure	\$ 80,831,221	
Less current year depreciation	<u>(27,847,847)</u>	52,983,374

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets (32,518,213)

Repayments of debt principal and issuance premiums are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and premiums are amortized in the statement of activities.

Repayments:		
Certificate of participation	4,205,000	
Other long-term debt	8,297,275	
Capital lease	222,430	
Amortization of issuance premium	<u>140,147</u>	12,864,852

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.

Other post-employment benefits (OPEB)	\$ (1,159,090)	
Change in investment in joint ventures	(872,031)	
Change in accrued interest payable	(11,364)	
Change in Tobacco accreted interest payable	(4,398,482)	
Change in compensated absences	451,103	
Change in deferred charges	<u>23,252,179</u>	17,262,315

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities. 3,596,382

Change in net pension liability and deferred outflows and inflows of resources 6,087,889

Change in net assets of governmental activities (page 19) \$ 62,941,712

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

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 117,586,000	\$ 120,316,075	\$ 121,567,936	\$ 1,251,861
Licenses, permits and franchises	2,115,784	2,225,784	2,448,875	223,091
Fines, forfeitures and penalties	5,716,000	5,716,000	7,291,940	1,575,940
Revenue from use of money and property	3,702,851	3,715,829	3,096,965	(618,864)
Intergovernmental revenue	57,531,539	77,795,639	82,198,394	4,402,755
Charges for services	46,064,529	46,228,899	46,492,438	263,539
Miscellaneous revenue	832,697	1,570,504	1,601,232	30,728
Total revenues	<u>233,549,400</u>	<u>257,568,730</u>	<u>264,697,780</u>	<u>7,129,050</u>
Expenditures: General				
Assessor				
Salaries and employee benefits	4,911,394	4,900,394	4,696,230	204,164
Services and supplies	459,354	470,354	408,060	62,294
Other charges	294,612	354,736	315,874	38,862
Expenditure transfer	1,100	1,100	75	1,025
Total expenditures	<u>5,666,460</u>	<u>5,726,584</u>	<u>5,420,239</u>	<u>306,345</u>
Auditor-Controller				
Salaries and employee benefits	3,852,817	3,794,817	3,570,908	223,909
Services and supplies	135,800	155,800	147,656	8,144
Other charges	233,175	236,372	235,099	1,273
Expenditure transfer	200	200	120	80
Fixed assets	-	38,000	39,132	(1,132)
Total expenditures	<u>4,221,992</u>	<u>4,225,189</u>	<u>3,992,915</u>	<u>232,274</u>
Board of Supervisors				
Salaries and employee benefits	757,045	775,045	769,846	5,199
Services and supplies	273,936	255,936	91,597	164,339
Other charges	56,897	57,275	56,950	325
Total expenditures	<u>1,087,878</u>	<u>1,088,256</u>	<u>918,393</u>	<u>169,863</u>
Chief Executive				
Salaries and employee benefits	4,226,781	4,298,557	4,168,990	129,567
Services and supplies	2,997,591	3,020,065	804,569	2,215,496
Other charges	352,848	373,475	352,110	21,365
Expenditure transfer	50	200	60	140
Total expenditures	<u>7,577,270</u>	<u>7,692,297</u>	<u>5,325,729</u>	<u>2,366,568</u>
Economic Development				
Services and supplies	857	20,857	8,295	12,562
Total expenditures	<u>857</u>	<u>20,857</u>	<u>8,295</u>	<u>12,562</u>
Risk Management				
Salaries and employee benefits	1,447,219	1,447,219	1,205,936	241,283
Services and supplies	149,859	149,859	110,266	39,593
Other charges	72,258	72,258	65,955	6,303
Total expenditures	<u>1,669,336</u>	<u>1,669,336</u>	<u>1,382,157</u>	<u>287,179</u>

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

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
CEO - Focus on Prevention				
Services and supplies	-	110,000	60,000	50,000
Total expenditures	-	110,000	60,000	50,000
CEO - Discretionary Revenue				
Expenditure transfer	-	-	3,836	(3,836)
Total expenditures	-	-	3,836	(3,836)
Capital Improvement Financing Authority				
Services and supplies	159,958	159,958	20,240	139,718
Total expenditures	159,958	159,958	20,240	139,718
Plant Acquisition				
Salaries and employee benefits	100,000	143,515	142,488	1,027
Services and supplies	4,328,710	4,236,113	1,774,823	2,461,290
Other charges	8,190	8,190	2,926	5,264
Fixed assets	-	117,100	114,673	2,427
Total expenditures	4,436,900	4,504,918	2,034,910	2,470,008
General Fund Contribution to Other Programs				
Other charges	3,701,662	3,701,662	3,000,477	701,185
Total expenditures	3,701,662	3,701,662	3,000,477	701,185
Appropriations for Contingencies				
Appropriations for contingencies	11,020,864	7,548,251	-	7,548,251
Total expenditures	11,020,864	7,548,251	-	7,548,251
County Facilities				-
Services and supplies	1,080,463	1,080,463	(1,153,856)	2,234,319
Other charges	1,001,737	1,001,737	165,962	835,775
Expenditure transfer	28,500	28,500	27,192	1,308
Total expenditures	2,110,700	2,110,700	(960,702)	3,071,402
Elections Division				
Salaries and employee benefits	1,026,564	1,026,564	964,097	62,467
Services and supplies	1,640,420	1,662,920	531,731	1,131,189
Other charges	83,869	84,596	86,462	(1,866)
Expenditure transfer	800	1,300	932	368
Fixed assets	320,194	332,194	6,645	325,549
Total expenditures	3,071,847	3,107,574	1,589,867	1,517,707
County Counsel				
Salaries and employee benefits	2,145,031	2,219,031	2,168,962	50,069
Services and supplies	187,800	195,080	139,770	55,310
Other charges	91,755	85,231	88,092	(2,861)
Total expenditures	2,424,586	2,499,342	2,396,824	102,518

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

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Treasurer and Tax Collector				
Salaries and employee benefits	1,496,452	1,496,452	1,015,910	480,542
Services and supplies	238,654	238,654	164,050	74,604
Other charges	134,627	139,554	126,112	13,442
Expenditure transfer	(14,455)	(17,755)	(48,641)	30,886
Total expenditures	<u>1,855,278</u>	<u>1,856,905</u>	<u>1,257,431</u>	<u>599,474</u>
Revenue Recovery				
Salaries and employee benefits	1,242,718	1,321,632	1,208,126	113,506
Services and supplies	231,236	214,736	202,562	12,174
Other charges	111,449	115,949	97,734	18,215
Expenditure transfer	(624,931)	(624,931)	(538,475)	(86,456)
Fixed assets	5,000	5,000	-	5,000
Total expenditures	<u>965,472</u>	<u>1,032,386</u>	<u>969,947</u>	<u>62,439</u>
Treasury				
Salaries and employee benefits	313,213	313,213	299,076	14,137
Services and supplies	116,865	112,615	75,927	36,688
Other charges	34,306	38,556	35,174	3,382
Expenditure transfer	115,000	115,000	115,000	-
Total expenditures	<u>579,384</u>	<u>579,384</u>	<u>525,177</u>	<u>54,207</u>
General Services Agency				
Salaries and employee benefits	592,351	590,351	541,988	48,363
Services and supplies	14,149	14,149	9,038	5,111
Other charges	20,903	22,903	22,400	503
Total expenditures	<u>627,403</u>	<u>627,403</u>	<u>573,426</u>	<u>53,977</u>
Expenditures: Public Protection				
Agricultural Commissioner				
Salaries and employee benefits	4,462,244	4,540,132	3,370,278	1,169,854
Services and supplies	325,167	444,214	410,242	33,972
Other charges	387,698	404,172	395,478	8,694
Expenditure transfer	80,100	80,100	78,874	1,226
Fixed assets	61,527	61,527	44,020	17,507
Total expenditures	<u>5,316,736</u>	<u>5,530,145</u>	<u>4,298,892</u>	<u>1,231,253</u>
Office of Emergency Services				
Salaries and employee benefits	639,881	752,881	720,162	32,719
Services and supplies	947,423	854,273	535,777	318,496
Other charges	276,078	268,486	235,303	33,183
Expenditure transfer	560	710	607	103
Total expenditures	<u>1,863,942</u>	<u>1,876,350</u>	<u>1,491,849</u>	<u>384,501</u>
County Court Funding				
Services and supplies	140,000	140,000	118,529	21,471
Other charges	5,833,298	5,833,298	5,529,826	303,472
Expenditure transfer	416,364	416,364	414,982	1,382
Total expenditures	<u>6,389,662</u>	<u>6,389,662</u>	<u>6,063,337</u>	<u>326,325</u>

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

County of Stanislaus
Statement of Revenues, Expenditures and changes in Fund Balance
General Fund (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Recorder Division				
Salaries and employee benefits	1,587,780	1,572,780	1,461,832	110,948
Services and supplies	239,734	239,734	(23,324)	263,058
Other charges	234,309	235,152	222,711	12,441
Expenditure transfer	420	420	163	257
Fixed assets	224,569	224,569	(174,000)	398,569
Total expenditures	2,286,812	2,272,655	1,487,382	785,273
District Attorney				
Salaries and employee benefits	12,130,553	12,368,753	12,267,924	100,829
Services and supplies	782,042	1,079,404	988,220	91,184
Other charges	794,892	782,328	783,810	(1,482)
Expenditure transfer	300	300	240	60
Fixed assets	60,000	156,152	107,282	48,870
Total expenditures	13,767,787	14,386,937	14,147,476	239,461
Planning				
Salaries and employee benefits	1,756,290	1,664,290	1,464,556	199,734
Services and supplies	69,339	100,839	70,830	30,009
Other charges	120,873	207,027	193,898	13,129
Expenditure transfer	1,000	1,500	884	616
Total expenditures	1,947,502	1,973,656	1,730,168	243,488
Probation Administration				
Salaries and employee benefits	1,923,545	1,923,545	1,912,444	11,101
Services and supplies	350,760	250,760	242,141	8,619
Other charges	310,528	440,528	373,594	66,934
Fixed assets	45,000	36,000	29,073	6,927
Total expenditures	2,629,833	2,650,833	2,557,252	93,581
Probation Community Corrections Partnership				
Salaries and employee benefits	3,172,673	3,172,673	3,153,727	18,946
Services and supplies	823,963	706,963	529,308	177,655
Other charges	36,553	153,553	35,743	117,810
Total expenditures	4,033,189	4,033,189	3,718,778	314,411
Probation Juvenile Commitment Facility				
Salaries and employee benefits	2,887,108	2,737,108	2,706,841	30,267
Services and supplies	264,200	264,200	183,717	80,483
Other charges	390,177	390,177	317,712	72,465
Fixed assets	6,000	-	-	-
Total expenditures	3,547,485	3,391,485	3,208,270	183,215
Probation - Field Services				
Salaries and employee benefits	8,111,627	8,221,627	8,142,378	79,249
Services and supplies	1,414,014	1,212,014	843,618	368,396
Other charges	710,477	730,709	692,788	37,921
Expenditure transfer	5,500	8,500	7,773	727
Fixed assets	60,000	123,000	99,719	23,281
Total expenditures	10,301,618	10,295,850	9,786,276	509,574

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

County of Stanislaus
Statement of Revenues, Expenditures and changes in Fund Balance
General Fund (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Probation - Institutions				
Salaries and employee benefits	5,242,986	5,392,986	5,349,034	43,952
Services and supplies	466,561	390,561	340,721	49,840
Other charges	564,056	564,056	528,596	35,460
Fixed assets	25,000	92,000	14,094	77,906
Total expenditures	<u>6,298,603</u>	<u>6,439,603</u>	<u>6,232,445</u>	<u>207,158</u>
Public Defender				
Salaries and employee benefits	5,240,804	5,113,804	4,941,462	172,342
Services and supplies	372,951	442,951	429,685	13,266
Other charges	219,000	276,000	262,780	13,220
Expenditure transfer	65,000	65,000	39,106	25,894
Total expenditures	<u>5,897,755</u>	<u>5,897,755</u>	<u>5,673,033</u>	<u>224,722</u>
Indigent Defense				
Services and supplies	3,774,140	4,774,140	4,827,544	(53,404)
Total expenditures	<u>3,774,140</u>	<u>4,774,140</u>	<u>4,827,544</u>	<u>(53,404)</u>
Sheriff's Administration				
Salaries and employee benefits	4,077,350	3,996,850	3,994,161	2,689
Services and supplies	742,483	713,283	683,482	29,801
Other charges	375,457	371,957	364,550	7,407
Expenditure transfer	700	2,400	2,425	(25)
Fixed assets	114,480	114,480	111,832	2,648
Total expenditures	<u>5,310,470</u>	<u>5,198,970</u>	<u>5,156,450</u>	<u>42,520</u>
Sheriff's Operations				
Salaries and employee benefits	19,900,052	21,985,482	21,984,840	642
Services and supplies	4,966,670	5,366,269	5,164,278	201,991
Other charges	2,770,764	2,458,367	2,422,798	35,569
Expenditure transfer	(610,960)	(610,960)	(625,130)	14,170
Fixed assets	1,561,639	2,041,139	1,015,279	1,025,860
Total expenditures	<u>28,588,165</u>	<u>31,240,297</u>	<u>29,962,065</u>	<u>1,278,232</u>
Sheriff's Detention				
Salaries and employee benefits	28,484,807	29,831,080	29,829,555	1,525
Services and supplies	5,095,447	3,840,947	3,614,899	226,048
Other charges	3,755,767	3,535,767	3,432,090	103,677
Expenditure transfer	19,700	34,700	30,201	4,499
Fixed assets	937,698	937,698	413,327	524,371
Total expenditures	<u>38,293,419</u>	<u>38,180,192</u>	<u>37,320,072</u>	<u>860,120</u>
Sheriff's Contract Cities				
Salaries and employee benefits	8,402,300	8,329,800	8,047,892	281,908
Services and supplies	1,271,950	1,277,450	1,263,042	14,408
Other charges	624,182	691,182	687,741	3,441
Expenditure transfer	45,000	45,000	39,701	5,299
Fixed assets	228,500	228,500	981	227,519
Total expenditures	<u>10,571,932</u>	<u>10,571,932</u>	<u>10,039,357</u>	<u>532,575</u>

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

County of Stanislaus
Statement of Revenues, Expenditures and changes in Fund Balance
General Fund (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Grand Jury				
Salaries and employee benefits	51,788	53,664	53,664	-
Services and supplies	80,405	76,729	31,329	45,400
Other charges	13,499	15,299	14,004	1,295
Expenditure transfer	300	300	195	105
Total expenditures	<u>145,992</u>	<u>145,992</u>	<u>99,192</u>	<u>46,800</u>
Expenditures: Public Ways				
Airport				
Services and supplies	241,000	241,000	241,000	-
Total expenditures	<u>241,000</u>	<u>241,000</u>	<u>241,000</u>	<u>-</u>
CEO Crows Landing Air Facility				
Services and supplies	1,598,743	1,613,143	(694,983)	2,308,126
Other charges	2,300	3,900	3,866	34
Total expenditures	<u>1,601,043</u>	<u>1,617,043</u>	<u>(691,117)</u>	<u>2,308,160</u>
Expenditures: Health and Sanitation				
CEO Jail Medical				
Services and supplies	9,309,292	9,309,292	9,178,736	130,556
Other charges	50	50	33	17
Total expenditures	<u>9,309,342</u>	<u>9,309,342</u>	<u>9,178,769</u>	<u>130,573</u>
Expenditures: Public Assistance				
Veterans' Services				
Salaries and employee benefits	406,251	421,251	372,792	48,459
Services and supplies	50,141	60,141	29,966	30,175
Other charges	34,197	34,197	34,281	(84)
Expenditure transfer	-	-	10	(10)
Total expenditures	<u>490,589</u>	<u>515,589</u>	<u>437,049</u>	<u>78,540</u>
Expenditures: Education				
Cooperative Extension				
Salaries and employee benefits	333,858	329,358	279,179	50,179
Services and supplies	19,630	24,130	18,091	6,039
Other charges	117,023	117,023	116,648	375
Expenditure transfer	-	-	50	(50)
Total expenditures	<u>491,422</u>	<u>491,422</u>	<u>434,879</u>	<u>56,543</u>
Expenditures: Recreation and Cultural Services				
Parks and Recreation				
Salaries and employee benefits	2,806,143	2,335,643	2,281,108	54,535
Services and supplies	911,241	1,162,686	801,214	361,472
Other charges	991,422	1,051,207	1,041,823	9,384
Expenditure transfer	237,260	277,260	528,319	(251,059)
Fixed assets	126,799	304,349	182,253	122,096
Total expenditures	<u>5,072,865</u>	<u>5,131,145</u>	<u>4,834,717</u>	<u>296,428</u>

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

County of Stanislaus
Statement of Revenues, Expenditures and changes in Fund Balance
General Fund (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Tuolumne River Regional Park				
Services and supplies	121,426	121,426	121,426	-
Total expenditures	<u>121,426</u>	<u>121,426</u>	<u>121,426</u>	<u>-</u>
Expenditures: Debit Services				
Debt Services				
Other charges	-	186,466	139,848	46,618
Expenditure transfer	(78,500)	(78,500)	(78,500)	-
Total Debit Services	<u>(78,500)</u>	<u>107,966</u>	<u>61,348</u>	<u>46,618</u>
Total expenditures - General Fund	<u>219,392,076</u>	<u>221,045,578</u>	<u>190,937,070</u>	<u>30,108,508</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,157,324</u>	<u>36,523,152</u>	<u>73,760,710</u>	<u>37,237,558</u>
Other Financing Sources (Uses)				
Transfers in	8,094,622	8,295,226	10,774,620	2,479,394
Transfers out	(57,604,133)	(79,640,623)	(76,481,770)	3,158,853
Sale of capital assets	-	-	51,347	51,347
Total other financing sources (uses)	<u>(49,509,511)</u>	<u>(71,345,397)</u>	<u>(65,655,803)</u>	<u>5,689,594</u>
Net change in fund balance	<u>(35,352,187)</u>	<u>(34,822,245)</u>	<u>8,104,907</u>	<u>42,927,152</u>
Fund balance -- beginning	<u>138,112,356</u>	<u>138,112,356</u>	<u>138,112,356</u>	<u>-</u>
Fund balance -- ending	<u>\$ 102,760,169</u>	<u>\$ 103,290,111</u>	<u>\$ 146,217,263</u>	<u>\$ -</u>

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

County of Stanislaus
Statement of Revenues, Expenditures and changes in Fund Balance
Behavioral Health and Recovery – Special Revenue Fund
Budget and Actual on the Budgetary Basis
For the Fiscal Year ended June 30, 2015

	Budgeted Amounts		Actual amount on Budgetary basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, forfeitures, and penalties	\$ 46,000	\$ 46,000	\$ 100,702	\$ 54,702
Revenue from use of money and property	768,219	768,219	591,301	(176,918)
Intergovernmental revenue	51,162,481	56,486,474	49,936,904	(6,549,570)
Charges for services	29,752,983	30,475,576	30,929,095	453,519
Miscellaneous revenue	754,123	754,123	970,031	215,908
Donation	-	-	3,000	3,000
Total revenues	<u>82,483,806</u>	<u>88,530,392</u>	<u>82,531,033</u>	<u>(5,999,360)</u>
Expenditures				
Public Protection				
Salaries and employee benefits	841,476	835,476	775,333	60,143
Services and supplies	100,994	106,994	101,764	5,230
Other charges	158,450	158,450	149,937	8,513
Expenditure transfer	131,093	131,093	113,399	17,694
Total Public Protection	<u>1,232,013</u>	<u>1,232,013</u>	<u>1,140,433</u>	<u>91,580</u>
Health and Sanitation				
Salaries and employee benefits	36,646,336	37,521,081	34,604,452	2,916,629
Services and supplies	44,497,658	49,010,315	43,253,006	5,757,309
Other charges	6,515,758	6,531,758	4,805,473	1,726,285
Fixed assets	674,790	715,170	360,095	355,075
Expenditure transfer	(131,093)	(131,093)	(113,399)	(17,694)
Total Health and Sanitation	<u>88,203,449</u>	<u>93,647,231</u>	<u>82,909,627</u>	<u>10,737,604</u>
Total expenditures	<u>89,435,462</u>	<u>94,879,244</u>	<u>84,050,060</u>	<u>10,829,184</u>
Excess (deficiency) of revenues over (under) expenditure	<u>(6,951,656)</u>	<u>(6,348,852)</u>	<u>(1,519,027)</u>	<u>4,829,824</u>
Other financing sources (uses)				
Transfers in	2,270,710	2,270,710	2,737,770	467,060
Transfers out	(165,000)	(1,561,704)	(1,396,815)	164,889
Sale of capital assets	-	-	6,686	6,686
Total other financing sources (uses)	<u>2,105,710</u>	<u>709,006</u>	<u>1,347,641</u>	<u>638,635</u>
Net change in fund balance	<u>(4,845,946)</u>	<u>(5,639,846)</u>	<u>(171,386)</u>	<u>5,468,459</u>
Fund balance - beginning	<u>17,413,916</u>	<u>17,413,916</u>	<u>17,413,916</u>	<u>-</u>
Fund balance - ending	<u>\$ 12,567,970</u>	<u>\$ 11,774,070</u>	<u>\$ 17,242,530</u>	<u>-</u>

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

County of Stanislaus
Statement of Revenues, Expenditures and changes in Fund Balance
Community Services Agency – Special Revenue Fund
Budget and Actual on the Budgetary Basis
For the Fiscal Year ended June 30, 2015

	Budgeted Amounts		Actual amount on Budgetary basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses, permits and franchises	\$ 78,653	\$ 78,653	\$ 78,653	\$ -
Revenue from use of money and property	-	-	4,399	4,399
Intergovernmental revenue	236,696,260	229,772,192	199,957,966	(29,814,226)
Charges for services	912,308	937,876	1,054,249	116,373
Miscellaneous revenue	1,092,516	1,092,264	79,846	(1,012,418)
Donation	235,986	235,986	228,661	(7,325)
Total revenues	<u>239,015,723</u>	<u>232,116,971</u>	<u>201,403,774</u>	<u>(30,713,197)</u>
Expenditures: Public Assistance				
Salaries and employee benefits	86,884,968	81,597,415	75,032,681	6,564,734
Services and supplies	21,090,054	23,551,427	19,035,018	4,516,409
Other charges	139,238,769	141,334,540	126,748,687	14,585,853
Fixed assets	355,960	805,960	797,208	8,752
Total expenditures	<u>247,569,751</u>	<u>247,289,342</u>	<u>221,613,594</u>	<u>25,675,748</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,554,028)</u>	<u>(15,172,371)</u>	<u>(20,209,820)</u>	<u>(5,037,449)</u>
Other Financing Sources (Uses)				
Transfers in	10,314,666	17,947,088	21,724,835	3,777,747
Transfers out	(1,838,241)	(2,852,320)	(1,625,436)	1,226,884
Total other financing sources (uses)	<u>8,476,425</u>	<u>15,094,768</u>	<u>20,099,399</u>	<u>5,004,631</u>
Net change in fund balance	<u>(77,603)</u>	<u>(77,603)</u>	<u>(110,421)</u>	<u>(32,818)</u>
Fund balance - beginning	<u>275,710</u>	<u>275,710</u>	<u>275,710</u>	<u>-</u>
Fund balance - ending	<u>\$ 198,107</u>	<u>\$ 198,107</u>	<u>\$ 165,289</u>	<u>\$ -</u>

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

**County of Stanislaus
Statement of Net Position
Proprietary Funds
June 30, 2015**

	Business-type Activities			Total	Governmental
	Enterprise Funds				Activities
	Fink Road Sanitary Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds		Internal Service Funds
Assets					
Current assets:					
Cash and investments	\$ 13,889,059	\$ 1,576,548	\$ 13,479,854	\$ 28,945,461	\$ 48,590,592
Accounts receivable, net	668,504	18,164,061	526,164	19,358,729	258,640
Interest and other receivables	71,820	28,434	32,396	132,650	82,706
Inventory	-	-	9,196	9,196	214,723
Due from other funds	-	5,078	-	5,078	-
Prepaid items	-	287,229	-	287,229	-
Total current assets	14,629,383	20,061,350	14,047,610	48,738,343	49,146,661
Noncurrent assets:					
Deferred charges					
Investments with fiscal agent	96,440	-	-	96,440	-
Restricted cash and investments	18,628,788	-	1,438,309	20,067,097	-
Capital assets					
Land and right of ways	13,556,621	-	1,906,261	15,462,882	-
Intangible assets	-	-	-	-	3,886,872
Structures and improvements	7,840,779	9,905,027	348,276	18,094,082	1,002,508
Equipment	3,432,331	3,963,664	10,446,240	17,842,235	20,798,942
Construction in progress	-	-	173,026	173,026	-
Less: Accumulated depreciation	(6,003,439)	(12,767,671)	(5,651,141)	(24,422,251)	(15,985,936)
Net capital assets	18,826,292	1,101,020	7,222,662	27,149,974	9,702,386
Total noncurrent assets	37,551,520	1,101,020	8,660,971	47,313,511	9,702,386
Total assets	52,180,903	21,162,370	22,708,581	96,051,854	58,849,047
Deferred outflows of resources					
Deferred pensions	148,956	1,751,687	77,521	1,978,164	985,271
Total deferred outflows of resources	148,956	1,751,687	77,521	1,978,164	985,271
Liabilities					
Current liabilities:					
Accounts payable	201,828	1,273,809	619,332	2,094,969	1,844,798
Salaries and benefits payable	45,963	669,077	23,428	738,468	288,601
Due to other funds	-	6,154,711	-	6,154,711	-
Deposits from others	28,617	-	-	28,617	-
Interfund note payable - current	-	1,347,746	-	1,347,746	-
Risk management liability - current	-	-	-	-	13,017,212
Capital leases - current	-	-	-	-	90,317
Compensated absences - current	1,731	207,154	6,329	215,214	-
Total current liabilities	278,139	9,652,497	649,089	10,579,725	15,240,928
Noncurrent liabilities:					
Estimated cost of landfill closure/postclosure	7,672,682	-	1,671,584	9,344,266	-
Risk management liability	-	-	-	-	19,587,267
Other post-employment benefits (OPEB)	48,114	468,110	25,771	541,995	243,954
Compensated absences	145,958	942,769	46,926	1,135,653	932,920
Net pension liability	644,227	7,574,901	335,128	8,554,256	4,261,207
Total noncurrent liabilities	8,510,981	8,985,780	2,079,409	19,576,170	25,025,348
Total liabilities	8,789,120	18,638,277	2,728,498	30,155,895	40,266,276
Deferred inflows of resources					
Deferred pensions	345,968	4,068,183	180,006	4,594,157	2,288,399
Total deferred inflows of resources	345,968	4,068,183	180,006	4,594,157	2,288,399
Net position					
Net investment in capital assets	18,826,292	1,101,020	7,222,662	27,149,974	9,702,386
Restricted	18,670,284	-	1,441,478	20,111,762	-
Unrestricted	6,618,588	9,928,662	11,692,249	28,239,499	13,665,148
Prior period adjustment	(920,393)	(10,822,085)	(478,791)	(12,221,269)	(6,087,890)
Total net position	\$ 43,194,771	\$ 207,597	\$ 19,877,598	63,279,966	\$ 17,279,644
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				807,705	
Net assets of business type activities				<u>\$ 64,087,671</u>	

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

County of Stanislaus
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities - Enterprise Funds				Governmental
	Fink Road Sanitary Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds	Total	Internal Service Funds
Operating revenues:					
Charges for services	\$ 6,302,357	\$36,845,727	\$ 2,210,149	\$45,358,233	\$ 91,249,633
Total operating revenues	6,302,357	36,845,727	2,210,149	45,358,233	91,249,633
Operating expenses:					
Salaries and benefits	1,184,210	15,955,954	627,245	17,767,409	7,128,133
Services and supplies	2,113,272	21,397,738	7,569,523	31,080,533	73,228,281
Depreciation	950,729	224,671	946,505	2,121,905	1,517,320
Estimated cost of closure/postclosure	508,946	-	-	508,946	-
Total operating expenses	4,757,157	37,578,363	9,143,273	51,478,793	81,873,734
Operating income (loss)	1,545,200	(732,636)	(6,933,124)	(6,120,560)	9,375,899
Nonoperating revenues (expenses)					
Investment income	774,644	20,293	89,909	884,846	269,932
Interest expense	-	(25,541)	-	(25,541)	-
Insurance reimbursement	-	-	197,105	197,105	-
Intergovernmental	99	107,753	7,995,098	8,102,950	-
Gain (loss) on sale of capital assets	-	(565)	13,550	12,985	13,104
Total nonoperating revenues (expenses)	774,743	101,940	8,295,662	9,172,345	283,036
Income before contributions and transfers	2,319,943	(630,696)	1,362,538	3,051,785	9,658,935
Transfers in	-	20,502,716	1,182,470	21,685,186	123,223
Transfers out	(1,182,470)	(35,983)	-	(1,218,453)	-
Transfer in (out), net	(1,182,470)	20,466,733	1,182,470	20,466,733	123,223
Changes in net assets	1,137,473	19,836,037	2,545,008	23,518,518	9,782,158
Total net position - beginning	42,977,691	(8,806,355)	17,811,381	51,982,717	13,585,376
Prior period restatement	(920,393)	(10,822,085)	(478,791)	(12,221,269)	(6,087,890)
Total net position beginning - restated	42,057,298	(19,628,440)	17,332,590	39,761,448	7,497,486
Total net position - ending	\$ 43,194,771	\$ 207,597	\$19,877,598		\$ 17,279,644
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				97,882	
Change in net assets of business type activities				<u>\$23,616,400</u>	

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

County of Stanislaus
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities
	Fink Road Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:					
Cash received from customers and users	\$ 6,270,581	\$ 39,352,347	\$ 2,285,519	\$ 47,908,447	\$ 91,151,698
Cash received (paid) from interfund services	-	(10,694,372)	-	(10,694,372)	(74,216,308)
Cash paid to suppliers	(2,072,616)	(13,805,444)	(8,206,966)	(24,085,026)	-
Cash paid to employees	(1,253,984)	(16,819,480)	(644,223)	(18,717,687)	(8,323,415)
Net cash provided (used) by operating activities	<u>2,943,981</u>	<u>(1,966,949)</u>	<u>(6,565,670)</u>	<u>(5,588,638)</u>	<u>8,611,975</u>
Cash flows from noncapital financing activities:					
Transfers in	-	20,502,716	1,182,470	21,685,186	123,223
Interfund borrowing	-	(16,790,905)	-	(16,790,905)	-
Insurance reimbursement	-	-	197,105	197,105	-
Subsidy from state and federal grant	99	107,753	7,995,098	8,102,950	-
Transfers out	(1,182,470)	(35,983)	-	(1,218,453)	-
Net cash provided (used) by noncapital financing activities	<u>(1,182,371)</u>	<u>3,783,581</u>	<u>9,374,673</u>	<u>11,975,883</u>	<u>123,223</u>
Cash flows from capital and related financing activities:					
Purchase of capital assets	(5,919)	(238,381)	(219,610)	(463,910)	(1,006,398)
Proceeds (loss) from disposal of capital assets	-	3,545	13,550	17,095	13,104
Interest income	-	20,293	-	20,293	-
Interest paid	-	(25,541)	-	(25,541)	-
Net cash (used) by capital and related financing activities	<u>(5,919)</u>	<u>(240,084)</u>	<u>(206,060)</u>	<u>(452,063)</u>	<u>(993,294)</u>
Cash flows from investing activities:					
Interest received	774,644	-	89,909	864,553	269,932
Net cash provided by investing activities	<u>774,644</u>	<u>-</u>	<u>89,909</u>	<u>864,553</u>	<u>269,932</u>
Net increase (decrease) in cash and cash equivalents	2,530,335	1,576,548	2,692,852	6,799,735	8,011,836
Cash and equivalents - beginning	30,083,952	-	12,225,311	42,309,263	40,578,756
Cash and equivalents - ending	<u>\$ 32,614,287</u>	<u>\$ 1,576,548</u>	<u>\$ 14,918,163</u>	<u>\$ 49,108,998</u>	<u>\$ 48,590,592</u>
Reconciliation of cash and cash equivalents to the Statement of Net Assets					
Cash and investments	\$ 13,889,059	\$ 1,576,548	\$ 13,479,854	\$ 28,945,461	\$ 48,590,592
Restricted cash and investments & investment with fiscal agent	18,725,228	-	1,438,309	20,163,537	-
Total cash and cash equivalents	<u>\$ 32,614,287</u>	<u>\$ 1,576,548</u>	<u>\$ 14,918,163</u>	<u>\$ 49,108,998</u>	<u>\$ 48,590,592</u>

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

County of Stanislaus
Statement of Cash Flows (continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities - Enterprise Funds			Total	Governmental
	Fink Road Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds		Internal Service Funds
Cash provided (used) by operating activities					
Operating income (loss)	\$ 1,545,200	\$ (732,636)	\$ (6,933,124)	\$ (6,120,560)	\$ 9,375,899
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	950,729	224,671	946,505	2,121,905	1,517,320
(Increase) decrease in accounts receivable	(21,750)	2,497,162	83,186	2,558,598	264,523
(Increase) decrease in other receivables	(10,026)	6,581	(5,591)	(9,036)	(19,381)
(Increase) decrease in inventory	-	-	(2,225)	(2,225)	(11,035)
(Increase) decrease in prepaid items	-	29,284	-	29,284	-
(Increase) decrease in due from other funds	-	(5,078)	-	(5,078)	-
(Increase) decrease in deferred outflows	(148,956)	(1,751,687)	(77,521)	(1,978,164)	(985,271)
Increase (decrease) in accounts payable and accrued liabilities	40,656	179,887	(321,821)	(101,278)	(1,407,355)
Increase (decrease) in salaries and benefits payable	4,828	83,513	5,416	93,757	37,450
Increase (decrease) in liability for compensated absences	(1,502)	(77,573)	15,931	(63,144)	(37,692)
Increase (decrease) in other post-employment benefits(OPEB)	6,054	61,222	2,854	70,130	37,705
Increase (decrease) in deferred inflows	345,968	4,068,183	180,006	4,594,157	2,288,399
Increase (decrease) in pension liability	(276,166)	(3,247,184)	(143,664)	(3,667,014)	(1,826,683)
Increase (decrease) in due to other funds/govt's	-	(3,303,294)	-	(3,303,294)	-
Increase (decrease) in advances from other funds	-	-	-	-	(332,042)
Increase (decrease) in estimated cost of closure/postclosure	508,946	-	(315,622)	193,324	-
Increase (decrease) in risk management liability	-	-	-	-	(289,862)
Net cash provided (used) by operating activities	<u>\$ 2,943,981</u>	<u>\$ (1,966,949)</u>	<u>\$ (6,565,670)</u>	<u>\$ (5,588,638)</u>	<u>\$ 8,611,975</u>

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

County of Stanislaus
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Employees' Retirement Trust	Investment Trust	Agency Funds	Successor Agency Private Purpose Trust
Assets				
Cash and investments	\$ 71,553,166	\$ 615,657,039	\$ 1,118,177	\$ 2,305,315
Investments with fiscal agent	-	-	-	1,193,740
Receivables (net of allowance for uncollectables)	-	18,369,982	-	-
Interest and dividends	6,057,937	-	-	-
Securities transactions	34,703,146	-	-	-
Contributions	3,703,589	-	-	-
Other	91,653	1,443,079	-	1,845
Advances to other governments	-	-	-	16,220
Prepaid	-	20,660	-	-
Interfund note receivable	-	1,347,746	-	-
Other assets	3,507,734	29,989,625	-	-
Investments:				
Other	-	-	-	-
Bonds	453,889,853	-	-	-
Stocks	1,194,717,298	-	-	-
Direct lending	101,450,264	-	-	-
Private real estate	17,021,773	-	-	-
Infrastructure	9,273,662	-	-	-
Collateral on loaned securities	194,948,321	-	-	-
Total assets	<u>2,090,918,396</u>	<u>666,828,131</u>	<u>1,118,177</u>	<u>3,517,120</u>
Deferred outflows of resources - deferred pension	-	1,075,876	-	-
Total assets and deferred outflows of resources	<u>2,090,918,396</u>	<u>667,904,007</u>	<u>1,118,177</u>	<u>3,517,120</u>
Liabilities				
Accounts payable	62,970,871	35,593,259	102,975	1,319
Securities lending obligation	194,948,321	-	-	-
Salaries and benefits payable	-	-	-	-
Grant deed extension fee	395,000	-	-	-
Trust obligations	-	9,999,342	1,015,202	-
Agency funds for other government unit	-	-	-	-
Advances from grantors and third parties	-	483,770	-	-
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Due to other government agencies	-	-	-	-
Interest payable	-	-	-	340,723
Net pension liability	-	4,652,887	-	-
Bonds and notes payable	-	-	-	15,533,758
Total liabilities	<u>258,314,192</u>	<u>50,729,258</u>	<u>1,118,177</u>	<u>15,875,800</u>
Deferred inflows of resources - deferred pension	-	2,498,785	-	-
Total liabilities and deferred inflows of resources	<u>258,314,192</u>	<u>53,228,043</u>	<u>1,118,177</u>	<u>15,875,800</u>
Net position				
Net position held in trust for pension benefits/investment pool participants	<u>\$ 1,832,604,204</u>	<u>\$ 614,675,964</u>	<u>\$ -</u>	<u>\$ (12,358,680)</u>

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

County of Stanislaus
Statement of Changes in Fiduciary Fund Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	Employees' Retirement Trust	Investment Trust	Successor Agency Private Purpose Trust
Additions			
Contributions:			
Employer contributions	\$ 53,849,031	\$ -	\$ -
Member contributions	22,960,235	-	-
Contributions on pooled investments	-	4,170,350,358	-
Redevelopment agency property tax trust	-	-	1,955,177
Total contributions	<u>76,809,266</u>	<u>4,170,350,358</u>	<u>1,955,177</u>
Investment Income			
Net (depreciation) in fair value	32,674,635	-	-
Interest	43,216,684	4,228,450	43,817
Miscellaneous income/(expense)	687,967	-	697,815
Less investment expense	(7,856,505)	-	-
Net investment income	<u>68,722,781</u>	<u>4,228,450</u>	<u>741,632</u>
Total additions	<u>145,532,047</u>	<u>4,174,578,808</u>	<u>2,696,809</u>
Deductions			
Benefit payments	100,099,055	-	-
Refunds of prior contributions	1,759,101	-	-
Distributions from pooled investments	-	4,131,143,801	-
Interest	-	-	942,780
Administrative expense	2,378,966	-	91,676
Total deductions	<u>104,237,122</u>	<u>4,131,143,801</u>	<u>1,034,456</u>
Change in net assets	41,294,925	43,435,007	1,662,353
Net position held in trust - beginning	1,791,309,279	577,869,770	(14,021,033)
Prior period adjustment	-	(6,628,813)	-
Net assets held in trust - beginning, restated	<u>1,791,309,279</u>	<u>571,240,957</u>	<u>(14,021,033)</u>
Net position held in trust - ending	<u>\$ 1,832,604,204</u>	<u>\$ 614,675,964</u>	<u>\$ (12,358,680)</u>

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

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies**

This summary of significant accounting policies of the County of Stanislaus (the County) is presented to assist in understanding the County's financial statements. These accounting policies conform to Generally Accepted Accounting Principles (GAAP) and have been consistently applied in the preparation of the financial statements.

