

# County of Stanislaus, California

Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2017



Prepared by

Stanislaus County Auditor-Controller's Office

Lauren Klein, CPA, Auditor-Controller



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For the Fiscal Year Ended June 30, 2017**

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# County of Stanislaus

## Comprehensive Annual Financial Report

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**AUDITOR-CONTROLLER**

**Lauren Klein, CPA**  
Auditor-Controller

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



December 15, 2017

The Honorable Board of Supervisors  
County of Stanislaus  
1010 10<sup>th</sup> 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, 2017. 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 an estimated 540,214 people calling this area home, the community reflects a region rich in diversity with a strong sense of community.

Two of California's major north-south transportation routes (Interstate 5 and Highway 99) intersect the area and the County has quickly become one of the dominant logistics center locations on the west coast.

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 the featured industries. The County is also home to Stanislaus State University, Modesto Junior College and benefits from satellite locations of other high-quality educational institutions.

The County was established in 1854 and has a total land area of 1,515 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 and it ranks higher than 21 states in agricultural income. The value of agricultural commodities produced in 2015 was approximately \$3.9 billion, a decrease of more than \$500 million from the 2014 all-time high of \$4.4 billion. This decrease is primarily attributed to a reduction in yields for many commodities due to the sustained drought and a drop in the values of milk,

walnuts, almonds, meats, silage, cattle and calves, and turkeys. Almonds continue to be the number one commodity at \$1.3 billion followed by milk at nearly \$650 million in value. The value of almonds decreased by 7.7% compared to the prior year and milk sales decreased by 32% from prior year. Over 20,000 acres were fallowed in 2015 due to the drought.

Farmers in Stanislaus County export more than 134 commodities to 107 countries around the world. There were 8,621 export certificates were issued in 2015. Japan receives 10% of exports followed by Hong Kong and Spain at 9%.

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. Doctors Medical Center and Memorial Medical Center are two tertiary hospitals located in the County.

The County's annual unemployment rate for June, 2017, is 7.8%, a decrease from 8.8% in 2016, but significantly higher than the State rate of 4.9%. Unemployment rates in the central valley are historically twice the national average (currently 4.4%) and economic growth in the valley has trailed the rest of the State after the recession.

Home values increased 4.6% from August 2016 to August 2017 in Stanislaus County.

The 2016-2017 Property Tax Assessment Roll showed a 5.88% increase compared to 2015-2016.

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 and back down to 250 in 2015, to 573 in 2016.

The construction sector was one of the largest employment sectors of the Stanislaus County 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 8,300 in 2016.

## 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 Comprehensive 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 of accounting.

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 1<sup>st</sup> through June 30<sup>th</sup>.

## CAPITAL IMPROVEMENT PLAN

On February 25, 2014, the Board of Supervisors authorized staff to prepare future updates to the Capital Improvement Plan on a two-year review scheduled. The County's Recommended Proposed Capital Improvement Plan (CIP) was approved by the Board of Supervisors on July 19, 2016 for Fiscal Years 2015-2016 and 2016-2017. Prior to returning to the Board for consideration of the Final CIP for Fiscal Years 2015-2016 and 2016-2017, the project list will be reviewed by the Planning and Community Development Department for consistency with the County's General Plan, and presented to the County's Planning Commission for concurrence.

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 Capital Improvement Plan provides a forecast of capital improvement needs for the County over the next twenty (20) years. The 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. Capital improvement projects are defined as one-time major expenditures exceeding \$100,000 for construction or acquisition efforts for the purpose of this CIP. Large, one-time equipment and technology acquisition costs, including vehicle replacement, new software acquisition, property acquisition, construction of facilities and infrastructure, major remodeling projects, demolition efforts are considered projects for the purposes of the CIP.

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 129 capital improvement projects. Those needs total \$1,342,347,069 in total estimated project costs. Of that total, \$591,589,429 in potential funding from other sources have been identified, with \$700,935,202 being the portion of the estimated project costs that would be the responsibility of Stanislaus County. Funding sources for \$49,822,438 in project costs have not yet been identified.

The CIP includes projects that are underway or planned for the future. Unfunded projects in the CIP indicate current and future unmet needs and are included for planning purposes. While the CIP covers a 20 year planning horizon, the document will

be updated bi-annually to reflect ongoing changes as new projects are added, existing projects are modified, and completed projects are deleted from the plan.

Several noteworthy projects were completed since the adoption of the Final Capital Improvement Plan for Fiscal Year 2013-2014:

AB 900 Phase II Public Safety Center Jail Expansion, County Jail Intake and Release Facility, Community Services Facility HVAC Replacement Project, Coroner Facility; Psychiatric Health Facility; Crisis Stabilization Unit; Honor Farm Clean-up and Closure; Juvenile Justice Facility Roof Replacement and HVAC; Public Health Laboratory Information Management System; Bonita Ranch Park Solar Lighting and Walking Paths; Frank Raines Regional Part Water System Improvements; Hatch Park Ball Field Improvements; Laird Park Picnic Shelter; Empire Park Solar Lighting and Walking Paths; Woodward Reservoir T-Island and Muir Point Campsites; and various traffic signals and road widening projects.

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

- ◆ Re-Entry and Enhanced Alternatives to Custody Training (REACT) Center Project, current budget of \$44,445,000;
- ◆ Countywide Americans with Disabilities Act (ADA) Self-Evaluation and Transition Plan Project, current budget of \$500,000 annually and ongoing;
- ◆ Various Road and Bridge projects, current budget of \$33.8 million

#### 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, 2017**

**BOARD OF SUPERVISORS**



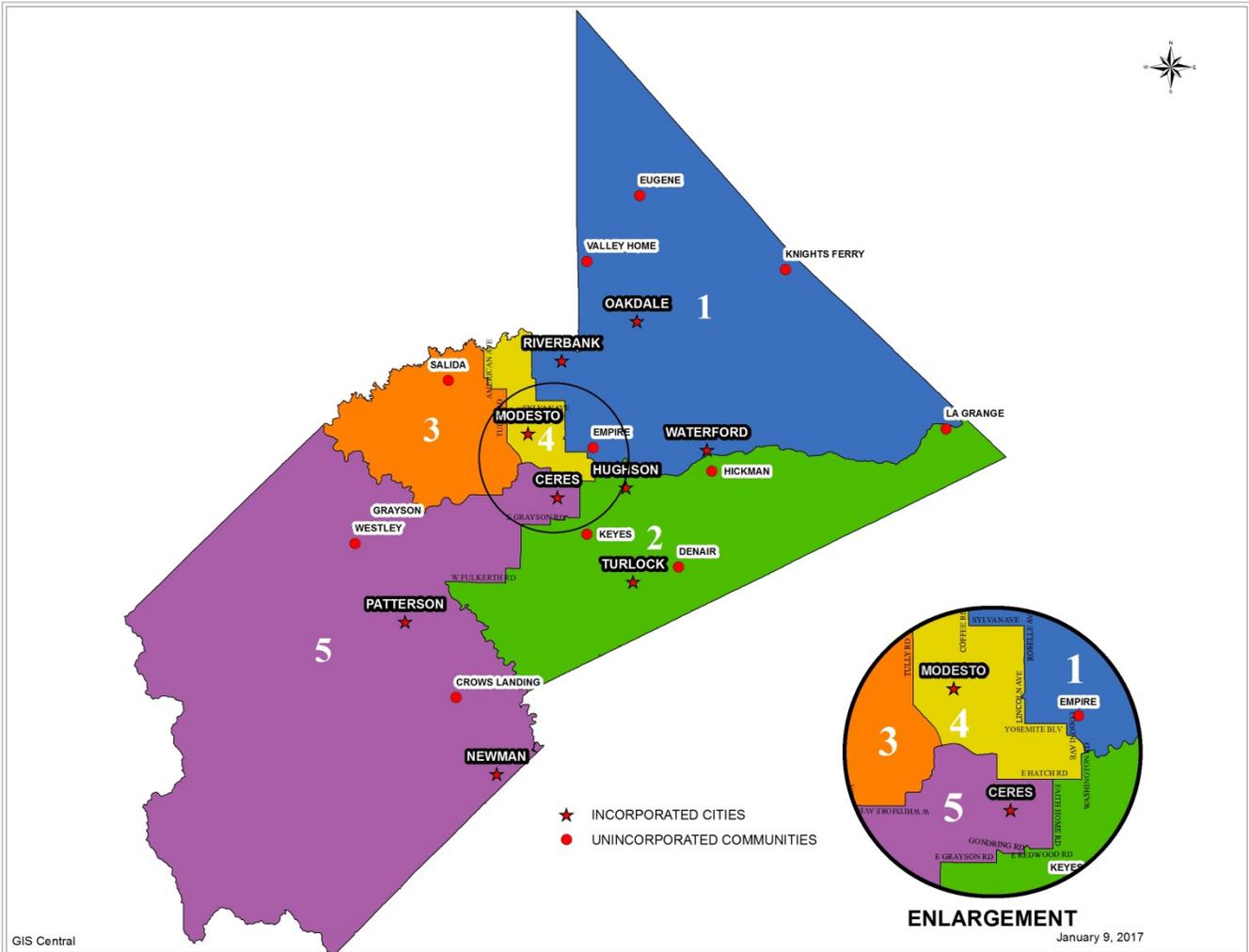
**Kristen Olsen  
District 1**

**Vito Chiesa  
District 2**

**Terry Withrow  
District 3**

**Dick Monteith  
District 4**

**Jim DeMartini  
District 5**



**COUNTY OF STANISLAUS  
PRINCIPAL COUNTY OFFICIALS  
JUNE 30, 2017**

**ELECTED OFFICIALS**

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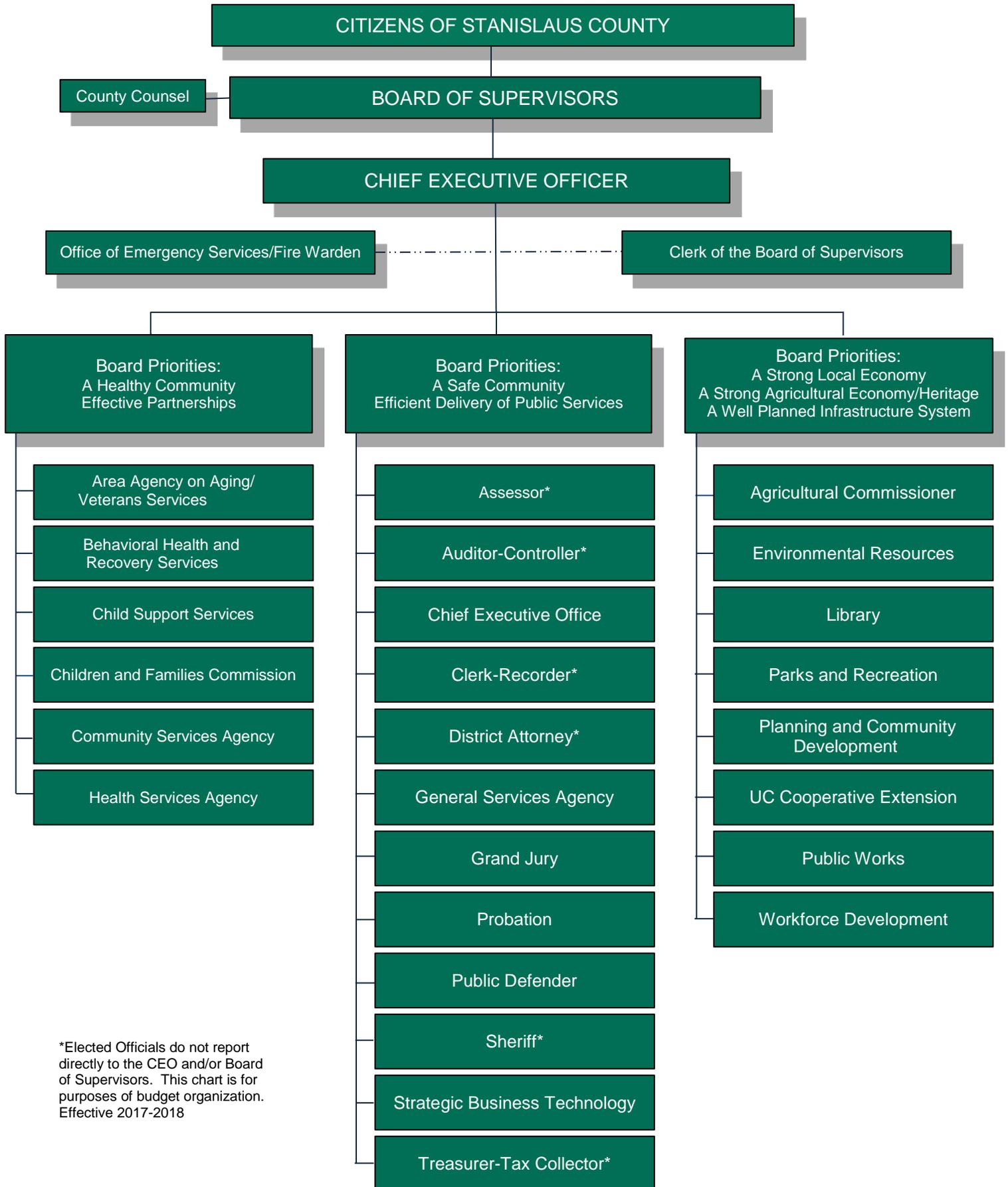
|  |                   |
|--|-------------------|
| Assessor .....                                 | Don H. Gaekle     |
| Auditor-Controller .....                       | Lauren Klein      |
| Clerk-Recorder .....                           | Lee Lundrigan     |
| District Attorney .....                        | 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  |
| Animal Services Executive Director .....  | Annette Patton  |
| Area Agency on Aging/Veterans Services Office Director .....                                | Margie Palomino |
| Behavioral Health & Recovery Services Director.....   | Rick DeGette    |
| Chief Executive Officer.....  | Stan Risen      |
| Child Support Services Director.....  | Baljit Atwal    |
| Children and Families Commission, Executive Director .....                                  | David Jones     |
| Community Services Agency Director.....   | Kathryn Harwell |
| Cooperative Extension County Director &<br>Nutrition, Family Consumer Science Advisor ..... | Roger Duncan    |
| 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 .....  | Tamara Thomas   |
| Planning and Community Development Director .....   | Angela Freitas  |
| Chief Probation Officer .....   | Mike Hamasaki   |
| Public Defender .....   | Sandip Sandhu   |
| Public Works Director .....   | Matt Machado    |
| Stanislaus Regional 9-1-1 Director .....  | Scotty Douglass |
| Strategic Business Technology Director .....  | Paul Gibson     |
| Workforce Development Director .....  | Doris Foster    |