A. Reporting Entity

The accounting methods and procedures adopted by the County conform to GAAP as applied to governmental entities. These financial statements present the County and its component units, legally separate entities for which the County is considered to be financially accountable, under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 61.

Reported 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 County's operations. Blended component units are an extension of the County and so data from these units are combined with the data of the primary government. Each component unit has a June 30th year-end.

Blended Component Units

1. Stanislaus County Capital Improvements Financing Authority ("Authority"): The Authority was established on September 1, 1989, as a separate legal entity whose sole purpose is to provide financing for various County capital projects. It is governed by the five members of the County Board of Supervisors. The activity for the Authority is reported as a debt service fund.
2. Lighting Districts: The County has 29 different, legally separate lighting districts whose boards are the same as the County Board of Supervisors. The County's approval is needed to set the districts' budgets and to set assessment rates. The activity for the lighting districts is reported in a special revenue fund.
3. Stanislaus County Tobacco Funding Corporation ("Stanislaus Corporation"): The Stanislaus Corporation was established per Board of Supervisors resolution on November 7, 2000 as a separate legal entity pursuant to California Corporations Code. Three directors, two from the County and one independent, govern The Stanislaus Corporation. The Corporation's purpose is to acquire from the County all of the rights of the County future tobacco settlement payments and to borrow money secured by the County tobacco assets on behalf of the California County Tobacco Securitization Agency (See Note 11). The Stanislaus Corporation provides service solely to the County and is reported as a debt service fund.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

A. **Reporting Entity** (continued)

Blended Component Units (continued)

4. In-Home Supportive Services Public Authority of Stanislaus County ("Public Authority"): The Public Authority was established on December 9, 2004 as a separate legal entity pursuant to Welfare and Institutions Code Section 12301.6. The Public Authority is governed by the five members of the County Board of Supervisors. The purpose of the Public Authority is to implement the goals and objectives of the In-Home Supportive Services Program. The Public Authority is reported as a special revenue fund.
5. Stanislaus County Children and Families Commission ("Commission"): Following voter approval of Proposition 10 in November 1998, the Commission was established by the Stanislaus County Board of Supervisors on December 8, 1998, pursuant to Ordinance #687. The ordinance provides that the Commission operate as an independent "County agency." A governing board compiled of nine Commissioners, whose composition is defined in the enabling ordinance, is appointed by the Board of Supervisors. The purpose of the Commission is to promote the development and well-being of children zero through age five in Stanislaus County. The activity for the Commission is reported as a special revenue fund.

B. **Basis of Presentation**

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. The government-wide statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

In the government-wide statements, eliminations have been made to minimize the double counting of certain internal activities. In the statement of net position, all internal balances have been eliminated except those representing the net balance due between governmental and business-type activities. This residual balance is reported as "internal balances." Internal service fund activity has been eliminated in the statement of activities.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

B. Basis of Presentation (continued)

Government-Wide Financial Statements (continued)

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated administrative overhead. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

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

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Non-operating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, health and sanitation, public assistance, education and recreation and cultural services.
- The *Tobacco Settlement Fund* was established to account for the proceeds from securitizing the County's share of tobacco settlement revenues. Currently the proceeds are restricted to use for capital expenditures. The intent is to preserve the initial amount and to distribute 80% of the annual investment earnings to the General Fund.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

B. Basis of Presentation (continued)

Fund Financial Statements-major governmental funds (continued)

- The *Behavioral Health and Recovery Fund* was established to provide mental health services to the residents of the County under the provisions of Welfare and Institutions Codes 5600 and 5000. This includes residential/support treatment services, outpatient treatment services, and an array of education and prevention services. The primary source of revenues is from intergovernmental sources and charges for services.
- The *Community Services Agency Fund* was established for the administration of the three major public social programs including financial assistance, social services, and employment services. Intergovernmental revenue is the primary source of financing for this fund.
- *Public Facility Fees Fund* was established by the Board of Supervisors adoption of Resolution No. 89-1724 for the purpose of reducing the impact of a growing community on existing County resources. The fees are charged to new development based on the need for facilities to maintain the existing level of service. The fee benefits the following departments and programs: roads, detention, criminal justice, library, parks, public and mental health, emergency services, animal services and sheriff.

The County reports the following major enterprise funds:

- The *Fink Road Sanitary Landfill Fund* was established to account for the operation of Fink Road Sanitary Landfill, which provides a dumping site for the disposal of solid wastes. Revenues are derived from fees generated for the disposal of waste at the site.
- The *Health Clinics and Ancillary Services Fund* was established to account for health care operations in outpatient clinics throughout the County. Revenues are derived from fees for patient services, payments from federal and state programs such as Medicare and Medi-Cal, private insurance, and subsidies from the County.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's fleet and facility maintenance, purchasing, communication, technology, and other services provided to departments or other governments. They also account for self-insurance programs – workers' compensation, long-term disability, employee benefits, and personal injury and property damage on a cost-reimbursement basis.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

B. Basis of Presentation (continued)

Fund Financial Statements-additional fund types (continued)

- The *Employees' Retirement Trust* accumulates contributions from the County, its employees and other participating employers, and earnings from the fund's investments. Disbursements are made from the fund for retirement, disability and death benefits (based on a defined benefit formula) and administrative expenses. This fund includes all assets of the Stanislaus County Employees Retirement Association (StanCERA).
- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer in an investment portfolio for the benefit of all participants. These entities include school and community college districts and other special districts governed by local boards, regional boards and authorities. The fund represents the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- The *Agency Funds* account for assets held by the County as an agent for individuals, private organizations, or other governments.
- The *Private-Purpose Trust Fund* is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Stanislaus County Redevelopment Successor Agency (Successor Agency).

C. Basis of Accounting

The government-wide, proprietary, employees' retirement trust, private purpose trust, and investment trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

Revenues from sales tax 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.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

C. Basis of Accounting (continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available (“susceptible to accrual”). The County considers revenues available if they are collected within 180 days after year-end, except for property taxes. Property taxes are considered available if they are collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, as under the accrual basis of 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 assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing goods in connection with a proprietary fund’s principal operations. The operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for those same funds include the cost of sales and services, administrative expenses, depreciation and the estimated cost of closure/postclosure for the landfills. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Budgetary Basis of Accounting

In accordance with the provisions of Sections 29000 and 29144, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year, publishes notice in general circulation and makes the budget documents available to members of the public, on or before September 8. Budgeted expenditures are enacted into law through the passage of the Adopted Budget.

An operating budget is adopted each fiscal year for the General Fund and all special revenue funds except the Tobacco Settlement Fund. An operating balanced budget is adopted for the capital projects funds for the life of the project, except for the Courthouse Construction Fund and the Criminal Justice Facilities Fund, which adopt an operating budget each fiscal year. A budget is not adopted for the Public Facility Fees capital projects fund as those dollars are transferred and budgeted in other funds. Expenditures are controlled at the object level within budget units. A budget unit may be (1) a single department, (2) a division of a large department having multiple divisions, or (3) an entire fund. The object level within a budget unit is the level at which expenditures may not legally exceed

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

D. Budgetary Basis of Accounting (continued)

appropriations. Any transfers of appropriations between object levels within the same budget unit may be authorized by the County Executive Office, with the exception of transfers related to fixed assets exceeding \$10,000 Budget amendments or supplementary appropriations normally financed by unanticipated revenues during the year or transfers of appropriations between budget units must be approved by the Board of Supervisors. Budgeted amounts in the budgetary comparison schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The budgets for the governmental funds may include an object level known as “expenditure transfers.” This object level is an accounting mechanism used by the County to show reimbursements between operations within the same fund (an example would be the General Fund).

The amounts reported on the budgetary basis differ from the basis used to present the basic financial statements in accordance with generally accepted accounting principles (GAAP). Annual budgets are prepared on the modified accrual basis of accounting except that current year encumbrances and commitments are budgeted as expenditures.

The following schedule reconciles the amounts on the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual on Budgetary Basis to the amounts on the Statement of Revenues, Expenditures and Changes in Fund Balances:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	
		<u>Behavioral Health and Recovery</u>	<u>Community Services Agency</u>
Total expenditures (budgetary basis)	\$ 190,937,070	\$ 84,050,060	\$ 221,613,594
Basis difference - net addition of			
2013/14 encumbrances and commitments	-	-	-
minus	-	-	-
2014/15 encumbrances and commitments	<u>3,854,136</u>	<u>(1,030,620)</u>	<u>(7,000)</u>
Total expenditures (GAAP)	<u>\$ 194,791,206</u>	<u>\$ 83,019,440</u>	<u>\$ 221,606,594</u>

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

E. Cash and Cash Equivalents

Cash and cash equivalents include cash in bank and investments held by the County Treasurer in a cash management pool. The amounts classified as “Investments with Fiscal Agent” represent loan proceeds held by the trustees for various borrowings (See Note 4) and securitized tobacco settlement proceeds invested outside the County Pool.

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.

F. Investments

California Government Code Section 53600, et seq., authorizes the County to invest in obligations of the State of California (the State) or any local agency of the State, bankers’ acceptances, commercial paper, negotiable certificates of deposits, repurchase agreements or reverse repurchase agreements, medium-term notes issued by corporations and the State of California Local Agency Investment Fund.

The County may also invest in certain open-ended mutual funds permitted by the Government Code. All investments are carried at fair value until they are within 90 days of maturity at which time they are reported at amortized cost. Interest earned on pooled investments is apportioned quarterly to certain participating funds based upon each fund’s average daily deposit balance with all remaining interest deposited in the General Fund.

The tobacco securitization proceeds are invested under a separate policy approved by the County Board of Supervisors on January 29, 2002. The policy authorizes the County to invest in obligations outlined in California Government Code Section 53600, et seq., with no investment having a greater maturity date than the final maturity of any tobacco settlement asset-backed bond. All investments are reported at fair value.

The Employees' Retirement Trust (StanCERA) funds are invested pursuant to policy guidelines established by the StanCERA Board of Retirement. The objective of the investment policy is to invest in a manner that provides the safeguards and diversity that a prudent investor would adhere to. The policy of StanCERA is to invest in the following asset classes: Large Cap US Stocks, Small Cap US Stocks, Non US Stocks and Fixed Income. Investments are stated at fair value.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

G. Deferred Outflows/Inflows of Resources

Pursuant to GASB Statement No. 63, “*Financial Reporting of Deferred Outflows, Deferred Inflows of Resources, and Net Position,*” and GASB Statement No. 65, “*Items Previously Reported as Assets and Liabilities,*” the County recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will, sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The County is reporting deferred pension in this category. (See note 17 for more detail)

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. The County is reporting deferred pension in this category. (See note 17 for more detail)

H. Inventory

In governmental funds, inventories are valued at cost. In proprietary funds, they are valued at lower of cost or market. Cost is determined by using either the weighted average or the first-in, first-out method. The consumption method of accounting for inventory is used for the governmental funds and the proprietary funds. For the governmental funds, the fund balance related to inventory is categorized as non-spendable (See Note 13).

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

J. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain assets (infrastructure) consisting of roads, bridges, lighting systems, drainage systems, and flood control improvements. The County defines capital assets, other than infrastructure, as assets with an initial, individual cost equal to or greater than \$5,000 and an estimated useful life in excess of one year,

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

J. Capital Assets (continued)

with the exception of the Health Clinics and Ancillary Services Enterprise Fund. The Health Clinics and Ancillary Services Enterprise Fund defines capital assets as assets with an initial, individual cost equal to or greater than \$1,000 and an estimated useful life in excess of three years. In addition to these individual assets, the library's books are capitalized together as one collection.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide and proprietary funds statements, with the exception of landfill cell development. The units of production method is used for depreciation on landfill cells.

The estimated useful lives are as follows:

Infrastructure	20 to 60 years
Structures and improvements	15 to 60 years
Equipment (including vehicles)	3 to 20 years
Landfill Cell-4	1,960,000 cubic yards
Landfill Cell-5	1,550,000 cubic yards

The County has seven networks of infrastructure assets – roads, bridges, lighting system, storm drains, signs, signals and beacons.

K. Intangible Assets

On July 13, 2010, the Board of Supervisors approved \$50,000 capitalization threshold for intangible assets.

GASB Statement No. 51 was issued in June of 2007. The objective of this statement is to establish accounting and financial reporting requirements for intangible assets to reduce inconsistencies in reporting among state and local governments. County financial statements must comply with all statements issued by the Governmental Accounting Standards Board. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. As such, existing accounting and financial reporting requirements are to be applied to intangible assets. Capital assets are expensed over their useful lives rather than being charged in the specific financial period in which they are purchased.

The existing capital asset policy for the County includes intangible assets. Currently, the capitalization threshold for other fixed assets is \$5,000 or greater.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

K. Intangible Assets (continued)

The threshold amount represents the minimum amount at which an asset should be capitalized.

GASB Statement No. 51 does not specifically identify a methodology for establishing a threshold amount. A survey of other California counties was performed which indicated a wide variation, depending on the size of the County, in the threshold amounts being implemented. Given the County's relative size and exposure, a \$50,000 threshold is considered to be a reasonable amount.

L. Compensated Absences (Accrued Vacation, Sick Leave, and Compensatory Time)

All regular employees of the County earn vacation and sick leave with pay every year. The amount of vacation and sick hours earned is based on the years of continuous service and the bargaining unit to which the employee belongs. All employee bargaining units have vacation accumulation limits. Regular employees are given credit for eight hours sick leave each month of employment with limited accumulation.

Regular employees, upon separation, are entitled to all unused accumulated vacation time. Most regular employees are eligible to have a portion of their sick leave cashed out after six years of service. The amount depends on the length of service and if it is at retirement or a regular separation.

At the close of each fiscal year, the balance of this accumulated time is computed for each employee at the current salary range. In the financial statements, these amounts are referred to as "compensated absences." A 10-year average of all termination payments is used to compute the amount that is expected to be liquidated in the next year with expendable available financial resources. This current portion and the balance of the long-term liability are reported in the government-wide statements, the enterprise and internal service funds financial statements and are generally liquidated by the General Fund.

M. Interfund Transactions

Interfund transactions include loans, services provided, 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/due from" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

M. Interfund Transactions (continued)

outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances to other funds, as reported in the fund financial statements, are reported as non-spendable fund balance.

Services or supplies provided can result, at year-end, in receivables and payables referred to as “due to/from other funds.” These receivables and payables are eliminated in the governmental-wide consolidation with residual balances reported as “internal balances” when they are between funds of the County.

Reimbursements are 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 government-wide presentation.

N. Estimates

The preparation of 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. Fund Balance

Governmental Accounting Standards Board (GASB) has issued Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement is effective for financial statements with periods beginning after June 15, 2010. The objective of this statement is to improve the usefulness, including the understandability, of governmental fund balance information. The statement provides more clearly defined categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The statement impacts governmental fund types.

The fund balance is reported in five categories: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance and Unassigned Fund Balance.

Non-spendable Fund Balance – amounts cannot be spent because a) not in spendable form or b) legally or contractually required to be maintained intact.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

O. **Fund Balance** (continued)

Restricted Fund Balance - amounts are restricted by external parties, i.e., creditors, grantors, contributors or laws/regulations of other governments or restricted by law through constitutional provisions or enabling legislation.

Committed Fund Balance – amounts that can only be used for specific purpose pursuant to constraints imposed by formal action of the government’s highest level of decision making authority. The formal action must occur prior to the end of the reporting period. The amount, which will be subject to the constraint, may be determined in the subsequent period.

Assigned Fund Balance - amounts constrained by the government’s intent to be used for specific purposes that are neither restricted nor committed. The intent can be expressed by a) the governing body itself or b) a body or official to which the governing body has delegated the authority, i.e., budget/finance committee. Monies set aside for debt service, carryover appropriations, teeter plan, retirement obligation, contingencies and tobacco settlement are some of the examples to be included in the assigned category.

Assigned fund balance can be used to eliminate the projected budgetary deficit in the subsequent year’s budget.

Unassigned Fund Balance – a residual classification for the general fund. The total fund balance less non-spendable, restricted, committed and assigned equals unassigned fund balance. General fund is the only fund that should report a positive unassigned fund balance amount. A negative fund balance is possible in other governmental funds.

P. **Implementation of Governmental Accounting Standards Board (GASB) Statements**

The following GASB Statements have been accounted for in the financial statements for the fiscal year ended June 30, 2015.

GASB Statement No. 68: Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources and deferred inflows of resources and expenditures for defined benefit pension plans. The provisions of GASB Statement No. 68 are effective for financial statements beginning after June 15, 2015.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 1: **Summary of Significant Accounting Policies** (continued)

P. **Implementation of Governmental Accounting Standards Board (GASB) Statements** (continued)

GASB Statement 69: Government Combinations and Disposals of Government Operations. This Statement establishes accounting and financial reporting for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013.

GASB Statement 71: Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68. This Statement relates to amounts associated with contributions to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability. This statement amends GASB Statement No. 68 and is to be applied simultaneously with the provisions of GASB Statement No. 68.

Note 2: **Individual Fund Deficits**

For the year ended June 30, 2015, Internal Service Fund (ISF) Individual Fund Deficits are as follows:

Proprietary Funds:

ISF - Medical Self-Insurance	\$ 1,172,184
ISF - Central Services	\$ 432,840
ISF - Facility Maintenance	\$ 276,244

The Medical Self-Insurance deficit is due to user rates that were too low. These deficits will be funded by increased user charges

The Central Services and Facility Maintenance deficits are due to prior period adjustment related to GASB 68 Pension Statement.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 3: **Excess of Actual Expenditures Over Budget in Individual Budget Units**

For the year ended June 30, 2015, General Fund (GF) actual expenditures based on budgetary basis, excluding transfers, exceeded budget at the budget unit and object level as follows:

<u>Fund Type and Department</u>	<u>Object</u>	<u>Excess Expenditures</u>
GF - Indigent Defense	Services and Supplies	\$ 53,404
GF - County Counsel	Other charges	\$ 2,861
GF - Elections Division	Other charges	\$ 1,866
GF - District Attorney	Other charges	\$ 1,482
GF - Veteran's Service	Other charges	\$ 84
GF - Auditor-Controller	Fixed Assets	\$ 1,132

The excess expenditures for County Counsel, Elections Division, and Public Assistance are related to interfund reimbursements. The above disclosure is based on departmental appropriations as of June 30, 2015.

Note 4: **Cash and Investments**

The County maintains a cash and investment pool - Stanislaus County Treasurer's Pool - for the purpose of increasing interest income through investment activities. This pool, which is available for use by all funds, is displayed on the statement of net position/balance sheet as "cash and investments." The Stanislaus County Treasurer's Pool generally limits participation in the pool to those agencies and districts required to participate by legal provisions of the California State Government Code for those agencies and districts. Voluntary participation is limited to the Stanislaus County Employees Retirement System (StanCERA) and independent special districts, which represent approximately 3% of the pool. While StanCERA participates in the County Treasurer's Pool, the majority of its cash and investments are managed separately from the County Pool. The County has no legally binding guarantees to support the shares in the County Treasurer's Pool.

The share of each fund in the Stanislaus County Treasurer's Pool is separately accounted for and interest is apportioned quarterly based on the relationship of the fund's average daily cash balance to the total of the pooled cash and investments. In accordance with Government Code Section 53647, interest on all money deposited in the County Treasury belongs to the County and participating schools unless otherwise directed by law or the County Board of Supervisors.

The County has numerous funds in which the interest earned is deposited into the General Fund to comply with the above code section.

The Stanislaus County Treasurer's Pool is not SEC-registered, but is invested in accordance with California State Government Code Section 53600 et. seq. The California State Government Code requires the formation of an Investment Oversight Committee, which is charged with overseeing activity in the pool for compliance to policy and code requirements.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

To this end, the Oversight Committee reviews the monthly investment report prior to presentation to the Board of Supervisors and causes an audit of investments to occur annually.

In addition to the restrictions and guidelines of the Government Code, cash and investments with the County Treasurer are invested pursuant to investment policy guidelines established by the County Treasurer and accepted by the Board of Supervisors. The objectives of the policy are, in order of priority, legality of investment, safety of principal, liquidity and yield.

Total County cash and investments are as follows:

Cash and Investments	
Imprest cash	\$ 144,962
Cash in banks-department administered	2,641,618
In custody of Treasurer:	
Cash on hand	114,390
Cash in bank	51,500,646
Investments held by Treasurer	1,054,094,999
Less outstanding checks	<u>(46,363,601)</u>
Total in custody of Treasurer	1,059,346,434
Investments held by fiscal agents:	
Tobacco settlement	89,391,740
Tobacco funding corporation	6,170,138
Stock investment	96,440
Bond requirements	<u>4,054,178</u>
Subtotal investments held by agents	99,712,496
Private Purpose Trust investments held by fiscal agents	<u>1,193,740</u>
Total investments held by agents	100,906,236
Employees' retirement trust:	
Cash (outside Treasurer's pool)	62,649,289
Investments	<u>1,971,301,171</u>
Total cash and investments	<u>\$ 3,196,989,710</u>

Total County cash & investments are reported as follows:

Primary government	
Cash and investments	\$ 409,841,024
Investments with fiscal agent	99,712,496
Restricted cash & investments	24,307,582
Employees' retirement trust	
Cash and investments	71,553,166
Other investments	1,971,301,171
Investment trust - cash and investments	615,657,039
Agency funds - cash and investments	1,118,177
Private purpose trust	
Cash and investments	2,305,315
Investments with fiscal agent	<u>1,193,740</u>
Total cash and investments	<u>\$ 3,196,989,710</u>

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

Interest Rate Risk - This is the risk of loss due to the fair value of an investment falling because of rising interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

- *Stanislaus County Treasurer's Pool.* The County's policy for interest rate risk allows investments to be sold prior to maturity at a loss if such sale will allow investment in a higher yield vehicle and any loss upon sale can be more than compensated by additional interest earning within a six month period. Of the County's \$1.05 billion portfolio, over 36% of the investments have a maturity of one year or less. No investment has a maturity greater than five years.
- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio, under a separate investment policy, includes Municipal bonds with maturities of up to 18 years that are sensitive to interest rate changes. Of these bonds, 15% are insured, which tends to reduce interest rate risk.
- *StanCERA's Investment Portfolio.* StanCERA's average effective duration of all fixed income holdings, reflecting all instruments including Collateralized Mortgage Obligations and Asset-Backed Securities, must be maintained at plus or minus 1.5 years of the Barclay Aggregate bond index duration. At year end the Barclay Aggregate Bond Index was yielding 2.40% with an effective duration of 5.6 years. StanCERA had a yield of 1.70% with an effective duration of 4.3 years.

Credit Risk - This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

- *Stanislaus County Treasurer's Pool.* The County is permitted to hold investments of issuers with a short-term rating of "A-1" and a minimum long-term rating of "A-" by two of the top nationally recognized statistical rating organizations (rating agencies). Additionally, the County is permitted to invest in U.S. Treasuries, Government Sponsored Enterprises (Agencies), the State's Local Agency Investment Fund and collateralized certificates of deposit that are un-rated.
- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio includes insured and non-insured bonds that are rated single A, double A and triple A. The bonds make up 83% of the portfolio. The rest of the portfolio is invested in money market and mutual funds with maturities of less than one year.
- *StanCERA's Investment Portfolio.* Under StanCERA policy, the fixed income portfolio must have an average quality rating of A or better in the aggregate as measured by at least one credit rating service. Investment grade quality is defined as a Standard and

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

Poor's rating of BBB or higher at time of purchase. In cases where credit rating agencies assign different quality ratings to a security, the lower rating will be used.

Should the rating of a fixed income security fall below investment grade, the manager may continue to hold the security if they believe the security will be upgraded in the future, there is a low risk of default, and buyers will continue to be available throughout the anticipated holding period. The manager has the responsibility of notifying the StanCERA Retirement Board whenever an issue falls below investment grade. The notification should include the manager's assessment of the issue's credit rating and its ongoing role in the portfolio.

The following table shows the quality of StanCERA's investments in fixed income securities on June 30, 2015.

<u>Credit Rating</u>	<u>Active Management</u>	<u>Fixed Income Securities Amount</u>
AAA	5.33%	\$ 24,191,353
Aa1/AA+/AA+	1.56%	7,098,779
AA	0.08%	354,562
AA-	0.25%	1,155,797
A1/A+/A+	3.08%	13,988,713
A2/A/A	0.38%	1,713,431
A3/A-/A-	3.64%	16,516,967
Baa1/BBB+/BBB+	10.51%	47,686,102
Baa2/BBB/BBB	11.63%	52,767,911
Baa3/BBB-/BBB-	7.98%	36,203,974
Ba1/BB+BB+	2.70%	12,253,610
Ba2/BB/BB	4.51%	20,480,738
Ba3/BB-/BB-	1.23%	5,604,519
B1/B+/B+	1.25%	5,671,847
B	0.40%	1,829,076
B3/B-/B-	0.09%	390,128
CCC	0.03%	138,846
N/R	33.53%	152,184,406
N/A	11.82%	53,659,094
	<u>100.00%</u>	<u>\$ 453,889,853</u>

N/R represents securities that are not rated

N/A represents securities that are not applicable to the rating disclosure requirements

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

Custodial Credit Risk-deposits - In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

- *Stanislaus County Treasurer's Pool and other deposits.* At year-end, Stanislaus County had no custodial credit risk exposure to any depository financial institution. As per State of California Government Code (Section 53630 – 53683), the depository banks, i.e., Bank of the West and Union Bank, collateralize Stanislaus County public funds with eligible securities having a market value of at least 110% of the actual amount on deposit. These securities are maintained with the third party custodians. The collateral is held in a pool based on the bank's total public deposits. The County did not have deposits in any foreign currency.
- *StanCERA's Investment Portfolio.* At year-end, StanCERA had no custodial credit risk exposure to any depository financial institution. All deposits are placed with a custodial bank. The custodian is responsible for maintaining an adequate level of collateral in an amount equal to 102% of the market value of loaned securities. Collateral received may include cash, letters of credit, or securities. If securities collateral is received, StanCERA cannot pledge or sell securities collateral unless the borrower defaults.

Custodial Credit Risk-investments - For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

- *Stanislaus County Treasurer's Pool and Stanislaus County Tobacco Settlement Investment Portfolio.* All negotiable instruments are held by the County's custodian or a third party in the County's name. The County did not participate in securities lending. The investment policy prohibits investment in instruments denominated in a foreign currency.
- *StanCERA's Investment Portfolio.* State statutes and Board of Retirement Investment Policy permit StanCERA to participate in a securities lending program. StanCERA's custodial bank administers its securities lending program. At year-end, StanCERA had no custodial credit risk exposure to borrowers because the amounts StanCERA owed to borrowers exceeded the amounts the borrowers owed to StanCERA. StanCERA's contract with the custodian requires it to indemnify StanCERA if the borrower fails to return the securities and the collateral is inadequate to replace the securities lent or fail to pay StanCERA for income distributions by securities issuers while securities are on loan.

As of June 30, 2015, StanCERA had securities on loan with a carrying value of \$190,900,000 and collateral of \$194,900,000. The types of securities lent were U.S. Government and Agencies, U.S. Corporate Fixed Income and U.S. Equities. There are no restrictions on the amount of securities that may be lent.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

Foreign Currency Risk – This is the risk that changes in exchange rates may adversely affect the fair value of an investment

- *StanCERA's Investment Portfolio.* StanCERA's external investment managers may invest in international securities and must follow StanCERA's Investment Guidelines pertaining to these types of investments.

The fair value, in US dollars, of StanCERA's foreign currency at June 30, 2015 was \$351,622,587, distributed as follows:

<u>Currency</u>	<u>Fair Value (in US \$)</u>	<u>Currency</u>	<u>Fair Value (in US \$)</u>
Australian Dollar	15,252,076	Malaysian Renggit	366,443
Brazil Real	3,561,638	Mexican Nuevo Peso	1,276,655
British Pound	51,238,073	New Taiwan Dollar	5,878,817
Canadian Dollar	22,185,017	New Zealand Dollar	663,306
Chinese Yuan	13,771,436	Norwegian Krone	2,875,476
Danish Krone	2,416,640	Russian Ruble	2,043,031
Euro Currency	77,048,912	Singapore Dollar	4,856,971
Hong Kong Dollar	5,848,698	South African Rand	4,033,199
Hungarian Forint	473,129	Swedish Krona	7,277,093
Indian Rupee	1,275,785	Swiss Franc	23,441,536
Indonesian Rupiah	567,705	Thailand Baht	1,354,440
Israeli Shekel	2,524,807	Turkish Lira	416,915
Japanese Yen	57,429,741	US Dollar	36,878,496
Korean Won	6,666,552		

Concentration of Credit Risk - This is the risk of loss due to a large concentration of investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are not considered at risk.

- *Stanislaus County Treasurer's Pool.* Over 59% of the County's investments were in the U.S. Government or Government Sponsored Enterprises (Agencies). The following Agencies each comprised more than 5% of the pool investments:

<i>US Treasury Securities</i>	29.50%
<i>Federal Home Loan Bank</i>	19.77%
<i>Federal Farm Credit Bank</i>	9.96%

Of the 41% of the portfolio invested in other types of investments, no issuer exceeded 5% of the portfolio in each investment type at the time of investment.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

Concentration of Credit Risk (continued)

- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio includes California State Municipal bonds that comprise 42% of the portfolio.
- *StanCERA's Investment Portfolio.* StanCERA's policy requires that not more than 5% of the total StanCERA stock portfolio, valued at market, be held in the common stock of any one corporation. Not more than 5% of the outstanding shares of any one company may be held. Individual investment managers are to hold no more than 8% of the market value of the manager's entire stock portfolio in any one company's stock. Not more than 25% of the stock valued at market may be held in any one industry category, as defined by the StanCERA consultant, without special permission from the StanCERA Board of Retirement.

With the exception of securities issued by the U.S. Government and its agencies, no single fixed income issue will represent more than 5% of the total portfolio as measured by market value at time of purchase. Holdings of any individual issue must be 5% or less of the value of the total issue.

At June 30, 2015, StanCERA had the following investments:

<u>Fixed Income Securities</u>	
U.S. Treasuries	\$ 48,801,076
Government Mortgage Backed Securities	150,354,982
Commercial Mortgage Backed Securities	6,436,813
Collateralized Mortgage Obligations	1,860,927
Federal Agency	8,042,654
Asset Backed	23,895,212
Emerging Market / Non-US Bonds	1,758,621
Corporate Bonds	188,801,726
Municipal Bonds	19,279,799
Bank Loans	399,844
Other Bonds	4,258,199
	<u>\$ 453,889,853</u>
<u>Equities</u>	
Domestic	\$ 830,408,156
International	351,622,587
	<u>\$ 1,182,030,743</u>
<u>Real Estate Securities</u>	
	<u>\$ 38,981,990</u>
<u>Direct Lending</u>	
	<u>\$ 101,450,264</u>
<u>Collateral on Loaned Securities</u>	
	<u>\$ 194,948,321</u>
Total Investments	<u>\$ 1,971,301,171</u>

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

The following schedule indicates the credit and interest rate risk at June 30, 2015. The credit ratings listed are for the lower of Standard and Poor's or Moody's Investor Services. Certain investments such as U.S. Treasuries and the State's Local Agency Investment Fund are un-rated.

Stanislaus County Treasury Pool
Fair Value Maturity Distribution
For the Year Ended June 30, 2015
(Dollar amounts in thousands)

	S&P Credit Rating	Maturity								Total	Total %
		≤ 30 Days	31 - 60 Days	61 - 90 Days	91 - 180 Days	181 - 360 Days	1 - 2 Years	2 - 3 Years	3 - 4 Years		
Single A											
Negotiable Cert of Deposit	A-1	\$ 10,002	\$ 20,000	\$ 10,012	\$ 35,000	\$ 25,007	\$ 40,011			\$ 140,032	13.28%
Commercial Paper	A-1				9,990					9,990	0.95%
Commercial Paper	A-1+	19,998								19,998	1.90%
Medium Term Notes	A-						10,032			10,032	0.95%
Medium Term Notes	A					8,427	53,670	16,868		78,965	7.49%
Medium Term Notes	A+						35,799		10,065	45,864	4.35%
		30,000	20,000	10,012	44,990	33,434	139,512	16,868	10,065	304,881	28.92%
Double A											
Federal Agencies	AA+	10,000	10,002		20,012	25,018	61,964	147,379	38,921	313,296	29.72%
US Treasuries	AA+					75,259	115,342	109,972	10,034	310,607	29.47%
Medium Term Notes	AA+				10,060		20,391			30,451	2.89%
Municipal Bonds	AA-			10,077						10,077	0.96%
		10,000	10,002	10,077	30,072	100,277	197,697	257,351	48,955	664,431	63.03%
Unrated											
Managed Pool Account - LAIF	N/R	50,000								50,000	4.74%
Calif Local Agency Indebt	N/R		4,850				4,925	4,990		14,765	1.40%
Money Market	N/R	20,000								20,000	1.90%
		70,000	4,850	-	-	-	4,925	4,990	-	84,765	8.04%
Total Treasury Pool Investments		\$ 110,000	\$ 34,852	\$ 20,089	\$ 75,062	\$ 133,711	\$ 342,134	\$ 279,209	\$ 59,020	\$ 1,054,077	100.00%

Stanislaus County Tobacco Endowment Investments
Fair Value Maturity Distribution
For the Year Ended June 30, 2015
(Dollar amounts in thousands)

Tobacco Endowments (Combined)	S&P Credit Rating	Maturity						Total	% Total
		< 30 Days	1 - 3 Years	3 - 5 Years	5 - 10 Years	10 - 15 Years	15 - 20 Years		
Money Market Funds	Unrated	\$ 2,705,474						\$ 2,705,474	3.03%
Mutual Funds	Unrated	12,637,292						12,637,292	14.14%
Municipal Bonds	A-				1,076,970			1,076,970	1.20%
Municipal Bonds	AA+					4,541,497		4,541,497	5.08%
Municipal Bonds	AA					9,350,528	6,237,071	15,587,599	17.44%
Municipal Bonds	AA-		2,185,120	4,642,816	9,237,347	27,744,091	2,006,680	45,816,054	51.25%
Municipal Bonds	AAA					5,026,775		5,026,775	5.62%
Municipal Bonds	Unrated					2,000,080		2,000,080	2.24%
Total Tobacco Settlement Investments		\$ 15,342,766	\$ 2,185,120	\$ 4,642,816	\$ 10,314,317	\$ 48,662,971	\$ 8,243,751	\$ 89,391,741	100.00%

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

Stanislaus County Treasury Pool
Summary of Investments
For the Year Ended June 30, 2015

(Dollar amounts in thousands)

	<u>Fair Value</u>	<u>Dollar Cost</u>	<u>Interest Rate Range</u>	<u>Maturity Range</u>
Negotiable Cert of Deposit	\$ 140,032	\$ 140,000	0.11% - 0.86%	07/27/15 - 01/25/17
Commercial Paper	29,988	29,970	0.15% - 0.29%	07/28/15 - 10/05/15
Managed Funds - LAIF	50,000	50,000	0.31% - 0.31%	07/01/15 - 07/01/15
Federal Agencies - Coupons	313,296	312,454	0.22% - 1.35%	07/09/15 - 03/08/19
US Treasuries - Coupons	310,607	309,512	0.14% - 1.15%	12/31/15 - 10/31/18
Medium Term Notes	165,312	163,699	0.68% - 2.06%	11/09/15 - 01/14/19
Municipal Bonds	10,077	10,062	3.43% - 3.43%	09/01/15 - 09/01/15
Calif Local Agency Indebt	14,765	14,765	1.50% - 1.50%	08/01/15 - 08/01/17
Money Market	20,000	20,000	0.23% - 0.23%	07/01/15 - 07/01/15
Total Investments	\$ 1,054,077	\$ 1,050,462		

In accordance with GASB Statement No. 31, investments are reported on the statement of net position/balance sheet at their fair value and all changes in fair value are reflected in income of the period in which they occur. Fair values were obtained from our custodial statement for all investments having greater than 360 days to maturity in the following categories:

- U.S. Agency and GSE Bonds and Notes
- U.S. Treasury Bonds, Notes and Bills
- Corporate Bonds and Notes
- Municipal Bonds

Amortized cost was used for all investments having 360 days or less to maturity, which may include the following categories:

- Negotiable Certificates of Deposit
- Commercial Paper
- State of California Local Agency Investment Fund
- U.S. Agency and GSE Bonds and Notes
- U.S. Treasury Bonds, Notes and Bills
- Repurchase Agreements
- Corporate Bonds and Notes
- Money Market Funds

Book cost was used for collateralized Certificates of Deposit purchased from state and nationally chartered banks.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 4: **Cash and Investments** (continued)

The Stanislaus County Treasurer’s Pool normally maintains the maximum allowable investment in the State of California Local Agency Investment Fund (L.A.I.F.). The total amount invested by all public agencies in L.A.I.F. at June 30, 2015 was \$21.5 billion. L.A.I.F. is part of the State of California Pooled Money Investment Account (P.M.I.A.) whose balance at June 30, 2015 was \$69.6 billion. No amount was invested in any derivative financial products. P.M.I.A. is not SEC-registered, but is required to invest according to California State Code. The average maturity of P.M.I.A. investments was 239 days as of June 30, 2015.

The Local Investment Advisory Board (Board) has oversight responsibility for L.A.I.F. The Board consists of five members as designated by state statute. The value of the pool shares in L.A.I.F., which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the pooled treasury’s portion in the pool. Withdrawals from L.A.I.F. are done on a dollar to dollar basis.

In accordance with GASB Statement No. 31, investments are marked to fair values annually and an adjustment is made to each fund accordingly. However, actual daily activity is done on a dollar for dollar basis and only a withdrawal from the pool of a size that jeopardizes pool participants would cause the withdrawal to be done at market value.

The following represents a condensed statement of net position and changes in net position for the Treasurer’s investment pool at June 30, 2015:

<u>Statement of Net Position</u>	
Net position held for pool participants	\$ 1,059,346,434
Equity of external pool participants	\$ 627,984,408
Equity of internal pool participants	431,362,026
Total Equity	\$ 1,059,346,434
 <u>Statement of Changes in Net Position</u>	
Net position at July 1, 2014	\$ 942,119,873
Net investment income	11,024,300
Net contributions and withdrawals	106,202,261
Net assets at June 30, 2015	\$ 1,059,346,434

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 5: **Interfund Transactions**

Interfund Receivables/Payables

The compositions of interfund balances as of June 30, 2015 are as follows:

Due To/From Other Funds

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	
General Fund	Other Governmental Funds	<u>\$ 5,858,528</u>	To cover deficit cash balance
Health Clinics and Ancillary Services	General Fund	5,078	State realignment
Behaviorial Health and Recovery	General Fund	125,018	State realignment
Community Services Agency	General Fund	43,379	State realignment
Other Governmental Funds - Environment Resources	General Fund	7,617	State realignment
Other Governmental Funds - Health Services Agency	General Fund	33,008	State realignment
Other Governmental Funds - Public Authority	General Fund	1,766	State realignment
Other Governmental Funds - Indigent Health Care	Health Clinics and Ancillary Services	<u>6,154,711</u>	To cover MIA deficit
		<u>6,370,577</u>	Sub total
	Total	<u>\$ 12,229,105</u>	

Advances To/From

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	
General Fund	Other Governmental Funds	\$ 100,000	Long-term loan

The balance of the loan between the General Fund and the Public Works department for dangerous building abatement is \$100,000.

Interfund Note Payable

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Investment Trust Fund	Health Clinics and Ancillary Services	\$ 1,347,746

In fiscal year 2003-2004 the Health Clinics and Ancillary Services Fund borrowed \$20,489,032 from the Investment Trust Fund. The loan was increased to \$23,725,144 with an additional borrowing of \$3,236,112 in fiscal year 2005-2006. The outstanding principal and interest balance was paid off in October 2014.

The Health Clinics and Ancillary Services Fund borrowed a second long-term loan in the amount of \$9,637,050. The second note was established in fiscal year 2008-2009 to cover

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 5: **Interfund Transactions** (Continued)

repayment of the Graduate Medical Education (GME) Federal funding pertaining to the Family Practice Residency program.

As of June 30, 2015, the outstanding principal and interest balance is \$1,347,746.

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 31,490,095	County program contributions and debt service
	Community Services Agency	21,724,835	County program contributions
	Health Clinics and Ancillary Services	20,489,044	County program contributions
	Behavioral Health and Recovery	2,654,573	County program contributions
	Internal Service Funds	<u>123,223</u>	General liability
		<u>76,481,770</u>	
Tobacco Settlement	Other Governmental Funds	3,773,000	Contributions to capital projects
	General Fund	<u>2,917,704</u>	Interest distribution and debt service
		<u>6,690,704</u>	
Behavioral Health and Recovery	Other Governmental Funds	1,396,704	Capital projects
	Health Clinics and Ancillary Services	<u>111</u>	Contributions to joint programs
		<u>1,396,815</u>	
Community Services Agency	General Fund	1,565,252	Realignment 1991 growth funds
	Other Governmental Funds	<u>60,184</u>	Contributions to joint programs
		<u>1,625,436</u>	
Public Facility Fees	Other Governmental Funds	10,975,241	Contributions to capital projects
	General Fund	<u>2,654,597</u>	Debt service payments
		<u>13,629,838</u>	
Other Governmental Funds	General Fund	3,637,067	Various contributions to programs
	Other Governmental Funds	319,168	Contributions to capital projects
	Public Facilities Fees (PFF)	173,334	Various contributions to programs
	Behavioral Health and Recovery	83,197	Various contributions to programs
	Health Clinics and Ancillary Services	<u>13,561</u>	Various contributions to programs
		<u>4,226,327</u>	
Fink Landfill	Other Enterprise	<u>1,182,470</u>	Landfill closure/post-closure
Health Clinics and Ancillary Services	Other Governmental Funds	<u>35,983</u>	Reimburse administrative costs of HSA and debt service
		<u>\$ 105,269,343</u>	

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 6: **Capital Assets**

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance <u>July 1, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments & Transfers</u>	Balance <u>June 30, 2015</u>
Governmental Activities					
Capital assets, not being depreciated:					
Land and right of ways	\$ 43,647,477	\$ 2,059,535	\$ (1,180,777)	\$ (1,042,790)	\$ 43,483,445
Construction in progress	23,720,361	41,586,386	-	(5,038,371)	60,268,376
Total capital assets, not being depreciated	<u>67,367,838</u>	<u>43,645,921</u>	<u>(1,180,777)</u>	<u>(6,081,161)</u>	<u>103,751,821</u>
Capital assets, being depreciated:					
Infrastructure	820,049,955	10,517,471	(3,035,569)	-	827,531,857
Structures and improvements	226,965,158	20,327,346	(15,169,490)	854,222	232,977,236
Equipment	109,483,974	7,319,214	(12,438,578)	(301,328)	104,063,282
Intangible assets	4,234,522	299,089	-	-	4,533,611
Total capital assets, being depreciated	<u>1,160,733,609</u>	<u>38,463,120</u>	<u>(30,643,637)</u>	<u>552,894</u>	<u>1,169,105,986</u>
Less accumulated depreciation for:					
Infrastructure	(645,005,216)	(25,051,988)	3,035,569	-	(667,021,635)
Structures and improvements	(88,531,249)	(13,775,559)	5,992,524	1,537,446	(94,776,838)
Equipment	(71,015,940)	(8,535,945)	11,837,913	620,006	(67,093,966)
Intangible assets	(1,495,725)	(462,092)	-	-	(1,957,817)
Total accumulated depreciation	<u>(806,048,130)</u>	<u>(47,825,584)</u>	<u>20,866,006</u>	<u>2,157,452</u>	<u>(830,850,256)</u>
Total capital assets, being depreciated, net	<u>354,685,479</u>	<u>(9,362,464)</u>	<u>(9,777,631)</u>	<u>2,710,347</u>	<u>338,255,730</u>
Governmental activities capital assets, net	<u>422,053,317</u>	<u>34,283,457</u>	<u>(10,958,408)</u>	<u>(3,370,815)</u>	<u>442,007,551</u>
Business-type Activities					
Capital assets, not being depreciated:					
Land and right of ways	15,462,882	-	-	-	15,462,882
Construction in progress	75,482	97,544	-	-	173,026
Total capital assets, not being depreciated	<u>15,538,364</u>	<u>97,544</u>	<u>-</u>	<u>-</u>	<u>15,635,908</u>
Capital assets, being depreciated:					
Structures and improvements	17,980,904	118,745	-	(5,566)	18,094,083
Equipment	17,879,503	251,098	(290,178)	1,811	17,842,234
Total capital assets, being depreciated	<u>35,860,407</u>	<u>369,843</u>	<u>(290,178)</u>	<u>(3,755)</u>	<u>35,936,317</u>
Less accumulated depreciation for:					
Structures and improvements	(12,212,409)	(658,363)	-	-	(12,870,772)
Equipment	(10,374,284)	(1,460,665)	286,346	(2,877)	(11,551,480)
Total accumulated depreciation	<u>(22,586,693)</u>	<u>(2,119,028)</u>	<u>286,346</u>	<u>(2,877)</u>	<u>(24,422,252)</u>
Total capital assets, being depreciated, net	<u>13,273,714</u>	<u>(1,749,185)</u>	<u>(3,832)</u>	<u>(6,632)</u>	<u>11,514,065</u>
Business-type activities capital assets, net	<u>\$ 28,812,078</u>	<u>\$ (1,651,641)</u>	<u>\$ (3,832)</u>	<u>\$ (6,632)</u>	<u>\$ 27,149,973</u>

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 6: **Capital Assets** (continued)

Depreciation expense was charged to governmental functions as follows:

	Equipment	Structures and Improvements	Intangible	Infrastructure	Total
General government	\$ 2,461,952	\$ 9,332,956	\$ -	\$ -	\$ 11,794,908
Public protection	2,401,920	2,844,322	60,724	-	5,306,966
Public ways	10,448	54,714	-	25,051,988	25,117,150
Health and sanitation	495,289	138,227	-	-	633,516
Public assistance	254,773	649,927	-	-	904,700
Education	1,629,365	208,429	-	-	1,837,794
Recreation	191,602	521,628	-	-	713,230
Internal service funds	1,090,596	25,356	401,368	-	1,517,320
Total	<u>\$ 8,535,945</u>	<u>\$ 13,775,559</u>	<u>\$ 462,092</u>	<u>\$ 25,051,988</u>	<u>\$ 47,825,584</u>

Depreciation expense was charged to the business-type functions as follows:

	Equipment	Structures and Improvements	Total
Fink road landfill	\$ 379,128	\$ 571,601	\$ 950,729
Health clinics and ancillary services	158,051	66,620	224,671
Inmate welfare/commissary	656	6,988	7,644
Transit	925,707	13,154	938,861
	<u>\$ 1,463,542</u>	<u>\$ 658,363</u>	<u>\$ 2,121,905</u>

Note 7: **Receivables**

A large portion of the government activities accounts receivable, net allowance for uncollectibles, balance of \$71,496,780 includes receivables from federal, state, and local governments in the amount of \$45,176,137.

The business type activities accounts receivable balance, net of allowance, is \$19,358,730; Health Clinics and Ancillary Services receivable balance comprises \$18,164,061.

Note 8: **Notes Receivable**

On August 26, 2014, the Board of Supervisors approved \$200,000 for a loan assistance program to help citizens living within the unincorporated areas of Stanislaus County with defraying cost of repairing or replacing water wells which provide supply for domestic use.

The loan is to be repaid within five to seven years with a 1% interest rate. The qualifying applicants sign a promissory note, secured by a recorded lien, deed of trust or similar instrument.

As of June 30, 2015, a total of \$78,246 has been loaned and recorded as notes receivable.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 9: **Property Taxes**

The County's property taxes are levied July 1 (Unsecured Roll) and October 1 (Secured Roll) on assessed values established on the lien date of the previous January 1 for all taxable property located within the County. Local assessed values are determined, subject to appeal before the Assessment Appeals Board, by the County Assessor's Office. Locally assessed real property is appraised at the base year value and is adjusted each year after 1975 by the change in the California Consumer Price Index (CPI) not to exceed an increase of 2%. Property is re-appraised from the 1975-1976 base year value to current full value upon either (1) a change in ownership, or (2) new construction, as of the date of such transaction or completion of construction (only the newly constructed portion of the property is re-appraised). Thereafter, it continues to be increased annually by the change in the CPI not to exceed 2%. The total gross assessed value for Fiscal Year 2014-2015 is \$39,177,826,950.

The County is permitted by Section 93, of the California Revenue and Taxation Code, to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on general obligation bonds or other indebtedness approved by a two-thirds vote of its voters after June 4, 1986. Taxes are allotted to local agencies and school districts as outlined in Sections 95 through 100 of the California Revenue and Taxation Code.

Taxes are due in one installment (Unsecured Roll) on billing and are subject to late payment penalties if paid after August 31, or two installments (Secured Roll) due on November 1 and February 1, and again subject to the late payment penalties if paid after December 10 and April 10, respectively.

The County and its political subdivisions operate under the provisions of Sections 4701-4717 of the California Revenue and Taxation Code (otherwise known as the "Teeter Plan"). Under this method, the accounts of all political subdivisions that levy taxes on the County tax roll are credited with 100% of their respective secured ad valorem tax levy, regardless of the actual payments and delinquencies. This method then provides for all the delinquent penalties and redemptions flow to the County's General Fund. In addition, Sections 4703 and 4703.2 of the California Revenue and Taxation Code require that a property tax loss reserve fund be maintained at 1% of the total of all taxes and assessments levied on the secured roll for that year for participating entities in the county, or 25% of the total delinquent secured taxes. By Board of Supervisors resolution, dated September 9, 2008, the County has elected to maintain the tax loss reserve at 1% of the secured roll.

Taxes receivable balance of \$15,899,953, in the General Fund, includes Teeter property tax of \$15,850,565 and of \$49,388 of receivable related unsecured property taxes.

Unsecured taxes are accrued in the period when they are levied and are recognized when they become available. "Available" means, due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Unsecured property taxes receivable that does not meet the "available" criteria are recorded as deferred inflow of resources.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 10: **Leases**

Operating Leases

The County is committed under various operating leases for building and office space and business and data processing equipment.

Aggregate rental expense for all operating leases approximated \$4,676,661 for all fund types for the year ended June 30, 2015. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2015.

Fiscal Year Ending June 30,	
2016	\$ 4,005,997
2017	3,540,095
2018	1,990,341
2019	1,393,818
2020	1,149,975
2021-2027	1,708,316
Total Minimum Lease Payments	<u>\$ 13,788,542</u>

Revenue Leases

Effective July 1, 2012, the County of Stanislaus entered into a new facility site lease agreement with Covanta Stanislaus, Inc. (formerly Stanislaus Waste Energy Company). The original lease with Stanislaus Waste Energy Company was established in June 1986 with initial term of 35 years with an option to renew the lease for additional 15 years. This lease was to expire August 2021. The lease covers 16.55 acre site owned by the County.

The new lease agreement extends the terms by six additional years with a one-time termination option on December 31, 2016. Covanta Stanislaus, Inc. retains a 15-year renewal option. The annual lease payment is \$198,000. If Covanta Stanislaus, Inc. exercises its 15-year renewal option, the annual rent would convert to the market rate for the highest and best use of land.

The County also has an agreement with the Stanislaus County Office of Education to lease 15,000 square feet of Building I at County Center III, located near the intersection of Scenic and Oakdale Road, Modesto, California. The annual rent is \$140,000. The build-to-suit lease was entered into agreement on August 26, 1999 with a ten year term. Since the initial lease terms expired, the lease has continued to operate on a month-to-month basis.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 10: **Leases** (continued)

Revenue Leases (continued)

On January 1, 1997, the County of Stanislaus entered into a lease agreement with Mr. Dave Brown to lease 35 acres of agriculture land located at 3312 Crows Landing Road, Ceres, California. Although the original terms have expired, the lease continues to operate on a month-to-month basis. The annual rent is \$4,075 per year.

The County of Stanislaus and The Gallo Center for the Arts, LLC and the Central Valley Center for the Arts entered into an agreement on February 17th, 2004. The annual rent is one dollar. The leased property is located at 1030 11th Street, Modesto, California. The agreement expires 40 years from the date the Gallo Center for the Arts was completed and ready for occupancy. The completion date of the Gallo Center for the Arts was November 20, 2007.

The following is a schedule of future lease revenue on these noncancelable leases at June 30, 2015.

Fiscal Year Ending <u>June 30,</u>	
2016	\$ 198,001
2017	198,001
2018	198,001
2019	198,001
2020	198,001
2021-2047	<u>1,188,027</u>
Total Minimum Lease Revenue	<u><u>\$2,178,032</u></u>

Capital Leases

The County has entered into certain capital lease agreements under which the related equipment will become property of the County when all terms of the lease agreements are met:

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2015</u>
Governmental activities:		
Equipment	0.00-7.7%	\$ 466,372
Total capital lease obligations		<u><u>\$ 466,372</u></u>

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 10: **Leases** (continued)

Capital Leases (continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015 were as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Governmental Activities</u>
2016	\$ 196,654
2017	166,359
2018	116,335
2019	10,461
Total Minimum Lease Payments	<u>489,810</u>
Less: Amounts Representing Interest	<u>(23,438)</u>
Present Value of Minimum Lease Payments	466,372
Less: Current Portion of Capital Leases	<u>(182,775)</u>
Long-term Capital Lease Obligation	<u><u>\$ 283,597</u></u>

Equipment and related accumulated amortization under capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Equipment	\$ 1,825,229	\$ 11,802
Less: accumulated depreciation	<u>(1,372,274)</u>	<u>(11,802)</u>
Net value	<u><u>\$ 452,955</u></u>	<u><u>\$ -</u></u>

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 11: **Long-Term Debt**

A. **Summary of Long-Term Debt**

The following is a summary of long-term liability transactions for the year ended June 30, 2015:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Amounts Due Within One Year
Governmental Activities:					
Certificates of participation	\$ 15,930,000	\$ -	\$ (4,205,000)	\$ 11,725,000	\$ 4,450,000
2012 Lease Refunding	6,065,970	-	(1,467,275)	4,598,695	1,500,754
2013 Lease Refunding	19,540,000	-	(4,775,000)	14,765,000	4,850,000
Plus issuance premium	502,193	-	(140,147)	362,046	140,147
Tobacco securitization note	89,503,611	-	(2,055,000)	87,448,611	4,460,000
Accreted interest tobacco note	27,339,863	4,398,482	-	31,738,345	-
	<u>\$ 158,881,637</u>	<u>\$ 4,398,482</u>	<u>\$ (12,642,422)</u>	<u>\$ 150,637,697</u>	<u>\$ 15,400,901</u>
Risk management liability	\$ 32,246,341	\$ 7,437,686	\$ (7,292,561)	\$ 32,391,466	\$ 12,905,681
Capital lease payable	688,802	-	(222,430)	466,372	182,775
Compensated absences	31,247,389	21,769,546	(22,258,341)	30,758,594	3,671,255
	<u>\$ 64,182,532</u>	<u>\$ 29,207,232</u>	<u>\$ (29,773,332)</u>	<u>\$ 63,616,432</u>	<u>\$ 16,759,711</u>
Total Governmental Activities	<u>\$ 223,064,169</u>	<u>\$ 33,605,714</u>	<u>\$ (42,415,754)</u>	<u>\$ 214,254,129</u>	<u>\$ 32,160,612</u>
Business-type Activities:					
Risk management liability	\$ 648,000	\$ -	\$ (434,987)	\$ 213,013	\$ 111,531
Compensated absences	1,414,011	\$ 1,026,815	\$ (1,089,958)	1,350,868	215,214
Total Business-Type Activities	<u>\$ 2,062,011</u>	<u>\$ 1,026,815</u>	<u>\$ (1,524,945)</u>	<u>\$ 1,563,881</u>	<u>\$ 326,745</u>

With the exception of the Professional Liability Insurance Fund, which serves the Health Clinics and Ancillary Services, an enterprise fund, internal service funds serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, risk management liability and compensated absences are generally liquidated by the General Fund.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 11: **Long-Term Debt** (continued)

A. **Summary of Long-Term Debt** (continued)

As of June 30, 2015, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30	Governmental Activities			
	Certificates of Participation		2012 Lease Refunding	
	Principal	Interest	Principal	Interest
2016	\$ 4,450,000	\$ 513,500	\$ 1,500,754	\$ 79,106
2017	4,345,000	291,000	1,531,515	48,344
2018	2,930,000	117,200	1,566,426	17,157
Totals	<u>\$ 11,725,000</u>	<u>\$ 921,700</u>	<u>\$ 4,598,695</u>	<u>\$ 144,607</u>

Year Ending June 30	2013 Lease Refunding	
	Principal	Interest
2016	\$ 4,850,000	\$ 185,101
2017	4,925,000	111,787
2018	4,990,000	37,425
Totals	<u>\$ 14,765,000</u>	<u>\$ 334,313</u>

Year Ending June 30	Tobacco Securitization Note		Tobacco Securitization Note 2006	
	Principal	Interest	Principal	Interest
2016	\$ 4,460,000	\$ 2,185,204	\$ -	\$ -
2017	4,815,000	1,931,840	-	-
2018	5,660,000	1,644,340	-	-
2019	6,095,000	1,317,836	-	-
2020	6,560,000	959,314	-	-
2021-2025	17,705,000	843,357	-	34,642,898
2026-2030	-	-	23,793,381	41,995,491
2031-2035	-	-	9,446,325	46,643,005
2036-2040	-	-	-	50,126,388
2041-2045	-	-	8,913,905	52,723,314
2046-2050	-	-	-	-
Totals	<u>\$ 45,295,000</u>	<u>\$ 8,881,891</u>	<u>\$ 42,153,611</u>	<u>\$ 226,131,096</u>

The above Tobacco Securitization Note amortization schedule assumes that the accelerated payments will be made. If the projected tobacco sales do not occur, then the amortization schedule will change to reflect less principal being paid each year, maturing in 2055.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 11: **Long-Term Debt** (continued)

B. Long-Term Obligations

A summary of certificates of participation outstanding at year-end follows:

	Interest Rate %	Date of Issue	Maturity	Amount of Original Issue		Outstanding as of June 30, 2015
Governmental activities:						
2012 Lease refunding	1.99	8/1/2012	6/1/2018	\$ 8,687,050		\$ 4,598,695
2013 Lease refunding	1.50	8/1/2013	8/1/2017	19,540,000		14,765,000
2007 Series A COP	3.65-5.75	2/1/2007	5/1/2018	42,081,614	(1)	11,725,000
Total governmental activities				<u>\$ 70,308,664</u>		<u>\$ 31,088,695</u>

(1) Includes \$1,541,614 premium

A summary of notes payable follows:

	Interest Rate %	Date of Issue	Maturity	Amount of Original Issue		Outstanding as of June 30, 2015
Tobacco securitization note	5.50-7.50	3/21/2002	6/1/2043	\$ 67,305,000		\$ 45,295,000
2006 Tobacco securitization note	5.75-7.25	3/29/2006	6/1/2055	42,153,611		73,891,956 *
Total				<u>\$ 109,458,611</u>		<u>\$ 119,186,956</u>

* Includes accredited interest of \$31,738,345

Purpose for County Borrowings

2012 Lease Refunding	Refunded 1998 Series A COP which funded the construction of a portion of the Tenth Street Place building with the City of Modesto
2013 Lease Refunding	Refunded 2004 A and B COPs which funded the construction of Gallo Center for the Arts, Public Safety Center, Salida Library, 801 11th Street building, 12th Street office building and parking garage
2007 Series A Refunding	Community Services Agency building
Tobacco Securitization Note	To purchase future tobacco settlement revenue
Tobacco Securitization Note 2006	To purchase future tobacco settlement revenue

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 11: **Long-Term Debt** (continued)

C. Tobacco Settlement Asset-Backed Bonds

The County has issued two series of capital appreciation bonds. The first series is the Series 2002 Tobacco Settlement Asset-Backed Bonds and the second is the Series 2006 Tobacco Settlement Asset-Backed Bonds. Capital appreciation bonds are debt securities on which the investment return on an initial principal amount is reinvested at a stated compounded rate until maturity, at which time the investor receives a single payment (the "maturity value") representing both the initial principal amount and the total investment return.

The California County Tobacco Securitization Agency (CCTSA) issued bonds and loaned the proceeds to a nonprofit corporation formed by the County called the Stanislaus County Tobacco Funding Corporation (the Stanislaus Corporation) which, in turn paid the proceeds to the County. The bonds are limited obligations of the CCTSA payable solely from payments made by the Stanislaus Corporation from tobacco settlement revenues purchased from the County.

In April 2002, the CCTSA issued the Tobacco Settlement Asset-Backed Bonds on behalf of the Stanislaus Corporation, which is reported as a blended component unit of the County. The original issue amount of the bonds was \$67,305,000 and the expected maturity dates were from June 1, 2019-2043. The bonds' interest rates range from 5.5% to 7.5%.

In April 2006 the CCTSA issued the Tobacco Settlement Asset-Backed Bonds, Subordinate Series 2006 in the amount of \$42,153,611 and the expected maturity dates were from June 1, 2046-2055. The bonds' interest rates range from 5.75% to 7.25%.

D. Arbitrage

Arbitrage regulations pertain to the investment of 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 arbitrage rebates are not reported and paid to the Internal Revenue Service at least every five years. At June 30, 2015, the County did not have any outstanding liability for arbitrage. An arbitrage calculation is due in Fiscal Year 2015-2016 for the 2007 A Certificates of Participation.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 12: **Solid Waste Landfill Closure and Postclosure Care Costs**

There are two solid waste landfill sites in the County. The Fink Road Sanitary Landfill is owned by the County and is currently operating. The Geer Road Sanitary Landfill is on land jointly owned by the City of Modesto and the County of Stanislaus. This landfill has reached capacity and was closed in June 1990. The County of Stanislaus, by and through its Board of Supervisors, administered the closure operations of the Geer Road Sanitary Landfill. Both landfills are reported in their entirety as enterprise funds.

State and federal laws require the County to close a landfill once its capacity has been reached and to monitor and maintain the site for a minimum of thirty subsequent years. The County recognizes a portion of the closure and postclosure care costs in each operating period even though actual payouts will not occur until a landfill is closed. The amount recognized each year to date is based on the landfill capacity used as of the financial statement date.

	Fink Road	Geer Road	Total
Estimated total liability for closure/ postclosure at June 30, 2015	\$ 21,469,709	\$ 13,895,000	\$ 35,364,709
Liability recognized as of June 30, 2015	\$ 7,672,682	\$ 1,671,584	\$ 9,344,266
Landfill capacity used to date	36.00%	100%	
Estimated remaining useful life	15 years		
Fink road sanitary landfill	\$ 18,628,788		
Geer road sanitary landfill	\$ 1,438,309		

The estimated costs of closure and postclosure care are subject to changes such as the effects of inflation, technology, revision of laws and other variables including corrective action which is required when a release has been detected. State and federal laws require the County to establish a closure fund to accumulate assets needed for the actual payout of closure and postclosure care costs. Of the restricted cash and investments in the proprietary funds, the following amounts are held for this purpose:

Note 13: **Net Position/Fund Balances**

Net Position

The government-wide and business-type activities financial statements utilize a net position presentation. Net position components are as follows:

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 13: **Net Position/Fund Balances** (Continued)

Net Position (Continued)

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net assets of the County, not restricted for any project or other purpose.

As of June 30, 2015, the County had the following restrictions to net position:

	Governmental Activities	Business-type Activities
Restricted for:		
Capital projects	\$ 72,429,482	\$ -
Debt service	10,250,135	-
Other purposes:		
Landfill Closure/Postclosure	-	20,111,762
Tobacco Settlement	98,838,156	-
Road and Bridge	18,536,066	-
Behavioral Health & Recovery	18,273,151	-
Probation	12,054,910	-
Children and Families Commission	10,681,680	-
Library	10,188,898	-
Environmental Resources	10,076,075	-
Health Services	9,980,292	-
Planning	7,500,078	-
Probation Grants	5,562,524	-
Tax Loss Reserve Fund	4,240,485	-
Sherriff's Office	3,720,322	-
Lighting/Storm Drain & Service Area Districts	3,433,907	-
Clerk-recorder - Capital Assets	2,810,088	-
Other	2,098,062	-
Chief Executive Office	2,038,867	-
Department of Child Support Services	1,571,018	-
Alliance Worknet	1,169,558	-
Public Works	1,118,414	-
Area Agency on Aging	1,008,729	-
Court Security	730,992	-
Subtotal other purposes	225,632,272	20,111,762
Total restricted net position	\$ 308,311,889	\$ 20,111,762
Amount of total restricted by enabling legislation	\$ 40,920	

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 13: **Net Position/Fund Balances** (Continued)

Fund Balances

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned and unassigned (see Note 1 for a description of these categories). A detail schedule of fund balances at June 30, 2015 is as follows:

	General Fund	Tobacco Settlement	Behavioral Health and Recovery	Community Services Agency	Public Facility Fees	Other Governmental Funds	Total Governmental Funds
Non-spendable							
Teeter Receivable	\$ 9,228,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,228,199
Advances to Government and Other Funds	4,493,668	-	-	-	-	-	4,493,668
Inventory	-	-	-	-	-	436,762	436,762
Prepaid Items	216,186	-	-	-	-	85,675	301,861
Imprest Cash	91,280	-	8,550	25,450	-	11,320	136,600
Total non-spendable	14,029,333	-	8,550	25,450	-	533,757	14,597,090
Restricted							
Tobacco	-	98,838,156	-	-	-	77,737,636	176,575,792
Public Facility Fees	-	-	-	-	62,068,978	-	62,068,978
Program Funds	-	-	13,180,274	140,016	-	-	13,320,290
Children and Families Commission	-	-	-	-	-	10,518,114	10,518,114
Debt Services	-	-	-	-	-	10,233,963	10,233,963
AC Tax Loss	4,240,486	-	-	-	-	-	4,240,486
Special Districts	-	-	-	-	-	3,016,972	3,016,972
Chief Executive Office County Fire Services	-	-	-	-	-	1,299,824	1,299,824
Court Security	-	-	-	-	-	729,457	729,457
Chief Executive Office Prop 69 DNA Identification	-	-	-	-	-	306,416	306,416
Total restricted	4,240,486	98,838,156	13,180,274	140,016	62,068,978	103,842,382	282,310,292
Committed							
Capital Acquisitions	5,397,822	-	2,957,886	-	-	565,161	8,920,869
Parks and Litigation	1,535,387	-	-	-	-	-	1,535,387
Honor Farm Waste Water Treatment Facility	-	-	-	-	-	101,579	101,579
General Plan Maintenance	-	-	-	-	-	33,212	33,212
Total committed	6,933,209	-	2,957,886	-	-	699,952	10,591,047
Assigned							
Encumbrances	2,851,869	-	1,969,672	7,000	-	19,219,809	24,048,350
Teeter Plan	23,860,152	-	-	-	-	-	23,860,152
Debt Service	20,798,222	-	-	-	-	-	20,798,222
Contingencies	13,630,642	-	-	-	-	-	13,630,642
Carryover Appropriations	9,331,225	-	-	-	-	-	9,331,225
Retirement Obligation	8,800,000	-	-	-	-	-	8,800,000
Criminal Justice System Efficiencies	6,200,000	-	-	-	-	-	6,200,000
Cash Out Obligation	3,000,000	-	-	-	-	-	3,000,000
Deferred Maintenance	3,000,000	-	-	-	-	-	3,000,000
Automation Fund	2,250,000	-	-	-	-	-	2,250,000
Budget Balance	2,093,990	-	-	-	-	-	2,093,990
Jail Expansion	2,000,000	-	-	-	-	-	2,000,000
Pending Liltigation	1,300,000	-	-	-	-	-	1,300,000
Invest Fair Value Adjustment	648,933	-	156,768	(177)	212,117	210,816	1,228,457
Reserve CSA Savings for Match	1,000,000	-	-	-	-	-	1,000,000
Salida Park	450,000	-	-	-	-	-	450,000
Total assigned	101,215,033	-	2,126,440	6,823	212,117	19,430,625	122,991,038
Unassigned:							
General Fund	15,945,066	-	-	-	-	-	15,945,066
Special Revenue	-	-	-	-	-	(372,416)	(372,416)
Capital Projects	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Total unassigned	15,945,066	-	-	-	-	(372,416)	15,572,650
Total fund balance	\$ 142,363,127	\$ 98,838,156	\$ 18,273,150	\$ 172,289	\$ 62,281,095	\$ 124,134,300	\$ 446,062,117

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 14: **Risk Management**

The County CEO-Risk Management Division’s program encompasses workers’ compensation, general and professional liability, property, medical, dental, unemployment, and vision self-insurance. The County is self-insured for workers’ compensation for the first \$500,000 per claim with excess insurance for amounts spent over \$500,000 on a statutory basis. The general liability insurance covers property damage, personal injury, auto and public officials’ errors and omissions has a self-insured retention of \$250,000 per occurrence with excess insurance through CSAC-Excess Insurance Authority and several excess insurance carriers totaling to \$25,000,000. The County’s property coverage limit is \$698,870,843 subject to variable deductibles including \$10,000 for All Risk Coverage and \$20,000 for vehicles per incident. Unemployment, vision care, and dental insurance are the sole responsibility of the County. Limited exposure precludes the need for outside insurance coverage. The County is now self-insured for employee medical costs, and carries excess insurance for claims in excess of \$250,000.

The Health Services Agency, Behavioral Health and Recovery Services, Probation, and the Sheriff’s Office participate in the medical malpractice program subject to a deductible of \$10,000 per claim. The excess insurance through CSAC-Excess Insurance Authority and the insurance carriers is capped at \$20,000,000 per claim.

The estimation of claims liability is dependent on factors including, but not limited to; inflation, changes in legal doctrine, and damage awards. Accordingly, an actuarial study is completed each year.

The County is named in several legal actions and while management cannot predict the ultimate outcome with certainty, management does not believe there will be an adverse impact on the financial position of the County.

	Fiscal Year ending 6/30/15	Fiscal Year ending 6/30/14
Unpaid claims as of July 1	\$ 32,894,341	\$ 31,848,685
Incurred claims (including IBNRs)	7,437,686	12,059,237
Claim payments	(7,727,548)	(11,013,581)
Unpaid claims as of June 30	\$ 32,604,479	\$ 32,894,341

Note 15: **Contingent Liabilities**

The County participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Some audits of these programs prior to and for the year ended June 30, 2015, have not been conducted or concluded. Accordingly, the County’s compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 15: **Contingent Liabilities** (Continued)

which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

In O'Neal, et al v. Stanislaus County Employees Retirement Association ("StanCERA"), Case No. 648469, three retirees have sued StanCERA alleging a breach of fiduciary, constitutional and statutory duties to its members. The County has intervened as a defendant. The trial court granted StanCERA's and the County's motion for summary judgment. The Plaintiffs have appealed. Briefing has not yet begun. The County is vigorously defending its interest as an unfavorable outcome could result in the County and other plan sponsors having obligation to pay millions to StanCERA.

Note 16: **Joint Ventures**

Stanislaus Waste-to-Energy Financing Agency

Stanislaus Waste-to-Energy Financing Agency (SWEFA) was created May 1, 1989, pursuant to a joint exercise of powers agreement between the City of Modesto (the City) and the County of Stanislaus. The SWEFA is administered by a commission consisting of two members of the City Council and two members of the County's Board of Supervisors.

The agreement provides that the City and the County shall pay for costs associated with the operation of the SWEFA and are entitled to all rights and property of the SWEFA equally. The agreement was amended and approved by the County of Stanislaus Board of Supervisors on June 26, 2012.

On May 1, 1990, the Agency issued Certificates of Participation (COP) to refinance a bond issued through California Pollution Control Financing Authority. On February 1, 2000 Refunding Revenue Certificates were issued to refinance the 1990 COPs. The 2000 Refunding Revenue Certificates were paid off in full on December 3, 2008. As of June 30, 2015, the SWEFA did not have any outstanding debt.

Financial statements for the SWEFA may be obtained by writing to the County of Stanislaus, Environmental Resource Department, 3800 Cornucopia Way, Suite C, Modesto, CA 95358.

Tuolumne River Regional Park

The County participates with the City of Modesto and the City of Ceres in the operation and development of the Tuolumne River Regional Park (TRRP). TRRP is governed by the TRRP Committee which consists of two members of the County's Board of Supervisors, two members of the City of Modesto's City Council, and one member of the City of Ceres' City Council.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 16: **Joint Ventures** (Continued)

Tuolumne River Regional Park (Continued)

The TRRP Committee prepares the annual budget, which must be approved by both cities' councils and the Board of Supervisors. Each participant has an equity interest in the assets of TRRP based on the percentage of cumulative contributions paid. As of June 30, 2015, the County's equity interest was \$985,936. For the fiscal year ending June 30, 2015, the County contributed \$121,426 to TRRP. The financial statements for TRRP are prepared by the City of Modesto Finance Department and may be obtained by writing to the City of Modesto, Finance Department, P.O. Box 642, Modesto, CA 95353.

Stanislaus Drug Enforcement Agency

Stanislaus County and the cities of Modesto, Oakdale, Ceres, Patterson, Turlock, Riverbank, Waterford, Hughson and Newman are the participants in the Stanislaus Drug Enforcement Agency (SDEA). The purpose of the SDEA is to maintain a fully operational and specially trained police unit to assist each of the participating agencies in the enforcement of drug control laws, and to study, plan and set priorities for effective enforcement of such laws throughout Stanislaus County.

The governing body consists of the Sheriff, the District Attorney and Chief Probation Officer of Stanislaus County and the Chief of Police for each participating city. All participants contributed to the funding of the SDEA budgeted expenditures, based on population. The County's cash contribution to the SDEA for fiscal year 2015 was \$236,333.50.

The total cash plus in-kind contribution was \$651,637.96. Upon termination of the agreement, assets will be distributed based on total contributions from each participant. Financial statements of the SDEA are available from the City of Modesto.

Financial Statements may be obtained by writing to the City of Modesto, Finance Department, P.O. Box 642, Modesto, CA 95353.

The City-County Capital Improvements and Financing Agency

The City-County Capital Improvements and Financing Agency (CCCIFA) was created December 17, 1996, pursuant to a joint exercise of powers agreement between the City of Modesto and the County of Stanislaus. The CCCIFA is administered by a six-member commission consisting of two members of the City Council, two members of the County's Board of Supervisors, the County Chief Executive Officer and the City Manager. The CCCIFA prepares the annual and project budgets, which must be approved by both the City Council and the Board of Supervisors. Each participant has an equity interest in the assets of the Agency in accordance with any project agreements or in the percentages as agreed upon by the CCCIFA which percentages shall be reviewed and approved in connection with the project and annual budgets of the CCCIFA. As of June 30, 2015, the

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

The City-County Capital Improvements and Financing Agency (Continued)

County's equity interest in the CCCIFA was \$9,635,244 and is reported as Investments-joint ventures in the government-wide statement of net assets.

The City of Modesto was the CCCIFA's fiscal administrator after the construction phase of the City-County Administration Center through the end of June 2010. Since July 2010, the County of Stanislaus has been the CCCIFA's fiscal administrator. The Financial Statements may be obtained by writing to the County of Stanislaus, Auditor-Controller Department, P.O. Box 770, Modesto, CA 95353-0770.

The California County Tobacco Securitization Agency

In November 1998, the attorneys general of 46 states (including California) and various other public entities (collectively, the "Settling States") and the four largest United States tobacco manufacturers entered into a master settlement agreement (MSA) in resolution of cigarette smoking-related litigation. The MSA effectively releases the manufacturers from past, present and future smoking related claims in exchange for, among other things, certain payments to be made to the Settling States.

On August 5, 1998 the counsel for the State of California and various jurisdictions therein ("participating jurisdictions") entered into a memorandum of understanding (MOU), made to the State of California in accordance to the MSA. However, the payments under the MSA are subject to numerous adjustments and potential delays.

On November 15, 2000, the County of Stanislaus entered into a Joint Powers Agreement (the "Agreement") with the County of Kern, County of Merced, and the County of Sonoma, thereby creating the California County Tobacco Securitization Agency (CCTSA). The CCTSA then added the County of Alameda, County of Fresno, County of Los Angeles, County of Marin, and the County of Placer.

The CCTSA is governed by a Commission, which is comprised of two designees of the Board of Supervisors of each member.

The purpose of the Agreement is to provide for the exercise of powers common to each member, including, but not limited to, the power to insure, hedge or otherwise manage the risks associated with the receipt of the MSA payments. In furtherance of its purpose, the CCTSA has been empowered to issue Bonds secured by the MSA payments of one or more members, the proceeds of which will be used directly or indirectly to purchase all or a portion of the rights to the MSA payments from a member or members.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 16: **Joint Ventures** (Continued)

The California County Tobacco Securitization Agency (Continued)

On March 1, 2002, the Stanislaus County Tobacco Funding Corporation, a component unit of the County, entered into an agreement with the CCTSA for the purpose of issuing bonds in the principal amount of \$67,305,000 to acquire the County's rights to receive the MSA payments when and as such funds are available. The County agreed to sell its rights, title and interest of the money due under the MSA and the MOU for \$52,403,206.

On March 1, 2006 the Stanislaus County Tobacco Funding Corporation entered into a subordinate secured loan agreement with the CCTSA to borrow the proceeds of the \$42,153,611 CCTSA 2006 bond issue. The proceeds were used to pay the issuance costs of the bond and the remainder placed in the residual trust established for the benefit of the County in connection with the sale of County tobacco assets mentioned above. The County received \$40,971,290.

The financial statements of the CCTSA are produced annually and may be obtained by writing to the County of Stanislaus, Auditor-Controller, PO Box 770, Modesto, CA 95353-0770. The responsibility of preparing the audited financial statements is rotated among the nine counties mentioned above.

Consolidated Emergency Dispatch Agency

The Modesto/Stanslaus Consolidated Emergency Dispatch Agency (the MSCEDA) was created on September 1, 1999, pursuant to a joint exercise of powers agreement between the City of Modesto (the "City") and the County of Stanislaus (the "County"). The MSCEDA is administered by a seven-member commission consisting of one member of the Modesto City Council, one member of the County's Board of Supervisors, the County Chief Executive Officer, the Modesto City Manager, two members from the Dispatch Advisory Board, and one member from the City of Ceres' City Council or one member selected by the City Council of another participating City. The purpose of the MSCEDA is to consolidate the public safety communications system. The responsibilities of the County and the City include approval of the annual budget, claims, liabilities, and the use of MSCEDA property as collateral. Each participant will contribute sufficient funds to pay for all costs and expenses associated with providing Emergency Dispatch Services. Upon termination of the agreement, assets will be distributed equally to the City and County, unless otherwise approved. The financial statements may be obtained by writing to the Modesto/Stanslaus Consolidated Emergency Dispatch, Office Manager, 3705 Oakdale Road, Modesto, California 95357.