# STANISLAUS COUNTY ORGANIZATIONAL CHART



\*Elected Officials do not report directly to the CEO and/or Board of Supervisors. This chart is for purposes of budget organization. Effective 2017-2018



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**County of Stanislaus  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

*Christopher P. Morill*

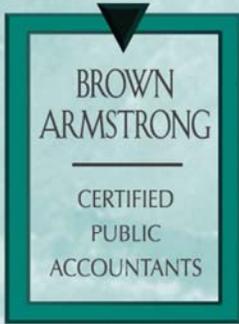
Executive Director/CEO

---

*Financíal*  
*Section*

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# 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, 2017, 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.

#### BAKERSFIELD OFFICE (MAIN OFFICE)

4200 TRUXTUN AVENUE  
SUITE 300  
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TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

#### FRESNO OFFICE

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FAX 559.476.3593

#### LAGUNA HILLS OFFICE

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92563  
TEL 949.652.5422

#### STOCKTON OFFICE

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

## **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, 2017, 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.

## **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 Benefits (OPEB) Plan, as listed on 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 County's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, 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 combining and individual non-major fund financial statements and schedules, and Long-Term Debt Statements of the Successor Agency to the Stanislaus County Redevelopment Agency 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 schedules, and Long-Term Debt Statements of the Successor Agency to the Stanislaus County Redevelopment Agency 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. 77, *Tax Abatement Disclosures*; GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*; GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*; GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*; and GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, during the fiscal year 2017. Our opinion is not modified with respect to the matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2017, 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.

Bakersfield, California  
December 15, 2017

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style and is positioned below the printed name of the firm.



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*Management's  
Discussion and  
Analysis*

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## County of Stanislaus Management's Discussion and Analysis

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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, 2017. Please read it in conjunction with the County's basic financial statements following this section.

### Financial Highlights

- The County's net position is \$625 million and is comprised of the following items:
  - The net investment in capital assets of \$524 million
  - The restricted net position of \$318 million
  - The net unrestricted net position of negative (\$217) million
- The government's total net position decreased by \$4 million.
- As of June 30, 2017, the County governmental funds reported combined fund balances of \$477 million, an increase of \$12 million from the prior year. The unassigned fund balance is \$9 million which represents 1.8% of the total fund balance of the governmental funds.
- As of June 30, 2017, unassigned fund balance for the General Fund was \$9 million. It represents 3.1% of expenditures and transfers of the General Fund.
- The County's total long-term liabilities increased by a net \$378 million from the prior year. A significant portion of the increase is due to the increase in the net pension liability.

### 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.

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.

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

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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.

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. With the exception of Public Facility Fees, all of the other funds are considered to be major funds. The Public Facility Fees fund is reported separately for comparative purposes. 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

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

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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 are considered to be major funds. 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 34-37 of this report.**

***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 38-39 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 41-97 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 101-132 of this report.

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

**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                |                       |
|--|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|  | 2017                    | 2016                  | 2017                     | 2016                 | 2017                  | 2016                  |
| Current and other assets               | \$ 655,281,826          | \$ 639,570,210        | \$ 80,545,354            | \$ 70,696,567        | \$ 735,827,180        | \$ 710,266,777        |
| Capital assets                         | 509,017,868             | 468,581,033           | 29,793,861               | 30,387,822           | 538,811,729           | 498,968,855           |
| Total assets                           | <u>1,164,299,694</u>    | <u>1,108,151,243</u>  | <u>110,339,215</u>       | <u>101,084,389</u>   | <u>1,274,638,909</u>  | <u>1,209,235,632</u>  |
| Deferred outflows of resources-pension | 321,604,159             | 50,654,814            | 15,214,761               | 2,168,025            | 336,818,920           | 52,822,839            |
| Long-term liabilities outstanding      | 827,731,147             | 463,690,723           | 36,343,027               | 22,748,636           | 864,074,174           | 486,439,359           |
| Other liabilities                      | 111,393,249             | 108,357,392           | 5,335,282                | 4,639,861            | 116,728,531           | 112,997,253           |
| Total liabilities                      | <u>939,124,396</u>      | <u>572,048,115</u>    | <u>41,678,309</u>        | <u>27,388,497</u>    | <u>980,802,705</u>    | <u>599,436,612</u>    |
| Deferred inflows of resources-pension  | 5,646,763               | 32,366,420            | 257,021                  | 1,385,282            | 5,903,784             | 33,751,702            |
| Net position:                          |                         |                       |                          |                      |                       |                       |
| Net investment in capital assets       | 494,299,857             | 447,336,350           | 29,793,861               | 30,387,822           | 524,093,718           | 477,724,172           |
| Restricted                             | 297,608,836             | 304,416,103           | 20,969,868               | 19,393,530           | 318,578,704           | 323,809,633           |
| Unrestricted                           | (250,775,999)           | (197,360,931)         | 32,854,917               | 24,697,283           | (217,921,082)         | (172,663,648)         |
| Total net position                     | <u>\$ 541,132,694</u>   | <u>\$ 554,391,522</u> | <u>\$ 83,618,646</u>     | <u>\$ 74,478,635</u> | <u>\$ 624,751,340</u> | <u>\$ 628,870,157</u> |

A significant portion of the County's net position, \$318 million represents resources that are subject to external restrictions on how they may be used. The net unrestricted balance is a negative (\$217 million).

County's net position decreased by \$4 million as the program related deficit of \$180 million exceeded general revenues of \$176 million.

For business-type activities, the County reported a balance of \$33 million in unrestricted net position compared to \$25 million in the prior year. The favorable variance from the prior year's unrestricted net position balance is due to revenues in excess of expenses.

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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$625 million at the close of the Fiscal Year 2016-2017.

By far the largest portion of the County's net position of \$524 million (84%) 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)**

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

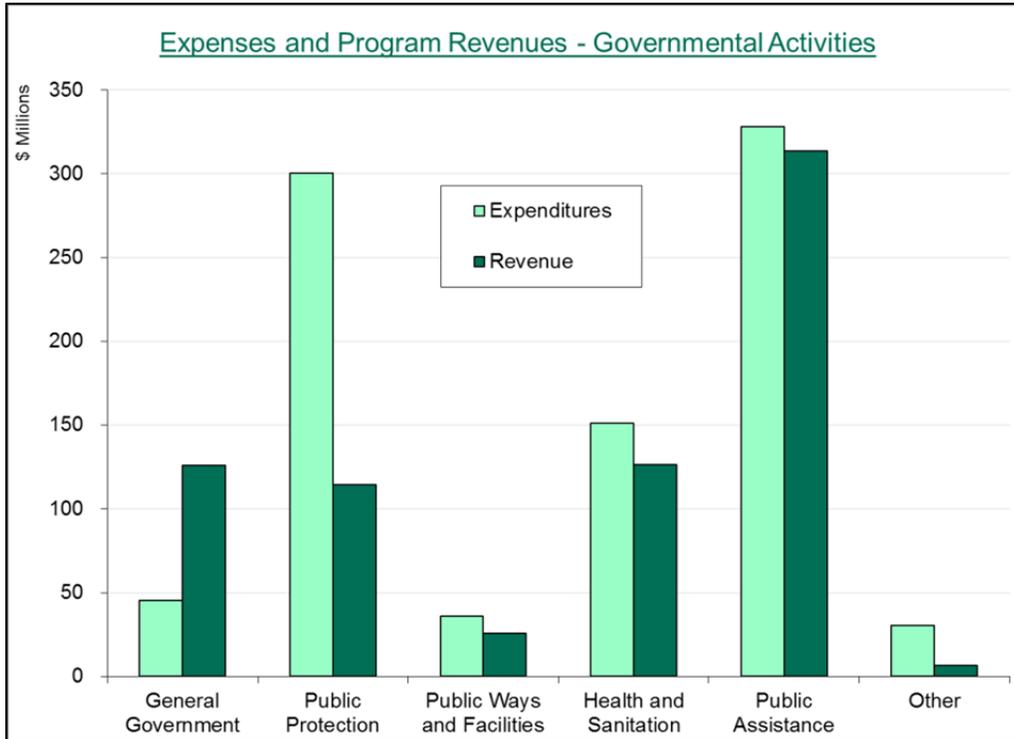
**County of Stanislaus Changes in Net Position**