Regional Fire Training Center

On July 1, 1992 the County, Yosemite Community College District (YCCD), and the City of Modesto (City) entered into a 20 year agreement for the joint use and management of the regional fire training center (Center) at Modesto Junior College (MJC). Although the agreement had a sunset date of June 30, 2012, all parties continued to operate under terms

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 16: **Joint Ventures** (Continued)

Regional Fire Training Center (Continued)

of the expired agreement. A new agreement was put into place effective July 1, 2015. The Center's executive board is made up of the Chancellor of YCCD, the President of MJC, the City Manager and the Chief Executive Officer of the County. The Center was initially constructed using funds borrowed by YCCD with the City and County reimbursing a portion of these costs over 20 years. The buildings, grounds and equipment belong to YCCD. All three entities share in the Center's operating costs with YCCD responsible for the accounting and monitoring of the Center's budget. For fiscal year ending June 30, 2015, the County paid \$53,934 to YCCD under this agreement. Financial Statements may be obtained by writing to the Office of the Chancellor, Yosemite Community College District, 2201 Blue Gum Avenue, Modesto, CA 95352.

California Statewide Automated Welfare System Consortium IV

The California Statewide Automated Welfare System Consortium IV (Authority) was formed in December of 1998, pursuant to a joint exercise of powers agreement between the Counties of San Bernardino, Riverside, Merced and Stanislaus. The Authority was created for the purpose of the design, development, implementation, and on-going operation and maintenance of a system that automates the eligibility and case management functions of various welfare programs.

On January 9, 2007, the Board of Supervisors approved the Amendment 1 of the Joint Powers Agreement to add thirty-five (35) counties to the current C-IV Joint Powers Authority (JPA). On March 30, 2010, the Board of Supervisors approved the Amendment 2 to the Joint Powers Agreement to reflect the implementation of the C-IV Automated System in the thirty-five (35) migration counties. The agreement further documents and establishes the new thirty-nine (39) C-IV Consortium County Regional Representation Model. The benefits of adding these counties create opportunities to expand and improve the current C-IV system along with lowering each counties share of costs.

Currently the Authority is governed by a Board of Directors comprised of seven (7) County Directors and all 39 County Directors participate as general members. All C-IV JPA meetings are open to the public and information updates are provided on the C-IV Website <http://www.c-iv.org/>.

The Community Services Agency total C-IV costs for Fiscal Year 2014/2015 were \$735,299 out of that Stanislaus County's portion was \$320,918. A copy of the Consortium IV Financial Statement's may be obtained by writing to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector (ATC), 222 West Hospitality Lane, 4th Floor, and San Bernardino, CA 92415.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 16: **Joint Ventures** (Continued)

North County Corridor Transportation Expressway Authority

On April 1, 2008, the Board of Supervisors approved the establishment of a Joint Powers Authority between the County and the cities of Modesto, Oakdale and Riverbank to create the North County Corridor Transportation Expressway Authority (NCCTEA). The purpose of the Authority is to prepare, identify, and adopt a precise alignment, and prepare and certify environmental documents for a route to improve east/west traffic circulation in the County.

The intent of the NCCTEA is to provide a high capacity high speed east-west roadway to accommodate anticipated traffic growth, alleviate traffic on parallel roads, and to accommodate multi-modal travel. Under the terms of the agreement, the County will incur 40% of the costs of the project while each of the participating cities will be contributing 20%. The preliminary project development costs are funded by State Transportation Program and Public Facility Fees. The NCCTEA Board of Directors is comprised of two directors appointed by the County, and one director from each participating city. The board acts autonomously from the respective member agencies. The County of Stanislaus Public Works Director is designated as the NCCTEA's manager. Upon completion of the agreement, all assets will be distributed to the respective parties of the agreement as determined by the Board of Directors of the Authority. Financial statements may be obtained by writing to the County of Stanislaus, Public Works Department, 1716 Morgan Road, Modesto, CA 95358.

Stanislaus Animal Services Agency

Stanislaus Animal Services Agency (SASA) was created October 27, 2009, pursuant to a Joint Powers Agreement (JPA) among the cities of Ceres, Hughson, Modesto, Patterson, Waterford, and the County of Stanislaus. The Agency is governed by a Board, the members of which are the city manager of each member agency and the Chief Executive Officer of the County.

The purpose of SASA is to operate a regional agency providing animal services to their respective communities. The SASA Executive Director is responsible for the annual budget which must be approved by the SASA Board of Directors. Each partner agency will contribute sufficient funds to pay for all costs approved in the budget to provide animal services. Upon termination of the agreement, assets will be distributed in accordance with the Joint Powers Agreement. The financial statements may be obtained by writing to Stanislaus Animal Services Agency, Executive Director, 3647 Cornucopia Way, Modesto, CA 95358.

Modesto Regional Fire Authority (MRFA)

On January 11, 2011, the Board of Supervisors authorized the County to enter into a Joint Powers Agency (JPA) with the City of Modesto and the Salida Fire Protection District to

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 16: **Joint Ventures** (Continued)

Modesto Regional Fire Authority (MRFA) (Continued)

create the Modesto Regional Fire Authority. On June 11, 2014, the Board of Supervisors approved the dissolution of the JPA. Mutual assistance between fire agencies in Stanislaus County has been moving to a "boundary drop" model where the closest agency to a given incident is dispatched, regardless of affiliation. City of Modesto, County of Stanislaus and the Salida Fire Protection District employees were returned to their parent organizations effective July 1, 2014.

Note 17: **Pensions**

Plan Description

The County is a major participant in the Stanislaus County Employees Retirement Association (StanCERA), a retirement system organized under the 1937 Retirement Act. StanCERA is a cost-sharing multiple-employer Public Employee Retirement System (PERS). StanCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits. Health and welfare insurance for retirees and their dependents is available however administered independently of StanCERA. The plan is administered by the Stanislaus County Employees Retirement Association. An actuarial valuation is performed for the system annually as a whole and the contribution rate is determined for each participating entity. The participating entities are the County, City of Ceres and six special districts located in the County not governed by the County's Board of Supervisors. StanCERA issues a Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for StanCERA. The CAFR may be obtained by writing to Stanislaus County Employees Retirement Association, P O Box 3150, Modesto, CA 95353-3150 or by calling (209) 525-6393.

The StanCERA CAFR is prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. All other securities are valued at the last reported market price at current exchange rates.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 17: **Pensions** (Continued)

Plan Description (Continued)

Summary of Plans and Eligible Participants

General Tiers 1, 2, 4, 5 (not open to new members)	Vests after five years of credited service & may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 30 or more years of credited service.
General Tier 3 (not open to new members)	Vests after ten years of credited service & may retire at age 55 with 10 or more years of credited service.
General Tier 6 (open to new members)	Vests after five years of credited service & may retire at age 52 with 5 years of service credit or age 70 regardless of service credit.
Safety Tiers 1, 2, 4, 5 (not open to new members)	Vests after five years of credited service & may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 20 or more years of credited service.
Safety Tier 6 (open to new members)	Vests after five years of credited service & may retire at age 50 with 5 years of service credit or age 70 regardless of service credit.

Benefits Provided

Members terminating employment before accruing five years (Ten years for Tier 3) of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Non-vested members who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Members who terminate after earning five or ten years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Difference between expected or actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

For members with Tier 1, Tier 4 or Tier 5 benefits, final average salary is the average monthly salary based on the highest twelve consecutive months of earnings. For members with Tier 2, Tier 3, or Tier 6 benefits, final average salary is the average monthly salary based on the highest thirty-six consecutive months of earnings.

The retirement benefit for Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 members includes a post-retirement cost-of-living (COL) adjustment based upon the Consumer Price Index. COL increases/decreases are limited to a maximum of 3% annually. Total COL decrease(s) cannot exceed the cumulative amount of previous COL increase(s). Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 provide death and disability benefits.

Those members participating in Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 are required by statute to contribute to the pension plan. Members' contribution rates for Tier 1, Tier 2,

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 17: **Pensions** (Continued)

Benefits Provided (Continued)

Tier 4, and Tier 5 are formulated on the basis of the age at date of entry and the actuarially calculated future benefits. Members' contribution rate for Tier 6 is a flat rate based on the actuarially calculated future benefit. The County is required by statute to contribute the remaining amounts necessary to finance the estimated benefits accrued to its members. Member and employer contribution rates for each plan are as follows:

<u>PLAN</u>	<u>EMPLOYER CONTRIBUTION RATES</u>	<u>EMPLOYEE CONTRIBUTION RATES</u>
General Tier 1	24.66%	4.83-7.29%
General Tier 2	18.30%	6.29-10.48%
General Tier 3	13.75%	Non-contributory
General Tier 4	25.57%	4.71-7.09%
General Tier 5	20.63%	7.60-11.70%
General Tier 6	18.49%	7.63%
Safety Tier 2	28.94%	10.32-16.36%
Safety Tier 4	44.96%	7.87-11.36%
Safety Tier 5	33.95%	11.71-17.12%
Safety Tier 6	27.64%	12.82%

The County's contributions to StanCERA for the past three fiscal years were equal to the required contributions for each year and is noted in the below chart. The County does not contribute towards post employment benefits other than retirement.

<u>Fiscal Year ended</u>	<u>Contributions</u>
June 30, 2013	\$ 34,389,970
June 30, 2014	\$ 41,477,186
June 30, 2015	\$ 47,578,169

The County Employees' Retirement Law of 1937 establishes the basic obligations for employer and member contributions and benefits to and of the retirement system. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and adopted by the Board of Retirement.

StanCERA provides a death benefit of \$5,000 paid to the beneficiary or estate if a member dies after retirement, provided that Stanislaus County was the members' last public employer.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 17: **Pensions** (Continued)

Benefits Provided (Continued)

Ad-hoc benefits are non-vested benefits determined by the Board of Retirement. Approved changes to the excess earnings policy by the Board of Retirement on June 30, 2014 placed restrictions on offering ad-hoc benefits, specifically that the system must be 100% actuarially funded prior to the Board of Retirement offering any ad-hoc benefits. StanCERA is 87.5% actuarially funded as of June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the County reported a liability of \$202,065,617 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014 and the liability used to calculate the net pension liability was determined by an actuarial valuation date June 30, 2013, updated to June 30, 2014. 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 plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2014, the County's proportion was 88.6947%, compared to 88.4162% at June 30, 2013, an increase of .2785%

For the year ended June 30, 2015, the County recognized pension expense of \$21,053,295. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method and plan benefits. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred outflows of resources - change in proportion	\$ 829,224	\$ -
County contributions subsequent to the measurement date	45,880,044	-
Deferred inflows of resources - change in actual vs. proportionate contributions	-	128,323
Deferred inflows of resources - proportionate share of collective investment return	-	108,375,038
	\$46,709,268	\$ 108,503,361

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

The County contributions of \$45,880,044 made subsequent to the measurement date are reported as deferred outflows of resources for fiscal year ending June 30, 2015 and will be recognized as reduction of the net pension liability in the fiscal year ending June 30, 2016.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 17: **Pensions** (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	Amount
2016	\$ (26,918,534)
2017	(26,918,534)
2018	(26,918,534)
2019	(26,918,534)
Thereafter	-
	<u>\$ (107,674,137)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the portion of the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

Inflation	3.25%
Amortization growth rate	3.50%
Salary increases	3.50% plus merit component
COLA increases	2.70% for those eligible for COLA
Investment rate of return	7.75%, net of investment expense
Post-Retirement Mortality	Sex distinct RP-2000 Combined Mortality, projected to 2020 using scale AA

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 17: **Pensions** (Continued)

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2012.

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Domestic Equities		
US Large Cap	7.10%	30.50%
US Small Cap	7.50%	7.70%
International Equities		
Int'l Developed	7.70%	13.50%
Emerging Market Equity	8.50%	4.50%
US Fixed Income	2.50%	29.80%
Real Estate	5.70%	3.50%
Direct Lending	5.00%	7.50%
Infrastructure	5.50%	3.00%
Cash	1.50%	0.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease <u>6.75%</u>	Discount Rate <u>7.75%</u>	1% Increase <u>8.75%</u>
County's proportionate share of the net retirement plan	\$ 432,590,020	\$ 202,065,617	\$ 11,047,805

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 17: **Pensions** (Continued)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued StanCERA CAFR.

Note 18: **Other Post Employment Benefits (OPEB)**

Plan Description

Stanislaus County is a participant in the Stanislaus County Employees Retirement Association (StanCERA), a cost-sharing multiple-employer defined benefit public employee retirement system. StanCERA provides retirement benefits only. However, County retirees and active County employees are rated in the same pool to determine health insurance premiums. This ability for retirees to obtain coverage at active employee rates results in an economic benefit or implicit subsidy even though the retirees pay their entire premiums (substantive plan).

Funding Policy

The County makes no direct contributions to the StanCERA to fund the OPEB plan. The implicit subsidy is financed on a pay-as-you-go basis. The County does not intend to adopt a policy to pre-fund the implicit subsidy to retirees.

For fiscal year ended June 30, 2015 the County's annual OPEB expense was estimated at \$2,738,679 which represents the annual required contribution (ARC). The net OPEB obligation for June 30, 2015 is as follows:

Fiscal Year <u>Ended</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
6/30/2015	\$ 2,738,679	54.3%	\$ 9,304,449

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 18: **Other Post Employment Benefits (OPEB)** (Continued)

Funding Policy (Continued)

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The funded status of the plan as of June 30, 2015 was as follows:

Actuarial Valuation Date	Actuarial Value of Assets a	Actuarial Accrued Liability (AAL) Projected Unit Credit b	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll c	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2006	-	\$36,090,083	\$36,090,083	-	\$200,149,637	18.0%
7/1/2008	-	\$40,174,546	\$40,174,546	-	\$215,818,211	18.6%
7/1/2010	-	\$36,877,098	\$36,877,098	-	\$216,990,039	17.0%
7/1/2012	-	\$35,347,085	\$35,347,085	-	\$193,848,830	18.2%
7/1/2014	-	\$28,141,627	\$28,141,627	-	\$209,757,468	13.4%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

Based on the July 1, 2014 valuation, the actuarial cost was based on the Projected Unit Credit cost method to derive the Accrued Liability (AL) and Annual Required Contributions (ARC). The actuarial assumption used a four percent discount rate and a medical trend assumption of eight percent for 2012-2013, graded down by one percent per year to an ultimate of five percent per year beginning in 2015-2016. The Level Dollar amortization method is being used to accrue County's unfunded actuarial accrued liability over 30 years.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 19: **Prior Period Adjustments**

	Governmental Activities	Business-type Activities
Net position at July 1, 2014, as previously stated	\$ 688,810,513	\$ 52,692,540
Net pension liability adjustment	(276,465,190)	(12,221,269)
Net position at July 1, 2014, as restated	\$ 412,345,323	\$ 40,471,271

Note 20: **Subsequent Events**

Change in Effective Date of Salary Increases

With the approval of the Adopted Final Budget on September 15, 2015, the Board of Supervisors directed Staff to move forward by 42 weeks, 1% of any salary increase previously scheduled to be effective either the start of the first pay period beginning on or after July 1, 2016 or the start of the first pay period beginning on or after January 1, 2017.

This action was made at the request of the Board of Supervisors to express their appreciation and pride in County employees for their cooperation and support during the economic downturn. For those groups previously scheduled to receive an increase on July 1, 2016, the 1% increase will become effective the first full pay period following Board of Supervisors approval of the 2015-2016 Recommended Final Budget (pay period beginning on or after September 19, 2015). For groups with increases previously scheduled for January 1, 2017, 1% of the scheduled increase will be effective the pay period beginning on or after March 19, 2016. The effective date of any negotiated increase above the 1% will not change. The Fiscal impact of this change is estimated at \$850,000 for the General Fund and \$2.4 million for All Funds.

Elimination of Negative Bailout

The Governor signed SB 107 on September 24, 2015, which eliminated the negative bailout impact that has disadvantaged Stanislaus County in its property tax formulas for over 30 years. The negative bailout formula is estimated to have cost Stanislaus County more than \$70 million since the 1980s. It is anticipated that this change will increase property tax revenues by approximately \$2 million per year beginning with fiscal year 2015-2016.

County of Stanislaus
Notes to the Basic Financial Statements
For the Year Ended June 30, 2015

Note 20: **Subsequent Events** (Continued)

New Policy for Appropriations for Contingencies

The County maintains financial policies specific to fund balance, for both contingency and debt service, consistent with the Government Finance Officers Association (GFOA) recommendations. In addition, a new policy for the annual budgeting of Appropriations for Contingencies has been implemented beginning with the 2015-2016 Budget, to fund the base amount in Appropriations for Contingencies at a level of least 2% of total projected General Fund revenue of the same budget year. Exposures that are already identified should be added to the base funding. As a result, an addition of \$750,000 in base funding of Appropriations for Contingencies was included within the Final Budget projections.

Required
Supplementary
Information

County of Stanislaus
Required Supplementary Information (Unaudited)
For the Year Ended June 30, 2015

Stanislaus County Employees Other Post Employment Benefits (OPEB) Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets a	Actuarial Accrued Liability (AAL) Projected Unit Credit b	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll c	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2006	-	\$36,090,083	\$36,090,083	-	\$200,149,637	18.0%
7/1/2008	-	\$40,174,546	\$40,174,546	-	\$215,818,211	18.6%
7/1/2010	-	\$36,877,098	\$36,877,098	-	\$216,990,039	17.0%
7/1/2012	-	\$35,347,085	\$35,347,085	-	\$193,848,830	18.2%
7/1/2014	-	\$28,141,627	\$28,141,627	-	\$209,757,468	13.4%

Source: Demsey, Filliger & Associates, LLC “County of Stanislaus Actuarial Valuation as of July 1, 2010 For the County’s Retiree Health Benefits Agreement with StanCERA”

Notes to the Required Supplementary Information

The schedule for StanCERA, a cost-sharing, multiple employer retirement system, relates to the association as a whole. The County represents approximately 88.49% of StanCERA’s covered payroll.

The OPEB schedule presented relates solely to the County.

County of Stanislaus
Required Supplementary Information (Unaudited)
For the Year Ended June 30, 2015

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the County's Proportionate Share of the Net Pension Liability

	<u>FYE 6/30/2014</u>	<u>FYE 6/30/2013</u>
County's proportion of the net pension liability (asset)	88.6947%	88.4162%
County's proportion share of the net pension liability (asset)	\$ 202,065,617	\$329,072,460
County's covered-employee payroll	\$ 196,780,722	\$192,297,278
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	102.69%	171.13%
Plan fiduciary net position as a percentage of the total pension liability (asset)	88.49%	80.23%

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

Schedule of the County's Contributions

	<u>FYE 6/30/14</u>
Actuarially determined contribution	\$ 41,477,186
Actual contributions	<u>41,313,088</u>
Contribution deficiency (excess)	<u>\$ 164,098</u>
County's covered-employee payroll	\$ 196,780,722
Actual contributions as a percentage of County's covered-employee payroll	20.99%

Other
Supplementary
Information

Non-major
Governmental
Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Capital Projects Fund

The Capital Projects funds were established to account for financial resources for the acquisition or construction of major capital facilities.

Debt Service Funds

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt service funds include:

Capital Improvement Financing Authority

The Capital Improvement Financing Authority is used to accumulate resources for payment of principal and interest incurred by the sale of Certificates of Participation issued to finance various capital projects.

Pension Obligation Bonds

This fund is used to accumulate resources for the payment of principal and interest of taxable bonds issued to pay the Employees Retirement Association the County's unfunded actuarial accrued liability.

Stanislaus County Tobacco Funding Corporation

This fund is used to account for the receipt and disbursement of tobacco securitization revenues from the State. The Stanislaus County Tobacco Funding Corporation acquired all the rights to the future County tobacco settlement payments and borrowed money secured by these tobacco payments.

**County of Stanislaus
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	Debt Service Funds					Totals
	Special Revenue Funds	Capital Projects	Capital Improvement Finance Authority	Pension Obligation Bonds	Stan County Tobacco Funding Corp	
Assets						
Cash and investments	\$ 94,352,015	\$ 14,199,365	\$ -	\$ -	\$ 25,798	\$ 108,577,178
Investments with fiscal agent	-	-	4,054,178	-	6,170,138	10,224,316
Account receivable	20,671,161	3,540,003	-	-	2,962,452	27,173,616
Interest and other receivables	104,072	19,586	-	-	22	123,680
Interfund receivable	-	-	-	-	-	-
Inventory	520,875	-	-	-	-	520,875
Due from other funds	6,197,102	-	-	-	-	6,197,102
Deferred charges	-	-	-	-	-	-
Loans to other governments	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-
Prepaid items	175,112	-	-	-	-	175,112
Total assets	122,020,337	17,758,954	4,054,178	-	9,158,410	152,991,879
Total assets and deferred outflows of resources	122,020,337	17,758,954	4,054,178	-	9,158,410	152,991,879
Liabilities						
Accounts payable	8,129,540	7,577,945	-	-	2,962,453	18,669,938
Salaries and benefits payable	2,834,090	32,622	-	-	-	2,866,712
Sales tax liability	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Due to other funds	5,858,528	-	-	-	-	5,858,528
Due to other governments	78,261	-	-	-	-	78,261
Deposits from enterprise funds	-	-	-	-	-	-
Compensated absences / current	-	-	-	-	-	-
Deposits from others	-	-	-	-	-	-
Advances from grantors & other third parties	1,284,140	-	-	-	-	1,284,140
Advances from other funds	100,000	-	-	-	-	100,000
Total liabilities	18,284,559	7,610,567	-	-	2,962,453	28,857,579
Fund balances						
Non-spendable	533,757	-	-	-	-	533,757
Restricted	93,608,419	-	4,054,178	-	6,179,785	103,842,382
Committed	598,373	101,579	-	-	-	699,952
Assigned	9,367,645	10,046,808	-	-	16,172	19,430,625
Unassigned	(372,416)	-	-	-	-	(372,416)
Total fund balances	103,735,778	10,148,387	4,054,178	-	6,195,957	124,134,300
Total liabilities, deferred inflows of resources and fund balances	\$ 122,020,337	\$ 17,758,954	\$ 4,054,178	\$ -	\$ 9,158,410	\$ 152,991,879

County of Stanislaus
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Debt Service Funds					Totals
	Special Revenue Funds	Capital Projects	Capital Improvement Finance Authority	Pension Obligation Bonds	Stan County Tobacco Funding Corp	
Revenues						
Taxes	\$ 12,507,167	\$ -	\$ -	\$ -	\$ -	\$ 12,507,167
Licenses, permits and franchises	1,788,667	-	-	-	-	1,788,667
Fines, forfeitures and penalties	1,532,232	988,435	-	-	-	2,520,667
Revenue from use of money and property	332,863	52,310	376	1,320	308,690	695,559
Intergovernmental revenue	174,178,701	23,358,757	-	-	-	197,537,458
Charges for services	36,324,338	-	-	-	-	36,324,338
Miscellaneous revenue	4,294,635	31,966	-	-	5,969,212	10,295,813
Total revenues	230,958,603	24,431,468	376	1,320	6,277,902	261,669,669
Expenditures						
Current						
General government	449,289	-	-	240,213	-	689,502
Public protection	57,610,195	-	-	-	-	57,610,195
Public ways and facilities	45,651,218	-	-	-	-	45,651,218
Health and sanitation	34,791,979	-	-	-	-	34,791,979
Public assistance	86,667,753	-	-	-	-	86,667,753
Education	9,074,166	-	-	-	-	9,074,166
Recreation and cultural services	462,801	-	-	-	-	462,801
Capital outlay	-	44,031,608	-	-	-	44,031,608
Interest and fiscal charges	4,981	-	1,121,447	-	2,809,894	3,936,322
Principal	45,999	-	10,447,275	-	2,055,000	12,548,274
Total expenditures	234,758,381	44,031,608	11,568,722	240,213	4,864,894	295,463,818
Excess (deficiency) of revenues over (under) expenditures	(3,799,778)	(19,600,140)	(11,568,346)	(238,893)	1,413,008	(33,794,149)
Other financing sources (uses)						
Transfers in	17,221,490	19,260,361	11,568,524	-	-	48,050,375
Transfers out	(3,104,807)	(1,119,249)	(2,201)	(70)	-	(4,226,327)
Sale of capital assets	3,629	-	-	-	-	3,629
Total other financing sources (uses)	14,120,312	18,141,112	11,566,323	(70)	-	43,827,677
Net changes in fund balances	10,320,534	(1,459,028)	(2,023)	(238,963)	1,413,008	10,033,528
Fund balances -- beginning	93,415,244	11,607,415	4,056,201	238,963	4,782,949	114,100,772
Fund balances -- ending	\$ 103,735,778	\$ 10,148,387	\$ 4,054,178	\$ -	\$ 6,195,957	\$ 124,134,300

Non-major
Special Revenue
Funds

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. Special revenue funds include:

Environmental Resources

This fund was established as a Comprehensive Environmental Department whose mandated goal was to control those factors in our physical environment, which exercise or may exercise a deleterious effect on our health and environment. Its revenues come from charges for services and federal and state sources.

Children and Families Commission

This fund was established to account for a comprehensive system of services to support childhood development from the prenatal stage to five years of age. Its revenues come from an increase in the tobacco tax. The tax is divided among the counties based in the annual number of live births.

Public Works – Engineering

This fund was established to provide engineering services to other divisions in the Public Works Department and other County departments. Revenue consists primarily of charges for services.

Road and Bridge

This fund was established to provide maintenance and construction of roadways and bridges. Revenue consists primarily of the County's share of state highway users taxes and is supplemented by federal funds, vehicle code fines, and reimbursements for services provided.

Employment and Training

This fund was established to account for the Workforce Incentive Act. The County serves as the grant recipient and administrator. The federal government funds the program for the purposes of providing employment and training services to youth and adults, who are unskilled, economically disadvantaged, unemployed, or underemployed.

Child Support Services

This fund was established to account for the Department of Child Support Services, which is responsible for locating absent parents, establishing paternity, establishing child and medical support orders, collecting and distributing child support from absent parents and initiating remedial actions to collect on delinquencies. Federal and state funding are the primary source of revenues.

NONMAJOR SPECIAL REVENUE FUNDS

(Continued)

Public Authority

This fund was established to operate as the Employer of Record for In-Home Supportive Service Providers (Providers). The Public Authority negotiates with the union for wages and benefits for Providers, operates a registry and conducts background checks on Providers.

Health Services Agency

This fund was established to oversee the delivery of health care to Stanislaus County residents. It includes the Public Health and Managed Care divisions and oversees the Health Clinics and Ancillary Services (enterprise fund). The revenues for this fund are primarily intergovernmental sources and charges for services, supplemented by transfers from the General Fund.

Indigent Health Care

This fund was established to administer state and county funds for the delivery for quality medical care for indigent and medically indigent county residents. The primary funding source is the State.

Library

This fund was established to account for library services in thirteen branches throughout the county. Support is derived principally from 1/8% sales tax increment beginning in July 1995, and from general fund discretionary revenues.

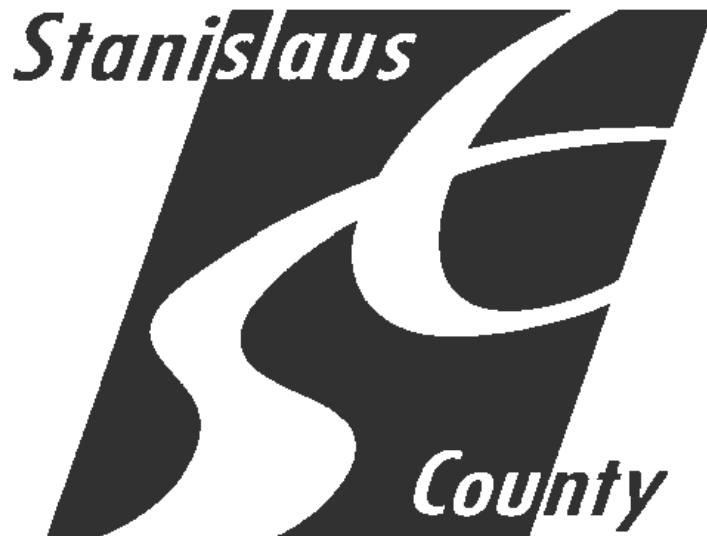
Lighting Districts

This fund was established for lighting districts that are controlled by the Board of Supervisors. The revenue sources are property taxes and direct assessments.

All Other Special Revenue Funds

Accounts for the activities of several special revenue funds, including:

- Area Agency on Aging
- Federal & State Grants
- County Service Areas
- Storm Drain Districts
- Landscape and Lighting Districts
- County Fire Service



Stanislaus

County

Striving to be the Best

**County of Stanislaus
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015**

	Environmental Resources	Children and Families Commission	Public Works Engineering	Road and Bridge	Employment and Training	Child Support Services	Public Authority
Assets							
Cash and investments	\$ 10,245,928	\$ 10,786,065	\$ 3,158,742	\$ 16,452,532	\$ 805,454	\$ 1,590,195	\$ -
Account receivable	808,535	939,608	80,373	4,297,251	945,354	445,896	1,170,466
Interest and other receivables	5,082	26,068	-	42,478	-	6,030	-
Inventory	-	-	-	361,529	10,863	-	-
Due from other funds	7,617	-	-	-	-	-	1,766
Prepaid items	-	-	-	-	1,667	-	-
Total assets	<u>11,067,162</u>	<u>11,751,741</u>	<u>3,239,115</u>	<u>21,153,790</u>	<u>1,763,338</u>	<u>2,042,121</u>	<u>1,172,232</u>
Liabilities							
Accounts payable	309,809	1,051,020	150,381	2,064,249	313,528	26,894	-
Salaries and benefits payable	248,970	19,041	220,516	158,615	280,252	444,209	-
Due to other funds	-	-	-	-	-	-	528,307
Due to other governments	-	-	-	-	-	-	78,261
Advances from grantors & third parties	432,308	-	-	-	-	-	565,664
Advances from other funds	-	-	-	-	-	-	-
Total liabilities	<u>991,087</u>	<u>1,070,061</u>	<u>370,897</u>	<u>2,222,864</u>	<u>593,780</u>	<u>471,103</u>	<u>1,172,232</u>
Fund balances							
Non Spendable	800	-	300	312,460	-	100	-
Restricted	9,801,342	10,518,114	2,645,655	18,030,320	1,169,558	1,407,569	-
Committed	-	-	-	-	-	-	-
Assigned	273,933	163,566	222,263	588,146	-	163,349	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>10,076,075</u>	<u>10,681,680</u>	<u>2,868,218</u>	<u>18,930,926</u>	<u>1,169,558</u>	<u>1,571,018</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 11,067,162</u>	<u>\$ 11,751,741</u>	<u>\$ 3,239,115</u>	<u>\$ 21,153,790</u>	<u>\$ 1,763,338</u>	<u>\$ 2,042,121</u>	<u>\$ 1,172,232</u>

County of Stanislaus
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2015

Health Services Agency	Indigent Health Care	Library	Lighting Districts	All Other Special Revenue Funds	Totals	
\$ 6,048,298	\$ -	\$ 9,386,681	\$ 570,208	\$ 35,307,912	\$ 94,352,015	Assets
5,045,301	1,430,470	1,515,003	-	3,992,904	20,671,161	Cash and investments
372	804	-	1,210	22,028	104,072	Account receivable
148,483	-	-	-	-	520,875	Interest and other receivables
33,008	6,154,711	-	-	-	6,197,102	Inventory
172,524	921	-	-	-	175,112	Due from other funds
11,447,986	7,586,906	10,901,684	571,418	39,322,844	122,020,337	Prepaid items
						Total assets
						Liabilities
2,475,777	298,244	474,458	14,324	950,856	8,129,540	Accounts payable
790,990	1,629	238,328	-	431,540	2,834,090	Salaries and benefits payable
-	5,330,221	-	-	-	5,858,528	Due to other funds
-	-	-	-	-	78,261	Due to other governments
199,280	86,888	-	-	-	1,284,140	Advances from grantors & third parties
-	-	-	-	100,000	100,000	Advances from other funds
3,466,047	5,716,982	712,786	14,324	1,482,396	18,284,559	Total liabilities
						Fund balances
210,177	-	1,920	-	8,000	533,757	Non Spendable
6,859,329	1,827,234	9,987,547	555,147	30,806,604	93,608,419	Restricted
-	-	-	-	598,373	598,373	Committed
912,433	171,119	199,431	1,947	6,671,458	9,367,645	Assigned
-	(128,429)	-	-	(243,987)	(372,416)	Unassigned
7,981,939	1,869,924	10,188,898	557,094	37,840,448	103,735,778	Total fund balances
\$ 11,447,986	\$ 7,586,906	\$ 10,901,684	\$ 571,418	\$ 39,322,844	\$ 122,020,337	Total liabilities and fund balances

County of Stanislaus
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Environmental Resources	Children and Families Commission	Public Works Engineering	Road and Bridge	Employment and Training	Child Support Services	Public Authority
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ 2,079,039	\$ -	\$ -	\$ -
Licenses, permits and franchises	-	-	1,753,073	21,701	-	-	-
Fines, forfeitures and penalties	55,317	-	-	-	-	-	-
Revenue from use of money and property	13,396	72,517	496	147,918	-	17,337	1,819
Intergovernmental revenue	718,105	5,287,447	84,573	34,135,057	7,090,223	14,070,618	62,153,258
Charges for services	6,889,393	-	5,256,355	132,219	9,182,527	-	-
Miscellaneous revenue	40,995	63	2,174	302,326	4,314	1,072	216,226
Total revenues	7,717,206	5,360,027	7,096,671	36,818,260	16,277,064	14,089,027	62,371,303
Expenditures							
General	-	415,303	-	-	-	-	-
Public protection	8,197,886	-	2,058,601	-	-	14,082,550	-
Public ways and facilities	-	-	5,134,753	37,951,390	-	-	-
Health and sanitation	-	6,055,266	-	-	-	-	-
Public assistance	-	-	-	-	16,593,541	-	66,693,576
Education	-	-	-	-	-	-	-
Recreation and cultural services	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-
Total expenditures	8,197,886	6,470,569	7,193,354	37,951,390	16,593,541	14,082,550	66,693,576
Excess revenues over (under) expenditures	(480,680)	(1,110,542)	(96,683)	(1,133,130)	(316,477)	6,477	(4,322,273)
Other financing sources (uses):							
Transfers in	1,557,636	-	329,453	1,375,231	-	-	5,198,300
Transfers out	-	-	-	(173,334)	-	-	(876,135)
Sale of capital assets	2,349	-	-	-	-	-	-
Total other financing sources (uses)	1,559,985	-	329,453	1,201,897	-	-	4,322,165
Net change in fund balance	1,079,305	(1,110,542)	232,770	68,767	(316,477)	6,477	(108)
Fund balances -- beginning	8,996,770	11,792,222	2,635,448	18,862,159	1,486,035	1,564,541	108
Fund balances -- ending	\$ 10,076,075	\$ 10,681,680	\$ 2,868,218	\$ 18,930,926	\$ 1,169,558	\$ 1,571,018	\$ -

County of Stanislaus
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2015

Health Services Agency	Indigent Health Care	Library	Lighting Districts	All Other Special Revenue Funds	Totals	
\$ -	\$ -	\$ 9,073,939	\$ 68,327	\$ 1,285,862	\$ 12,507,167	Revenues
12,173	-	-	-	1,720	1,788,667	Taxes
113,563	709,962	-	-	653,390	1,532,232	Licenses, permits and franchises
9,261	1,094	3,098	3,540	62,387	332,863	Fines, forfeitures and penalties
12,273,149	1,624,089	183,324	577	36,558,281	174,178,701	Revenue from use of money and property
10,356,539	314,371	410,461	338,755	3,443,718	36,324,338	Intergovernmental revenue
102,157	72,793	96,188	92	3,456,235	4,294,635	Charges for services
22,866,842	2,722,309	9,767,010	411,291	45,461,593	230,958,603	Miscellaneous revenue
						Total revenues
-	-	-	-	33,986	449,289	Expenditures
-	-	-	298,364	32,972,794	57,610,195	General
-	-	-	-	2,565,075	45,651,218	Public protection
27,057,657	1,679,056	-	-	-	34,791,979	Public ways and facilities
-	-	-	-	3,380,636	86,667,753	Health and sanitation
-	-	9,072,942	-	1,224	9,074,166	Public assistance
-	-	-	-	462,801	462,801	Education
3,003	-	-	-	1,978	4,981	Recreation and cultural services
37,708	-	-	-	8,291	45,999	Interest and fiscal charges
27,098,368	1,679,056	9,072,942	298,364	39,426,785	234,758,381	Principal
(4,231,526)	1,043,253	694,068	112,927	6,034,808	(3,799,778)	Total expenditures
						Excess revenues over (under) expenditures
6,066,037	1,414,492	491,810	-	788,531	17,221,490	Other financing sources (uses):
(13,560)	-	-	-	(2,041,778)	(3,104,807)	Transfers in
-	-	-	-	1,280	3,629	Transfers out
6,052,477	1,414,492	491,810	-	(1,251,967)	14,120,312	Sale of capital assets
						Total other financing sources (uses)
1,820,951	2,457,745	1,185,878	112,927	4,782,841	10,320,534	Net change in fund balance
6,160,988	(587,821)	9,003,020	444,167	33,057,607	93,415,244	Fund balances -- beginning
\$ 7,981,939	\$ 1,869,924	\$ 10,188,898	\$ 557,094	\$ 37,840,448	\$ 103,735,778	Fund balances -- ending