|   | Governmental Activities |                       | Business-type Activities |                      | Totals                |                       |
|---|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|   | 2017                    | 2016                  | 2017                     | 2016                 | 2017                  | 2016                  |
| <b>Revenues</b>                                   |                         |                       |                          |                      |                       |                       |
| Program revenues:                                 |                         |                       |                          |                      |                       |                       |
| Charges for services                              | \$ 149,644,889          | \$ 141,899,008        | \$ 52,782,221            | \$ 47,709,507        | \$ 202,427,110        | \$ 189,608,515        |
| Operating grants and contributions                | 526,433,610             | 515,871,262           | 1,395,579                | 1,491,073            | 527,829,189           | 517,362,335           |
| Capital grants and contributions                  | 36,710,716              | 67,291,846            | -                        | -                    | 36,710,716            | 67,291,846            |
| General revenues:                                 |                         |                       |                          |                      |                       |                       |
| Property taxes                                    | 119,517,121             | 111,785,574           | -                        | -                    | 119,517,121           | 111,785,574           |
| Sales taxes                                       | 36,578,957              | 34,211,664            | 6,609,799                | 6,856,640            | 43,188,756            | 41,068,304            |
| Other taxes                                       | 3,898,466               | 3,451,718             | -                        | -                    | 3,898,466             | 3,451,718             |
| Sale of capital assets                            | -                       | -                     | (3,579)                  | (61,574)             | (3,579)               | (61,574)              |
| Unrestricted investment earnings                  | 935,445                 | 718,321               | 726,720                  | 1,345,053            | 1,662,165             | 2,063,374             |
| Grants/contributions not restricted               | 1,129,666               | 1,189,904             | -                        | -                    | 1,129,666             | 1,189,904             |
| Other general revenue                             | 6,728,972               | 8,465,542             | -                        | -                    | 6,728,972             | 8,465,542             |
| Total revenues                                    | <u>881,577,842</u>      | <u>884,884,839</u>    | <u>61,510,740</u>        | <u>57,340,699</u>    | <u>943,088,582</u>    | <u>942,225,538</u>    |
| <b>Expenses</b>                                   |                         |                       |                          |                      |                       |                       |
| General government                                | 45,365,643              | 39,924,809            | -                        | -                    | 45,365,643            | 39,924,809            |
| Public protection                                 | 300,326,244             | 226,360,587           | -                        | -                    | 300,326,244           | 226,360,587           |
| Public ways and facilities                        | 36,073,544              | 70,723,726            | -                        | -                    | 36,073,544            | 70,723,726            |
| Health and sanitation                             | 151,320,780             | 133,992,756           | -                        | -                    | 151,320,780           | 133,992,756           |
| Public assistance                                 | 328,149,912             | 325,543,153           | -                        | -                    | 328,149,912           | 325,543,153           |
| Education   | 13,664,296              | 10,575,336            | -                        | -                    | 13,664,296            | 10,575,336            |
| Recreation  | 8,372,919               | 7,130,168             | -                        | -                    | 8,372,919             | 7,130,168             |
| Interest on long-term debt                        | 8,381,196               | (15,049,070)          | -                        | -                    | 8,381,196             | (15,049,070)          |
| Landfills   | -                       | -                     | 5,215,062                | 7,353,713            | 5,215,062             | 7,353,713             |
| Health Clinics and Ancillary                      | -                       | -                     | 41,044,649               | 38,183,676           | 41,044,649            | 38,183,676            |
| Inmate Welfare and Commissary                     | -                       | -                     | 1,769,487                | 1,642,511            | 1,769,487             | 1,642,511             |
| Transit   | -                       | -                     | 7,523,667                | 6,348,722            | 7,523,667             | 6,348,722             |
| Total expenses                                    | <u>891,654,534</u>      | <u>799,201,465</u>    | <u>55,552,865</u>        | <u>53,528,622</u>    | <u>947,207,399</u>    | <u>852,730,087</u>    |
| Net position increase (decrease) before transfers | (10,076,692)            | 85,683,374            | 5,957,875                | 3,812,077            | (4,118,817)           | 89,495,451            |
| Transfers   | (3,182,136)             | (6,578,887)           | 3,182,136                | 6,578,887            | -                     | -                     |
| Change in net position                            | <u>(13,258,828)</u>     | <u>79,104,487</u>     | <u>9,140,011</u>         | <u>10,390,964</u>    | <u>(4,118,817)</u>    | <u>89,495,451</u>     |
| Net position, July 1                              | 554,391,522             | 475,287,035           | 74,478,635               | 64,087,671           | 628,870,157           | 539,374,706           |
| Net position – June 30                            | <u>\$ 541,132,694</u>   | <u>\$ 554,391,522</u> | <u>\$ 83,618,646</u>     | <u>\$ 74,478,635</u> | <u>\$ 624,751,340</u> | <u>\$ 628,870,157</u> |

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

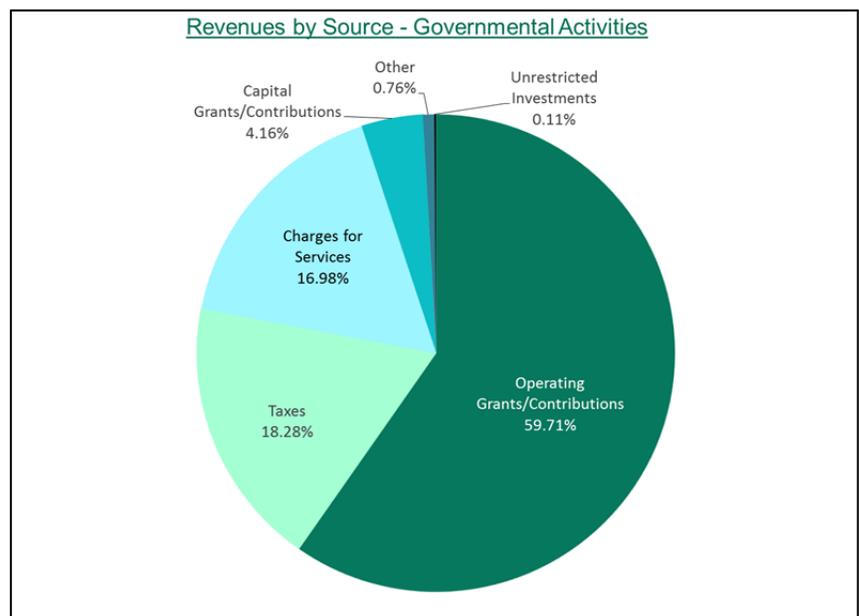
### Governmental Activities

The Expenses and Program Revenue – Governmental Activities chart compares the program expenses and revenues by function for activities funded by general revenues such as taxes.



Expenses incurred in the Public Assistance category totaled over \$328 million and \$300 million was expended for Public Protection. The most significant program revenue is included in the Public Assistance activities. Total program expenses amounted to approximately \$892 million, offset by total revenue of approximately \$713 million.

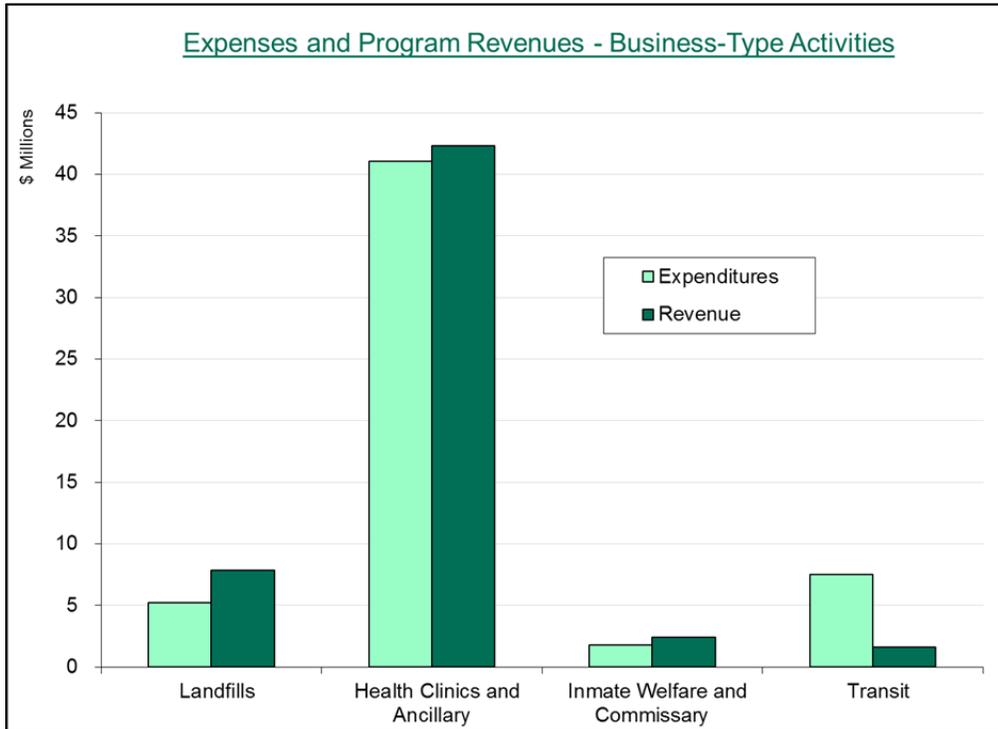
The total revenues by funding source are represented by the Revenues by Source - Governmental Activities chart. This chart combines program and general revenues, such as taxes. The Operating Grants/Contributions category, which includes intergovernmental revenue sources, represent the highest funding source at 59.71% of the total resources. Charges for Services represent 16.98%. The Other category includes donations and miscellaneous revenue and comprises .76% of the funding sources.



**County of Stanislaus**  
**Management’s Discussion and Analysis** *(continued)*

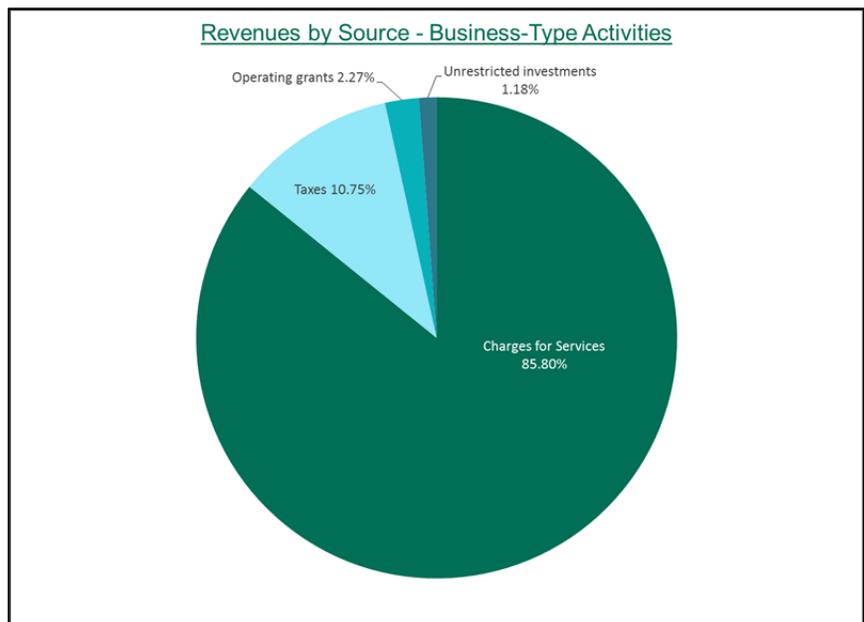
**Business-Type Activities**

The following Expenses and Program Revenues – Business-Type Activities chart highlights the County’s business-type program expense categories and offsetting revenue for 2017. By far, Health Clinics and Ancillary is the largest category with over \$41 million in expenses.



The Health Clinics and Ancillary division of the Health Services Agency provides a variety of health care services to the local community. All other categories of costs combine for a total of approximately \$14 million, with Transit and Landfills making up the bulk of costs. The Business-type costs totaled nearly \$56 million, while the program revenue was recorded at \$54 million.

The Revenues by Source – Business-type Activities illustrates the total funding source by category. The business-type activities are reported in the Enterprise funds which includes revenue fees for services. Consequently, the most significant source of funding was noted in the category of Charges for Services, recognizing 85.8% of the total revenue earned. . Funding from Operating Grants represent 2.3% of the total funding sources as the intergovernmental revenues, Federal and State, comprise a very low portion of the revenues generated in the business-type activities.



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

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**Financial Analysis of the County's Funds**

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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, 2017, the County's governmental funds reported combined fund balances of \$477 million compared to \$465 million in the prior year. The increase of \$12 million is partially due to excess revenue over the expenditures.

The unassigned fund balance of the Governmental Funds is \$9 million. The remainder of fund balance is categorized as follows:

|                  |                |
|------------------|----------------|
| 1) Non-spendable | \$ 12 million  |
| 2) Restricted    | \$ 270 million |
| 3) Committed     | \$ 11 million  |
| 4) Assigned      | \$ 175 million |

The General Fund is the chief operating fund of the County. At June 30, 2017, unassigned fund balance of the General Fund was \$9 million while total fund balance was \$184 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 3.1% of total fund expenditures and transfers out. The total fund balance of the General Fund represents 65.3% of the total fund expenditures and transfers out.

The unassigned fund balance of the General Fund of \$9 million compared to prior year balance of \$10 million equates to a decrease of \$1 million. A larger portion of the fund balance is assigned in Fiscal Year 2016-2017 relative to the prior year.

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 \$184 million, \$152 million is assigned.

The total fund balance of the County's General Fund is \$184 million which is \$19 million higher than prior year balance of \$165 million. Excess revenues contribute to the increased fund balance in the General Fund.