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Environmental Resources
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, forfeitures and penalties	\$ 71,220	\$ 71,220	\$ 55,317	\$ (15,903)
Revenue from use of money and property	9,535	9,535	13,396	3,861
Intergovernmental revenue	879,956	879,956	718,105	(161,851)
Charges for services	6,927,945	6,927,945	6,889,393	(38,552)
Miscellaneous revenue	9,475	9,475	40,995	31,520
Total revenues	<u>7,898,131</u>	<u>7,898,131</u>	<u>7,717,206</u>	<u>(180,925)</u>
Expenditures: Public Protection				
Environmental Resources				
Salaries and employee benefits	7,630,638	7,612,223	6,281,982	1,330,241
Services and supplies	803,605	946,778	452,244	494,534
Other charges	545,713	557,628	549,424	8,204
Expenditure transfer	(1,684,290)	(1,684,290)	(1,519,634)	(164,656)
Fixed assets	172,250	178,750	129,051	49,699
Total expenditures	<u>7,467,916</u>	<u>7,611,089</u>	<u>5,893,067</u>	<u>1,718,022</u>
Beverage Container Recycling				
Services and supplies	15,976	16,862	16,862	-
Expenditure transfer	13,072	12,186	12,186	-
Total expenditures	<u>29,048</u>	<u>29,048</u>	<u>29,048</u>	<u>-</u>
Household Hazardous Waste				
Services and supplies	322,081	322,081	175,093	146,988
Other charges	7,954	7,954	3,963	3,991
Expenditure transfer	467,780	467,780	413,614	54,166
Total expenditures	<u>797,815</u>	<u>797,815</u>	<u>592,670</u>	<u>205,145</u>
Vehicle Registration Fee Surcharge				
Services and supplies	67,733	67,733	-	67,733
Total expenditures	<u>67,733</u>	<u>67,733</u>	<u>-</u>	<u>67,733</u>
AB 939/Source Reduction and Recycle				
Services and supplies	567,500	487,347	487,110	237
Other charges	1,260	-	-	-
Expenditure transfer	231,240	312,653	296,159	16,494
Total expenditures	<u>800,000</u>	<u>800,000</u>	<u>783,269</u>	<u>16,731</u>
Disclosure Program				
Services and supplies	46,348	18,339	14,371	3,968
Expenditure transfer	330,000	358,008	358,008	-
Total expenditures	<u>376,348</u>	<u>376,347</u>	<u>372,379</u>	<u>3,968</u>
Underground Storage Tank Pilot Program				
Services and supplies	6,448	6,448	3,539	2,909
Expenditure transfer	252,522	252,522	252,522	-
Total expenditures	<u>258,970</u>	<u>258,970</u>	<u>256,061</u>	<u>2,909</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Environmental Resources (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Code Enforcement Abatement				
Services and supplies	20,000	20,000	5,800	14,200
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>5,800</u>	<u>14,200</u>
Used Oil Recycling				
Services and supplies	56,037	50,682	50,682	-
Expenditure transfer	32,507	37,862	(2,126)	39,988
Total expenditures	<u>88,544</u>	<u>88,544</u>	<u>48,556</u>	<u>39,988</u>
Environmental Enforcement				
Services and supplies	54,409	54,409	14,163	40,246
Total expenditures	<u>54,409</u>	<u>54,409</u>	<u>14,163</u>	<u>40,246</u>
Waste Tire Enforcement Grant				
Services and supplies	6,000	251	251	-
Expenditure transfer	124,000	129,749	129,220	529
Total expenditures	<u>130,000</u>	<u>130,000</u>	<u>129,471</u>	<u>529</u>
Abandoned Vehicle Abatement				
Services and supplies	1,500	1,500	325	1,175
Other charges	3,243	3,243	1,423	1,820
Expenditure transfer	60,000	60,000	42,929	17,071
Total expenditures	<u>64,743</u>	<u>64,743</u>	<u>44,677</u>	<u>20,066</u>
E Waste Collection Facility				
Services and supplies	21,366	21,516	13,053	8,463
Other charges	700	700	-	700
Expenditure transfer	25,000	24,850	15,672	9,178
Total expenditures	<u>47,066</u>	<u>47,066</u>	<u>28,725</u>	<u>18,341</u>
Total expenditures - Environmental Resources	<u>10,202,592</u>	<u>10,345,764</u>	<u>8,197,886</u>	<u>2,147,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,304,461)</u>	<u>(2,447,633)</u>	<u>(480,680)</u>	<u>1,966,953</u>
Other financing sources (uses)				
Transfers in	1,285,002	1,428,175	1,557,636	129,461
Sale of capital assets	-	-	2,349	2,349
Total other financing sources (uses)	<u>1,285,002</u>	<u>1,428,175</u>	<u>1,559,985</u>	<u>131,810</u>
Net change in fund balance	<u>(1,019,459)</u>	<u>(1,019,458)</u>	<u>1,079,305</u>	<u>2,098,763</u>
Fund balance -- beginning	-	-	8,996,770	-
Fund balance -- ending	<u><u>\$ (1,019,459)</u></u>	<u><u>\$ (1,019,458)</u></u>	<u><u>\$ 10,076,075</u></u>	<u><u>\$ 2,098,763</u></u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Children and Families Commission
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Revenue from use of money and property	\$ 152,253	\$ 152,253	\$ 72,517	\$ (79,736)
Intergovernmental revenue	5,303,816	5,303,816	5,287,447	(16,369)
Miscellaneous revenue	-	-	63	63
Total revenues	<u>5,456,069</u>	<u>5,456,069</u>	<u>5,360,027</u>	<u>(96,042)</u>
Expenditures				
General				
Salaries and employee benefits	351,606	351,606	327,820	23,786
Services and supplies	44,926	44,926	62,445	(17,519)
Other charges	27,634	27,634	21,722	5,912
Total expenditures	<u>424,166</u>	<u>424,166</u>	<u>411,987</u>	<u>12,179</u>
Health/Sanitation				
Salaries and employee benefits	151,546	151,546	142,268	9,278
Services and supplies	3,768,754	3,768,754	3,123,154	645,600
Other charges	3,199,080	3,199,080	2,803,684	395,396
Total expenditures	<u>7,119,380</u>	<u>7,119,380</u>	<u>6,069,106</u>	<u>1,050,274</u>
Education				
Services and supplies	-	-	(30,159)	30,159
Total expenditures	<u>-</u>	<u>-</u>	<u>(30,159)</u>	<u>30,159</u>
Total expenditures - Children and Families Commission	<u>7,543,546</u>	<u>7,543,546</u>	<u>6,450,934</u>	<u>1,092,612</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,087,477)</u>	<u>(2,087,477)</u>	<u>(1,090,907)</u>	<u>996,570</u>
Net change in fund balance	<u>(2,087,477)</u>	<u>(2,087,477)</u>	<u>(1,090,907)</u>	<u>996,570</u>
Fund balance -- beginning	<u>-</u>	<u>-</u>	<u>11,792,222</u>	<u>-</u>
Fund balance -- ending	<u>\$ (2,087,477)</u>	<u>\$ (2,087,477)</u>	<u>\$ 10,701,315</u>	<u>\$ 996,570</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Public Works Engineering
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes				
Licenses, permits and franchises	\$ 1,525,000	\$ 1,525,000	\$ 1,753,073	\$ 228,073
Revenue from use of money and property	-	-	496	496
Intergovernmental revenue	194,000	194,000	84,573	(109,427)
Charges for services	5,277,558	5,400,044	5,256,355	(143,689)
Miscellaneous revenue	1,550	1,550	2,174	624
Total revenues	<u>6,998,108</u>	<u>7,120,594</u>	<u>7,096,671</u>	<u>(23,923)</u>
Expenditures				
Public protection				
Salaries and employee benefits	1,826,806	1,584,806	1,520,869	63,937
Services and supplies	194,450	325,450	298,982	26,468
Other charges	155,587	266,587	243,129	23,458
Fixed assets	25,000	25,000	23,699	1,301
Total expenditures	<u>2,201,843</u>	<u>2,201,843</u>	<u>2,086,679</u>	<u>115,164</u>
Public ways				
Salaries and employee benefits	4,603,312	4,603,312	4,221,878	381,434
Services and supplies	515,348	515,348	454,175	61,173
Other charges	552,937	552,937	434,385	118,552
Total expenditures	<u>5,671,597</u>	<u>5,671,597</u>	<u>5,110,438</u>	<u>561,159</u>
Total expenditures - Public Works Engineering	<u>7,873,440</u>	<u>7,873,440</u>	<u>7,197,117</u>	<u>676,323</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(875,332)</u>	<u>(752,846)</u>	<u>(100,446)</u>	<u>652,400</u>
Other financing sources (uses)				
Transfers in	578,486	581,885	329,453	(252,432)
Total other financing sources (uses)	<u>578,486</u>	<u>581,885</u>	<u>329,453</u>	<u>(252,432)</u>
Net change in fund balance	<u>(296,846)</u>	<u>(170,961)</u>	<u>229,007</u>	<u>399,968</u>
Fund balance -- beginning	-	-	2,635,448	-
Fund balance -- ending	<u>\$ (296,846)</u>	<u>\$ (170,961)</u>	<u>\$ 2,864,455</u>	<u>\$ 399,968</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Road and Bridge
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 2,022,959	\$ 2,022,959	\$ 2,079,039	\$ 56,080
Licenses, permits and franchises	20,000	20,000	21,701	1,701
Revenue from use of money and property	202,700	202,700	147,918	(54,782)
Intergovernmental revenue	63,409,666	63,409,666	34,135,057	(29,274,609)
Charges for services	517,000	517,000	132,219	(384,781)
Miscellaneous revenue	-	-	302,326	302,326
Total revenues	<u>66,172,325</u>	<u>66,172,325</u>	<u>36,818,260</u>	<u>(29,354,065)</u>
Expenditures				
Public ways and facilities				
Salaries and employee benefits	5,061,410	4,936,410	4,689,417	246,993
Services and supplies	68,824,609	68,345,254	25,830,636	42,514,618
Other charges	7,407,953	8,012,308	7,279,648	732,660
Fixed assets	624,215	624,215	623,522	693
Total expenditures	<u>81,918,187</u>	<u>81,918,187</u>	<u>38,423,223</u>	<u>43,494,964</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,745,862)</u>	<u>(15,745,862)</u>	<u>(1,604,963)</u>	<u>14,140,899</u>
Other financing sources (uses)				
Transfers in	11,186,042	11,186,042	1,375,231	(9,810,811)
Transfers out	-	-	(173,334)	(173,334)
Total other financing sources (uses)	<u>11,186,042</u>	<u>11,186,042</u>	<u>1,201,897</u>	<u>(9,984,145)</u>
Net change in fund balance	<u>(4,559,820)</u>	<u>(4,559,820)</u>	<u>(403,066)</u>	<u>4,156,754</u>
Fund balance -- beginning	<u>-</u>	<u>-</u>	<u>18,862,159</u>	<u>-</u>
Fund balance -- ending	<u>\$ (4,559,820)</u>	<u>\$ (4,559,820)</u>	<u>\$ 18,459,093</u>	<u>\$ 4,156,754</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Employment and Training
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental revenue	\$ 7,298,645	\$ 7,500,331	\$ 7,090,223	\$ (410,108)
Charges for services	11,624,153	11,624,153	9,182,527	(2,441,626)
Miscellaneous revenue	160,000	160,000	4,314	(155,686)
Total revenues	<u>19,082,798</u>	<u>19,284,484</u>	<u>16,277,064</u>	<u>(3,007,420)</u>
Expenditures: Public assistance				
Alliance Worknet				
Salaries and employee benefits	5,142,865	5,348,172	4,709,048	639,124
Services and supplies	3,497,623	3,657,140	3,173,782	483,358
Other charges	305,634	316,274	251,691	64,583
Total expenditures	<u>8,946,122</u>	<u>9,321,586</u>	<u>8,134,521</u>	<u>1,187,065</u>
Alliance Worknet - Stanworks				
Salaries and employee benefits	8,453,264	8,023,264	6,052,343	1,970,921
Services and supplies	2,047,655	2,381,694	2,108,148	273,546
Other charges	220,823	316,784	288,811	27,973
Total expenditures	<u>10,721,742</u>	<u>10,721,742</u>	<u>8,449,302</u>	<u>2,272,440</u>
Total expenditures - Employment and Training	<u>19,667,864</u>	<u>20,043,328</u>	<u>16,583,823</u>	<u>3,459,505</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(585,066)</u>	<u>(758,844)</u>	<u>(306,759)</u>	<u>452,085</u>
Net change in fund balance	<u>(585,066)</u>	<u>(758,844)</u>	<u>(306,759)</u>	<u>452,085</u>
Fund balance -- beginning	<u>-</u>	<u>-</u>	<u>1,486,035</u>	<u>-</u>
Fund balance -- ending	<u>\$ (585,066)</u>	<u>\$ (758,844)</u>	<u>\$ 1,179,276</u>	<u>\$ 452,085</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Child Support Services
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Revenue from use of money and property	\$ 25,000	\$ 25,000	\$ 17,337	\$ (7,663)
Intergovernmental revenue	15,705,262	16,180,967	14,070,618	(2,110,349)
Miscellaneous revenue	-	-	1,072	1,072
Total revenues	<u>15,730,262</u>	<u>16,205,967</u>	<u>14,089,027</u>	<u>(2,116,940)</u>
Expenditures				
Public protection				
Salaries and employee benefits	12,669,181	12,745,315	11,551,823	1,193,492
Services and supplies	1,681,831	1,866,024	1,045,994	820,030
Other charges	1,443,637	1,659,015	1,453,024	205,991
Fixed assets	48,574	48,574	48,144	430
Total expenditures	<u>15,843,223</u>	<u>16,318,928</u>	<u>14,098,985</u>	<u>2,219,943</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(112,961)</u>	<u>(112,961)</u>	<u>(9,958)</u>	<u>(4,336,883)</u>
Net change in fund balance	<u>(112,961)</u>	<u>(112,961)</u>	<u>(9,958)</u>	<u>103,003</u>
Fund balance -- beginning	-	-	1,564,541	-
Fund balance -- ending	<u>\$ (112,961)</u>	<u>\$ (112,961)</u>	<u>\$ 1,554,583</u>	<u>\$ 103,003</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Public Authority
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Revenue from use of money and property	\$ -	\$ -	\$ 1,819	\$ 1,819
Intergovernmental revenue	66,149,785	66,149,785	62,153,258	(3,996,527)
Miscellaneous revenue	2,469,013	2,469,013	216,226	(2,252,787)
Total revenues	<u>68,618,798</u>	<u>68,618,798</u>	<u>62,371,303</u>	<u>(6,247,495)</u>
Expenditures: Public assistance				
CSA - IHSS Administration				
Services and supplies	45,816	52,876	14,848	38,028
Other charges	541,725	534,665	433,934	100,731
Total expenditures	<u>587,541</u>	<u>587,541</u>	<u>448,782</u>	<u>138,759</u>
CSA - IHSS Benefits				
Services and supplies	2,469,013	2,290,758	37,972	2,252,786
Total expenditures	<u>2,469,013</u>	<u>2,290,758</u>	<u>37,972</u>	<u>2,252,786</u>
CSA - IHSS Provider wages				
Other charges	67,605,125	67,605,125	66,206,822	1,398,303
Total expenditures	<u>67,605,125</u>	<u>67,605,125</u>	<u>66,206,822</u>	<u>1,398,303</u>
Total expenditures - Public Authority	<u>70,661,679</u>	<u>70,483,424</u>	<u>66,693,576</u>	<u>3,789,848</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,042,881)</u>	<u>(1,864,626)</u>	<u>(4,322,273)</u>	<u>(2,457,647)</u>
Other financing sources (uses)				
Transfers in	2,502,466	2,502,466	5,198,300	2,695,834
Transfers out	(459,585)	(637,840)	(876,135)	(238,295)
Total other financing sources (uses)	<u>2,042,881</u>	<u>1,864,626</u>	<u>4,322,165</u>	<u>2,457,539</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(108)</u>	<u>(108)</u>
Fund balance -- beginning	-	-	108	-
Fund balance -- ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (108)</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Health Services Agency
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses, permits and franchises	\$ 11,000	\$ 11,000	\$ 12,173	\$ 1,173
Fines, forfeitures and penalties	132,285	132,285	113,563	(18,722)
Revenue from use of money and property	9,475	9,475	9,261	(214)
Intergovernmental revenue	15,151,370	15,151,370	12,273,149	(2,878,221)
Charges for services	11,039,074	11,039,074	10,356,539	(682,535)
Miscellaneous revenue	19,105	19,105	102,157	83,052
Total revenues	<u>26,362,309</u>	<u>26,362,309</u>	<u>22,866,842</u>	<u>(3,495,467)</u>
Expenditures				
EMS - Discretionary Fund				
Salaries and employee benefits	16,188,550	83,725	13,437,852	(13,354,127)
Services and supplies	4,494,371	242,408	3,385,154	(3,142,746)
Other charges	653,928	-	661,094	(661,094)
Expenditure transfer	3,598,581	-	3,152,269	(3,152,269)
Fixed assets	511,359	-	321,903	(321,903)
Total expenditures	<u>25,446,789</u>	<u>326,133</u>	<u>20,958,272</u>	<u>(20,632,139)</u>
Administration				
Salaries and employee benefits	7,171,577	7,101,577	6,330,842	770,735
Services and supplies	1,853,241	1,908,241	1,593,055	315,186
Other charges	1,692,913	1,692,913	1,579,774	113,139
Expenditure transfer	(3,597,226)	(3,597,226)	(3,152,269)	(444,957)
Total expenditures	<u>7,120,505</u>	<u>7,105,505</u>	<u>6,351,402</u>	<u>754,103</u>
Total expenditures - Health Services Agency	<u>32,567,294</u>	<u>7,431,638</u>	<u>27,309,674</u>	<u>(19,878,036)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,204,985)</u>	<u>18,930,671</u>	<u>(4,442,832)</u>	<u>(23,373,503)</u>
Other financing sources (uses)				
Transfers in	6,487,245	7,664,072	6,066,037	(1,598,035)
Transfers out	(609,100)	(624,100)	(13,560)	610,540
Total other financing sources (uses)	<u>5,878,145</u>	<u>7,039,972</u>	<u>6,052,477</u>	<u>(987,495)</u>
Net change in fund balance	<u>(326,840)</u>	<u>25,970,643</u>	<u>1,609,645</u>	<u>(24,360,998)</u>
Fund balance -- beginning	<u>-</u>	<u>-</u>	<u>6,160,988</u>	<u>-</u>
Fund balance -- ending	<u>\$ (326,840)</u>	<u>\$ 25,970,643</u>	<u>\$ 7,770,633</u>	<u>\$ (24,360,998)</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Indigent Health Care
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 119,608,959	\$ -	\$ -	\$ -
Licenses, permits and franchises	3,671,784	-	-	-
Fines, forfeitures and penalties	6,642,220	855,000	709,962	(145,038)
Revenue from use of money and property	3,954,986	6,500	1,094	(5,406)
Intergovernmental revenue	162,669,804	-	1,624,089	1,624,089
Charges for services	81,999,959	287,700	314,371	26,671
Miscellaneous revenue	1,162,144	134,317	72,793	(61,524)
Total revenues	<u>379,709,856</u>	<u>1,283,517</u>	<u>2,722,309</u>	<u>1,438,792</u>
Expenditures				
EMS Hospital				
Services and supplies	275,000	275,000	226,169	48,831
Total expenditures	<u>275,000</u>	<u>275,000</u>	<u>226,169</u>	<u>48,831</u>
Indigent Health Care Program				
Services and supplies	886,500	886,500	886,500	-
Total expenditures	<u>886,500</u>	<u>886,500</u>	<u>886,500</u>	<u>-</u>
Administration				
Salaries and employee benefits	649,400	501,191	366,890	134,301
Services and supplies	125,574	175,340	63,242	112,098
Other charges	1,686,942	999,573	285,188	714,385
Total expenditures	<u>2,461,916</u>	<u>1,676,104</u>	<u>715,320</u>	<u>960,784</u>
Total expenditures - Indigent Health Care	<u>3,623,416</u>	<u>2,837,604</u>	<u>1,827,989</u>	<u>1,009,615</u>
Excess (deficiency) of revenues over (under) expenditures	<u>376,086,440</u>	<u>(1,554,087)</u>	<u>894,320</u>	<u>2,448,407</u>
Other financing sources (uses)				
Transfers in	2,452,087	1,254,087	1,414,492	160,405
Total other financing sources (uses)	<u>2,452,087</u>	<u>1,254,087</u>	<u>1,414,492</u>	<u>160,405</u>
Net change in fund balance	<u>378,538,527</u>	<u>(300,000)</u>	<u>2,308,812</u>	<u>2,608,812</u>
Fund balance -- beginning	-	-	(587,821)	-
Fund balance -- ending	<u>\$ 378,538,527</u>	<u>\$ (300,000)</u>	<u>\$ 1,720,991</u>	<u>\$ 2,608,812</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Library
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 8,500,000	\$ 8,857,853	\$ 9,073,939	\$ 216,086
Revenue from use of money and property	3,500	3,500	3,098	(402)
Intergovernmental revenue	112,000	179,630	183,324	3,694
Charges for services	398,500	373,500	410,461	36,961
Miscellaneous revenue	80,950	91,391	96,188	4,797
Total revenues	<u>9,094,950</u>	<u>9,505,874</u>	<u>9,767,010</u>	<u>261,136</u>
Expenditures				
Public ways and facilities				
Salaries and employee benefits	6,112,963	6,212,359	5,921,582	290,777
Services and supplies	2,864,579	3,088,615	2,249,232	839,383
Other charges	718,952	768,952	687,957	80,995
Fixed assets	496,328	496,328	214,171	282,157
Total expenditures	<u>10,192,822</u>	<u>10,566,254</u>	<u>9,072,942</u>	<u>1,493,312</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,097,872)</u>	<u>(1,060,380)</u>	<u>694,068</u>	<u>(1,232,176)</u>
Other financing sources (uses)				
Transfers in	491,810	491,810	491,810	-
Total other financing sources (uses)	<u>491,810</u>	<u>491,810</u>	<u>491,810</u>	<u>-</u>
Net change in fund balance	<u>(606,062)</u>	<u>(568,570)</u>	<u>1,185,878</u>	<u>1,754,448</u>
Fund balance -- beginning	-	-	9,003,020	-
Fund balance -- ending	<u>\$ (606,062)</u>	<u>\$ (568,570)</u>	<u>\$ 10,188,898</u>	<u>\$ 1,754,448</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
Lighting Districts
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 54,692	\$ 54,692	\$ 68,327	\$ 13,635
Revenue from use of money and property	-	-	3,540	3,540
Intergovernmental revenue	-	-	577	577
Charges for services	332,109	332,109	338,755	6,646
Miscellaneous revenue	-	-	92	92
Total revenues	<u>386,801</u>	<u>386,801</u>	<u>411,291</u>	<u>24,490</u>
Expenditures				
Public protection				
Services and supplies	396,868	2,154,071	298,364	1,855,707
Other charges	-	630	-	630
Total expenditures	<u>396,868</u>	<u>2,154,701</u>	<u>298,364</u>	<u>1,856,337</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,067)</u>	<u>(1,767,900)</u>	<u>112,927</u>	<u>(1,831,847)</u>
Net change in fund balance	<u>(20,134)</u>	<u>(3,535,800)</u>	<u>225,854</u>	<u>3,761,654</u>
Fund balance -- beginning	-	-	444,167	-
Fund balance -- ending	<u>\$ (20,134)</u>	<u>\$ (3,535,800)</u>	<u>\$ 670,021</u>	<u>\$ 3,761,654</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund Balance
All Other Special Revenue Funds
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 1,124,117	\$ 1,124,117	\$ 1,285,862	\$ 161,745
Licenses, permits and franchises	-	-	1,720	1,720
Fines, forfeitures and penalties	171,000	467,200	653,390	186,190
Revenue from use of money and property	11,000	11,000	62,387	51,387
Intergovernmental revenue	37,300,829	40,061,158	36,558,281	(3,502,877)
Charges for services	3,364,335	3,495,742	3,443,718	(52,024)
Miscellaneous revenue	231,522	231,522	3,456,235	3,224,713
Total revenues	42,202,803	45,390,739	45,461,593	70,854
Expenditures: General				
12th Street Office Building				
Services and supplies	19,030	19,030	16,130	2,900
Other charges	30,341	30,341	17,206	13,135
Total expenditures	49,371	49,371	33,336	16,035
Expenditures: Public Protection				
Stanislaus Family Justice Center				
Salaries and employee benefits	95,329	95,329	41,606	53,723
Services and supplies	407,693	407,693	156,750	250,943
Other charges	9,494	9,494	3,588	5,906
Total expenditures	512,516	512,516	201,944	310,572
County Fire Service Fund				
Salaries and employee benefits	772,481	736,481	521,157	215,324
Services and supplies	504,953	515,953	481,144	34,809
Other charges	146,622	171,622	90,441	81,181
Total expenditures	1,424,056	1,424,056	1,092,742	331,314
Department of Justice Drug and Alcohol				
Services and supplies	194,369	194,369	18,500	175,869
Total expenditures	194,369	194,369	18,500	175,869
PSIC Grant Program				
Fixed assets	115	115	-	115
Total expenditures	115	115	-	115
Homeland Security Grant				
Salaries and employee benefits	64,742	208,745	108,506	100,239
Services and supplies	366,852	537,588	350,934	186,654
Fixed assets	125,000	422,700	85,534	337,166
Total expenditures	556,594	1,169,033	544,974	624,059
Clerk Recorder Modernization Trust Fund				
Salaries and employee benefits	806,743	806,743	563,223	243,520
Services and supplies	1,726,400	1,726,400	503,278	1,223,122
Fixed assets	250,000	250,000	-	250,000
Total expenditures	2,783,143	2,783,143	1,066,501	1,716,642

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund
Balance All Other Special Revenue Funds (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Clerk Recorder Vital and Health Statistics				
Services and supplies	172,279	172,279	-	172,279
Total expenditures	<u>172,279</u>	<u>172,279</u>	<u>-</u>	<u>172,279</u>
Arson Task Force				
Services and supplies	524	-	-	-
Total expenditures	<u>524</u>	<u>-</u>	<u>-</u>	<u>-</u>
Enforce Consumer Protection Laws				
Salaries and employee benefits	230,000	-	223,534	(223,534)
Services and supplies	-	-	909	(909)
Total expenditures	<u>230,000</u>	<u>-</u>	<u>224,443</u>	<u>(224,443)</u>
Federal Asset Forfeiture				
Salaries and employee benefits	5,600	-	1,303	(1,303)
Total expenditures	<u>5,600</u>	<u>-</u>	<u>1,303</u>	<u>(1,303)</u>
Unserviced/Underserved Victim Advocacy and Outreach Program				
Salaries and employee benefits	63,267	74,121	74,038	83
Services and supplies	56,459	58,492	39,273	19,219
Total expenditures	<u>119,726</u>	<u>132,613</u>	<u>113,311</u>	<u>19,302</u>
Impaired Driver Vertical Prosecution Program				
Salaries and employee benefits	343,368	342,173	311,016	31,157
Services and supplies	3,500	4,695	4,694	1
Total expenditures	<u>346,868</u>	<u>346,868</u>	<u>315,710</u>	<u>31,158</u>
Auto Insurance Fraud Program				
Salaries and employee benefits	177,795	184,245	184,245	-
Services and supplies	24,844	18,394	17,818	576
Total expenditures	<u>202,639</u>	<u>202,639</u>	<u>202,063</u>	<u>576</u>
Victim Services Program				
Salaries and employee benefits	346,053	376,662	338,764	37,898
Services and supplies	10,956	10,956	10,485	471
Total expenditures	<u>357,009</u>	<u>387,618</u>	<u>349,249</u>	<u>38,369</u>
Victim Compensation and Government Claims				
Salaries and employee benefits	63,853	63,853	63,852	1
Total expenditures	<u>63,853</u>	<u>63,853</u>	<u>63,852</u>	<u>1</u>
Real Estate Fraud Prosecution				
Salaries and employee benefits	314,798	339,798	339,233	565
Services and supplies	73,317	3,859	3,536	323
Total expenditures	<u>388,115</u>	<u>343,657</u>	<u>342,769</u>	<u>888</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund
Balance All Other Special Revenue Funds (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Planning Special Revenue Grants				
Services and supplies	7,608,161	7,608,161	1,104,025	6,504,136
Other charges	970,637	970,637	607,001	363,636
Total expenditures	<u>8,578,798</u>	<u>8,578,798</u>	<u>1,711,026</u>	<u>6,867,772</u>
Planning General Plan Maintenance				
Services and supplies	691,416	-	47,643	(47,643)
Other charges	125,000	-	79,608	(79,608)
Total expenditures	<u>816,416</u>	<u>-</u>	<u>127,251</u>	<u>(127,251)</u>
Juvenile Accountability Block Grant				
Services and supplies	2,500	19,030	67,272	(48,242)
Other charges	20,741	30,341	20,621	9,720
Total expenditures	<u>23,241</u>	<u>49,371</u>	<u>87,893</u>	<u>(38,522)</u>
JJCPA Grant				
Salaries and employee benefits	1,417,886	1,532,794	1,233,464	299,330
Services and supplies	255,994	272,540	764	271,776
Other charges	36,420	36,420	33,645	2,775
Total expenditures	<u>1,710,300</u>	<u>1,841,754</u>	<u>1,267,873</u>	<u>573,881</u>
Youthful Offender Block Grant				
Salaries and employee benefits	73,499	166,560	103,992	62,568
Services and supplies	5,000	11,615	6,615	5,000
Other charges	10,663	10,663	7,059	3,604
Total expenditures	<u>89,162</u>	<u>188,838</u>	<u>117,666</u>	<u>71,172</u>
Ward Welfare Fund				
Services and supplies	25,000	25,000	23,015	1,985
Other charges	-	-	(14)	14
Fixed assets	15,000	15,000	-	15,000
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>23,001</u>	<u>16,999</u>
Corrections Performance Incentive Act				
Salaries and employee benefits	480,755	505,755	461,668	44,087
Services and supplies	10,000	10,000	548	9,452
Other charges	10,643	10,643	9,700	943
Total expenditures	<u>501,398</u>	<u>526,398</u>	<u>471,916</u>	<u>54,482</u>
Local Community Corrections				
Services and supplies	195,000	345,000	214,339	130,661
Other charges	16,028,569	15,978,569	14,590,399	1,388,170
Total expenditures	<u>16,223,569</u>	<u>16,323,569</u>	<u>14,804,738</u>	<u>1,518,831</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund
Balance All Other Special Revenue Funds (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Court Security				
Salaries and employee benefits	4,860,850	5,374,237	5,354,841	19,396
Services and supplies	31,441	31,441	21,609	9,832
Other charges	226,592	236,592	230,624	5,968
Total expenditures	<u>5,118,883</u>	<u>5,642,270</u>	<u>5,607,074</u>	<u>35,196</u>
California Identification Program				
Salaries and employee benefits	76,531	86,531	83,121	3,410
Services and supplies	442,150	432,150	313,657	118,493
Other charges	5,652	5,652	5,308	344
Fixed assets	160,000	160,000	-	160,000
Total expenditures	<u>684,333</u>	<u>684,333</u>	<u>402,086</u>	<u>282,247</u>
JAG				
Services and supplies	104,118	840,993	183,617	657,376
Other charges	26,895	156,825	70,727	86,098
Total expenditures	<u>131,013</u>	<u>997,818</u>	<u>254,344</u>	<u>743,474</u>
Vehicle Theft Unit				
Salaries and employee benefits	119,056	-	(421)	421
Services and supplies	142,979	-	128,661	(128,661)
Other charges	190,062	-	139,411	(139,411)
Fixed assets	8,000	-	-	-
Total expenditures	<u>460,097</u>	<u>-</u>	<u>267,651</u>	<u>(267,651)</u>
Civil Process Fee				
Services and supplies	124,617	-	59,121	(59,121)
Other charges	2,432	-	865	(865)
Fixed assets	-	-	6	(6)
Total expenditures	<u>127,049</u>	<u>-</u>	<u>59,992</u>	<u>(59,992)</u>
Driving Training Program				
Salaries and employee benefits	119,920	-	53,338	(53,338)
Services and supplies	21,555	19,030	10,963	8,067
Other charges	52,797	30,341	47,867	(17,526)
Total expenditures	<u>194,272</u>	<u>49,371</u>	<u>112,168</u>	<u>(62,797)</u>
CAL-MMET Program				
Salaries and employee benefits	374,657	222,657	(3)	222,660
Services and supplies	205,214	357,214	337,689	19,525
Other charges	191,646	191,646	123,072	68,574
Fixed assets	-	763,840	718,912	44,928
Total expenditures	<u>771,517</u>	<u>1,535,357</u>	<u>1,179,670</u>	<u>355,687</u>
Special Districts				
Services and supplies	1,561,028	-	766,508	(766,508)
Other charges	196,805	-	1,758	(1,758)
Total expenditures	<u>1,757,833</u>	<u>-</u>	<u>768,266</u>	<u>(768,266)</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund
Balance All Other Special Revenue Funds (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Dangerous Building Abatement				
Services and supplies	165,000	-	16,493	(16,493)
Other charges	100,000	-	5,280	(5,280)
Total expenditures	<u>265,000</u>	<u>-</u>	<u>21,773</u>	<u>(21,773)</u>
Expenditures: Public Ways and Facilities				
 Parklawn Sewer Project				
Services and supplies	4,932,122	4,932,122	2,794,719	2,137,403
Total expenditures	<u>4,932,122</u>	<u>4,932,122</u>	<u>2,794,719</u>	<u>2,137,403</u>
Expenditures: Public Assistance				
 Area Agency on Aging				
Salaries and employee benefits	1,333,615	1,284,215	1,283,208	1,007
Services and supplies	474,670	539,226	458,517	80,709
Other charges	1,748,299	1,862,040	1,746,753	115,287
Total expenditures	<u>3,556,584</u>	<u>3,685,481</u>	<u>3,488,478</u>	<u>197,003</u>
Expenditures: Education				
 Coop-Extension Farm and Home Advisors Research				
Services and supplies	16,892	-	1,224	(1,224)
Total expenditures	<u>16,892</u>	<u>-</u>	<u>1,224</u>	<u>(1,224)</u>
Expenditures: Recreation				
 Off Highway Vehicle Parks				
Services and supplies	136,864	146,864	128,670	18,194
Other charges	30,500	30,500	299,565	(269,065)
Expenditure transfer	362,980	352,980	1,450	351,530
Fixed assets	90,000	90,000	70,993	19,007
Total expenditures	<u>620,344</u>	<u>620,344</u>	<u>500,678</u>	<u>119,666</u>
Fish and Game				
Services and supplies	30,081	30,081	5,545	24,536
Total expenditures	<u>30,081</u>	<u>30,081</u>	<u>5,545</u>	<u>24,536</u>
Modesto Reservoir Patrol				
Services and supplies	66,038	66,038	7,208	58,830
Other charges	22,000	22,000	-	22,000
Total expenditures	<u>88,038</u>	<u>88,038</u>	<u>7,208</u>	<u>80,830</u>
Regional Water Safety Training Center				
Services and supplies	25,000	25,000	16,330	8,670
Other charges	14,000	14,000	14,000	-
Total expenditures	<u>39,000</u>	<u>39,000</u>	<u>30,330</u>	<u>8,670</u>
Total expenditures - Other Special Revenue	<u>54,182,719</u>	<u>53,635,073</u>	<u>38,683,267</u>	<u>14,951,806</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,979,916)</u>	<u>(8,244,334)</u>	<u>6,778,326</u>	<u>(14,880,952)</u>

County of Stanislaus
Statement of Revenues, Expenditures and Changes in Fund
Balance All Other Special Revenue Funds (continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Other financing sources (uses)				
Capital lease proceeds	-	-	-	-
Transfers in	788,304	788,304	788,531	227
Transfers out	(1,611,021)	(2,075,636)	(2,041,778)	33,858
Sale of capital assets	-	-	1,280	1,280
Total other financing sources (uses)	<u>(822,717)</u>	<u>(1,287,332)</u>	<u>(1,251,967)</u>	<u>35,365</u>
Net change in fund balance	<u>(12,802,633)</u>	<u>(9,531,666)</u>	<u>5,526,359</u>	<u>15,058,025</u>
Fund balance -- beginning	-	-	33,057,607	-
Fund balance -- ending	<u>\$ (12,802,633)</u>	<u>\$ (9,531,666)</u>	<u>\$ 38,583,966</u>	<u>\$ 15,058,025</u>



Stanislaus

County

Striving to be the Best

Non-major
Enterprise
Funds

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are established to account for the financing of self-supporting activities of governmental units, which render services on a user-charge basis to the general public.

County Transit System

This fund was established to account for the operation of a transit system within the county which performs intra-city transit service, medical transportation, and Senior Opportunity Services Program's nutrition deliveries. Revenues are generated from state grants and fees to transit users.

Geer Road Sanitary Landfill

The Geer Road Sanitary Landfill Fund was established to account for the operation of Geer Road Sanitary Landfill, which provided a dumping site for the disposal of solid wastes. The landfill was closed in July 1990 and is jointly owned with the City of Modesto.

Inmate Welfare/Commissary

This fund was established to account for the activity of the Jail Commissary and the use of revenue generated from the sale of goods for the benefit of inmates.