The total fund balance of Tobacco Settlement decreased by \$7 million due to decrease in fair market value adjustment of the investments and decrease in transfers out to other funds.

The total fund balance of Behavioral Health and Recovery Services increased by \$392 thousand as a result of increased transfers in from other departments.

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

Community Services Agency's fund balance increased by \$81 thousand as revenues exceeded expenses.

The change in the fund balance of Public Facility Fees increased by \$556 thousand. Lower transfers out to the other funds contributed to the favorable fund balance change.

**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**

|  | <u>Major Funds</u>    |                               | <u>Non-major</u>             | <u>Total</u>        |
|--|-----------------------|-------------------------------|------------------------------|---------------------|
|  | Fink Road<br>Landfill | Health Clinics<br>& Ancillary | Other<br>Enterprise<br>Funds |                     |
| Operating revenues                                   | \$ 7,789,489          | \$ 42,014,090                 | \$ 2,960,913                 | \$ 52,764,492       |
| Operating expenses                                   | 5,215,062             | 40,759,684                    | 9,293,154                    | 55,267,900          |
| Operating income (loss)                              | <u>2,574,427</u>      | <u>1,254,406</u>              | <u>(6,332,241)</u>           | <u>(2,503,408)</u>  |
| Non-operating revenues (expenses), net               | 734,180               | 282,594                       | 7,711,320                    | 8,728,094           |
| Net income (loss) before contributions and transfers | <u>3,308,607</u>      | <u>1,537,000</u>              | <u>1,379,079</u>             | <u>6,224,686</u>    |
| Contributions and transfers                          | (1,360,119)           | 3,682,135                     | 860,119                      | 3,182,135           |
| Net income   | <u>\$ 1,948,488</u>   | <u>\$ 5,219,135</u>           | <u>\$ 2,239,198</u>          | <u>\$ 9,406,821</u> |

**General Fund Budgetary Highlights**

As of June 30, 2017 General Fund actual revenues were higher than budgetary estimates by \$2.9 million. Expenditures based on budgetary basis, excluding other financing uses, were \$32 million less than budgetary estimates. The General Fund appropriated \$5.8 million in a contingency budget for emergencies and other unanticipated expenses as part of administrative policy.

The net increase of appropriations in the Final Budget of \$.5m compared to the original budget is due to the following:

- Auditor-Controller: Increase in salaries and benefits and equipment
- Jail Medical: Increase in contractual expenses
- CEO: Increase in salaries and benefits and purchase of software system
- General Fund Contributions: Increase expenses for grant, software and capital assets
- Parks and Recreation: Increase related to improvements
- Plant Acquisition: Increase due to costs associated with new veterans center
- Probation: Increase due to salaries and benefits, contracts and equipment
- Clerk Recorder: Increase due to capital improvement project
- Sheriff's Office: Increase due to payroll related expenses, overhead charges and one-time costs related to floods

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

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**Capital Assets and Debt Administration**

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**Capital assets**

The County's investment (net of accumulated depreciation) in capital assets for its governmental and business-type activities as of June 30, 2017, amounted to \$539 million compared to \$499 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 \$40 million from the prior year.

The increase in capital assets is primarily due to the constructions cost of capital projects associated with Public Safety Center Expansion Projects, Community Services Agency Heating, Ventilation, Air Conditioning Unit (HVAC) and Public Works Morgan Road building offset by increase in accumulated depreciation of capital assets.

Major capital asset events during the 2016-2017 Fiscal Year include:

**Public Safety Center Expansion Projects**

In March 2017, the County initiated the phased opening of the significant expansion of the Stanislaus County Public Safety Center. Overall, two projects were funded primarily by the State of California through Assembly Bill 900 Phase II, including Project One (Maximum Security/Medical Mental Health Beds and Facilities) and Project Two, a Day Reporting Center (opened in 2016). An additional County funded Project Three (Sheriff's Intake, Release, Administration and Transportation Facility) was also opened in 2017.

Project One includes two maximum-security housing units (240 beds each), a special needs housing unit, a medical mental health housing unit (72 beds), a health services facility and security administration. Project Three includes various support facilities. Both projects provide modern and safe facilities to allow the Sheriff to adequately house inmates to their proper level of supervision needed.

The County also awarded a Design-Build Construction Contract to Roebbelen Contracting, Inc., and broke ground on the last significant planned Public Safety Center expansion, funded primarily by the State of California through Senate Bill 1022. This state of the art and programed based facility, is the Re-Entry and Enhanced Alternatives to Custody Training (REACT) Center. The REACT Center will focus on lives of individuals by reducing recidivism, providing life skills training and education programing to inmates who are transitioning out of custody or who may be re-entering the system. Occupancy is expected to begin in March 2018.

**Awarded a 10-Year Lease Agreement for the Stanislaus Veterans Center**

In April 2017, the County successfully opened the Stanislaus Veterans Center in Modesto, California. This facility, the first of its kind in the nation, will serve as a one-stop location to the County's 27,000 Veterans and their organizations. In addition to the 18,522 square feet of office space, which houses the County's Department of Aging and Veterans Services, select programs from the Community Service Agency and local non-profits, the Veterans Center includes a state of the art 19,025 square foot banquet hall and conference center. This project is funded by the County of Stanislaus, the City of Modesto and a local non-profit organization, the Veterans Foundation of Stanislaus County.

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

**Community Services Facility Heating, Ventilation and Air Conditioning Replacement Project**

In Fiscal Year 2016-2017, the County replaced the heating, ventilation and air conditioning system at its largest facility, the Community Services Facility. The system was twenty years old and had long passed its useful life, requiring constant repairs and maintenance to operate. In cooperation with a local contractor, Champion Industrial Contractors Inc., based in Modesto, the County replaced this system prior to the summer season on-time and significantly under budget. This project included a Debt Financing approach.

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                 |                       |
|-----------------------------|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
|                             | 2017                    | 2016                  | 2017                     | 2016                 | 2017                  | 2016                  |
| Land and right of ways      | \$ 44,589,970           | \$ 44,534,252         | \$ 15,462,882            | \$ 15,462,882        | \$ 60,052,852         | \$ 59,997,134         |
| Infrastructure              | 128,358,292             | 135,500,460           | -                        | -                    | 128,358,292           | 135,500,460           |
| Structures and improvements | 140,216,166             | 134,089,721           | 3,542,805                | 4,261,001            | 143,758,971           | 138,350,722           |
| Equipment                   | 33,496,706              | 38,619,566            | 10,234,341               | 10,357,996           | 43,731,047            | 48,977,562            |
| Intangible Assets           | 1,026,586               | 1,361,720             | -                        | -                    | 1,026,586             | 1,361,720             |
| Construction in progress    | 161,330,148             | 114,475,314           | 553,833                  | 305,943              | 161,883,981           | 114,781,257           |
| Total                       | <u>\$ 509,017,868</u>   | <u>\$ 468,581,033</u> | <u>\$ 29,793,861</u>     | <u>\$ 30,387,822</u> | <u>\$ 538,811,729</u> | <u>\$ 498,968,855</u> |

**Long-term debt**

At June 30, 2017, the County had total long-term debt outstanding of \$139 million compared to \$143 million as of June 30, 2016. A new debt associated with the heating, ventilation, air conditioning (HVAC) unit was issued in the amount of \$8 million. Additionally, the debt increased due to \$5 million related to the amortization of the 2006 Tobacco Bonds. The total increase of \$13 million debt is offset by \$8 million 2007 Certificates of Participation (COP) payoff and the annual debt service payments of \$9 million resulting in a net decrease of \$4 million in the debt balance.

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 Outstanding Debt (Principal)

|                                | Governmental Activities |                       |
|--------------------------------|-------------------------|-----------------------|
|                                | 2017                    | 2016                  |
| Certificates of participation  | \$ 7,390,000            | \$ 7,275,000          |
| Issue premium                  | -                       | 221,899               |
| 2012 Lease refunding           | 1,562,703               | 3,127,429             |
| 2013 Lease refunding           | 4,990,000               | 9,915,000             |
| Tobacco securitization note    | 83,003,611              | 85,343,611            |
| Accreted interest tobacco note | 41,385,756              | 36,413,839            |
| Capital leases                 | 553,410                 | 483,456               |
| Total                          | <u>\$ 138,885,480</u>   | <u>\$ 142,780,234</u> |

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

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**Economic Factors and Next Year's Budget**

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- The unemployment rate in the County for August 2017 was 7.5% compared to 5.4% for the State of California and 4.5% for the nation.
- Median home prices increased from August 2016 to August 2017 at the following rate:
  - 4.6% Stanislaus County
  - 7.2% Statewide
- Building permits for single family units issued in the City of Modesto of Stanislaus County increased by 300% in August 2017 compared to the prior year. Statewide issuance of building permits for single family units increased by 7% for the same period.
- Assigned fund balance of \$1.6 million is being used to balance the General Fund budget for Fiscal Year 2017-2018.

**Requests for Information**

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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.

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*Basic Financial  
Statements*

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**County of Stanislaus**  
**Statement of Net Position**  
**June 30, 2017**

|   | Governmental<br>Activites | Business-type<br>Activities | Total                 |
|---|---------------------------|-----------------------------|-----------------------|
| <b>Assets</b>                                     |                           |                             |                       |
| Cash and investments                              | \$ 411,747,164            | \$ 41,860,428               | \$ 453,607,592        |
| Investments with fiscal agent                     | 89,334,596                | 66,862                      | 89,401,458            |
| Taxes receivable                                  | 15,545,411                | -                           | 15,545,411            |
| Accounts receivable                               | 106,517,906               | 18,383,292                  | 124,901,198           |
| Interest and other receivables                    | 3,140,148                 | 187,065                     | 3,327,213             |
| Notes receivable                                  | 251,870                   | -                           | 251,870               |
| Inventory   | 1,025,675                 | 8,612                       | 1,034,287             |
| Prepaid items                                     | 362,674                   | 214,136                     | 576,810               |
| Loans to other governments                        | 6,959,160                 | -                           | 6,959,160             |
| Restricted cash and investments                   | 4,632,178                 | 19,824,959                  | 24,457,137            |
| Investments - joint ventures                      | 15,765,044                | -                           | 15,765,044            |
| Capital assets (net of accumulated depreciation): |                           |                             |                       |
| Land & right of ways                              | 44,589,970                | 15,462,882                  | 60,052,852            |
| Infrastructure                                    | 128,358,292               | -                           | 128,358,292           |
| Structures and improvements                       | 140,216,166               | 3,542,805                   | 143,758,971           |
| Equipment   | 33,496,706                | 10,234,341                  | 43,731,047            |
| Intangible assets                                 | 1,026,586                 | -                           | 1,026,586             |
| Construction in progress                          | 161,330,148               | 553,833                     | 161,883,981           |
| Total capital assets                              | <u>509,017,868</u>        | <u>29,793,861</u>           | <u>538,811,729</u>    |
| Total assets                                      | <u>1,164,299,694</u>      | <u>110,339,215</u>          | <u>1,274,638,909</u>  |
| <b>Deferred outflows of resources</b>             |                           |                             |                       |
| Deferred pension                                  | <u>321,604,159</u>        | <u>15,214,761</u>           | <u>336,818,920</u>    |
| Total deferred outflows of resources              | <u>321,604,159</u>        | <u>15,214,761</u>           | <u>336,818,920</u>    |
| <b>Liabilities</b>                                |                           |                             |                       |
| Accounts payable                                  | 47,548,019                | 4,387,805                   | 51,935,824            |
| Salaries and benefits payable                     | 17,570,853                | 918,860                     | 18,489,713            |
| Interest payable                                  | 181,037                   | -                           | 181,037               |
| Unearned revenue                                  | 45,947,434                | -                           | 45,947,434            |
| Deposits from others                              | 18,950                    | 28,617                      | 47,567                |
| Due to other governments                          | 126,956                   | -                           | 126,956               |
| Long-term liabilities:                            |                           |                             |                       |
| Portion due within one year:                      |                           |                             |                       |
| Risk management liability                         | 14,660,257                | 23,897                      | 14,684,154            |
| Capital leases                                    | 222,097                   | -                           | 222,097               |
| Compensated absences                              | 6,951,024                 | 371,494                     | 7,322,518             |
| Long-term obligations                             | 12,667,703                | -                           | 12,667,703            |
| Portion due in more than one year:                |                           |                             |                       |
| Risk management liability                         | 19,845,696                | 23,881                      | 19,869,577            |
| Other post-employment benefits (OPEB)             | 11,119,666                | 684,000                     | 11,803,666            |
| Net pension liability                             | 611,888,363               | 25,399,387                  | 637,287,750           |
| Capital leases payable                            | 331,313                   | -                           | 331,313               |
| Compensated absences                              | 24,380,661                | 794,099                     | 25,174,760            |
| Long-term obligations                             | 125,664,367               | -                           | 125,664,367           |
| Estimated cost of landfill closure/postclosure    | -                         | 9,046,269                   | 9,046,269             |
| Total liabilities                                 | <u>939,124,396</u>        | <u>41,678,309</u>           | <u>980,802,705</u>    |
| <b>Deferred inflows of resources</b>              |                           |                             |                       |
| Deferred pension                                  | <u>5,646,763</u>          | <u>257,021</u>              | <u>5,903,784</u>      |
| Total deferred inflows of resources               | <u>5,646,763</u>          | <u>257,021</u>              | <u>5,903,784</u>      |
| <b>Net position</b>                               |                           |                             |                       |
| Net investment in capital assets                  | 494,299,857               | 29,793,861                  | 524,093,718           |
| Restricted for:                                   |                           |                             |                       |
| Capital projects                                  | 57,051,706                | -                           | 57,051,706            |
| Debt service                                      | 6,170,854                 | -                           | 6,170,854             |
| Other purposes                                    |                           |                             |                       |
| Tax loss reserve                                  | 4,632,178                 | -                           | 4,632,178             |
| Tobacco   | 94,817,263                | -                           | 94,817,263            |
| BHRS  | 22,243,456                | -                           | 22,243,456            |
| Special revenue funds                             | 112,693,379               | -                           | 112,693,379           |
| Landfill  | -                         | 20,969,868                  | 20,969,868            |
| Unrestricted (deficit)                            | <u>(250,775,999)</u>      | <u>32,854,917</u>           | <u>(217,921,082)</u>  |
| Total net position                                | <u>\$ 541,132,694</u>     | <u>\$ 83,618,646</u>        | <u>\$ 624,751,340</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, 2017**

| Functions/Programs               | Expenses              | Program Revenues                      |                                    |                                  |
|----------------------------------|-----------------------|---------------------------------------|------------------------------------|----------------------------------|
|                                  |                       | Fees, Fines, and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| <b>Primary government</b>        |                       |                                       |                                    |                                  |
| <b>Governmental activities:</b>  |                       |                                       |                                    |                                  |
| General government               | \$ 45,365,643         | \$ 19,483,419                         | \$ 74,882,526                      | \$ 31,493,361                    |
| Public protection                | 300,326,244           | 50,897,678                            | 63,335,823                         | 18,484                           |
| Public ways and facilities       | 36,073,544            | 10,641,483                            | 10,033,587                         | 5,163,011                        |
| Health and sanitation            | 151,320,780           | 49,896,007                            | 76,577,788                         | 22,611                           |
| Public assistance                | 328,149,912           | 12,979,298                            | 300,770,495                        | -                                |
| Education                        | 13,664,296            | 804,946                               | 242,192                            | 6,344                            |
| Recreation                       | 8,372,919             | 4,942,058                             | 591,199                            | 6,905                            |
| Interest on long-term debt       | 8,381,196             | -                                     | -                                  | -                                |
| Total governmental activities    | <u>891,654,534</u>    | <u>149,644,889</u>                    | <u>526,433,610</u>                 | <u>36,710,716</u>                |
| <b>Business-type activities:</b> |                       |                                       |                                    |                                  |
| Landfills                        | 5,215,062             | 7,789,485                             | 70,159                             | -                                |
| Health Clinics & Ancillary       | 41,048,228            | 42,031,823                            | 264,625                            | -                                |
| Inmate Welfare and Commissary    | 1,769,487             | 2,401,183                             | 7,447                              | -                                |
| Transit                          | 7,523,667             | 559,730                               | 1,053,348                          | -                                |
| Total business-type activities   | <u>55,556,444</u>     | <u>52,782,221</u>                     | <u>1,395,579</u>                   | <u>-</u>                         |
| Total primary government         | <u>\$ 947,210,978</u> | <u>\$ 202,427,110</u>                 | <u>\$ 527,829,189</u>              | <u>\$ 36,710,716</u>             |

Taxes:

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

Franchise fees

Unrestricted investment earnings

Miscellaneous

Net transfers

Total general revenues and transfers

Change in net position

Changes in net position including extraordinary item

Net position--beginning

Net position--ending

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

**County of Stanislaus**  
**Statement of Activities (continued)**  
**For the Fiscal Year Ended June 30, 2017**

| Net (Expense) Revenue and Changes in Net Position |                             |                       |  |
|---|-----------------------------|-----------------------|--|
| Governmental<br>Activities                        | Business-Type<br>Activities | Total                 | Functions/Programs                                   |
|   |                             |                       | <b>Primary government</b>                            |
|   |                             |                       | <b>Governmental activities:</b>                      |
| \$ 80,493,663                                     | \$ -                        | \$ 80,493,663         | General government                                   |
| (186,074,259)                                     | -                           | (186,074,259)         | Public protection                                    |
| (10,235,463)                                      | -                           | (10,235,463)          | Public ways and facilities                           |
| (24,824,374)                                      | -                           | (24,824,374)          | Health and sanitation                                |
| (14,400,119)                                      | -                           | (14,400,119)          | Public assistance                                    |
| (12,610,814)                                      | -                           | (12,610,814)          | Education  |
| (2,832,757)                                       | -                           | (2,832,757)           | Recreation   |
| (8,381,196)                                       | -                           | (8,381,196)           | Interest on long-term debt                           |
| <u>(178,865,319)</u>                              | <u>-</u>                    | <u>(178,865,319)</u>  | Total governmental activities                        |
|   |                             |                       | <b>Business-type activities:</b>                     |
| -   | 2,644,582                   | 2,644,582             | Landfills  |
| -   | 1,248,220                   | 1,248,220             | Health Clinics & Ancillary                           |
| -   | 639,143                     | 639,143               | Inmate Welfare and Commissary                        |
| -   | (5,910,589)                 | (5,910,589)           | Transit  |
| -   | (1,378,644)                 | (1,378,644)           | Total business-type activities                       |
| <u>(178,865,319)</u>                              | <u>(1,378,644)</u>          | <u>(180,243,963)</u>  | Total primary government                             |
|   |                             |                       | <b>Taxes:</b>  |
| 59,516,144  | -                           | 59,516,144            | Property taxes                                       |
| 57,074,275  | -                           | 57,074,275            | Property taxes in lieu vehicle license fees          |
| 2,926,702   | -                           | 2,926,702             | Property taxes - unsecured                           |
| 25,811,344  | 6,609,799                   | 32,421,143            | Sales taxes  |
| 10,195,058  | -                           | 10,195,058            | Sales taxes - library                                |
| 572,555   | -                           | 572,555               | Sales taxes - road                                   |
| 3,898,466   | -                           | 3,898,466             | Other taxes  |
| 1,129,666   | -                           | 1,129,666             | Franchise fees                                       |
| 935,445   | 726,720                     | 1,662,165             | Unrestricted investment earnings                     |
| 6,728,972   | -                           | 6,728,972             | Miscellaneous  |
| (3,182,136)                                       | 3,182,136                   | -                     | Net transfers  |
| <u>165,606,491</u>                                | <u>10,518,655</u>           | <u>176,125,146</u>    | Total general revenues and transfers                 |
|   |                             |                       | Change in net position                               |
| <u>(13,258,828)</u>                               | <u>9,140,011</u>            | <u>(4,118,817)</u>    | Changes in net position including extraordinary item |
|   |                             |                       |  |
| 554,391,522                                       | 74,478,635                  | 628,870,157           | Net position--beginning                              |
| <u>\$ 541,132,694</u>                             | <u>\$ 83,618,646</u>        | <u>\$ 624,751,340</u> | 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, 2017**

|  | General<br>Fund       | Tobacco<br>Settlement | Behavioral<br>Health and<br>Recovery | Community<br>Services<br>Agency | Public<br>Facility<br>Fees | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|-----------------------|-----------------------|--------------------------------------|---------------------------------|----------------------------|--------------------------------|--------------------------------|
| <b>Assets</b>  |                       |                       |                                      |                                 |                            |                                |                                |
| Cash and investments   | \$ 149,512,452        | \$ 5,380,881          | \$ 41,754,992                        | \$ 7,268,830                    | \$ 47,554,922              | \$ 106,104,820                 | \$ 357,576,897                 |
| Investments with fiscal agent                                    | -                     | 83,226,162            | -                                    | -                               | -                          | 6,108,434                      | 89,334,596                     |
| Taxes receivable   | 15,545,411            | -                     | -                                    | -                               | -                          | -                              | 15,545,411                     |
| Accounts receivable  | 15,820,560            | -                     | 23,442,599                           | 22,640,505                      | -                          | 43,650,670                     | 105,554,334                    |
| Interest and other receivables                                   | 794,033               | 917,533               | 108,738                              | -                               | 117,031                    | 1,084,554                      | 3,021,889                      |
| Notes receivable   | 112,988               | -                     | 138,882                              | -                               | -                          | -                              | 251,870                        |
| Inventory  | -                     | -                     | -                                    | -                               | -                          | 638,567                        | 638,567                        |
| Due from other funds   | 11,178,499            | -                     | 1,406,030                            | -                               | -                          | -                              | 12,584,529                     |
| Loans to other governments                                       | 1,666,473             | 5,292,687             | -                                    | -                               | -                          | -                              | 6,959,160                      |
| Advances to other funds  | 100,000               | -                     | -                                    | -                               | -                          | -                              | 100,000                        |
| Prepaid items  | 175,301               | -                     | -                                    | -                               | -                          | 187,373                        | 362,674                        |
| Restricted cash and investments                                  | 4,632,178             | -                     | -                                    | -                               | -                          | -                              | 4,632,178                      |
| Total assets   | <u>199,537,895</u>    | <u>94,817,263</u>     | <u>66,851,241</u>                    | <u>29,909,335</u>               | <u>47,671,953</u>          | <u>157,774,418</u>             | <u>596,562,105</u>             |
| Total assets and deferred outflows of resources                  | <u>199,537,895</u>    | <u>94,817,263</u>     | <u>66,851,241</u>                    | <u>29,909,335</u>               | <u>47,671,953</u>          | <u>157,774,418</u>             | <u>596,562,105</u>             |
| <b>Liabilities</b>   |                       |                       |                                      |                                 |                            |                                |                                |
| Accounts payable   | 5,349,947             | -                     | 14,856,963                           | 9,025,087                       | -                          | 14,848,377                     | 44,080,374                     |
| Salaries and benefits payable                                    | 7,541,652             | -                     | 2,030,530                            | 3,868,828                       | -                          | 3,731,160                      | 17,172,170                     |
| Due to other funds   | 1,406,030             | -                     | -                                    | -                               | -                          | 10,423,491                     | 11,829,521                     |
| Due to other governments   | -                     | -                     | -                                    | -                               | -                          | 126,956                        | 126,956                        |
| Deposits from others   | 18,950                | -                     | -                                    | -                               | -                          | -                              | 18,950                         |
| Advances from grantors & third parties                           | 855,599               | -                     | 27,720,292                           | 16,729,029                      | -                          | 586,837                        | 45,891,757                     |
| Advances from other funds  | -                     | -                     | -                                    | -                               | -                          | 100,000                        | 100,000                        |
| Total liabilities  | <u>15,172,178</u>     | <u>-</u>              | <u>44,607,785</u>                    | <u>29,622,944</u>               | <u>-</u>                   | <u>29,816,821</u>              | <u>119,219,728</u>             |
| Total liabilities & deferred inflows of resources                | <u>15,172,178</u>     | <u>-</u>              | <u>44,607,785</u>                    | <u>29,622,944</u>               | <u>-</u>                   | <u>29,816,821</u>              | <u>119,219,728</u>             |
| <b>Fund balances</b>   |                       |                       |                                      |                                 |                            |                                |                                |
| Non-spendable  | 11,408,264            | -                     | 8,550                                | 25,650                          | -                          | 736,776                        | 12,179,240                     |
| Restricted   | 4,632,178             | 94,817,263            | 19,180,379                           | 252,739                         | 47,671,953                 | 103,386,585                    | 269,941,097                    |
| Committed  | 7,322,789             | -                     | 3,054,527                            | -                               | -                          | 598,373                        | 10,975,689                     |
| Assigned   | 152,285,335           | -                     | -                                    | 8,002                           | -                          | 23,235,863                     | 175,529,200                    |
| Unassigned:  |                       |                       |                                      |                                 |                            |                                |                                |
| General fund   | 8,717,151             | -                     | -                                    | -                               | -                          | -                              | 8,717,151                      |
| Total fund balances  | <u>184,365,717</u>    | <u>94,817,263</u>     | <u>22,243,456</u>                    | <u>286,391</u>                  | <u>47,671,953</u>          | <u>127,957,597</u>             | <u>477,342,377</u>             |
| Total liabilities, deferred inflows of resources & fund balances | <u>\$ 199,537,895</u> | <u>\$ 94,817,263</u>  | <u>\$ 66,851,241</u>                 | <u>\$ 29,909,335</u>            | <u>\$ 47,671,953</u>       | <u>\$ 157,774,418</u>          | <u>\$ 596,562,105</u>          |