County of Stanislaus
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2015

	County Transit System	Geer Road Sanitary Landfill	Inmate Welfare/ Commissary	Total
Assets				
Current assets:				
Cash and investments	\$ 12,198,746	\$ 167,734	\$ 1,113,374	\$ 13,479,854
Accounts receivable, net	464,164	-	62,000	526,164
Interest and other receivables	26,932	3,205	2,259	32,396
Inventory	-	-	9,196	9,196
Total current assets	<u>12,689,842</u>	<u>170,939</u>	<u>1,186,829</u>	<u>14,047,610</u>
Noncurrent assets:				
Restricted cash and investments	-	1,438,309	-	1,438,309
Capital assets:				
Land and right of ways	-	1,906,261	-	1,906,261
Structures and improvements	131,545	-	216,731	348,276
Equipment	10,301,333	-	144,907	10,446,240
Construction in progress	173,026	-	-	173,026
Less: Accumulated depreciation	(5,422,414)	-	(228,727)	(5,651,141)
Total noncurrent assets	<u>5,183,490</u>	<u>3,344,570</u>	<u>132,911</u>	<u>8,660,971</u>
Total assets	<u>17,873,332</u>	<u>3,515,509</u>	<u>1,319,740</u>	<u>22,708,581</u>
Deferred outflows of resources				
Deferred pensions	52,099	-	25,422	77,521
Total deferred outflows of resources	<u>52,099</u>	<u>-</u>	<u>25,422</u>	<u>77,521</u>
Liabilities				
Current liabilities:				
Accounts payable	403,135	167,162	49,035	619,332
Salaries and benefits payable	13,170	-	10,258	23,428
Compensated absences - current	5,916	-	413	6,329
Total current liabilities	<u>422,221</u>	<u>167,162</u>	<u>59,706</u>	<u>649,089</u>
Noncurrent liabilities				
Estimated cost of landfill closure/postclosure	-	1,671,584	-	1,671,584
Other post-employment benefits (OPEB)	8,668	-	17,103	25,771
Compensated absences	34,269	-	12,657	46,926
Net pension liability	225,241	-	109,887	335,128
Total noncurrent liabilities	<u>268,178</u>	<u>1,671,584</u>	<u>139,647</u>	<u>2,079,409</u>
Total liabilities	<u>690,399</u>	<u>1,838,746</u>	<u>199,353</u>	<u>2,728,498</u>
Deferred inflows of resources				
Deferred pensions	120,980	-	59,026	180,006
Total deferred inflows of resources	<u>120,980</u>	<u>-</u>	<u>59,026</u>	<u>180,006</u>
Net position				
Net investment in capital assets	5,183,490	1,906,261	132,911	7,222,662
Restricted	-	1,441,478	-	1,441,478
Unrestricted	12,252,358	(1,670,976)	1,110,867	11,692,249
Prior period adjustment	(321,796)	-	(156,995)	(478,791)
Total net position	<u>\$ 17,114,052</u>	<u>\$ 1,676,763</u>	<u>\$ 1,086,783</u>	<u>\$ 19,877,598</u>

County of Stanislaus
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	County Transit System	Geer Road Sanitary Landfill	Inmate Welfare/ Commissary	Total
Operating revenues:				
Charges for services	\$ 539,267	\$ -	\$ 1,670,882	\$ 2,210,149
Total operating revenues	<u>539,267</u>	<u>-</u>	<u>1,670,882</u>	<u>2,210,149</u>
Operating expenses:				
Salaries and benefits	378,002	-	249,243	627,245
Services and supplies	4,824,697	1,495,420	1,249,406	7,569,523
Depreciation	938,861	-	7,644	946,505
Total operating expenses	<u>6,141,560</u>	<u>1,495,420</u>	<u>1,506,293</u>	<u>9,143,273</u>
Operating income (loss)	<u>(5,602,293)</u>	<u>(1,495,420)</u>	<u>164,589</u>	<u>(6,933,124)</u>
Nonoperating revenues (expenses)				
Investment income	75,875	7,044	6,990	89,909
Insurance reimbursement	-	197,105	-	197,105
Intergovernmental	7,995,098	-	-	7,995,098
Gain (Loss) on sale of fixed assets	13,550	-	-	13,550
Total nonoperating revenues (expenses)	<u>8,084,523</u>	<u>204,149</u>	<u>6,990</u>	<u>8,295,662</u>
Income before contributions and transfers	<u>2,482,230</u>	<u>(1,291,271)</u>	<u>171,579</u>	<u>1,362,538</u>
Transfers in	<u>-</u>	<u>1,182,470</u>	<u>-</u>	<u>1,182,470</u>
Change in net position	2,482,230	(108,801)	171,579	2,545,008
Total net position - beginning	14,953,618	1,785,564	1,072,199	17,811,381
Prior period adjustment	(321,796)	-	(156,995)	(478,791)
Total net assets - beginning - restated	<u>14,631,822</u>	<u>1,785,564</u>	<u>915,204</u>	<u>17,332,590</u>
Total net position - ending	<u>\$ 17,114,052</u>	<u>\$ 1,676,763</u>	<u>\$ 1,086,783</u>	<u>\$ 19,877,598</u>

County of Stanislaus
Statement of Cash Flows
Non Major Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	County Transit System	Geer Road Landfill	Inmate Welfare/ Commissary	Total Other Enterprise Funds
Cash flows from operating activities:				
Cash received from customers and users	\$ 618,201	\$ 1,161	\$ 1,666,157	\$ 2,285,519
Cash paid to suppliers	(5,254,165)	(1,705,786)	(1,247,015)	(8,206,966)
Cash paid to employees	(390,362)	-	(253,861)	(644,223)
Net cash provided (used) by operating activities	<u>(5,026,326)</u>	<u>(1,704,625)</u>	<u>165,281</u>	<u>(6,565,670)</u>
Cash flows from noncapital financing activities:				
Transfers in	-	1,182,470	-	1,182,470
Insurance reimbursement	-	197,105	-	197,105
Subsidy from state and federal grant	7,995,098	-	-	7,995,098
Net cash provided (used) by noncapital financing activities	<u>7,995,098</u>	<u>1,379,575</u>	<u>-</u>	<u>9,374,673</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(219,610)	-	-	(219,610)
Proceeds (loss) from disposal of capital assets	13,550	-	-	13,550
Net cash (used) by capital and related financing activities	<u>(206,060)</u>	<u>-</u>	<u>-</u>	<u>(206,060)</u>
Cash flows from investing activities:				
Interest received	75,875	7,044	6,990	89,909
Net cash provided by investing activities	<u>75,875</u>	<u>7,044</u>	<u>6,990</u>	<u>89,909</u>
Net increase (decrease) in cash and cash equivalents	2,838,587	(318,006)	172,271	2,692,852
Cash and equivalents - beginning	9,360,159	1,924,049	941,103	12,225,311
Cash and equivalents - ending	<u>\$ 12,198,746</u>	<u>\$ 1,606,043</u>	<u>\$ 1,113,374</u>	<u>\$ 14,918,163</u>
Reconciliation of cash and cash equivalents to the Statement of Net Assets				
Cash and investments	\$ 12,198,746	\$ 167,734	\$ 1,113,374	\$ 13,479,854
Restricted cash and investments & investment with fiscal agent	-	1,438,309	-	1,438,309
Total cash and cash equivalents	<u>\$ 12,198,746</u>	<u>\$ 1,606,043</u>	<u>\$ 1,113,374</u>	<u>\$ 14,918,163</u>

County of Stanislaus
Statement of Cash Flows (Continued)
Non Major Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	County Transit System	Geer Road Landfill	Inmate Welfare/ Commissary	Total Other Enterprise Funds
Cash provided (used) by operating activities				
Operating income (loss)	\$ (5,602,293)	\$ (1,495,420)	\$ 164,589	\$ (6,933,124)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	938,861	-	7,644	946,505
Prior Period Adjustment	-	-	-	-
(Increase) decrease in accounts receivable	85,171	-	(1,985)	83,186
(Increase) decrease in other receivables	(6,237)	1,161	(515)	(5,591)
(Increase) decrease in inventory	-	-	(2,225)	(2,225)
(Increase) decrease in deferred outflows	(52,099)	-	(25,422)	(77,521)
Increase (decrease) in accounts payable and accrued liabilities	(429,468)	105,256	2,391	(321,821)
Increase (decrease) in salaries and benefits payable	3,362	-	2,054	5,416
Increase (decrease) in liability for compensated absences	10,702	-	5,229	15,931
Increase (decrease) in other post-employment benefits(OPEB)	1,250	-	1,604	2,854
Increase (decrease) in deferred inflows	120,980	-	59,026	180,006
Increase (decrease) in pension liability	(96,555)	-	(47,109)	(143,664)
Increase (decrease) in estimated cost of closure/postclosure	-	(315,622)	-	(315,622)
Net cash provided (used) by operating activities	<u>\$ (5,026,326)</u>	<u>\$ (1,704,625)</u>	<u>\$ 165,281</u>	<u>\$ (6,565,670)</u>

Internal Service Funds

INTERNAL SERVICE FUNDS

Internal service funds were established to finance and account for the services and commodities furnished by a designated agency of a governmental unit to other departments of the same governmental unit. Since the services and commodities are supplied exclusively to other departments of a governmental jurisdiction, they are distinguishable from the public services which are rendered to the public in general and which are accounted for in general, special revenue, or enterprise funds.

General Liability Insurance

This fund is a risk management fund which was established to account for administrative cost, insurance premiums and the cost of claims for the County's property damage, general liability, auto liability, fiduciary, bonds, dishonesty, and legal defense. Revenues are generated by premiums paid by other funds and interest on investments.

Unemployment Insurance

This fund is a risk management fund which accounts for administrative cost and cost for the County's unemployment claims. Revenues are generated by premiums paid by other funds and interest on investments.

Workers' Compensation Insurance

This fund is a risk management fund which accounts for administrative cost, loss control and cost of Workers' Compensation claims and benefits. Revenues are generated by premiums paid by other funds and interest on investments.

Medical Self-Insurance

This fund is a risk management fund to account for the cost of County health benefit claims. Revenues are generated by premiums paid by other funds.

Other Employee Benefits

This fund is a risk management fund to account for employee benefits such as basic life insurance, long-term disability insurance and deferred compensation. Revenues are generated by premiums paid by other funds and interest on investments.

Dental Insurance

This fund is a risk management fund to account for administrative cost and the cost for the County's employee dental claims. Revenues are generated by premiums paid by other funds and interest on investments.

INTERNAL SERVICE FUNDS (Continued)

Vision Care Insurance

This fund is a risk management fund to account for administrative cost and the cost for the County's employee vision care claims. Revenues are generated by premiums paid by other funds and interest on investments.

Professional Liability Insurance

This fund is a risk management fund to account for the purchase of insurance and the cost of claims for medical malpractice cases, administrative costs and legal defense. Revenues are generated by premiums paid predominantly by the Health Services Agency Clinics and Ancillary Services Enterprise Fund, and interest on investments.

Central Services

This fund was established to account for the cost of purchasing services, printing, duplication, postage, mail room service, warehouse storage and salvage and messenger service. Revenues are generated based on billings for services provided.

Fleet Services

This fund was established to account for the cost of maintaining all County-owned automobiles, trucks, and heavy equipment for County departments. Revenues are based on fee charges for services provided.

Technology and Communications

This fund was established to account for the costs of providing information services, computer processing and communication services. Revenues are based on billings to customers for services provided.

Morgan Shop Garage

This fund was established to account for the cost of maintaining Public Works light and heavy equipment. Revenues are based on fee charges for services provided.

Facility Maintenance

This fund was established to account for the costs of providing maintenance on all County buildings. Revenues are based on fee charges for services provided.

County of Stanislaus
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	Self Insurance Funds						
	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self-Insurance	Other Employee Benefits	Dental Insurance	Vision Care Insurance
Assets							
Current assets:							
Cash and investments	\$ 3,519,922	\$ 1,091,773	\$ 23,190,845	\$ 7,015,485	\$ 428,211	\$ 1,056,576	\$ 238,182
Accounts receivable, net	171,836	-	6,001	49,175	777	3,590	833
Interest and other receivables	7,233	2,530	52,043	14,639	1,048	2,553	511
Inventory	-	-	-	-	-	-	-
Total current assets	<u>3,698,991</u>	<u>1,094,303</u>	<u>23,248,889</u>	<u>7,079,299</u>	<u>430,036</u>	<u>1,062,719</u>	<u>239,526</u>
Capital assets:							
Intangible assets	-	-	-	-	-	-	-
Structures and improvements	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-
Less: Accumulated depreciation	-	-	-	-	-	-	-
Net capital assets	<u>3,698,991</u>	<u>1,094,303</u>	<u>23,248,889</u>	<u>7,079,299</u>	<u>430,036</u>	<u>1,062,719</u>	<u>239,526</u>
Total assets	<u>3,698,991</u>	<u>1,094,303</u>	<u>23,248,889</u>	<u>7,079,299</u>	<u>430,036</u>	<u>1,062,719</u>	<u>239,526</u>
Deferred outflows of resources							
Deferred pensions	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities							
Current liabilities:							
Accounts payable	187,495	175,001	9,990	451,483	33,708	77,897	53,445
Salaries and benefits payable	-	-	-	-	8	-	-
Risk management liability	898,018	125,000	3,750,984	7,800,000	-	292,679	39,000
Compensated absences	-	-	-	-	-	-	-
Total current liabilities	<u>1,085,513</u>	<u>300,001</u>	<u>3,760,974</u>	<u>8,251,483</u>	<u>33,716</u>	<u>370,576</u>	<u>92,445</u>
Noncurrent liabilities:							
Risk management liability	1,835,048	-	17,650,737	-	-	-	-
Other post-employment benefits	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-
Net pension liability	-	-	-	-	-	-	-
Total noncurrent liabilities	<u>1,835,048</u>	<u>-</u>	<u>17,650,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,920,561</u>	<u>300,001</u>	<u>21,411,711</u>	<u>8,251,483</u>	<u>33,716</u>	<u>370,576</u>	<u>92,445</u>
Deferred inflows of resources							
Deferred pensions	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position							
Net investment in capital assets	-	-	-	-	-	-	-
Prior period adjustment	-	-	-	-	-	-	-
Unrestricted	778,430	794,302	1,837,178	(1,172,184)	396,320	692,143	147,081
Total net position	<u>\$ 778,430</u>	<u>\$ 794,302</u>	<u>\$ 1,837,178</u>	<u>\$ (1,172,184)</u>	<u>\$ 396,320</u>	<u>\$ 692,143</u>	<u>\$ 147,081</u>

County of Stanislaus
Combining Statement of Net Position (continued)
Internal Service Funds
June 30, 2015

Self Insurance Funds

Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications	Morgan Shop Garage	Facility Maintenance	Total
\$ 1,025,911	\$ 225,138	\$ 856,253	\$ 3,755,861	\$ 4,171,852	\$ 2,014,583	\$ 48,590,592
-	149	-	11,851	454	13,974	258,640
2,149	-	-	-	-	-	82,706
-	45,613	71,872	-	96,541	697	214,723
<u>1,028,060</u>	<u>270,900</u>	<u>928,125</u>	<u>3,767,712</u>	<u>4,268,847</u>	<u>2,029,254</u>	<u>49,146,661</u>
-	-	-	3,886,872	-	-	3,886,872
-	11,735	990,773	-	-	-	1,002,508
-	72,780	3,983,875	2,364,029	14,264,228	114,030	20,798,942
-	(77,034)	(4,324,434)	(2,871,390)	(8,600,767)	(112,311)	(15,985,936)
-	7,481	650,214	3,379,511	5,663,461	1,719	9,702,386
<u>1,028,060</u>	<u>278,381</u>	<u>1,578,339</u>	<u>7,147,223</u>	<u>9,932,308</u>	<u>2,030,973</u>	<u>58,849,047</u>
-	101,295	102,328	409,671	100,779	271,198	985,271
-	101,295	102,328	409,671	100,779	271,198	985,271
7,342	9,276	156,431	338,408	42,898	301,424	1,844,798
-	28,147	30,176	119,520	30,953	79,797	288,601
111,531	-	-	-	-	-	13,017,212
-	4,392	9,326	32,809	8,556	35,234	90,317
<u>118,873</u>	<u>41,815</u>	<u>195,933</u>	<u>490,737</u>	<u>82,407</u>	<u>416,455</u>	<u>15,240,928</u>
101,482	-	-	-	-	-	19,587,267
-	42,768	26,799	68,130	27,776	78,481	243,954
-	54,611	120,031	397,991	79,650	280,637	932,920
-	438,062	442,514	1,771,903	435,784	1,172,944	4,261,207
<u>101,482</u>	<u>535,441</u>	<u>589,344</u>	<u>2,238,024</u>	<u>543,210</u>	<u>1,532,062</u>	<u>25,025,348</u>
<u>220,355</u>	<u>577,256</u>	<u>785,277</u>	<u>2,728,761</u>	<u>625,617</u>	<u>1,948,517</u>	<u>40,266,276</u>
-	235,260	237,654	951,540	234,047	629,898	2,288,399
-	235,260	237,654	951,540	234,047	629,898	2,288,399
-	7,481	650,214	3,379,511	5,663,461	1,719	9,702,386
-	(625,850)	(632,210)	(2,531,477)	(622,595)	(1,675,758)	(6,087,890)
807,705	185,529	639,732	3,028,559	4,132,558	1,397,795	13,665,148
<u>\$ 807,705</u>	<u>\$ (432,840)</u>	<u>\$ 657,736</u>	<u>\$ 3,876,593</u>	<u>\$ 9,173,424</u>	<u>\$ (276,244)</u>	<u>\$ 17,279,644</u>

Assets

Current assets:

Cash and investments	\$ 48,590,592
Accounts receivable, net	258,640
Interest and other receivables	82,706
Inventory	214,723
Total current assets	49,146,661

Capital assets:

Intangible assets	3,886,872
Structures and improvements	1,002,508
Equipment	20,798,942
Less: Accumulated depreciation	(15,985,936)
Net capital assets	9,702,386
Total assets	58,849,047

Deferred outflows of resources

Deferred pensions	985,271
Total deferred outflows of resources	985,271

Liabilities

Current liabilities:

Accounts payable	1,844,798
Salaries and benefits payable	288,601
Risk management liability	13,017,212
Compensated absences	90,317
Total current liabilities	15,240,928

Noncurrent liabilities:

Risk management liability	19,587,267
Other post-employment benefits	243,954
Compensated absences	932,920
Net pension liability	4,261,207
Total noncurrent liabilities	25,025,348
Total liabilities	40,266,276

Deferred inflows of resources

Deferred pensions	2,288,399
Total deferred inflows of resources	2,288,399

Net position

Net investment in capital assets	9,702,386
Prior period adjustment	(6,087,890)
Unrestricted	13,665,148
Total net position	17,279,644

County of Stanislaus
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Self Insurance Funds						
	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self-Insurance	Other Employee Benefits	Dental Insurance	Vision Care Insurance
Operating revenues							
Charges for services	\$ 4,580,880	\$ 195,600	\$ 4,706,882	\$ 54,749,602	\$ 492,325	\$ 3,594,183	\$ 525,205
Total operating revenues	4,580,880	195,600	4,706,882	54,749,602	492,325	3,594,183	525,205
Operating expenses							
Salaries and benefits	-	-	-	-	-	-	-
Services and supplies	2,850,441	415,308	4,794,750	47,136,256	517,899	3,913,791	719,566
Depreciation	-	-	-	-	-	-	-
Total operating expenses	2,850,441	415,308	4,794,750	47,136,256	517,899	3,913,791	719,566
Operating income (loss)	1,730,439	(219,708)	(87,868)	7,613,346	(25,574)	(319,608)	(194,361)
Nonoperating revenues (expenses)							
Investment income	16,013	5,956	146,662	70,652	3,981	7,427	586
Gain(loss) on sale of capital assets	-	-	-	-	-	-	-
Total nonoperating revenues (expenses), net	16,013	5,956	146,662	70,652	3,981	7,427	586
Income (loss) before contributions and transfers	1,746,452	(213,752)	58,794	7,683,998	(21,593)	(312,181)	(193,775)
Transfers in	-	-	-	-	-	-	-
Changes in net position	1,746,452	(213,752)	58,794	7,683,998	(21,593)	(312,181)	(193,775)
Total net position - beginning	(968,022)	1,008,054	1,778,384	(8,856,182)	417,913	1,004,324	340,856
Prior period adjustment	-	-	-	-	-	-	-
Total net position - beginning - restated	(968,022)	1,008,054	1,778,384	(8,856,182)	417,913	1,004,324	340,856
Total net position (deficit) - ending	\$ 778,430	\$ 794,302	\$ 1,837,178	\$ (1,172,184)	\$ 396,320	\$ 692,143	\$ 147,081

County of Stanislaus
Combining Statement of Revenues, Expenses and Changes in Fund Net Position (continued)
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

Self Insurance Funds							
Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications	Morgan Shop Garage	Facility Maintenance	Total	
\$ 664,300	\$ 1,153,697	\$ 2,847,607	\$ 5,622,379	\$ 3,519,286	\$ 8,597,687	\$ 91,249,633	Operating revenues
664,300	1,153,697	2,847,607	5,622,379	3,519,286	8,597,687	91,249,633	Charges for services
							Total operating revenues
-	726,574	764,596	2,756,261	743,531	2,137,171	7,128,133	Operating expenses
572,329	334,559	1,857,826	1,971,618	1,593,743	6,550,195	73,228,281	Salaries and benefits
-	587	34,423	556,766	924,453	1,091	1,517,320	Services and supplies
572,329	1,061,720	2,656,845	5,284,645	3,261,727	8,688,457	81,873,734	Depreciation
							Total operating expenses
91,971	91,977	190,762	337,734	257,559	(90,770)	9,375,899	Operating income (loss)
5,911	-	-	-	-	12,744	269,932	Nonoperating revenues (expenses)
-	1,106	13,598	(4,968)	-	3,368	13,104	Investment income
5,911	1,106	13,598	(4,968)	-	16,112	283,036	Gain(loss) on sale of capital assets
							Total nonoperating revenues (expenses), net
97,882	93,083	204,360	332,766	257,559	(74,658)	9,658,935	Income (loss) before contributions and transfers
-	-	-	-	-	123,223	123,223	Transfers in
97,882	93,083	204,360	332,766	257,559	48,565	9,782,158	Changes in net position
709,823	99,927	1,085,586	6,075,304	9,538,460	1,350,949	13,585,376	Total net position - beginning
-	(625,850)	(632,210)	(2,531,477)	(622,595)	(1,675,758)	(6,087,890)	Prior period adjustment
709,823	(525,923)	453,376	3,543,827	8,915,865	(324,809)	7,497,486	Total net position - beginning - restated
\$ 807,705	\$ (432,840)	\$ 657,736	\$ 3,876,593	\$ 9,173,424	\$ (276,244)	\$ 17,279,644	Total net position (deficit) - ending

**County of Stanislaus
Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2015**

	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self- Insurance	Other EE Employee Benefits	Dental Insurance	Vision Care Insurance
Cash flows from operating activities:							
Cash received from interfund services	\$ 4,537,063	\$ 196,146	\$ 4,696,373	\$ 54,673,448	\$ 490,500	\$ 3,590,670	\$ 524,811
Cash paid to suppliers	(3,464,516)	(512,307)	(4,821,252)	(47,728,615)	(484,206)	(3,785,766)	(704,881)
Cash paid to employees	(858,409)	-	416,737	-	8	-	-
Net cash provided (used) by operating activities	<u>214,138</u>	<u>(316,161)</u>	<u>291,858</u>	<u>6,944,833</u>	<u>6,302</u>	<u>(195,096)</u>	<u>(180,070)</u>
Cash flows from noncapital financing activities:							
Transfers in	-	-	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:							
Sale of fixed assets	-	-	-	-	-	-	-
Purchase of fixed assets	-	-	-	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:							
Interest received	16,013	5,956	146,662	70,652	3,981	7,427	586
Net cash provided (used) by investing activities	<u>16,013</u>	<u>5,956</u>	<u>146,662</u>	<u>70,652</u>	<u>3,981</u>	<u>7,427</u>	<u>586</u>
Net increase (decrease) in cash and cash equivalents	<u>230,151</u>	<u>(310,205)</u>	<u>438,520</u>	<u>7,015,485</u>	<u>10,283</u>	<u>(187,669)</u>	<u>(179,484)</u>
Beginning cash balance	3,289,771	1,401,978	22,752,325	-	417,928	1,244,245	417,666
Ending cash balance	<u>\$ 3,519,922</u>	<u>\$ 1,091,773</u>	<u>\$ 23,190,845</u>	<u>\$ 7,015,485</u>	<u>\$ 428,211</u>	<u>\$ 1,056,576</u>	<u>\$ 238,182</u>
Cash provided (used) by operating activities							
Operating income	\$ 1,730,439	\$ (219,708)	\$ (87,868)	\$ 7,613,346	\$ (25,574)	\$ (319,608)	\$ (194,361)
Adjustments to reconcile operating income to net cash provided (used) by operating activities							
Depreciation	-	-	-	-	-	-	-
(Increase) decrease in accounts receivable	(43,422)	-	(5,594)	270,527	(777)	(3,590)	(833)
(Increase) decrease in other receivables	(395)	546	(4,915)	(14,639)	(1,048)	77	439
(Increase) decrease in inventory	-	-	-	-	-	-	-
(Increase) decrease in deferred outflows	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	(162,550)	(21,999)	(20,486)	(1,592,359)	33,693	10,850	12,522
Increase (decrease) in salaries and benefits payable	-	-	-	-	8	-	-
Increase (decrease) in liability for compensated absence:	-	-	-	-	-	-	-
Increase (decrease) in due to other funds/government:	-	-	-	(332,042)	-	-	-
Increase (decrease) in other post-employment benefits (OPEB)	-	-	-	-	-	-	-
Increase (decrease) in deferred inflows	-	-	-	-	-	-	-
Increase (decrease) in pension liability	-	-	-	-	-	-	-
Increase (decrease) in risk mgmt long-term liability	(858,409)	-	416,737	-	-	-	-
Increase (decrease) in risk mgmt current liability	(451,525)	(75,000)	(6,016)	1,000,000	-	117,175	2,163
Net cash provided (used) by operating activities	<u>\$ 214,138</u>	<u>\$ (316,161)</u>	<u>\$ 291,858</u>	<u>\$ 6,944,833</u>	<u>\$ 6,302</u>	<u>\$ (195,096)</u>	<u>\$ (180,070)</u>

County of Stanislaus
Statement of Cash Flows (continued)
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications	Morgan Shop Garage	Facility Maintenance	Total
\$ 664,854	\$ 1,160,129	\$ 2,849,442	\$ 5,630,889	\$ 3,547,266	\$ 8,590,107	\$ 91,151,698
(747,831)	(332,883)	(1,789,537)	(1,737,056)	(1,672,528)	(6,434,930)	(74,216,308)
(267,518)	(781,965)	(818,853)	(2,960,801)	(776,135)	(2,276,479)	(8,323,415)
(350,495)	45,281	241,052	933,032	1,098,603	(121,302)	8,611,975
-	-	-	-	-	123,223	123,223
-	-	-	-	-	123,223	123,223
132	-	1,106	13,598	(4,968)	-	3,368
-	-	-	(557,719)	(448,679)	-	(1,006,398)
-	1,106	13,598	(562,687)	(448,679)	3,368	(993,294)
5,911	-	-	-	-	12,744	269,932
5,911	-	-	-	-	12,744	269,932
(344,584)	46,387	254,650	370,345	649,924	18,033	8,011,836
1,370,495	178,751	601,603	3,385,516	3,521,928	1,996,550	40,578,756
<u>\$ 1,025,911</u>	<u>\$ 225,138</u>	<u>\$ 856,253</u>	<u>\$ 3,755,861</u>	<u>\$ 4,171,852</u>	<u>\$ 2,014,583</u>	<u>\$ 48,590,592</u>
\$ 91,971	\$ 91,977	\$ 190,762	\$ 337,734	\$ 257,559	\$ (90,770)	\$ 9,375,899
-	587	34,423	556,766	924,453	1,091	1,517,320
-	5,820	1,835	8,510	39,627	(7,580)	264,523
554	-	-	-	-	-	(19,381)
-	612	-	-	(11,647)	-	(11,035)
-	(101,295)	(102,328)	(409,671)	(100,779)	(271,198)	(985,271)
(8,033)	1,676	68,289	234,562	(78,785)	115,265	(1,407,355)
-	4,884	2,231	16,000	4,711	9,616	37,450
-	(13,303)	(5,779)	(11,850)	12,248	(19,008)	(37,692)
-	-	-	-	-	-	(332,042)
-	6,851	3,661	9,015	3,980	14,198	37,705
-	235,260	237,654	951,540	234,047	629,898	2,288,399
-	(187,788)	(189,696)	(759,574)	(186,811)	(502,814)	(1,826,683)
(267,518)	-	-	-	-	-	(709,190)
(167,469)	-	-	-	-	-	419,328
<u>\$ (350,495)</u>	<u>\$ 45,281</u>	<u>\$ 241,052</u>	<u>\$ 933,032</u>	<u>\$ 1,098,603</u>	<u>\$ (121,302)</u>	<u>\$ 8,611,975</u>

Cash flows from operating activities:
Cash received from interfund services
Cash paid to suppliers
Cash paid to employees
Net cash provided (used) by operating activities

Cash flows from noncapital financing activities:
Transfers in
Net cash provided (used) by noncapital financing activities

Cash flows from capital and related financing activities:
Sale of fixed assets
Purchase of fixed assets
Net cash provided (used) by capital and related financing activities

Cash flows from investing activities:
Interest received
Net cash provided (used) by investing activities

Net increase (decrease) in cash and cash equivalents

Beginning cash balance
Ending cash balance

Cash provided (used) by operating activities

Operating income
Adjustments to reconcile operating income to net cash provided (used) by operating activities:
Depreciation
(Increase) decrease in accounts receivable
(Increase) decrease in other receivables
(Increase) decrease in inventory
(Increase) decrease in deferred outflows
Increase (decrease) in accounts payable
Increase (decrease) in salaries and benefits payable
Increase (decrease) in liability for compensated absences
Increase (decrease) in due to other funds/governments
Increase (decrease) in other post-employment benefits (OPEB)
Increase (decrease) in deferred inflows
Increase (decrease) in pension liability
Increase (decrease) in risk mgmt long-term liability
Increase (decrease) in risk mgmt current liability
Net cash provided (used) by operating activities



Stanislaus

County

Striving to be the Best

Successor Agency

County of Stanislaus
Successor Agency to the Stanislaus County Redevelopment Agency
Long-Term Debt
For the Year Ended June 30, 2015

The Agency had the following long-term debt liabilities as of June 30, 2015:

	Beginning Principal Balance	Deletions	Ending Principal Balance	Due Within One Year
<u>Notes Payable</u>				
United States Department of Agriculture State of California, State Water Resources Control Board	\$ 3,925,000	\$ 75,000	\$ 3,850,000	\$ 80,000
State of California, Housing Finance Agency	342,297	168,539	173,758	173,758
	<u>562,500</u>	<u>562,500</u>		
Total notes payable	<u>4,829,797</u>	<u>806,039</u>	<u>4,023,758</u>	<u>253,758</u>
<u>Bonds Payable</u>				
2005 tax allocation bonds	<u>12,055,000</u>	<u>545,000</u>	<u>11,510,000</u>	<u>435,000</u>
Total long-term liabilities	<u>\$ 16,884,797</u>	<u>\$ 1,351,039</u>	<u>\$ 15,533,758</u>	<u>\$ 688,758</u>

Debt service requirements for principal and interest of long-term liabilities for future years are as follows:

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 688,758	\$ 764,020	\$ 1,452,778
2017	525,000	733,944	1,258,944
2018	535,000	707,623	1,242,623
2019	550,000	681,153	1,231,153
2020	560,000	653,805	1,213,805
2021-2025	2,985,000	2,829,723	5,814,723
2026-2030	3,325,000	2,020,247	5,345,247
2031-2035	3,700,000	1,116,987	4,816,987
2036-2040	2,205,000	271,838	2,476,838
2041-2042	460,000	19,736	479,736
	<u>\$ 15,533,758</u>	<u>\$ 9,799,076</u>	<u>\$ 25,332,834</u>

County of Stanislaus
Successor Agency to the Stanislaus County Redevelopment Agency
Long-Term Debt (continued)
For the Year Ended June 30, 2015

United States Department of Agriculture Note – The Agency refinanced a tax revenue anticipation loan in 2001. The loan was used to finance a storm drainage system in Salida, California. The principal amount of the note is \$4,525,000 to be paid in 40 years. Principal payments are due each August. The interest rate for the note is 5.125% with payments due February and August each year. The note matures in August 2041.

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 80,000	\$ 161,911	\$ 241,911
2017	80,000	158,950	238,950
2018	85,000	155,004	240,004
2019	90,000	151,284	241,284
2020	95,000	147,352	242,352
2021-2025	525,000	673,751	1,198,751
2026-2030	650,000	548,430	1,198,430
2031-2035	800,000	395,124	1,195,124
2036-2040	985,000	205,994	1,190,994
2041-2042	460,000	19,736	479,736
	<u>\$ 3,850,000</u>	<u>\$ 2,617,536</u>	<u>\$ 6,467,536</u>

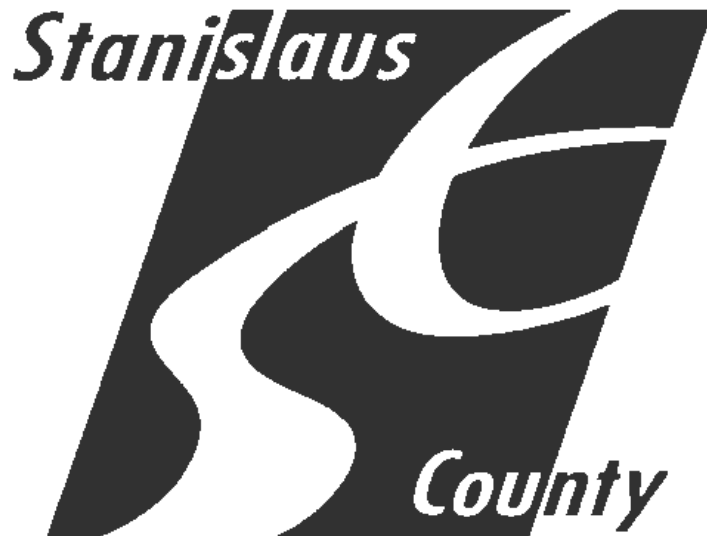
State of California, State Water Resources Control Board Note – The Agency entered in to an agreement to help finance construction of the Bret Harte Sewer System, a wastewater collection system. The principal amount of the note is \$2,636,549 to be paid in 20 years and with an interest rate of 3.03% per annum. The note matures in December 2015.

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 173,758	\$ 5,387	\$ 179,145

County of Stanislaus
Successor Agency to the Stanislaus County Redevelopment Agency
Long-Term Debt (continued)
For the Year Ended June 30, 2015

2005 Tax Allocation Bonds – The Agency issued bonds to finance construction of a storm drainage collection and transfer system within the Agency’s project area. The bonds will be paid and secured with future tax increment revenues derived from the project area. The principal amount of the bonds is \$15,615,000 to be paid in 30 years. Principal payments are due each August. The interest rate for the bonds ranges from 3.5% to 5.375% with payments due February and August each year. The bonds maturing on or after August 1, 2014, are subject to redemption at the option of the Agency. The bonds maturing on August 1, 2026, and August 1, 2036, are also subject to mandatory sinking fund redemption. The bonds mature in August 2036.

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 435,000	\$ 596,722	\$ 1,031,722
2017	445,000	574,993	1,019,993
2018	450,000	552,619	1,002,619
2019	460,000	529,869	989,869
2020	465,000	506,453	971,453
2021-2025	2,460,000	2,155,972	4,615,972
2026-2030	2,675,000	1,471,817	4,146,817
2031-2035	2,900,000	721,863	3,621,863
2036-2040	1,220,000	65,844	1,285,844
	<u>\$ 11,510,000</u>	<u>\$ 7,176,152</u>	<u>\$ 18,686,152</u>



Stanislaus

County

Striving to be the Best

Statistical Information

County of Stanislaus
Net Position by Component
(accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities	(as restated)									
Net investment in capital assets	\$ 468,897,825	\$ 464,402,025	\$ 435,204,374	\$ 418,149,972	\$ 397,176,565	\$ 393,212,996	\$ 385,331,672	\$ 383,152,489	\$ 380,595,362	\$ 411,359,448
Restricted	152,249,240	163,255,952	193,992,595	189,524,182	182,467,381	291,389,268	312,275,044	306,281,464	310,193,664	308,311,889
Unrestricted (deficit)	37,088,330	64,162,858	72,110,910	81,056,076	53,951,001	(47,246,228)	(42,965,529)	(10,910,256)	(1,978,513)	(244,384,302)
Total governmental activities net position	<u>658,235,395</u>	<u>691,820,835</u>	<u>701,307,879</u>	<u>688,730,230</u>	<u>633,594,947</u>	<u>637,356,036</u>	<u>654,641,187</u>	<u>678,523,697</u>	<u>688,810,513</u>	<u>475,287,035</u>
Business-type activities										
Net investment in capital assets	29,741,803	29,205,014	23,544,958	24,087,472	24,537,140	24,275,953	23,350,343	26,864,465	28,812,078	27,149,973
Restricted	17,484,367	18,925,816	20,404,464	20,831,269	20,697,693	20,453,722	20,711,930	19,457,319	20,102,454	20,111,762
Unrestricted (deficit)	(24,034,466)	(22,237,324)	(6,364,621)	(13,496,679)	(14,739,508)	(13,181,272)	(8,194,825)	(1,263,633)	3,778,008	16,825,936
Total business-type activities net position	<u>23,191,704</u>	<u>25,893,506</u>	<u>37,584,801</u>	<u>31,422,062</u>	<u>30,495,325</u>	<u>31,548,403</u>	<u>35,867,448</u>	<u>45,058,151</u>	<u>52,692,540</u>	<u>64,087,671</u>
Net position										
Net investment in capital assets	498,639,628	493,607,039	458,749,332	442,237,444	421,713,705	417,488,949	408,682,015	410,016,954	409,407,440	438,509,421
Restricted	169,733,607	182,181,768	214,397,059	210,355,451	203,165,074	311,842,990	332,986,974	325,738,783	330,296,118	328,423,651
Unrestricted (deficit)	13,053,864	41,925,534	65,746,289	67,559,397	39,211,493	(60,427,500)	(51,160,354)	(12,173,889)	1,799,495	(227,558,366)
Total net position	<u>\$ 681,427,099</u>	<u>\$ 717,714,341</u>	<u>\$ 738,892,680</u>	<u>\$ 720,152,292</u>	<u>\$ 664,090,272</u>	<u>\$ 668,904,439</u>	<u>\$ 690,508,635</u>	<u>\$ 723,581,848</u>	<u>\$ 741,503,053</u>	<u>\$ 539,374,706</u>

Notes:
FY 2005-2006 business-type activities total net position was restated from \$28,418,264 to \$23,191,704

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 46,905,827	\$ 40,326,944	\$ 43,025,653	\$ 41,874,466	\$ 53,939,423	\$ 39,047,915	\$ 31,262,204	\$ 34,640,462	\$ 29,418,322	\$ 34,068,208
Public protection	171,456,271	179,232,723	191,239,717	188,612,369	187,171,627	178,821,359	172,544,110	180,757,835	203,134,867	208,625,928
Public ways and facilities	43,300,626	48,425,573	55,988,788	53,935,268	48,937,845	35,995,934	49,480,040	52,929,458	61,684,798	59,796,563
Health and sanitation	107,002,519	117,136,073	121,365,271	117,806,204	123,260,103	130,697,663	114,881,433	131,314,972	128,083,298	124,226,055
Public assistance	226,912,785	234,184,853	259,362,079	269,101,718	280,497,676	280,276,073	265,885,829	282,044,591	294,889,889	306,804,683
Education	11,617,617	13,230,701	15,610,881	14,687,440	12,784,666	9,726,317	8,149,446	9,738,176	9,457,254	10,001,794
Recreation	5,936,392	5,172,418	6,879,842	5,811,357	6,986,331	5,171,457	5,669,167	7,123,274	6,466,131	6,506,067
Interest and fiscal charges on long-term debt	15,794,464	18,532,357	16,122,979	15,244,566	16,481,243	14,149,048	11,308,210	11,492,957	12,441,241	(14,796,048)
Total governmental activities expenses	628,926,501	656,241,642	709,595,210	707,073,388	730,058,914	693,885,766	659,180,439	710,041,725	745,575,800	735,233,250
Business-type activities:										
Landfills	4,264,879	4,495,812	4,561,797	4,766,494	8,600,496	5,020,344	3,285,042	3,486,212	4,570,478	6,252,577
Behavioral Health	16,574,026	14,981,467	3,403,472	(2,472)	-	-	-	-	-	-
Health Clinics and Ancillary	47,386,656	46,566,334	44,898,435	44,109,491	47,269,019	42,109,590	39,470,220	34,752,858	37,029,440	38,176,229
Inmate Welfare and Commissary	1,448,930	1,553,968	1,555,411	1,864,632	1,820,149	1,344,932	1,239,584	1,404,060	1,389,576	1,506,293
Transit	2,621,053	2,879,015	3,133,519	3,588,704	3,784,351	3,971,811	4,262,606	4,655,628	6,165,247	6,141,560
Total business-type activities expenses	72,295,544	70,476,596	57,552,634	54,326,849	61,474,015	52,446,677	48,257,452	44,298,758	49,154,741	52,076,659
Total primary government expenses	701,222,045	726,718,238	767,147,844	761,400,237	791,532,929	746,332,443	707,437,891	754,340,483	794,730,541	787,309,909
Program revenues										
Governmental activities:										
Charges for services:										
General government	25,071,142	24,445,799	28,325,318	29,188,498	25,288,833	21,461,403	16,844,922	17,831,574	17,702,441	19,053,035
Public protection	47,598,437	45,100,432	44,468,709	42,232,145	40,563,656	39,900,420	38,134,653	44,846,489	47,801,929	48,427,401
Public ways and facilities	13,523,739	11,821,776	10,880,736	7,689,430	6,969,697	5,782,680	5,782,815	6,916,936	6,835,337	8,161,907
Health and sanitation	34,027,134	32,012,248	33,728,583	30,132,125	35,071,044	34,607,863	33,689,959	34,539,726	38,459,900	43,037,345
Public assistance	4,562,731	4,454,712	4,306,559	4,276,140	7,475,063	8,130,839	6,336,221	6,962,414	8,408,836	10,627,429
Education	1,791,647	1,119,156	929,447	525,221	456,577	365,953	325,092	439,237	486,531	571,470
Recreation	4,195,225	3,785,258	3,464,167	2,795,544	2,791,644	2,841,387	3,359,825	3,451,645	3,060,901	3,056,431
Operating grants and contributions	373,932,272	388,750,336	407,883,255	404,255,872	415,579,530	422,599,832	435,135,939	456,187,128	485,384,295	493,130,740
Capital grants and contributions	17,156,592	23,998,543	24,598,071	25,452,497	19,331,088	18,457,150	6,662,251	22,426,787	16,423,263	43,111,386
Total governmental activities program revenues	521,858,919	535,488,260	558,584,845	546,547,472	553,527,132	554,147,527	546,271,677	593,601,936	624,563,433	669,177,144
Business-type activities:										
Charges for services:										
Landfills	5,941,134	5,316,886	5,976,090	4,902,033	4,220,903	4,208,446	4,588,277	5,217,737	5,598,975	6,499,463
Behavioral Health	17,043,260	13,767,234	2,747,730	-	-	-	-	-	-	-
Health Clinics and Ancillary	36,897,631	27,505,872	40,609,257	40,307,063	44,994,702	39,625,230	38,216,020	34,807,751	32,587,731	37,510,027
Inmate Welfare and Commissary	1,587,772	1,584,935	1,576,214	1,568,646	1,379,595	1,180,418	1,369,506	1,688,466	1,528,952	1,670,882
Transit	270,282	271,523	287,648	363,804	346,729	502,139	465,005	687,089	506,184	539,266
Operating grants and contributions	1,172,645	1,906,353	2,567,553	2,952,731	1,296,301	1,470,103	1,519,071	1,307,816	4,312,029	3,339,513
Capital grants and contributions	219,614	-	742,258	-	-	-	-	-	-	-
Total business-type activities program revenues	63,132,338	50,352,803	54,506,750	50,094,277	52,238,230	46,986,336	46,157,879	43,708,859	44,533,871	49,559,151
Total primary government program revenues	584,991,257	585,841,063	613,091,595	596,641,749	605,765,362	601,133,863	592,429,556	637,310,795	669,097,304	718,736,295
Net (expense)/revenue										
Governmental activities	(107,067,582)	(120,753,382)	(151,010,365)	(160,525,916)	(176,531,782)	(139,738,240)	(112,908,762)	(116,439,789)	(121,012,367)	(66,056,106)
Business-type activities	(9,163,206)	(20,123,793)	(3,045,884)	(4,232,568)	(9,235,785)	(5,460,341)	(2,099,573)	(589,899)	(4,620,870)	(2,517,508)
Total primary government net expense	(116,230,788)	(140,877,175)	(154,056,249)	(164,758,484)	(185,767,567)	(145,198,581)	(115,008,335)	(117,029,688)	(125,633,237)	(68,573,614)