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, 2017**

Total fund balances for governmental funds (page 20) \$ 477,342,377

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  | \$ | 44,589,970  |             |
| Intangible Assets - Internally Generated Software |    | 215,207     |             |
| Infrastructure                                    |    | 128,358,292 |             |
| Structures and improvements                       |    | 139,615,396 |             |
| Equipment   |    | 27,003,919  |             |
| Construction in progress                          |    | 153,771,781 |             |
| Total capital assets                              |    |             | 493,554,565 |

Investments - Joint ventures 15,765,044

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 position. 25,315,618

Some of the County's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are not recognized as revenue in the funds.

Net pension liability and Deferred Outflows and inflows of resources (290,647,346)

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 position.

Balances at June 30, 2017 are:

|                                       |  |               |               |
|---------------------------------------|--|---------------|---------------|
| Certificates of participation         |  |               |               |
| Bonds payable and Loans               |  | (13,942,703)  |               |
| Tobacco securitization notes          |  | (124,389,367) |               |
| Capital leases                        |  | (553,410)     |               |
| Accrued interest on long term debt    |  | (181,037)     |               |
| Other post-employment benefits (OPEB) |  | (10,799,368)  |               |
| Compensated absences                  |  | (30,331,679)  |               |
| Total long-term liabilities           |  |               | (180,197,564) |

Net position of governmental activities (page 17) \$ 541,132,694

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, 2017**

|   | General<br>Fund       | Tobacco<br>Settlement | Behavioral<br>Health and<br>Recovery | Community<br>Services<br>Agency | Public<br>Facility<br>Fees | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|-----------------------|-----------------------|--------------------------------------|---------------------------------|----------------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>   |                       |                       |                                      |                                 |                            |                                |                                |
| Taxes   | \$ 147,635,366        | \$ -                  | \$ -                                 | \$ -                            | \$ -                       | \$ 12,359,178                  | \$ 159,994,544                 |
| Licenses, permits and franchises                          | 2,413,480             | -                     | -                                    | 85,492                          | -                          | 2,002,395                      | 4,501,367                      |
| Fines, forfeitures and penalties                          | 5,824,352             | -                     | 50,414                               | -                               | -                          | 2,206,317                      | 8,081,083                      |
| Revenue from use of money and property                    | 3,807,358             | (4,443,541)           | 642,934                              | 4,343                           | 166,372                    | 566,160                        | 743,626                        |
| Intergovernmental   | 81,337,647            | -                     | 61,396,852                           | 207,852,856                     | -                          | 212,547,670                    | 563,135,025                    |
| Charges for services                                      | 51,897,116            | -                     | 37,551,757                           | 1,219,873                       | 8,197,660                  | 39,255,924                     | 138,122,330                    |
| Miscellaneous   | 1,213,939             | -                     | 4,471                                | 23,259                          | 29,133                     | 5,410,852                      | 6,681,654                      |
| Total revenues  | <u>294,129,258</u>    | <u>(4,443,541)</u>    | <u>99,646,428</u>                    | <u>209,185,823</u>              | <u>8,393,165</u>           | <u>274,348,496</u>             | <u>881,259,629</u>             |
| <b>Expenditures</b>                                       |                       |                       |                                      |                                 |                            |                                |                                |
| <b>Current:</b>   |                       |                       |                                      |                                 |                            |                                |                                |
| General government  | 36,641,403            | -                     | -                                    | -                               | -                          | 745,604                        | 37,387,007                     |
| Public protection   | 166,564,025           | -                     | 1,302,474                            | -                               | -                          | 65,389,287                     | 233,255,786                    |
| Public ways and facilities                                | 909,270               | -                     | -                                    | -                               | -                          | 30,176,249                     | 31,085,519                     |
| Health and sanitation                                     | 10,514,269            | -                     | 102,463,041                          | -                               | -                          | 34,429,266                     | 147,406,576                    |
| Public assistance   | 464,472               | -                     | -                                    | 234,441,102                     | -                          | 104,344,590                    | 339,250,164                    |
| Education   | 494,181               | -                     | -                                    | -                               | -                          | 11,714,904                     | 12,209,085                     |
| Recreation and cultural services                          | 6,342,273             | -                     | -                                    | -                               | -                          | 749,519                        | 7,091,792                      |
| Capital outlay  | -                     | -                     | -                                    | -                               | 73,557                     | 43,520,286                     | 43,593,843                     |
| <b>Debt service:</b>                                      |                       |                       |                                      |                                 |                            |                                |                                |
| Interest and fiscal charges                               | 320                   | -                     | -                                    | 12,411                          | -                          | 3,523,121                      | 3,535,852                      |
| Principal   | 7,690                 | -                     | -                                    | 177,608                         | -                          | 16,538,393                     | 16,723,691                     |
| Total expenditures  | <u>221,937,903</u>    | <u>-</u>              | <u>103,765,515</u>                   | <u>234,631,121</u>              | <u>73,557</u>              | <u>311,131,219</u>             | <u>871,539,315</u>             |
| Excess (deficiency) of revenues over (under) expenditures | <u>72,191,355</u>     | <u>(4,443,541)</u>    | <u>(4,119,087)</u>                   | <u>(25,445,298)</u>             | <u>8,319,608</u>           | <u>(36,782,723)</u>            | <u>9,720,314</u>               |
| <b>Other financing sources (uses)</b>                     |                       |                       |                                      |                                 |                            |                                |                                |
| Capital lease proceeds                                    | -                     | -                     | -                                    | 303,918                         | -                          | -                              | 303,918                        |
| Loan proceeds   | -                     | -                     | -                                    | -                               | -                          | 7,775,000                      | 7,775,000                      |
| Transfers in  | 7,758,951             | -                     | 4,503,182                            | 25,218,442                      | -                          | 38,779,707                     | 76,260,282                     |
| Transfers out   | (60,568,297)          | (2,940,981)           | -                                    | -                               | (7,763,604)                | (10,132,438)                   | (81,405,320)                   |
| Sale of capital assets                                    | 28,472                | -                     | 8,212                                | 3,785                           | -                          | 6,849                          | 47,318                         |
| Total other financing sources (uses)                      | <u>(52,780,874)</u>   | <u>(2,940,981)</u>    | <u>4,511,394</u>                     | <u>25,526,145</u>               | <u>(7,763,604)</u>         | <u>36,429,118</u>              | <u>2,981,198</u>               |
| Net change in fund balances                               | <u>19,410,481</u>     | <u>(7,384,522)</u>    | <u>392,307</u>                       | <u>80,847</u>                   | <u>556,004</u>             | <u>(353,605)</u>               | <u>12,701,512</u>              |
| Fund balances -- beginning                                | 164,955,236           | 102,201,785           | 21,851,149                           | 205,544                         | 47,115,949                 | 128,311,202                    | 464,640,865                    |
| Fund balances at beginning of year, as restated           | 164,955,236           | 102,201,785           | 21,851,149                           | 205,544                         | 47,115,949                 | 128,311,202                    | 464,640,865                    |
| Fund balances -- ending                                   | <u>\$ 184,365,717</u> | <u>\$ 94,817,263</u>  | <u>\$ 22,243,456</u>                 | <u>\$ 286,391</u>               | <u>\$ 47,671,953</u>       | <u>\$ 127,957,597</u>          | <u>\$ 477,342,377</u>          |

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, 2017**

Net change in fund balances - total government funds (page 22) \$ 12,701,512

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 | \$ 60,682,098       |            |
| Less current year depreciation                     | <u>(16,675,060)</u> | 44,007,038 |

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position (10,425,017)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds

Issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position (8,078,918)

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 position and premiums are amortized in the statement of activities.

|                                  |                |            |
|----------------------------------|----------------|------------|
| Repayments:                      |                |            |
| Certificate of participation     | \$ 7,275,000   |            |
| Other long-term debt             | 9,214,726      |            |
| Capital lease                    | 233,965        |            |
| Amortization of issuance premium | <u>221,899</u> | 16,945,590 |

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)       | \$ (1,140,434) |             |
| Change in investment in joint ventures      | (719,614)      |             |
| Change in accrued interest payable          | 138,639        |             |
| Change in Tobacco accreted interest payable | (4,971,917)    |             |
| Change in compensated absences              | (701,456)      |             |
| Change in deferred charges                  | <u></u>        | (7,394,782) |

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. 6,923,778

Change in net pension liability and deferred outflows and inflows of resources (67,938,029)

Change in net position of governmental activities (page 19) \$ (13,258,828)

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, 2017**

|   | Budgeted Amounts   |                    | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|--------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget    |                                     |                               |
| <b>Revenues</b>                         |                    |                    |                                     |                               |
| Taxes                                   | \$ 140,765,000     | \$ 145,265,000     | \$ 147,635,366                      | \$ 2,370,366                  |
| Licenses, permits and franchises        | 2,674,177          | 2,440,500          | 2,413,480                           | (27,020)                      |
| Fines, forfeitures and penalties        | 5,007,400          | 5,007,400          | 5,824,352                           | 816,952                       |
| Revenue from use of money and property  | 3,539,306          | 4,239,306          | 3,807,358                           | (431,948)                     |
| Intergovernmental revenue               | 75,257,074         | 81,707,286         | 81,337,647                          | (369,639)                     |
| Charges for services                    | 49,390,482         | 51,689,776         | 51,897,116                          | 207,340                       |
| Miscellaneous revenue                   | 841,259            | 857,337            | 1,213,939                           | 356,602                       |
| Total revenues - General Fund           | <u>277,474,698</u> | <u>291,206,605</u> | <u>294,129,258</u>                  | <u>2,922,653</u>              |
| <b>Expenditures: General Government</b> |                    |                    |                                     |                               |
| <b>Assessor</b>                         |                    |                    |                                     |                               |
| Salaries and employee benefits          | 5,224,711          | 5,334,136          | 5,249,897                           | 84,239                        |
| Services and supplies                   | 592,238            | 643,738            | 570,990                             | 72,748                        |
| Other charges                           | 353,358            | 410,358            | 405,699                             | 4,659                         |
| Intrafund transfer                      | 1,225              | 1,225              | 105                                 | 1,120                         |
| Total expenditures                      | <u>6,171,532</u>   | <u>6,389,457</u>   | <u>6,226,691</u>                    | <u>162,766</u>                |
| <b>Auditor-Controller</b>               |                    |                    |                                     |                               |
| Salaries and employee benefits          | 3,963,183          | 4,080,692          | 4,010,348                           | 70,344                        |
| Services and supplies                   | 124,452            | 188,152            | 149,990                             | 38,162                        |
| Other charges                           | 260,826            | 290,001            | 287,087                             | 2,914                         |
| Intrafund transfer                      | 200                | 200                | 45                                  | 155                           |
| Total expenditures                      | <u>4,348,661</u>   | <u>4,559,045</u>   | <u>4,447,470</u>                    | <u>111,575</u>                |
| <b>Board of Supervisors</b>             |                    |                    |                                     |                               |
| Salaries and employee benefits          | 895,144            | 885,144            | 812,906                             | 72,238                        |
| Services and supplies                   | 114,524            | 204,524            | 161,948                             | 42,576                        |
| Other charges                           | 69,882             | 79,882             | 80,642                              | (760)                         |
| Intrafund transfer                      | -                  | -                  | 30                                  | (30)                          |
| Total expenditures                      | <u>1,079,550</u>   | <u>1,169,550</u>   | <u>1,055,526</u>                    | <u>114,024</u>                |
| <b>Chief Executive</b>                  |                    |                    |                                     |                               |
| Salaries and employee benefits          | 5,579,353          | 5,629,853          | 5,193,857                           | 435,996                       |
| Services and supplies                   | 1,645,111          | 1,946,871          | 1,218,203                           | 728,668                       |
| Other charges                           | 414,371            | 429,871            | 429,831                             | 40                            |
| Intrafund transfer                      | 300                | 300                | (124)                               | 424                           |
| Total expenditures                      | <u>7,639,135</u>   | <u>8,006,895</u>   | <u>6,841,767</u>                    | <u>1,165,128</u>              |
| <b>Economic Development</b>             |                    |                    |                                     |                               |
| Services and supplies                   | 1,474,740          | 1,474,740          | 195,467                             | 1,279,273                     |
| Total expenditures                      | <u>1,474,740</u>   | <u>1,474,740</u>   | <u>195,467</u>                      | <u>1,279,273</u>              |
| <b>Risk Management</b>                  |                    |                    |                                     |                               |
| Salaries and employee benefits          | 1,616,443          | 1,606,443          | 1,424,361                           | 182,082                       |
| Services and supplies                   | 286,636            | 286,636            | 211,183                             | 75,453                        |
| Other charges                           | 84,614             | 94,614             | 89,966                              | 4,648                         |
| Intrafund transfer                      | 300                | 300                | 22                                  | 278                           |
| Total expenditures                      | <u>1,987,993</u>   | <u>1,987,993</u>   | <u>1,725,532</u>                    | <u>262,461</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, 2017**

|   | Budgeted Amounts   |                  | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget  |                                     |                               |
| CEO - Focus on Prevention                             |                    |                  |                                     |                               |
| Services and supplies                                 | 1,837,000          | 1,687,000        | 34,135                              | 1,652,865                     |
| Capital assets  | -                  | 150,000          | 24,506                              | 125,494                       |
| Total expenditures                                    | <u>1,837,000</u>   | <u>1,837,000</u> | <u>58,641</u>                       | <u>1,778,359</u>              |
| CEO - ADA Self-Evaluation and Transition Plan Project |                    |                  |                                     |                               |
| Services and supplies                                 | 529,358            | 529,358          | -                                   | 529,358                       |
| Total expenditures                                    | <u>529,358</u>     | <u>529,358</u>   | <u>-</u>                            | <u>529,358</u>                |
| CEO - Discretionary Revenue                           |                    |                  |                                     |                               |
| Intrafund transfer                                    | -                  | -                | (53,940)                            | 53,940                        |
| Total expenditures                                    | <u>-</u>           | <u>-</u>         | <u>(53,940)</u>                     | <u>53,940</u>                 |
| Capital Improvement Financing Authority               |                    |                  |                                     |                               |
| Services and supplies                                 | 140,633            | 140,633          | 24,641                              | 115,992                       |
| Total expenditures                                    | <u>140,633</u>     | <u>140,633</u>   | <u>24,641</u>                       | <u>115,992</u>                |
| Plant Acquisition                                     |                    |                  |                                     |                               |
| Salaries and employee benefits                        | 83,325             | 266,325          | 192,131                             | 74,194                        |
| Services and supplies                                 | 5,612,449          | 5,629,449        | 2,506,626                           | 3,122,823                     |
| Other charges   | 89,460             | 89,460           | 30,711                              | 58,749                        |
| Capital assets  | 460,000            | 460,000          | 341,791                             | 118,209                       |
| Total expenditures                                    | <u>6,245,234</u>   | <u>6,445,234</u> | <u>3,071,259</u>                    | <u>3,373,975</u>              |
| General Fund Contribution to Other Programs           |                    |                  |                                     |                               |
| Other charges   | 4,419,234          | 4,454,504        | 3,806,620                           | 647,884                       |
| Total expenditures                                    | <u>4,419,234</u>   | <u>4,454,504</u> | <u>3,806,620</u>                    | <u>647,884</u>                |
| Appropriations for Contingencies                      |                    |                  |                                     |                               |
| Appropriations for contingencies                      | 12,948,261         | 4,760,640        | -                                   | 4,760,640                     |
| Total expenditures                                    | <u>12,948,261</u>  | <u>4,760,640</u> | <u>-</u>                            | <u>4,760,640</u>              |
| County Facilities                                     |                    |                  |                                     |                               |
| Services and supplies                                 | 3,238,307          | 3,238,307        | 15,324                              | 3,222,983                     |
| Other charges   | 648,609            | 648,609          | 580,773                             | 67,836                        |
| Intrafund transfer                                    | 40,000             | 40,000           | 39,535                              | 465                           |
| Capital assets  | 106,111            | 106,111          | -                                   | 106,111                       |
| Total expenditures                                    | <u>4,033,027</u>   | <u>4,033,027</u> | <u>635,632</u>                      | <u>3,397,395</u>              |
| Elections Division                                    |                    |                  |                                     |                               |
| Salaries and employee benefits                        | 1,094,767          | 1,098,401        | 1,085,756                           | 12,645                        |
| Services and supplies                                 | 1,105,822          | 2,590,079        | 1,306,973                           | 1,283,106                     |
| Other charges   | 89,667             | 89,667           | 100,917                             | (11,250)                      |
| Intrafund transfer                                    | 750                | 750              | 1,198                               | (448)                         |
| Capital assets  | -                  | 20,000           | 3,310                               | 16,690                        |
| Total expenditures                                    | <u>2,291,006</u>   | <u>3,798,897</u> | <u>2,498,154</u>                    | <u>1,300,743</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, 2017**

|  | Budgeted Amounts   |                  | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|--|--------------------|------------------|-------------------------------------|-------------------------------|
|  | Original<br>Budget | Final<br>Budget  |                                     |                               |
| <b>County Counsel</b>                  |                    |                  |                                     |                               |
| Salaries and employee benefits         | 2,273,671          | 2,309,082        | 2,250,106                           | 58,976                        |
| Services and supplies                  | 199,925            | 199,925          | 104,511                             | 95,414                        |
| Other charges                          | 153,534            | 174,951          | 173,095                             | 1,856                         |
| Intrafund transfer                     | -                  | -                | 70                                  | (70)                          |
| Total expenditures                     | <u>2,627,130</u>   | <u>2,683,958</u> | <u>2,527,782</u>                    | <u>156,176</u>                |
| <b>Treasurer and Tax Collector</b>     |                    |                  |                                     |                               |
| Salaries and employee benefits         | 1,356,388          | 1,405,848        | 1,119,579                           | 286,269                       |
| Services and supplies                  | 222,208            | 199,008          | 159,145                             | 39,863                        |
| Other charges                          | 137,580            | 157,580          | 152,484                             | 5,096                         |
| Intrafund transfer                     | (20,000)           | (26,000)         | (38,913)                            | 12,913                        |
| Total expenditures                     | <u>1,696,176</u>   | <u>1,736,436</u> | <u>1,392,295</u>                    | <u>344,141</u>                |
| <b>Revenue Recovery</b>                |                    |                  |                                     |                               |
| Salaries and employee benefits         | 1,384,770          | 1,364,770        | 1,328,785                           | 35,985                        |
| Services and supplies                  | 234,108            | 236,608          | 232,962                             | 3,646                         |
| Other charges                          | 122,822            | 145,322          | 144,921                             | 401                           |
| Intrafund transfer                     | (658,500)          | (652,500)        | (613,285)                           | (39,215)                      |
| Capital assets                         | 5,000              | -                | -                                   | -                             |
| Total expenditures                     | <u>1,088,200</u>   | <u>1,094,200</u> | <u>1,093,383</u>                    | <u>817</u>                    |
| <b>Treasury</b>                        |                    |                  |                                     |                               |
| Salaries and employee benefits         | 347,980            | 358,559          | 358,217                             | 342                           |
| Services and supplies                  | 134,375            | 117,849          | 40,140                              | 77,709                        |
| Other charges                          | 38,667             | 44,613           | 44,726                              | (113)                         |
| Intrafund transfer                     | 115,000            | 115,000          | 115,000                             | -                             |
| Total expenditures                     | <u>636,022</u>     | <u>636,021</u>   | <u>558,083</u>                      | <u>77,938</u>                 |
| <b>General Services Agency</b>         |                    |                  |                                     |                               |
| Salaries and employee benefits         | 615,090            | 588,582          | 553,193                             | 35,389                        |
| Services and supplies                  | 7,660              | 22,660           | 19,237                              | 3,423                         |
| Other charges                          | 23,900             | 36,900           | 32,215                              | 4,685                         |
| Total expenditures                     | <u>646,650</u>     | <u>648,142</u>   | <u>604,645</u>                      | <u>43,497</u>                 |
| <b>Expenditures: Public Protection</b> |                    |                  |                                     |                               |
| <b>Agricultural Commissioner</b>       |                    |                  |                                     |                               |
| Salaries and employee benefits         | 4,770,414          | 4,645,414        | 3,658,930                           | 986,484                       |
| Services and supplies                  | 333,905            | 400,905          | 357,019                             | 43,886                        |
| Other charges                          | 395,119            | 395,119          | 393,247                             | 1,872                         |
| Intrafund transfer                     | 79,365             | 87,365           | 86,205                              | 1,160                         |
| Capital assets                         | 298,200            | 348,200          | 291,864                             | 56,336                        |
| Total expenditures                     | <u>5,877,003</u>   | <u>5,877,003</u> | <u>4,787,265</u>                    | <u>1,089,738</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, 2017**

|                                     | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|-------------------------------------|--------------------|-------------------|-------------------------------------|-------------------------------|
|                                     | Original<br>Budget | Final<br>Budget   |                                     |                               |
| <b>Office of Emergency Services</b> |                    |                   |                                     |                               |
| Salaries and employee benefits      | 1,501,030          | 1,075,179         | 891,729                             | 183,450                       |
| Services and supplies               | 909,069            | 1,212,740         | 1,140,299                           | 72,441                        |
| Other charges                       | 205,803            | 205,803           | 187,438                             | 18,365                        |
| Intrafund transfer                  | 500                | 1,000             | 601                                 | 399                           |
| Total expenditures                  | <u>2,616,402</u>   | <u>2,494,722</u>  | <u>2,220,067</u>                    | <u>274,655</u>                |
| <b>County Court Funding</b>         |                    |                   |                                     |                               |
| Services and supplies               | 122,273            | 252,273           | 251,013                             | 1,260                         |
| Other charges                       | 5,779,907          | 5,649,907         | 5,488,420                           | 161,487                       |
| Intrafund transfer                  | 529,752            | 529,752           | 522,171                             | 7,581                         |
| Total expenditures                  | <u>6,431,932</u>   | <u>6,431,932</u>  | <u>6,261,604</u>                    | <u>170,328</u>                |
| <b>Recorder Division</b>            |                    |                   |                                     |                               |
| Salaries and employee benefits      | 1,608,333          | 1,572,663         | 1,562,577                           | 10,086                        |
| Services and supplies               | 202,389            | 256,548           | 117,627                             | 138,921                       |
| Other charges                       | 264,110            | 264,110           | 265,949                             | (1,839)                       |
| Intrafund transfer                  | 500                | 500               | 460                                 | 40                            |
| Capital assets                      | 175,691            | 358,930           | (39,697)                            | 398,627                       |
| Total expenditures                  | <u>2,251,023</u>   | <u>2,452,751</u>  | <u>1,906,916</u>                    | <u>545,835</u>                |
| <b>District Attorney</b>            |                    |                   |                                     |                               |
| Salaries and employee benefits      | 13,780,240         | 13,798,320        | 13,393,740                          | 404,580                       |
| Services and supplies               | 1,346,506          | 1,771,006         | 1,755,500                           | 15,506                        |
| Other charges                       | 1,058,661          | 1,058,661         | 987,821                             | 70,840                        |
| Intrafund transfer                  | 100                | 100               | (531)                               | 631                           |
| Appropriations for contingencies    | 420,550            | 145,216           | -                                   | 145,216                       |
| Capital assets                      | 216,000            | 342,450           | 311,663                             | 30,787                        |
| Total expenditures                  | <u>16,822,057</u>  | <u>17,115,753</u> | <u>16,448,193</u>                   | <u>667,560</u>                |
| <b>Planning</b>                     |                    |                   |                                     |                               |
| Salaries and employee benefits      | 1,694,406          | 1,675,654         | 1,498,785                           | 176,869                       |
| Services and supplies               | 178,239            | 200,239           | 152,863                             | 47,376                        |
| Other charges                       | 196,605            | 196,605           | 204,928                             | (8,323)                       |
| Intrafund transfer                  | 1,794              | 1,794             | 548                                 | 1,246                         |
| Total expenditures                  | <u>2,071,044</u>   | <u>2,074,292</u>  | <u>1,857,124</u>                    | <u>217,168</u>                |
| <b>Probation Administration</b>     |                    |                   |                                     |                               |
| Salaries and employee benefits      | 2,095,765          | 2,195,765         | 2,158,779                           | 36,986                        |
| Services and supplies               | 404,809            | 404,809           | 327,956                             | 76,853                        |
| Other charges                       | 478,105            | 478,105           | 375,939                             | 102,166                       |
| Total expenditures                  | <u>2,978,679</u>   | <u>3,078,679</u>  | <u>2,862,674</u>                    | <u>216,005</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, 2017**