**County of Stanislaus Changes in
Net Position (continued)
(accrual basis of accounting) Last
Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	91,742,755	106,497,765	113,743,380	103,175,578	83,397,110	90,486,458	86,124,943	94,552,082	90,233,301	97,990,771
Sales taxes	32,547,462	32,520,456	29,552,774	26,568,776	20,677,876	23,329,577	26,796,833	30,024,222	32,606,659	32,819,560
Other taxes	4,693,426	3,390,027	2,583,804	2,765,178	2,220,643	2,157,019	2,284,530	2,298,871	2,607,534	3,264,767
Franchise fees	1,053,101	1,090,128	1,126,758	1,175,849	958,324	1,005,292	1,013,027	1,008,261	1,111,071	1,235,724
Payment in lieu of taxes										
Open space subvention	1,609,009	1,545,374	1,466,943	1,332,316	-	-	-	-	-	-
Unrestricted investment earnings	8,678,242	13,903,636	11,247,849	7,448,383	9,327,724	8,173,086	9,608,355	1,975,516	818,300	884,347
Miscellaneous	9,652,580	9,516,094	10,011,674	9,734,087	7,719,050	21,020,693	8,077,436	9,950,570	8,952,442	13,269,382
Transfers	(9,338,373)	(14,124,658)	(11,265,358)	(4,251,900)	(5,250,856)	(2,673,525)	(2,432,361)	512,777	(5,030,124)	(20,466,733)
Total governmental activities	<u>140,638,202</u>	<u>154,338,822</u>	<u>158,467,824</u>	<u>147,948,267</u>	<u>119,049,871</u>	<u>143,498,600</u>	<u>131,472,763</u>	<u>140,322,299</u>	<u>131,299,183</u>	<u>128,997,818</u>
Business-type activities:										
Sales taxes	2,506,291	2,626,260	2,528,268	2,781,611	2,962,729	3,026,730	3,490,576	5,863,652	6,537,281	4,895,572
Unrestricted investment earnings	631,598	848,117	943,553	673,368	95,463	813,164	495,681	374,703	687,854	758,618
Sale of fixed assets	-	-	-	-	-	-	-	-	-	12,985
Transfers	9,338,373	14,124,658	11,265,358	4,251,900	5,250,856	2,673,525	2,432,361	(512,777)	5,030,124	20,466,733
Total business-type activities	<u>12,476,262</u>	<u>17,599,035</u>	<u>14,737,179</u>	<u>7,706,879</u>	<u>8,309,048</u>	<u>6,513,419</u>	<u>6,418,618</u>	<u>5,725,578</u>	<u>12,255,259</u>	<u>26,133,908</u>
Total primary government	<u>153,114,464</u>	<u>171,937,857</u>	<u>173,205,003</u>	<u>155,655,146</u>	<u>127,358,919</u>	<u>150,012,019</u>	<u>137,891,381</u>	<u>146,047,877</u>	<u>143,554,442</u>	<u>155,131,726</u>
Change in net position excluding extraordinary items										
Governmental activities	33,570,620	33,585,440	7,457,459	(12,577,649)	(57,481,911)	3,760,360	18,564,001	23,882,510	10,286,816	62,941,712
Business-type activities	3,313,056	(2,524,758)	11,691,295	3,474,311	(926,737)	1,053,078	4,319,045	5,135,679	7,634,389	23,616,400
Total primary government	<u>36,883,676</u>	<u>31,060,682</u>	<u>19,148,754</u>	<u>(9,103,338)</u>	<u>(58,408,648)</u>	<u>4,813,438</u>	<u>22,883,046</u>	<u>29,018,189</u>	<u>17,921,205</u>	<u>86,558,112</u>
Extraordinary Items										
RDA debt write-off	-	-	-	-	-	-	18,141,513	-	-	-
RDA due to successor agency	-	-	-	-	-	-	(19,421,089)	-	-	-
Net extraordinary loss	-	-	-	-	-	-	(1,279,576)	-	-	-
Change in net position	<u>\$ 36,883,676</u>	<u>\$ 31,060,682</u>	<u>\$ 19,148,754</u>	<u>\$ (9,103,338)</u>	<u>\$ (58,408,648)</u>	<u>\$ 4,813,438</u>	<u>\$ 21,603,470</u>	<u>\$ 29,018,189</u>	<u>\$ 17,921,205</u>	<u>\$ 86,558,112</u>

County of Stanislaus
Governmental Activities Tax Revenues by Source
(accrual basis of accounting)
Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales Tax	Other Tax	Total
2006	\$ 91,742,755	\$ 32,547,462	\$ 4,693,426	\$ 128,983,643 (1)
2007	106,497,765	32,520,456	3,390,027	142,408,248
2008	113,743,380	29,552,774	2,583,804	145,879,958
2009	103,175,578	26,568,776	2,765,178	132,509,532
2010	83,397,110	20,677,876	2,220,643	106,295,629
2011	90,486,461	23,329,577	2,157,019	115,973,057
2012	86,124,943	26,796,833	2,284,530	115,206,306
2013	94,552,082	30,024,222	2,298,871	126,875,175
2014	90,233,301	32,606,659	2,607,534	125,447,494
2015	97,990,771	32,819,560	3,264,767	134,075,098

(1) Over \$46 million of the 2006 increase can be attributed to the State's swap of motor vehicle in-lieu taxes for property taxes in-lieu of vehicle license fees.

County of Stanislaus
Fund Balances of Governmental Funds
(modified accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund										
Reserved	\$ 31,767,114	\$ 44,479,034	\$ 62,679,395	\$ 41,020,498	\$ 33,648,284	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	74,630,642	72,660,005	61,246,112	81,512,275	72,768,168	-	-	-	-	-
Non-spendable	-	-	-	-	-	22,816,700	21,106,188	19,683,239	15,515,016	14,029,333
Restricted	-	-	-	-	-	3,902,067	3,766,553	3,728,477	3,872,119	4,240,486
Committed	-	-	-	-	-	7,360,782	2,835,387	7,460,200	4,510,888	6,933,209
Assigned	-	-	-	-	-	53,427,519	71,991,359	92,656,760	97,448,659	101,215,033
Unassigned	-	-	-	-	-	20,761,362	16,066,425	9,599,149	16,765,674	15,945,066
Total general fund	<u>106,397,756</u>	<u>117,139,039</u>	<u>123,925,507</u>	<u>122,532,773</u>	<u>106,416,452</u>	<u>108,268,430</u>	<u>115,765,912</u>	<u>133,127,825</u>	<u>138,112,356</u>	<u>142,363,127</u>
All other governmental funds										
Reserved	48,258,775	41,362,101	33,055,756	44,950,684	38,392,864	-	-	-	-	-
Unreserved										
Special Revenue	163,006,645	163,980,081	167,860,880	165,211,615	166,634,879	-	-	-	-	-
Capital Projects	101,602,439	116,592,397	127,469,211	113,352,227	107,615,020	-	-	-	-	-
Debt Service	86,286	716,295	803,917	(53,215)	343,325	-	-	-	-	-
Non-spendable	-	-	-	-	-	604,486	629,283	567,030	567,922	567,757
Restricted	-	-	-	-	-	275,406,521	275,903,217	258,631,067	277,156,074	278,069,806
Committed	-	-	-	-	-	7,673,957	8,006,919	5,958,731	3,700,637	3,657,838
Assigned	-	-	-	-	-	31,321,622	23,969,078	37,470,379	24,896,916	21,776,005
Unassigned	-	-	-	-	-	(606,674)	(1,309,161)	(1,166,409)	(1,036,901)	(372,416)
Total all other governmental funds	<u>\$ 312,954,145</u>	<u>\$ 322,650,874</u>	<u>\$ 329,189,764</u>	<u>\$ 323,461,311</u>	<u>\$ 312,986,088</u>	<u>\$ 314,399,912</u>	<u>\$ 307,199,336</u>	<u>\$ 301,460,798</u>	<u>\$ 305,284,648</u>	<u>\$ 303,698,990</u>

County of Stanislaus
Changes in Fund Balances of Governmental Funds
(modified accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 128,897,810	\$ 142,332,996	\$ 146,040,455	\$ 132,516,011	\$ 106,302,266	\$ 116,024,106	\$ 115,217,548	\$ 126,869,802	\$ 125,522,743	\$ 134,075,103
Licenses, permits and franchises	5,795,146	5,632,176	4,850,084	4,362,507	3,779,539	3,346,635	3,251,371	3,427,357	4,528,028	4,316,195
Fines, forfeitures and penalties	12,293,083	13,334,536	16,471,765	18,740,397	15,853,039	14,102,259	11,277,500	11,731,463	11,250,391	9,913,309
Revenue from use of money and property	14,851,573	23,993,844	20,366,844	13,135,585	11,628,724	10,951,594	12,046,180	3,544,350	14,961,376	7,231,730
Intergovernmental revenue	385,428,573	399,060,197	423,136,156	424,320,463	432,391,862	437,920,991	439,019,276	476,840,206	487,407,449	529,630,722
Charges for services	113,569,885	105,010,453	106,066,595	95,147,099	99,969,868	96,719,319	90,939,405	100,787,593	108,153,835	119,742,371
Miscellaneous revenue	9,652,580	9,516,094	10,012,180	9,734,085	7,700,801	20,758,655	8,053,236	9,831,879	8,932,426	13,207,716
Donation	-	3,736,752	-	-	-	188,052	-	-	-	-
Total revenues	670,488,650	702,617,048	726,944,079	697,956,147	677,626,099	700,011,611	679,804,516	733,032,650	760,756,248	818,117,146
Expenditures										
General	44,505,563	36,843,138	42,117,731	35,384,104	32,492,953	32,199,947	27,597,103	30,181,242	27,206,222	31,258,034
Public protection	164,830,857	181,167,098	191,335,195	187,668,670	184,488,026	164,981,273	165,575,535	183,212,316	195,378,255	207,452,347
Public ways and facilities	21,154,573	28,138,841	33,640,576	33,072,185	24,836,257	33,152,617	29,360,660	28,921,543	37,490,486	46,219,528
Health and sanitation	108,099,835	117,532,564	121,486,760	117,463,923	117,204,330	128,343,261	114,687,805	130,738,595	127,482,966	125,835,208
Public assistance	226,545,330	233,950,056	258,662,538	268,783,428	278,429,040	278,379,256	264,657,512	280,991,671	292,431,366	308,531,925
Education	10,522,628	12,683,522	14,038,114	12,614,620	11,426,521	8,439,844	7,945,714	8,565,946	9,020,692	9,509,756
Recreation and cultural services	4,414,323	5,288,606	6,548,470	5,393,150	5,180,469	5,147,480	5,454,792	4,915,595	5,578,898	5,353,945
Capital outlay	18,404,088	18,105,515	7,032,270	11,398,556	17,536,137	13,993,830	13,759,973	22,696,280	13,175,917	44,074,289
Debt Service										
Interest and fiscal charges	16,380,484	16,070,101	13,622,687	12,187,477	11,420,042	10,220,117	9,296,468	7,436,146	5,570,802	3,954,070
Principal	13,578,584	18,429,803	16,444,563	18,125,510	18,546,652	19,887,473	20,159,733	32,516,086	49,618,106	12,734,637
Total expenditures	628,436,265	668,209,244	704,928,904	702,091,623	701,560,427	694,745,098	658,495,295	730,175,420	762,953,710	794,923,739
Excess of revenues over (under) expenditures	42,052,385	34,407,804	22,015,175	(4,135,476)	(23,934,328)	5,266,513	21,309,221	2,857,230	(2,197,462)	23,193,407
Other financing sources (uses)										
Capital lease proceeds	219,767	129,559	254,451	1,005,918	1,224,693	363,711	-	370,612	394,368	-
Transfers in	78,628,427	77,077,052	81,047,677	84,579,807	67,347,196	74,906,929	66,041,234	78,625,650	74,412,744	83,460,934
Transfers out	(88,271,040)	(91,273,994)	(92,022,031)	(88,571,434)	(71,247,366)	(77,346,060)	(67,656,660)	(79,035,846)	(83,361,274)	(104,050,890)
Loan proceeds	15,615,000	42,081,614	-	-	-	-	-	8,687,050	19,540,000	61,662
Sale of capital assets	-	15,401	501	-	18,266	73,981	24,200	118,679	20,005	-
Payment to refund bond agent	-	(41,999,424)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	6,192,154	(13,969,792)	(10,719,402)	(2,985,709)	(2,657,211)	(2,001,439)	(1,591,226)	8,766,145	11,005,843	(20,528,294)
Special item										
Proceeds of tobacco securitization	42,153,611	-	-	-	-	-	-	-	-	-
Extraordinary item										
Amount Due to Successor Agency	-	-	-	-	-	-	(19,421,089)	-	-	-
Net change in fund balances	\$ 90,398,150	\$ 20,438,012	\$ 11,295,773	\$ (7,121,185)	\$ (26,591,539)	\$ 3,265,074	\$ 296,906	\$ 11,623,375	\$ 8,808,381	\$ 2,665,113
Debt service as a percentage of noncapital expenditures	5.27%	5.72%	4.57%	4.68%	4.65%	4.82%	5.13%	5.79%	0.00%	2.34%

County of Stanislaus
Net Assessed and Estimated Actual Value
of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Secured	Unsecured	Unitary	Exemption	Total Assessed Value	(1) Total Direct Tax Rate
2007	\$ 38,674,249,826	\$ 1,695,927,861	\$ 316,626,598	\$ (1,214,376,403)	\$ 39,472,427,882	1.0%
2008	42,751,224,126	1,745,534,689	370,786,974	(1,522,013,751)	43,345,532,038	1.0%
2009	39,861,440,733	1,861,399,243	398,040,004	(1,696,421,199)	40,424,458,781	1.0%
2010	36,721,899,745	1,974,607,091	409,095,572	(1,808,453,455)	37,297,148,953	1.0%
2011	35,013,648,694	1,939,997,482	393,961,387	(1,788,699,500)	35,558,908,063	1.0%
2012	33,922,860,970	1,894,647,699	428,218,674	(1,470,636,584)	34,775,090,759	1.0%
2013	33,453,356,537	1,922,433,762	437,990,226	(1,889,181,108)	33,924,599,417	1.0%
2014	35,144,058,624	1,942,053,158	459,071,732	(1,944,954,990)	35,600,228,524	1.0%
2015	38,926,957,292	2,099,919,013	493,095,264	(1,844,694,448)	39,675,277,121	1.0%
2016	41,481,258,519	2,209,060,152	529,533,521	(1,865,008,788)	42,354,843,404	1.0%

Note: Values are net of all exemptions except the Homeowners Property Tax Relief Exemption which is State subvented.

The assessed value does not include adjustments and cancellations after lien date.
The assessed value includes non-commercial aircraft.

Due to the passage of the property tax initiative Proposition 13 (Prop 13) in 1978, the County does not track the estimated actual value of all County properties. Under Prop 13, property is assessed at the 1975 market value with an annual increase limited to the lesser of 2% or the California Consumer Price Index (CCPI), unless there is a change in ownership or property has undergone construction. Property involving change of ownership is assessed at market value. Property which has undergone construction will include the value of the additional parcel plus the existing base value.

Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter approved bonds and special assessments.

County of Stanislaus
Property Tax Rates and Distributions
of General Levy Property Tax Rate
Among Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Property Tax Rates Per \$100 of Assessed Valuation		County	Cities	(1) School District	(2) Special District	Total
	(Low)	(High)					
2007	0.9283	1.1683	10.81%	6.79%	71.62%	10.78%	100.00%
2008	0.9383	1.1683	10.84%	6.81%	71.25%	11.10%	100.00%
2009	0.9233	1.2053	10.98%	6.52%	71.11%	11.39%	100.00%
2010	1.0202	1.2168	11.09%	6.37%	71.23%	11.31%	100.00%
2011	1.0259	1.2440	11.07%	6.39%	71.57%	10.97%	100.00%
2012	1.0246	1.2541	11.10%	6.39%	71.89%	10.62%	100.00%
2013	1.0213	1.2731	11.20%	6.32%	71.91%	10.57%	100.00%
2014	1.0194	1.2707	11.23%	6.40%	71.84%	10.53%	100.00%
2015	1.0160	1.2751	10.59%	6.37%	72.67%	10.37%	100.00%
2016	1.0269	1.2757	N/A	N/A	N/A	N/A	0.00%

The County is divided into approximately 1,622 tax code areas, which are unique combinations of various jurisdictions serving a specific geographical area. The above tax rates, which include levies for general obligation bonds and special assessments, represent the low and high tax rates levied within each tax rate area.

The above allocation percentages are for general levies only and exclude general obligation bond rates and special assessments.

The passage of Proposition 13 on June 6, 1978 enacted Article XIII(A) of the State Constitution. This prohibits the levying of any tax rate, except for existing voter-approved bonded debt, in excess of the general tax rate of 1% of assessed value (4% prior to year ended June 30, 1982). The proceeds of this tax are shared by all overlapping local government entities.

(1) Includes Superintendent of Schools

(2) Includes independent special districts, dependent special districts, redevelopment agencies and County Fire Service.

**County of Stanislaus
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Type of Business	Secured Assessed Value	2014/2015			2005/2006		
			Property Taxes Billed	Rank	Percentage of Total Property Taxes Billed	Property Taxes	Rank	Percentage of Total Property Taxes
Gallo Winery	Manufacturing	\$ 341,819,330	\$ 3,868,685	1	0.7864%	\$ 1,278,949	5	0.3224%
Pacific Gas and Electric	Utility	281,159,695	3,586,671	2	0.7291%	1,534,284	3	0.3867%
World International, LLC	Nonclassified	21,622,479	3,223,497	3	0.6553%	-	-	-
Doctor's Medical Center	Medical	254,451,297	3,096,264	4	0.6294%	1,199,568	6	0.3024%
Gallo Glass Co	Commercial	273,157,078	3,020,996	5	0.6141%	1,606,426	2	0.4049%
Bronco Wine Company	Manufacturing	139,843,806	1,601,003	6	0.3254%	941,297	10	0.2373%
Hunt Wesson Foods, Inc	Manufacturing	118,965,168	1,311,590	7	0.2666%	978,020	9	0.2465%
WW Grainger, Inc	Commercial	96,619,996	1,293,242	8	0.2629%	-	-	-
Fresno Farming LLC	Utility	90,016,775	1,225,381	9	0.2491%	-	-	-
Pacific Telephone Company	Utility	90,466,699	1,153,212	10	0.2344%	-	-	-
Diablo Grande, LTD	Services	-	-	-	-	3,831,060	1	0.9656%
Signature Fruit	Manufacturing	-	-	-	-	1,357,821	4	0.3422%
Hershey's Chocolate, Inc	Manufacturing	-	-	-	-	1,128,228	7	0.2844%
Foster Dairy Farms	Manufacturing	-	-	-	-	1,020,492	8	0.2572%
Total		<u>\$ 1,708,122,323</u>	<u>\$ 23,380,541</u>		<u>4.7526%</u>	<u>\$ 14,876,145</u>		<u>3.4272%</u>

County of Stanislaus
Property Tax Levy and Collections *
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2006	\$ 396,734,408	\$ 383,041,323	96.55%	\$ 13,693,085	\$ 396,734,408	100.00%
2007	461,085,798	431,482,886	93.58%	29,602,912	461,085,798	100.00%
2008	505,125,278	464,689,972	91.99%	19,915,654	484,605,626	95.94%
2009	474,286,882	451,524,927	95.20%	12,854,112	464,379,039	97.91%
2010	446,704,648	430,564,452	96.39%	9,124,941	439,689,393	98.43%
2011	436,493,485	424,593,296	97.27%	6,299,018	430,892,314	98.72%
2012	426,313,135	416,034,209	97.59%	4,538,314	420,572,523	98.65%
2013	427,774,039	417,419,791	97.58%	2,697,100	420,116,891	98.21%
2014	448,139,124	438,298,281	97.80%	-	438,298,281	97.80%
2015	491,947,597	482,999,011	98.18%	-	482,999,011	98.18%

* Includes all taxing authorities within the County excluding Airplane Tax.
For fiscal year ending June 30 of given year.

County of Stanislaus
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities:										
Certificates of participation	\$ 115,365,544	\$ 103,678,344	\$ 97,123,784	\$ 89,941,864	\$ 82,497,584	\$ 74,775,944	\$ 66,765,000	\$ 58,242,612	\$ 15,930,000	\$ 11,725,000
2012 Lease Refunding	-	-	-	-	-	-	-	-	6,065,970	4,598,695
2013 Lease Refunding	-	-	-	-	-	-	-	-	19,540,000	14,765,000
Plus issuance premium	78,673	1,557,697	1,413,354	1,269,011	1,124,669	980,326	835,983	691,641	502,193	362,046
Bonds payable	91,230,423	84,358,405	70,660,000	62,515,000	53,785,000	44,420,000	21,310,000	11,035,000	-	-
RDA loans	-	-	5,577,295	5,376,965	5,734,785	5,520,620	-	-	-	-
Interest RDA CalHFA Loan	-	-	-	-	65,827	82,702	-	-	-	-
Tobacco securitization note	105,933,611	104,733,611	103,083,611	100,733,611	99,268,611	97,718,611	96,118,611	91,563,611	89,503,611	87,448,611
Accreted interest tobacco note	446,033	3,127,014	5,979,861	9,016,239	12,241,056	15,674,559	19,325,022	23,210,698	27,339,863	31,738,345
	<u>313,054,284</u>	<u>297,455,071</u>	<u>283,837,905</u>	<u>268,852,690</u>	<u>254,717,532</u>	<u>239,172,762</u>	<u>204,354,616</u>	<u>184,743,562</u>	<u>158,881,637</u>	<u>150,637,697</u>
Risk management liability	22,849,986	22,727,297	23,403,422	22,469,658	25,809,608	25,133,348	32,058,413	31,200,685	32,246,341	32,391,466
Capital lease payable	259,427	271,321	394,045	1,134,634	1,688,007	973,618	679,780	567,439	688,802	466,372
Compensated absences	<u>24,963,215</u>	<u>25,898,381</u>	<u>27,169,321</u>	<u>28,956,933</u>	<u>29,993,934</u>	<u>31,405,686</u>	<u>32,091,677</u>	<u>30,839,732</u>	<u>31,247,389</u>	<u>30,758,594</u>
	48,072,628	48,896,999	50,966,788	52,561,225	57,491,549	57,512,652	64,829,870	62,607,856	64,182,532	63,616,432
Total Governmental Activities	<u>361,126,912</u>	<u>346,352,070</u>	<u>334,804,693</u>	<u>321,413,915</u>	<u>312,209,081</u>	<u>296,685,414</u>	<u>269,184,486</u>	<u>247,351,418</u>	<u>223,064,169</u>	<u>214,254,129</u>
Business-type Activities:										
Certificates of participation	1,034,456	881,656	721,216	553,136	377,416	194,056	-	-	-	-
Risk management liability	279,000	489,000	284,000	161,000	628,000	1,048,000	781,000	648,000	648,000	213,013
Compensated absences	1,964,640	1,990,220	1,356,791	1,344,233	1,333,857	1,527,631	1,607,055	1,679,835	1,414,011	1,350,868
Capital lease payable	<u>212,076</u>	<u>41,145</u>	<u>24,770</u>	<u>1,276,404</u>	<u>982,022</u>	<u>663,281</u>	<u>340,820</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Business-Type Activities	<u>3,490,172</u>	<u>3,402,021</u>	<u>2,386,777</u>	<u>3,334,773</u>	<u>3,321,295</u>	<u>3,432,968</u>	<u>2,728,875</u>	<u>2,327,835</u>	<u>2,062,011</u>	<u>1,563,881</u>
Total Primary Government	364,617,084	349,754,091	337,191,470	324,748,688	315,530,376	300,118,382	271,913,361	249,679,253	225,126,180	215,818,010
Percentage of personal income (1)	2.59%	2.37%	2.11%	2.04%	1.97%	1.80%	1.53%	1.35%	1.22%	1.16%
Per capita (2)	709	671	641	617	595	580	520	475	425	407

Note:
(1) FYE 2014 & 2015 were calculated based on FYE 2013 personal income. Personal income was not available for for FYE 2014 & 2015 at the time schedule was completed.
(2) FYE 2015 was calculated with FYE 2014 population total. Population for FYE 2014 was not available at the time the schedule was completed.

Population	514,370	521,497	525,903	526,383	530,584	517,685	522,651	526,042	530,327	N/A
Personal Income (in thousands)	14,076,261	14,755,527	15,977,182	15,948,738	15,980,924	16,652,338	17,810,902	18,528,026	N/A	N/A
Per Capita Income	\$ 27,862	\$ 28,985	\$ 31,485	\$ 31,248	\$ 31,006	\$ 32,115	\$ 34,138	\$ 35,259	N/A	N/A

**County of Stanislaus
Legal Debt Margin Information
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Debt Limit Percentage</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Debt Applicable to the Limit as a Percentage of Debt Limit</u>
2006	\$ 39,155,801,284	1.25%	\$ 489,447,516	\$ -	\$ 489,447,516	0%
2007	42,974,745,064	1.25%	537,184,313	-	537,184,313	0%
2008	40,026,418,777	1.25%	500,330,235	-	500,330,235	0%
2009	37,297,148,953	1.25%	466,214,362	-	466,214,362	0%
2010	35,558,908,063	1.25%	444,486,351	-	444,486,351	0%
2011	34,775,090,795	1.25%	434,688,635	-	434,688,635	0%
2012	34,775,090,759	1.25%	434,688,634	-	434,688,634	0%
2013	33,924,599,417	1.25%	424,057,493	-	424,057,493	0%
2014	35,600,228,524	1.25%	445,002,857	-	445,002,857	0%
2015	39,675,277,121	1.25%	495,940,964	-	495,940,964	0%

Note: The legal debt limit percentage is set by statute. Debt includes only general obligation bonded debt supported by property taxes.

County of Stanislaus
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT
(as of December 1, 2014)

2014-15 Assessed Valuation: \$39,675,277,121 (includes unitary utility valuation)

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 12/1/14</u>
Yosemite Community College District	72.724%	\$216,753,554
Modesto High School District	100.000	41,768,885
Turlock Joint Unified School District	98.315	25,296,450
Ceres Unified School District	100.000	65,917,188
Newman-Crows Landing Unified School District	100.000	22,727,973
Oakdale Joint Unified School District	98.566	14,306,855
Patterson Joint Unified School District	98.652	27,554,041
Riverbank Unified School District	100.000	12,741,011
Other Unified School Districts	Various	39,039,339
Modesto City School District	100.000	10,630,274
Stanislaus Union School District	100.000	17,685,532
Sylvan School District	100.000	34,031,169
Other School Districts	Various	22,449,837
Oak Valley Hospital District	100.000	32,690,000
Newman Drainage District	100.000	140,000
Empire Union School District Community Facilities District No. 87-1	100.000	9,100,724
City Community Facilities Districts	100.000	117,265,000
Schools Infrastructure Financing Agency Mello-Roos Act Bonds	100.000	24,040,000
Salida Area Community Facilities District No. 1988-1	100.000	26,035,000
Western Hills Water District Community Facilities District No. 1	100.000	45,825,000
1915 Act Bonds (Estimate)	100.000	<u>6,845,462</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$812,843,294</u>
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Stanislaus County Certificates of Participation	100.000%	\$ 49,270,000
Stanislaus County Office of Education Certificates of Participation	100.000	3,395,000
Modesto High School District Certificates of Participation	100.000	16,420,000
Ceres Unified School District Certificates of Participation	100.000	11,025,000
Newman-Crows Landing Unified School District	100.000	11,755,000
Salida Union School District Certificates of Participation	100.000	11,835,000
Other School District Certificates of Participation	Various	21,200,987
City of Modesto General Fund Obligations	100.000	73,790,000
City of Oakdale Certificates of Participation	100.000	2,375,000
Other City Certificates of Participation	100.000	<u>2,672,473</u>
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		<u>\$203,738,460</u>
Less: City of Newman Wastewater Certificates of Participation (100% supported)		<u>990,000</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		<u>\$202,748,460</u>
 <u>OVERLAPPING TAX INCREMENT DEBT:</u>		
County Redevelopment Agencies	100.000%	\$ 16,435,000
Ceres Redevelopment Agency	100.000	44,190,000
Turlock Redevelopment Agency	100.000	39,675,000
Other City Redevelopment Agencies	100.000	<u>38,796,379</u>
TOTAL OVERLAPPING TAX INCREMENT DEBT		<u>\$139,096,379</u>
 GROSS COMBINED TOTAL DEBT		<u>\$1,155,678,133⁽¹⁾</u>
NET COMBINED TOTAL DEBT		<u>\$1,154,688,133</u>

⁽¹⁾ 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.

Ratios to 2014-15 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.05%
Total Direct Debt (\$49,270,000)	0.12%
Gross Combined Total Debt	2.91%
Net Combined Total Debt	2.91%

Ratios to Redevelopment Incremental Valuation (\$3,664,760,136):

Total Overlapping Tax Increment Debt	3.80%
--	-------

Source: California Municipal Statistics, Inc.

County of Stanislaus
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population (2)	Personal Income (in thousands) (1)	Per Capita Personal Income (1)	School Enrollment (3)	Unemployment Rate (2)
2005	504,482	\$ 13,472,415	\$ 26,954	106,767	9.9%
2006	514,370	14,076,261	27,862	106,994	8.4%
2007	521,497	14,755,527	28,985	107,743	8.5%
2008	525,903	15,977,182	31,485	105,678	10.5%
2009	526,383	15,948,738	31,248	105,165	15.3%
2010	530,584	15,980,924	31,006	104,802	16.4%
2011	517,685	16,652,338	32,115	104,935	15.1%
2012	522,651	17,810,902	34,138	105,588	15.2%
2013	526,549	18,528,026	35,259	106,126	13.0%
2014	530,327	N/A	N/A	106,920	7.6%

Detail of estimated population, as of January 1, 2015:

(2) Incorporated Cities

Ceres	46,989
Hughson	7,222
Modesto	209,186
Newman	10,753
Oakdale	21,773
Patterson	21,094
Riverbank	23,485
Turlock	71,043
Waterford	8,686
Total of incorporated	420,231
Total of unincorporated areas	112,066
Total population	532,297

- Sources:
- (1) U.S. Department of Commerce, Bureau of Economic Analysis
 - (2) California Employment Development Department, Labor Market Information
(data shown is for the County)
 - (3) California Department of Education
 - (4) California Department of Finance
 - (5) Estimate

**County of Stanislaus
Principal Employers
Current Year and Nine Years Ago**

(1) Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
County of Stanislaus	3,745	1	1.81%	4,764	1	2.22%
Modesto City Schools	3,345	2	1.61%	3,345	2	1.56%
E & J Gallo Winery	3,300	3	1.59%	3,311	3	1.54%
Memorial Medical Center	2,600	4	1.25%	2,700	4	1.26%
Doctors Medical Center	2,452	5	1.18%	1,967	9	0.92%
Seneca (Signature) Foods	2,275	6	1.10%	2,321	7	1.08%
Del Monte Foods	2,200	7	1.06%	2,600	5	1.21%
Turlock Unified School District	2,192	8	1.06%	1,703	10	0.79%
Stanislaus Food Products	1,850	9	0.89%	2,300	8	1.07%
Save Mart Supermarkets	1,661	10	0.80%			
Modesto Junior College				2,550	6	1.19%
Total ten largest	25,620		12.36%	27,561		12.83%
Total all other (2)	188,780		87.64%	178,839		87.17%
Total companies or organizations	214,400		100.00%	206,400		100.00%

Source:

(1) Stanislaus Business Alliance

(2) CA.EDD.Gov civilian employment numbers

County of Stanislaus
Full-time Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Paid employees (1)										
Governmental activities										
General government	N/A	N/A	N/A	372	N/A	299	287	284	292	297
Public protection	N/A	N/A	N/A	1,615	N/A	1,405	1,304	1301	1,345	1396
Public ways and facilities	N/A	N/A	N/A	118	N/A	105	76	100	99	100
Health and sanitation	N/A	N/A	N/A	781	N/A	717	642	639	653	667
Public assistance	N/A	N/A	N/A	975	N/A	948	983	992	1,025	1074
Education	N/A	N/A	N/A	170	N/A	137	130	134	139	142
Recreation	N/A	N/A	N/A	49	N/A	48	40	43	44	45
Total governmental activities	N/A	N/A	N/A	4,080	N/A	3,659	3,462	3,493	3,597	3,721
Business-type activities										
Landfill	N/A	N/A	N/A	19	N/A	17	16	16	17	16
Health Clinics & Ancillary	N/A	N/A	N/A	288	N/A	262	249	254	259	261
Transit	N/A	N/A	N/A	4	N/A	4	4	4	3	4
Inmate Welfare/Commissary	N/A	N/A	N/A	13	N/A	0	5	6	5	3
Behavioral Health	N/A	N/A	N/A	0	N/A	0	0	0	0	0
Total business-type activities	N/A	N/A	N/A	324	N/A	283	274	280	284	284
Total Stanislaus County	N/A	N/A	N/A	4,404	N/A	3,942	3,736	3,773	3,881	4,005
Actual full-time equivalent employees (2)										
Governmental activities										
General government	341	343	352	348	337	270	281	268	272	279
Public protection	1,378	1,441	1,486	1,464	1,418	1,224	1,215	1208	1235	1399
Public ways and facilities	123	121	109	110	107	99	73	98	97	99
Health and sanitation	937	916	644	676	664	568	622	576	547	608
Public assistance	897	952	979	951	927	913	962	969	1003	1059
Education	93	94	94	88	86	71	70	68	68	102
Recreation	25	28	30	27	23	20	20	20	20	40
Total governmental activities	3,794	3,895	3,694	3,664	3,562	3,165	3,243	3,207	3,242	3,586
Business-type activities										
Landfill	17	15	17	17	17	14	13	14	15	16
Health Clinics & Ancillary	222	217	193	229	220	186	185	182	178	226
Transit	3	3	3	3	3	3	3	3	3	4
Inmate Welfare/Commissary	0	0	0	0	0	4	5	4	4	4
Behavioral Health	108	79	0	0	0	0	0	0	0	0
Total business-type activities	350	314	213	249	240	207	206	203	200	250
Total Stanislaus County	4,144	4,209	3,907	3,913	3,802	3,372	3,449	3,410	3,442	3,836

Note:
(1) Paid employees: Count of employees paid, including terminated employee. Employees with more than one job will be counted once for each job for which the employee was paid.
(2) Actual full-time equivalent employees: Count of number of full-time equivalents paid. For full-time and part-time, the full-time equivalent (FTE) used is from the employee's assigned work schedule.
For extra help and contractors, the FTE is calculated as the number of hours worked this pay period divided by 80.

County of Stanislaus
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety:										
Other:										
Filed felonies-District Attorney	10,443	12,049	11,391	11,055	10,405	8,447	7,363	7,464	8,022	9,141
Filed misdemeanors-District Attorney	7,175	7,194	6,600	6,554	6,368	5,300	5,598	6,097	6,243	4,399
Public Defender's total new caseload	N/A	11,795	11,034	10,837	10,084	8,358	8,343	8,490	10,218	9,178
Fire emergency responses	N/A	42,238	42,791	42,190	38,114	37,897	41,208	42,741	44,404	46,443
Sheriff:										
Total miles patrolled	1,204,698	1,777,638	1,896,031	1,962,891	1,944,926	1,473,670	1,355,504	1,446,670	1,575,282	1,646,848
Processed and booked adult offenders	22,961	23,552	23,922	22,934	21,464	18,391	18,417	20,472	21,997	19,025
Probation										
Juvenile referrals processed	5,163	5,826	6,449	5,727	4,883	4,280	3,554	2,868	2,611	2,307
Juvenile bookings processed	2,065	2,039	1,965	2,017	2,031	1,803	1,453	1,160	1,022	931
Adult and Juvenile cases supervised	21,695	22,399	23,799	24,390	24,216	22,627	21,663	21,173	21,166	20,646
Health & public assistance										
ADMHS clients served	3,200	3,189	3,209	3,216	2,017	1,845	1,661	1,857	2,037	2,181
Established orders for child support	N/A	2,067	1,814	3,691	4,596	2,858	2,463	1,787	1,892	1,761
Assistance claims paid to eligible recipients	133,119	134,928	143,630	155,426	164,172	174,764	170,956	217,837	218,617	207,236
Patient encounters at Public Health clinics	N/A	N/A	N/A	N/A	N/A	16,979	28,009	25,427	23,562	21,555
Community resources & public facilities										
Building inspections	N/A	N/A	11,569	8,621	7,079	7,198	7,633	7,334	9,441	11,472
Building permits (calendar year)	3,965	3,076	2,448	2,032	2,313	2,138	2,134	2,452	2,811	N/A
Cost of building permits (calendar year)	\$5,637,126	\$2,679,003	\$1,926,485	\$1,729,597	\$1,420,550	\$1,253,989	\$1,368,633	\$1,576,289	\$1,748,652	N/A
Enhanced or maintained road lanes (miles)	1,549	1,549	1,545	1,527	1,546	1,524	1,521	1,513	1,513	1,511
General government & support services										
Clerk-Recorder-Assessor										
Recorded documents & vital copies issued	N/A	186,187	150,371	138,709	123,366	116,213	113,461	122,290	99,919	101,090
Elections										
Registered voters	201,988	188,961	230,163	216,847	224,513	229,057	232,887	232,887	211,227	175,821
Number voting	67,129	40,562	162,941	58,340	71,405	122,490	156,935	156,935	55,835	39,176
Percent voting	33.23%	21.47%	70.79%	26.90%	31.80%	53.48%	67.39%	67.39%	26.43%	22.28%
Resource Recovery										
Waste recycled (tons per month)	N/A	143	451	453	556	313	261	245	259	270
Landfill waste disposal (tons per month)	N/A	225,775	192,276	238,491	169,779	160,972	159,487	266,086	184,759	185,030

County of Stanislaus
Miscellaneous Statistical Data
June 30, 2015

GEOGRAPHICAL LOCATION : Stanislaus County is located in the central part of the state of California, about 300 miles north of Los Angeles and 90 miles east of San Francisco. The County is bordered on the north by San Joaquin County, on the east by Calaveras and Tuolumne Counties, on the south by Merced County, and on the west by Santa Clara County.

AREA OF COUNTY : Approximately 1,494 square miles

COUNTY SEAT : Modesto, California

FORM OF GOVERNMENT : General Law, County governed by five-member Board of Supervisors

DATE COUNTY FORMED : April 1, 1854

FISCAL YEAR BEGINS : July 1

INCORPORATED CITIES :

Ceres	Newman	Riverbank
Hughson	Oakdale	Turlock
Modesto	Patterson	Waterford

**Number of Special Districts
Controlled by Board of Supervisors :**

County Service Areas	21	
Drainage	7	
Lighting	29	
Landscape and Lighting	<u>8</u>	
Total	65	

Number of other Special Districts :

Irrigation	5	Cemetery	3
Mosquito Abatement	2	Sanitation	2
Resource Conservation	2	Reclamation	3
Community Services	8	Healthcare & Hospital	3
Flood Control	2	Drainage	1
Fire Protection	14	Water	<u>6</u>
Total			51



Stanislaus

County

Striving to be the Best



Stanislaus



County

Striving to be the Best



ATTACHMENT B

Single Audit Report

For Fiscal Year Ended June 30, 2015

COUNTY OF STANISLAUS

SINGLE AUDIT REPORT

JUNE 30, 2015

**COUNTY OF STANISLAUS
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2015**

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REPORTS

BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Grand Jury and Board of Supervisors
Stanislaus County
Modesto, California

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California, (the County) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 25, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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REGISTERED with the Public Company
Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as Finding 2015-001.

The County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
January 25, 2016

BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Grand Jury and Board of Supervisors
Stanislaus County
Modesto, California

Report on Compliance for Each Major Federal Program

We have audited the County of Stanislaus, California's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2015. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

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Accounting Oversight Board and
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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as Finding 2015-001. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 25, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
February 8, 2016

SCHEDULE

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

Federal grantor/pass-through grantor/program title	Catalog of federal domestic assistance number	Supplemental identifying number	Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed through State Department of Food and Agriculture:			
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1211-CA	\$ 180,524
Plant and Animal Disease, Pest Control, and Animal Care	10.025	14-8506-0689-CA	5,841
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1317-CA	4,927
Plant and Animal Disease, Pest Control, and Animal Care	10.025	13-8506-1399-CA	84,560
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0484-CA	319,628
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1164-CA	3,360
Plant and Animal Disease, Pest Control, and Animal Care	10.025	14-8506-0572-CA	<u>14,529</u>
Subtotal			<u>613,369</u>
Inspection, Grading, and Standardization	10.477	12-25-A-3269	<u>1,831</u>
Technical Assistance for Specialty Crops	10.604	2013-37	<u>11,190</u>
Passed through State Department of Education:			
National School Lunch Program	10.555	Stanislaus	<u>155,517</u>
Passed through State Department of Health Services:			
Women, Infants and Children (WIC)	10.557	11-10499	<u>3,615,045</u>
Passed through State Department of Food and Agriculture:			
Supplemental Nutrition Program	10.561	SP-1415-30	46,940
Passed through State Department of Social Services:			
State Administrative Matching Grants for Food Stamp Program	10.561	Stanislaus	9,878,858
State Administrative Matching Grants for Food Stamp Program	10.561	Stanislaus	<u>436,099</u>
Subtotal			<u>10,361,897</u>
Passed through California Department of Aging:			
Seniors Farmers Market Incentive Program	10.576	SFMNP-1415-30	<u>20,000</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>14,778,849</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)			
Direct Federal Program			
Community Development Block Grants (CDBG)			
HUD-CDBG Funds 08/09	14.218	B-08-UC-06-0010	2,533
HUD-CDBG-NSP1 FY 08/09	14.228	B-08-UC-06-0006	1,162
HUD-CDBG Funds 09/10	14.218	B-09-UC-06-0010	5,135
HUD-CDBG-NSP3 FY 11/12	14.218	B-11-UN-06-0006	43,854
HUD-CDBG Funds 11/12	14.218	B-11-UC-06-0100	194,144
HUD-CDBG Funds 12/13	14.218	B-12-UC-06-0100	197,673
HUD-CDBG Funds 13/14	14.218	B-13-UC-06-0100	813,468
HUD-CDBG FY 14/15	14.218	B-14-UC-06-0100	<u>1,136,899</u>
Subtotal - CDBG Cluster			<u>2,394,868</u>
HUD-ESG Funds 13/14	14.231	E-13-UC-06-0100	48,453
HUD-ESG Funds 14/15	14.231	E-14-UC-06-0100	<u>119,437</u>
Subtotal			<u>167,890</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>2,562,758</u>

(Continued)

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF JUSTICE			
Direct Federal Program			
FBI - Central Valley Impact Task Force	16.3xx	FY14/15	<u>8,027</u>
Subtotal			<u>8,027</u>
Passed through California Office of Emergency Services:			
Juvenile Accountability Grant 2013	16.523		<u>23,241</u>
Subtotal			<u>23,241</u>
Reducing Ethnic and Racial Disparities	16.540		<u>64,772</u>
Subtotal			<u>64,772</u>
Unserved/Underserved Victim Advocacy and Outreach Program	16.575	UV13040500	138,417
Victim/Witness Assistance Program	16.575	VW13320500	160,136
Victims of Crime Act	16.575	AT12090500	<u>135,237</u>
Subtotal			<u>433,790</u>
Law Enforcement Specialized Units (LE) Program	16.588	LE13 03 0500	121,296
Law Enforcement Specialized Units (LE) Program	16.588	LE14 04 0500	<u>73,875</u>
Subtotal			<u>195,171</u>
Arrest Policies and Enforcement of Protection Orders Program	16.590		<u>201,944</u>
Passed through the Community Oriented Policing Services:			
Law Enforcement Technology Program (2010 Tech)	16.710	2010CKWx0050	<u>55,781</u>
Passed through State Office of Justice :			
Justice Assistance Grant (JAG)	16.738	FY13/14	7,890
2012 Edward Byrne Memorial Justice Assistance Grant	16.738	2012-DJ-BX-1005	28,116
2013 Edward Byrne Memorial Justice Assistance Grant	16.738	2013-DJ-BX-0365	10,164
2014 Edward Byrne Memorial Justice Assistance Grant	16.738	2014-DJ-BX-1184	35,165
2015 Edward Byrne Memorial Justice Assistance Grant	16.738	BSCC 675-14	<u>154,780</u>
Subtotal - Justice Assistance Grants (JAG) Program Cluster			<u>236,115</u>
Passed through Office of National Drug Control Policy (ONDCP):			
2013 High Intensity Drug Traffic Area (HIDTA)	95.001	G13CV002A	71,255
2014 High Intensity Drug Traffic Area (HIDTA)	95.001	G14CV002A	<u>148,309</u>
Subtotal			<u>219,564</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>1,438,405</u>

(Continued)

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal grantor/pass-through grantor/program title	Catalog of federal domestic assistance number	Supplemental identifying number	Expenditures
U.S. DEPARTMENT OF LABOR			
Passed through California Department of Aging: Senior Community Service Employment Program	17.235	TV-1415-30	127,665
Passed through California Employment Development Department: Workforce Investment Act (WIA)-Adult Program	17.258	K594798	142,405
WIA-Adult Program	17.258	K594798	1,869,304
WIA-Youth Activities	17.259	K386334	132,960
WIA-Youth Activities	17.259	K491055	355,675
WIA-Youth Activities	17.259	K594798	2,058,259
WIA-Dislocated Workers	17.278	K594798	1,119,095
WIA-Dislocated Workers	17.278	K491055	287,877
WIA-Dislocated Worker to Adult	17.278	K594798	665,158
WIA-Rapid Response	17.278	K594798	168,893
WIA-Rapid Response	17.278	K491055	69,592
Subtotal WIA Cluster			6,869,218
TOTAL U.S. DEPARTMENT OF LABOR			6,996,883
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through State Department of Transportation: Highway Planning and Construction	20.205	BRLSZ-5938(176)	209,276
Highway Planning and Construction	20.205	BRLO-5938(157)	115,956
Highway Planning and Construction	20.205	BRLS-5938(188)	281,735
Highway Planning and Construction	20.205	STPLR-7500(182)	23,991
Highway Planning and Construction	20.205	HSIPL-5938(197)	57
Highway Planning and Construction	20.205	BRLS-5938(200)	83,602
Highway Planning and Construction	20.205	BRLO-5938(203)	14,364
Highway Planning and Construction	20.205	BRLOZ-5938(156)	8,217
Highway Planning and Construction	20.205	BRLSZ-5938(154)	9,148
Highway Planning and Construction	20.205	STPL-5938(204)	2,142,831
Highway Planning and Construction	20.205	BRLO-5938(190)	92,195
Highway Planning and Construction	20.205	BRLO-5938(196)	4,278
Highway Planning and Construction	20.205	HRRRL-5938(212)	52,485
Highway Planning and Construction	20.205	HRRRL-5938(213)	40,817
Highway Planning and Construction	20.205	HRRRL-5938(211)	27,573
Highway Planning and Construction	20.205	STPL-5938(216)	1,380,686
Highway Planning and Construction	20.205	STPL-5938(221)	799,197
Highway Planning and Construction	20.205	STPL-5938(220)	1,250,772
Highway Planning and Construction	20.205	STPL-5938(228)	21,206
Highway Planning and Construction	20.205	STPL-5938(229)	20,755
Highway Planning and Construction	20.205	BRLO-5938(189)	57,781
Highway Planning and Construction	20.205	STPLZ-5938(076)	159,007
Highway Planning and Construction	20.205	BRLO-5938(193)	39,594
Highway Planning and Construction	20.205	STPLZ-5938(071)	169,160
Highway Planning and Construction	20.205	BRLS-5938(201)	123,734
Highway Planning and Construction	20.205	BRLS-5938(167)	945,003
Highway Planning and Construction	20.205	CML-5938(183)	37,949
Highway Planning and Construction	20.205	CML-5938(181)	87,504
Highway Planning and Construction	20.205	BRLO-5938(191)	28,798
Highway Planning and Construction	20.205	BRLO-5938(194)	29,070
Highway Planning and Construction	20.205	BRLO-5938(192)	21,779
Highway Planning and Construction	20.205	BRLS-5938(199)	214,763
Highway Planning and Construction	20.205	CML-5938(180)	189,595
Highway Planning and Construction	20.205	RPSTPL-5938(215)	3,962,515

(Continued)

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF TRANSPORTATION (Continued)			
Passed through State Department of Transportation: (Continued)			
Highway Planning and Construction	20.205	CML-5938-187	27,786
Highway Planning and Construction	20.205	CML-5938-206	18,881
Highway Planning and Construction	20.205	CML-5938-207	11,106
Highway Planning and Construction	20.205	CML-5938-218	1,411
Subtotal Highway Planning			<u>12,704,577</u>
Formula Grants for Rural Areas	20.509	CA 18-X059	<u>456,808</u>
Passed through California Office of Traffic Safety Impaired Driver Vertical Prosecution Program	20.616	DI1404	<u>349,163</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>13,510,548</u>
U.S. DEPARTMENT OF EDUCATION			
Passed through State Department of Rehabilitation State Vocational Rehabilitation Services Program	84.126	28295	<u>66,650</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>66,650</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct Federal Program			
Community Transformation Grant	93.531		<u>181,669</u>
Passed through California Department of Aging:			
Title VII(B), Elder Abuse Prevention	93.041	AP-1415-30	<u>6,047</u>
Title VII(A), Ombudsman Program	93.042	AP-1415-30	<u>30,540</u>
Title III-D, Supportive Services	93.043	AP-1415-30	<u>26,636</u>
Title III-B, Supportive Services	93.044	AP-1415-30	425,465
Title III-C1, Congregate Nutrition	93.045	AP-1415-30	272,880
Title III-C2 Home Delivered Nutrition	93.045	AP-1314-30	490,263
Nutrition Services Incentive Program	93.053	AP-1415-30	<u>160,209</u>
Subtotal Aging Cluster			<u>1,348,817</u>
Title III-E, Family Caregiver	93.052	AP-13-14-30	<u>191,280</u>
Passed through Department of Mental Health: Transition from Homelessness (PATH)	93.150		<u>144,495</u>
Passed through California Department of Education: Stage 3 Child Care (D)	93.575	C3AP-4061	<u>792,016</u>
Passed through State Department of Social Services: Temporary Assistance for Needy Families (TANF)	93.558	Stanislaus	231,032
SAWS CIV Refugee	93.566	Stanislaus	143

(Continued)

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal grantor/pass-through grantor/program title	Catalog of federal domestic assistance number	Supplemental identifying number	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)			
Passed through State Department of Health Services:			
Temporary Assistance for Needy families (TANF)	93.558	Stanislaus	27,318,464
Temporary Assistance for Needy families (TANF)	93.558	Stanislaus	1,819,872
Temporary Assistance for Needy families (TANF)	93.558	Stanislaus	13,118,002
Temporary Assistance for Needy families (TANF)	93.558	Stanislaus	<u>3,185,841</u>
Subtotal			<u>45,673,354</u>
Refugee and Entrant Assistance - State Administered Program	93.566	Stanislaus	74,055
Refugee and Entrant Assistance - State Administered Program	93.566	Stanislaus	164,533
Refugee and Entrant Assistance - State Administered Program	93.566	RESS1108/1208	274,407
Refugee and Entrant Assistance - State Administered Program	93.566	14-50-90840-00	<u>254,034</u>
Subtotal			<u>767,029</u>
Guardianship Assistance	93.090	Stanislaus	<u>136,686</u>
Promoting Safe and Stable Families	93.556	Stanislaus	<u>458,227</u>
Community Based Child Abuse Prevention	93.590	Stanislaus	<u>20,744</u>
California Children's Services	93.767		<u>174,486</u>
Passed through State Department of Social Services:			
Child Support Enforcement	93.563	Stanislaus	<u>8,873,350</u>
Child Support Enforcement Research	93.564	PASS 1115	<u>611,779</u>
Child Welfare Services/CWS Direct Cost IVB	93.645	Stanislaus	<u>374,699</u>
Foster Care - Title IV-E Out of Home Placement Prevention	93.658		387,591
Foster Care - Title IV-E	93.658	Stanislaus	<u>9,649,738</u>
Subtotal			<u>10,037,329</u>
Adoptions Assistance	93.659	Stanislaus	<u>5,963,123</u>
CWS Title XX	93.667	Stanislaus	<u>926,137</u>
Independent Living - ILP	93.674	Stanislaus	<u>146,511</u>
Family Planning Services Title X	93.217	Stanislaus	<u>88,666</u>
Emergency Preparedness	93.069	14-10551	<u>449,136</u>
Hospital Preparedness Program	93.889	14-10551	<u>203,387</u>
Information and Education Prevention Program	93.297	11-10301	<u>17,057</u>
Local Health Department Expansion Project	10.551	13-20511	<u>666,514</u>
California Personal Responsibility Education Grant	93.092	12-10236	<u>179,763</u>
Passed through California Department of Aging:			
Health Insurance Advocacy Program (HICAP)	93.779	HI-1415-14	<u>118,932</u>
Senior Services Program	93.778	MSSP-1415-14	<u>668,934</u>
Center for Medicare and Medicaid Services	93.071	MI-1415-30	<u>17,829</u>
Passed through State Department of Mental Health:			
Block Grants for Community Mental Health Services	93.958		1,304,408
Block Grants for Community Mental Health Services	93.958		346,288
Block Grants for Community Mental Health Services	93.958		190,847
Block Grants for Community Mental Health Services	93.958		999,998
Block Grants for Community Mental Health Services	93.958		<u>23,997</u>
Subtotal			<u>2,865,538</u>

(Continued)

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)			
Passed through State Department of Alcohol and Drug Programs:			
Block Grants for Prevention and Treatment of Substance Abuse	93.959		1,998,982
Block Grants for Prevention and Treatment of Substance Abuse	93.959		32,949
Block Grants for Prevention and Treatment of Substance Abuse	93.959		521,632
Block Grants for Prevention and Treatment of Substance Abuse	93.959	84.19	30,000
Block Grants for Prevention and Treatment of Substance Abuse	93.959		143,360
Block Grants for Prevention and Treatment of Substance Abuse	93.959		<u>35,811</u>
Subtotal			<u>2,762,734</u>
Immunization Assistance Program	93.268	13-20352	<u>154,101</u>
HIV Care	93.917	13-20077	<u>152,108</u>
HIV Education and Prevention	93.940	13-20257	<u>42,040</u>
AIDS Surveillance	93.944	13-20166	<u>40,420</u>
Tuberculosis Prevention	93.116	Stanislaus	<u>78,839</u>
Maternal and Child Health Services Block Grant to the States	93.994	201450	116,848
Maternal and Child Health Services Block Grant to the States	93.994	201450	152,438
Maternal and Child Health Services Block Grant to the States	93.994	201450	<u>711,653</u>
Subtotal			<u>980,939</u>
Passed through State Department of Health Services:			
Medical Assistance Program	93.778	13-90004 A01	1,626,102
Medical Assistance Program	93.778		358,635
Medical Assistance Program	93.778		149,700
Medical Assistance Program	93.778	50-1318	460,663
Medical Assistance Program	93.778		1,183,899
Medical Assistance Program	93.778	201450	111,942
Medical Assistance Program	93.778	14-10033	17,162
Passed through California Department of Aging:			
Medical Assistance Program	93.778	Stanislaus	1,123,243
Passed through State Department of Social Services:			
Medical Assistance Program	93.778	Stanislaus	764,135
Medical Assistance Program	93.778	Stanislaus	1,434,081
Medical Assistance Program	93.778	Stanislaus	171,202
Medical Assistance Program	93.778	Stanislaus	2,007,106
Medical Assistance Program	93.778	Stanislaus	174,896
Medical Assistance Program	93.778	Stanislaus	285,696
Medical Assistance Program	93.778	Stanislaus	29,857,306
Medical Assistance Program	93.778	Stanislaus	<u>12,345,655</u>
Subtotal			<u>52,071,423</u>
TOTAL U.S. DEPARTMENT OF HUMAN AND HEALTH SERVICES			<u>138,443,314</u>

(Continued)

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through State of California Department of Homeland Security:			
Emergency Management Performance Grant	97.042	2014-0070	<u>235,852</u>
Homeland Security Grant Program FY13	97.067	2013-00110	484,593
Homeland Security Grant Program FY14	97.067	2014-00093	<u>131,191</u>
Subtotal			<u>615,784</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>851,636</u>
INSTITUTE OF MUSEUM AND LIBRARY SERVICES			
Passed through			
Adult Literacy Program	45.310		<u>3,694</u>
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES			<u>3,694</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 178,652,737</u>

**COUNTY OF STANISLAUS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 – REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Stanislaus (the County). The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue Funds.

NOTE 4 – SUBRECIPIENTS

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County provided federal awards to subrecipients as follows:

Name of Program	CFDA	Subrecipient	Amount
C1 Congregate Meals	93.045	The Howard Training Center	\$ 209,147
C2 Home Delivered Meals	93.045	The Howard Training Center	469,763
Community Development Block Grant	14.218	Court Appointed Special Advocates	9,607
Community Development Block Grant	14.218	City of Ceres	288,638
Community Development Block Grant	14.218	City of Hughson	167,655
Community Development Block Grant	14.218	City of Newman	134,520
Community Development Block Grant	14.218	City of Oakdale	180,583
Community Development Block Grant	14.218	City of Patterson	7,749
Community Development Block Grant	14.218	City of Waterford	307,609
Community Development Block Grant	14.218	American Red Cross-Emergency Services	9,072
Community Development Block Grant	14.218	Center Human Services	60,565
Community Development Block Grant	14.218	Child Crisis Center-Preschool Respite Shelter	15,000
Community Development Block Grant	14.218	Community Housing and Shelter - Homeless Prevention	13,163
Community Development Block Grant	14.218	Healthy Aging-Young at Heart Program	16,000
Community Development Block Grant	14.218	Healthy Start Orville Wright	7,063
Community Development Block Grant	14.218	Howard Training Center-Senior Meals Program	14,000
Community Development Block Grant	14.218	Parent Resource Center	9,958
Community Development Block Grant	14.218	Salvation Army-Tutoring and Mentoring Program	46,617
Community Development Block Grant	14.218	Second Harvest-Food Assistance	30,805

NOTE 4 – SUBRECIPIENTS (Continued)

<u>Name of Program</u>	<u>CFDA</u>	<u>Subrecipient</u>	<u>Amount</u>
Community Development Block Grant	14.218	United Samaritans-Daily Bread Hughson	12,805
Community Development Block Grant	14.218	We Care-Emergency Food Program	16,000
Community Development Block Grant	14.231	Homeless Management Information System	15,000
Emergency Shelter Grant	14.231	Child Crisis Center	42,854
Emergency Shelter Grant	14.231	Community Housing and Shelter	44,486
Emergency Shelter Grant	14.231	Family Promise	17,000
Emergency Shelter Grant	14.231	Salvation Army-Emergency Shelter	18,000
Emergency Shelter Grant	14.231	We Care-Emergency Cold Weather Shelter	16,500
Emergency Shelter Grant	14.231	We Care-Rapid Re-Housing	28,031
Total			<u>\$ 2,208,190</u>

NOTE 5 – PROGRAM CLUSTERS

Federal programs, which must be audited together as a program cluster, include the following:

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>WIA Cluster:</u>		
17.258	WIA - Adult	\$ 2,011,709
17.259	WIA - Youth	2,546,894
17.278	WIA - Dislocated Workers	2,310,615
Total		<u>\$ 6,869,218</u>
<u>Aging Cluster:</u>		
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	\$ 425,465
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services	763,143
93.053	Nutrition Services Incentive Program	160,209
Total		<u>\$ 1,348,817</u>
<u>Justice Assistance Grants (JAG) Program Cluster:</u>		
16.738	2012 Edward Byrne Memorial JAG	\$ 28,116
16.738	2013 Edward Byrne Memorial JAG	10,164
16.738	2014 Edward Byrne Memorial JAG	43,055
16.738	2015 Edward Byrne Memorial JAG	154,780
Total		<u>\$ 236,115</u>

NOTE 6 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County has either determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

NOTE 7 – DEPARTMENT OF AGING FEDERAL/STATE SHARE

The California Department of Aging (CDA) requires agencies who receive CDA funding to display state-funded expenditures discretely along with federal expenditures. The County expended the following state and federal amounts under these grants:

CFDA	Contract No.	Programs		Administration	
		Federal Expenditures	State Expenditures	Federal Expenditures	State Expenditures
17.235	TV-1415-30	\$ 116,729	\$ -	\$ 10,936	\$ -
93.041	AP-1415-30	6,047	-	-	-
93.042	AP-1415-30	30,540	-	-	-
93.043	AP-1415-30	26,636	-	-	-
93.044	AP-1415-30	373,294	-	52,171	-
93.045	AP-1415-30	207,863	42,486	65,017	311
93.045	AP-1415-30	-	20,713	-	-
93.045	AP-1415-30	457,579	43,857	32,684	83
93.045	AP-1415-30	-	12,184	-	-
93.052	AP-1415-30	169,485	-	21,795	-
93.053	AP-1415-30	160,209	-	-	-
93.779	HI-1415-30	107,039	159,692	11,893	11,918
10.576	SFMNP-1415-30	20,000	-	-	-
93.778	MSSP-1415-30	668,934	-	-	-
10.561	SP-1415-30 (July 14 to Sept 14)	10,951	-	1,559	-
10.561	SP-1415-30 (Oct 14 to June 15)	29,752	-	4,678	-
93.071	MI 1314-30	5,694	-	633	-
93.071	MI 1415-30	11,502	-	-	-
	Ombudsman Initiative - AP-1314-30	-	43,446	-	-
	TOTAL	<u>\$ 2,402,254</u>	<u>\$ 322,378</u>	<u>\$ 201,366</u>	<u>\$ 12,312</u>

NOTE 8 – CALIFORNIA OFFICE OF EMERGENCY SERVICES (CaIOES) GRANTS

The following represents expenditures for CaIOES programs for the year ended June 30, 2015. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2014	For the Year Ended June 30, 2015	Cumulative as of June 30, 2015	Federal Share	State Share	County Share
	<u>VW13320500 - Victim/Witness Assistance Program</u>					
Personnel services	\$ 309,295	\$ 338,764	\$ 648,059	\$ 154,782	\$ 183,982	\$ -
Operating expenses	11,383	5,846	17,229	5,354	-	492
Totals	<u>\$ 320,678</u>	<u>\$ 344,610</u>	<u>\$ 665,288</u>	<u>\$ 160,136</u>	<u>\$ 183,982</u>	<u>\$ 492</u>

NOTE 8 – CALIFORNIA OFFICE OF EMERGENCY SERVICES (CaIOES) GRANTS (Continued)

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2014	For the Year Ended June 30, 2015	Cumulative as of June 30, 2015	Federal Share	State Share	County Share
<u>UV13040500 - Unserved/Underserved Advocacy & Outreach Program</u>						
Personnel services	\$ 66,426	\$ 73,961	\$ 140,387	\$ 73,961	\$ -	\$ -
Operating expenses	37,201	64,456	101,657	64,456	-	-
Totals	<u>\$ 103,627</u>	<u>\$ 138,417</u>	<u>\$ 242,044</u>	<u>\$ 138,417</u>	<u>\$ -</u>	<u>\$ -</u>
<u>VCGC9082 - A1 Victim Comp & Gov Claims Board</u>						
Personnel services	\$ 63,853	\$ -	\$ 63,853	\$ -	\$ -	\$ -
Totals	<u>\$ 63,853</u>	<u>\$ -</u>	<u>\$ 63,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LE13 03 0500 - Law Enforcement Specialized Units (LE) Program</u>						
Personnel services	\$ 37,477	\$ 66,585	\$ 104,062	\$ 66,585	\$ -	\$ -
Operating expenses	10,714	54,711	65,425	54,711	-	-
Totals	<u>\$ 48,191</u>	<u>\$ 121,296</u>	<u>\$ 169,487</u>	<u>\$ 121,296</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LE14 04 0500 - Law Enforcement Specialized Units (LE) Program</u>						
Personnel services	\$ -	\$ 57,389	\$ 57,389	\$ 57,389	\$ -	\$ -
Operating expenses	-	16,486	16,486	16,486	-	-
Totals	<u>\$ -</u>	<u>\$ 73,875</u>	<u>\$ 73,875</u>	<u>\$ 73,875</u>	<u>\$ -</u>	<u>\$ -</u>

FINDINGS AND QUESTIONED COSTS

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

Section 1

Financial Statements

Summary of Auditor's Results

- | | |
|---|---------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified
not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified
not considered to be material weaknesses? | No |
| 2. Type of auditor's report issued on compliance
for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be
reported in accordance with OMB Circular A-133,
Section 510(a)? | Yes |

4. Identification of major programs:

CFDA Number

Program

17.258, 17.259, and 17.278

Workforce Investment Act
Programs

93.778

Medical Assistance Program

93.658

Foster Care – Title IV-E

93.659

Adoption Assistance

- | | |
|--|-------------|
| 5. Dollar threshold used to distinguish between
Type A and Type B programs? | \$3,000,000 |
| 6. Auditee qualified as a low-risk auditee under
OMB Circular A-133, Section 530? | Yes |

Section 2

Financial Statement Findings

None.

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2015**

Section 3

Federal Award Findings and Questioned Costs

2015-001

Program: Foster Care – IV-E

CFDA No.: 93.658

Federal Agencies: U.S. Department of Health and Human Services

Passed-Through: California Department of Social Services

Award Numbers: Various

Award Year: Fiscal year 2014/15

Compliance Requirement: Eligibility

Questioned Costs: \$0

Criteria:

The March 2015 OMB Circular A-133 *Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that cases were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program, and determine whether federal program awards were made for eligible cases.

Condition Found:

Out of the 40 participants selected for eligibility testing, we noted the following:

- 1 case file whereby the participant was paid an incorrect monthly benefit payment for one month.

Effect:

Participant was paid an incorrect amount for one month.

Recommendation:

We recommend that the County adhere to established policies and procedures with regards to ensuring all participants are paid the correct monthly benefit payments.

Views of Responsible Officials:

Effective July 1, 2014, the monthly amount to be paid to the participants under this program changed from \$656 to \$671, an increase of \$14. For the case in question, the customer was paid the unadjusted amount of \$656 for the month of July 2014. The case was discontinued as of August 1, 2014, which moved it to an inactive status.

Corrective Plan:

- The oversight was brought to the Department's attention on September 17, 2015, and a payment of \$14 was subsequently issued to the client.
- Going forward, individual case manager's inventory (caseloads) list, including active and inactive participants, will be printed effective July 1st and monitored with the Statewide C-IV system to ensure accurate payments are issued.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

2014-001

Program: Workforce Investment Act (WIA) Cluster
CFDA No.: 17.258, 17.259, and 17.278
Federal Agencies: U.S. Department of Labor
Passed-Through: California Employment Development Department
Award Numbers: Various
Award Year: Fiscal year 2013/14
Compliance Requirement: Eligibility
Questioned Costs: \$0

Criteria:

The June 2014 OMB Circular A-133 *Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that cases were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program, and determine whether federal program awards were made for eligible cases.

Condition Found:

Out of the 40 participants selected for eligibility testing, we noted the following:

- 1 case file whereby the participant application was missing the applicant's signature.

Effect:

Participant may be ineligible to receive benefits and program policy was not followed.

Recommendation:

We recommend that the County adhere to established policies and procedures with regards to requiring a signature as a certification by the participant that the application information is true.

Views of Responsible Officials:

The missing signature on the self service application does not prevent the program from providing services to the participant. However, the handbook and program policy requires an applicant's signature as a certification by the applicant that the information on the application is true.

Current Year Status:

Implemented in the current year.

**JUNE 30, 2015
COMPREHENSIVE
ANNUAL FINANCIAL
& SINGLE AUDIT
REPORT**

March 15, 2016

Board of Supervisors Presentation

OBJECTIVE

◎ Audit Results

- Comprehensive Annual Financial Report (CAFR)
 - Accordance with Generally Accepted Accounting Principles (GAAP)
 - Unmodified/clean opinion
 - Highest level of assurance
- Single Audit Report
 - Compliance with OMB federal requirements
 - Single exception
 - No significant findings

ACCOUNTING STATEMENT 68

- ◉ Statement 68 - Accounting & Financial Reporting for Pensions
- ◉ Example: \$1k monthly payments three months past due with \$150k mortgage balance
 - Pre statement 68: net pension liability \$3k
 - Post statement 68: net pension liability \$150k

ACCOUNTING STATEMENT 68

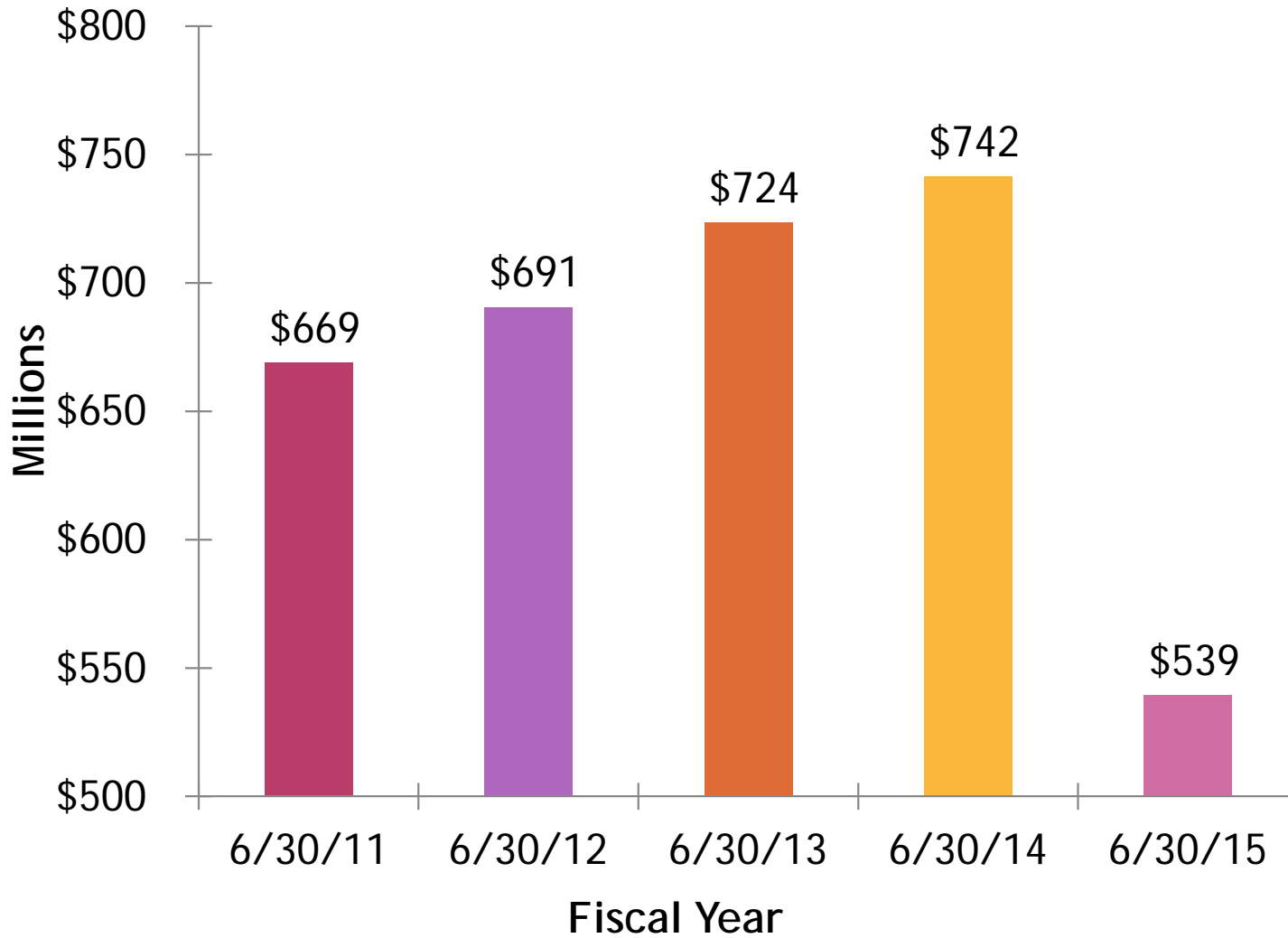
(CON'T)

- Pre GASB 68 Pension Accounting
 - Annual required contribution (ARC)
 - Pension liability - \$2.2m
- Post GASB 68 Pension Accounting
 - Full amount of unfunded obligation
 - Net pension liability (NPL) - \$202m

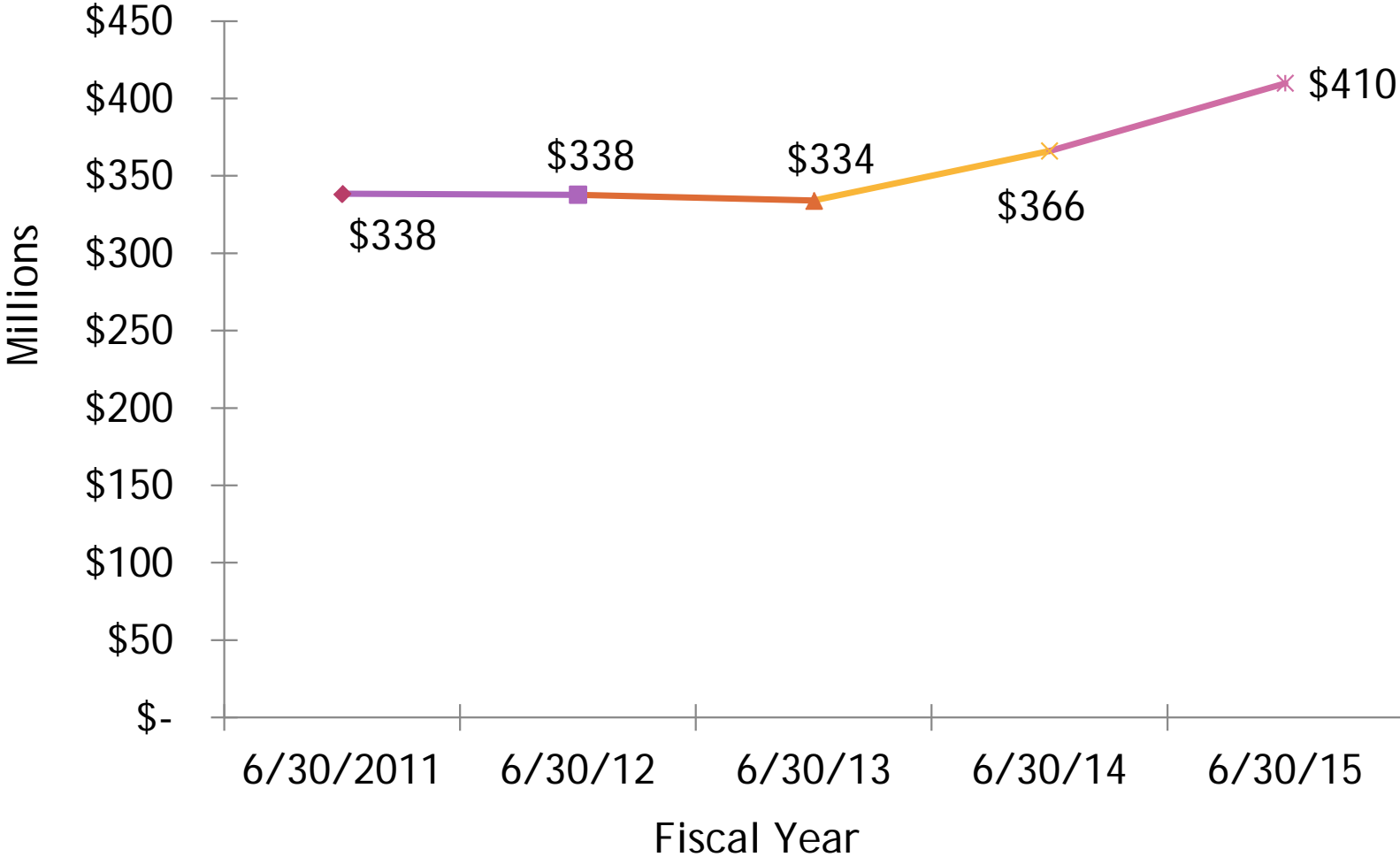
(NPL) COMPARISON



NET POSITION



CASH & INVESTMENTS



NET INCOME TO ASSETS



CONCLUSION

- ◉ Clean Audit Opinions
- ◉ GASB Statement 68 - Accounting & Financial Reporting for Pensions Financial Highlights
- ◉ Cash & Net position
- ◉ Return on Assets Ratio
- ◉ Acknowledgments