|   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|-------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| Probation Community Corrections Partnership |                    |                   |                                     |                               |
| Salaries and employee benefits              | 3,479,792          | 3,775,817         | 3,336,097                           | 439,720                       |
| Services and supplies                       | 799,861            | 769,861           | 617,141                             | 152,720                       |
| Other charges                               | 38,900             | 38,900            | 38,231                              | 669                           |
| Capital assets                              | -                  | 30,000            | 30,000                              | -                             |
| Total expenditures                          | <u>4,318,553</u>   | <u>4,614,578</u>  | <u>4,021,469</u>                    | <u>593,109</u>                |
| Probation Juvenile Commitment Facility      |                    |                   |                                     |                               |
| Salaries and employee benefits              | 2,887,053          | 2,687,053         | 2,637,295                           | 49,758                        |
| Services and supplies                       | 481,155            | 481,155           | 250,206                             | 230,949                       |
| Other charges                               | 356,994            | 356,994           | 376,303                             | (19,309)                      |
| Capital assets                              | 773                | 773               | -                                   | 773                           |
| Total expenditures                          | <u>3,725,975</u>   | <u>3,525,975</u>  | <u>3,263,804</u>                    | <u>262,171</u>                |
| Probation - Field Services                  |                    |                   |                                     |                               |
| Salaries and employee benefits              | 9,037,057          | 8,996,207         | 8,654,442                           | 341,765                       |
| Services and supplies                       | 918,163            | 1,378,923         | 1,111,005                           | 267,918                       |
| Other charges                               | 821,679            | 841,679           | 780,297                             | 61,382                        |
| Intrafund transfer                          | 9,200              | 9,200             | 6,212                               | 2,988                         |
| Appropriations for contingencies            | 525,096            | 470,915           | -                                   | 470,915                       |
| Capital assets                              | 461,036            | 569,036           | 438,874                             | 130,162                       |
| Total expenditures                          | <u>11,772,231</u>  | <u>12,265,960</u> | <u>10,990,830</u>                   | <u>1,275,130</u>              |
| Probation - Institutions                    |                    |                   |                                     |                               |
| Salaries and employee benefits              | 5,481,941          | 5,581,941         | 5,504,677                           | 77,264                        |
| Services and supplies                       | 431,800            | 431,800           | 323,097                             | 108,703                       |
| Other charges                               | 513,490            | 512,490           | 477,204                             | 35,286                        |
| Intrafund transfer                          | -                  | 1,000             | 950                                 | 50                            |
| Capital assets                              | 29,983             | 29,983            | 13,825                              | 16,158                        |
| Total expenditures                          | <u>6,457,214</u>   | <u>6,557,214</u>  | <u>6,319,753</u>                    | <u>237,461</u>                |
| Public Defender                             |                    |                   |                                     |                               |
| Salaries and employee benefits              | 5,612,809          | 5,564,970         | 5,539,275                           | 25,695                        |
| Services and supplies                       | 178,890            | 334,435           | 333,993                             | 442                           |
| Other charges                               | 295,678            | 295,678           | 291,232                             | 4,446                         |
| Intrafund transfer                          | 62,000             | 62,000            | 52,242                              | 9,758                         |
| Appropriations for contingencies            | 56,849             | 46,346            | -                                   | 46,346                        |
| Capital assets                              | 173,300            | 173,300           | 136,465                             | 36,835                        |
| Total expenditures                          | <u>6,379,526</u>   | <u>6,476,729</u>  | <u>6,353,207</u>                    | <u>123,522</u>                |
| Indigent Defense                            |                    |                   |                                     |                               |
| Services and supplies                       | <u>4,661,460</u>   | <u>4,661,460</u>  | <u>4,272,730</u>                    | <u>388,730</u>                |
| Total expenditures                          | <u>4,661,460</u>   | <u>4,661,460</u>  | <u>4,272,730</u>                    | <u>388,730</u>                |
| Sheriff's Administration                    |                    |                   |                                     |                               |
| Salaries and employee benefits              | 7,660,765          | 7,926,592         | 7,903,599                           | 22,993                        |
| Services and supplies                       | 1,370,529          | 1,374,852         | 1,373,929                           | 923                           |
| Other charges                               | 419,385            | 716,881           | 708,764                             | 8,117                         |
| Intrafund transfer                          | (43,500)           | (43,500)          | (32,884)                            | (10,616)                      |
| Capital assets                              | 552,215            | 552,215           | 456,131                             | 96,084                        |
| Total expenditures                          | <u>9,959,394</u>   | <u>10,527,040</u> | <u>10,409,539</u>                   | <u>117,501</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, 2017**

|                                       | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---------------------------------------|--------------------|-------------------|-------------------------------------|-------------------------------|
|                                       | Original<br>Budget | Final<br>Budget   |                                     |                               |
| <b>Sheriff's Operations</b>           |                    |                   |                                     |                               |
| Salaries and employee benefits        | 20,014,849         | 22,118,756        | 22,118,753                          | 3                             |
| Services and supplies                 | 6,220,197          | 7,761,147         | 6,872,942                           | 888,205                       |
| Other charges                         | 2,497,766          | 2,195,270         | 2,098,410                           | 96,860                        |
| Intrafund transfer                    | (553,960)          | (653,960)         | (726,934)                           | 72,974                        |
| Appropriations for contingencies      | 1,172,110          | 403,981           | -                                   | 403,981                       |
| Capital assets                        | 1,946,145          | 2,925,689         | 2,211,973                           | 713,716                       |
| Total expenditures                    | <u>31,297,107</u>  | <u>34,750,883</u> | <u>32,575,144</u>                   | <u>2,175,739</u>              |
| <b>Sheriff's Detention</b>            |                    |                   |                                     |                               |
| Salaries and employee benefits        | 30,909,183         | 31,587,371        | 31,068,500                          | 518,871                       |
| Services and supplies                 | 5,655,935          | 4,755,935         | 4,425,012                           | 330,923                       |
| Other charges                         | 3,594,595          | 3,344,595         | 3,477,670                           | (133,075)                     |
| Intrafund transfer                    | 21,200             | 21,200            | 9,471                               | 11,729                        |
| Capital assets                        | 567,123            | 724,948           | 514,706                             | 210,242                       |
| Total expenditures                    | <u>40,748,036</u>  | <u>40,434,049</u> | <u>39,495,359</u>                   | <u>938,690</u>                |
| <b>Sheriff's Adult Detention</b>      |                    |                   |                                     |                               |
| Salaries and employee benefits        | 3,859,700          | 3,779,700         | 2,975,741                           | 803,959                       |
| Services and supplies                 | 386,680            | 386,680           | 241,115                             | 145,565                       |
| Other charges                         | 113,876            | 113,876           | 3,076                               | 110,800                       |
| Capital assets                        | -                  | 80,000            | 57,673                              | 22,327                        |
| Total expenditures                    | <u>4,360,256</u>   | <u>4,360,256</u>  | <u>3,277,605</u>                    | <u>1,082,651</u>              |
| <b>Sheriff's Contract Cities</b>      |                    |                   |                                     |                               |
| Salaries and employee benefits        | 8,647,482          | 8,442,482         | 8,162,015                           | 280,467                       |
| Services and supplies                 | 1,247,855          | 1,252,855         | 1,196,281                           | 56,574                        |
| Other charges                         | 587,040            | 766,840           | 604,912                             | 161,928                       |
| Intrafund transfer                    | 53,000             | 223,200           | 201,911                             | 21,289                        |
| Capital assets                        | 254,800            | 104,800           | -                                   | 104,800                       |
| Total expenditures                    | <u>10,790,177</u>  | <u>10,790,177</u> | <u>10,165,119</u>                   | <u>625,058</u>                |
| <b>Grand Jury</b>                     |                    |                   |                                     |                               |
| Salaries and employee benefits        | 57,575             | 65,336            | 64,787                              | 549                           |
| Services and supplies                 | 79,204             | 79,204            | 37,034                              | 42,170                        |
| Other charges                         | 15,531             | 15,531            | 15,444                              | 87                            |
| Intrafund transfer                    | 300                | 300               | -                                   | 300                           |
| Total expenditures                    | <u>152,610</u>     | <u>160,371</u>    | <u>117,265</u>                      | <u>43,106</u>                 |
| <b>Expenditures: Public Ways</b>      |                    |                   |                                     |                               |
| <b>Airport</b>                        |                    |                   |                                     |                               |
| Services and supplies                 | 180,000            | 189,286           | 189,286                             | -                             |
| Total expenditures                    | <u>180,000</u>     | <u>189,286</u>    | <u>189,286</u>                      | <u>-</u>                      |
| <b>CEO Crows Landing Air Facility</b> |                    |                   |                                     |                               |
| Services and supplies                 | 1,580,303          | 1,202,692         | 207,107                             | 995,585                       |
| Other charges                         | 20,040             | 417,651           | 408,292                             | 9,359                         |
| Total expenditures                    | <u>1,600,343</u>   | <u>1,620,343</u>  | <u>615,399</u>                      | <u>1,004,944</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, 2017**

|   | Budgeted Amounts      |                       | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|-----------------------|-----------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget    | Final<br>Budget       |                                     |                               |
| <b>Expenditures: Health and Sanitation</b>                |                       |                       |                                     |                               |
| CEO Jail Medical  |                       |                       |                                     |                               |
| Services and supplies                                     | 9,972,344             | 10,536,112            | 10,536,112                          | -                             |
| Other charges   | 50                    | 50                    | 28                                  | 22                            |
| Total expenditures  | <u>9,972,394</u>      | <u>10,536,162</u>     | <u>10,536,140</u>                   | <u>22</u>                     |
| <b>Expenditures: Public Assistance</b>                    |                       |                       |                                     |                               |
| Veterans' Services  |                       |                       |                                     |                               |
| Salaries and employee benefits                            | 443,043               | 443,658               | 389,953                             | 53,705                        |
| Services and supplies                                     | 49,604                | 49,604                | 34,681                              | 14,923                        |
| Other charges   | 41,737                | 41,737                | 40,615                              | 1,122                         |
| Intrafund transfer  | -                     | -                     | 5                                   | (5)                           |
| Total expenditures  | <u>534,384</u>        | <u>534,999</u>        | <u>465,254</u>                      | <u>69,745</u>                 |
| <b>Expenditures: Education</b>                            |                       |                       |                                     |                               |
| Cooperative Extension                                     |                       |                       |                                     |                               |
| Salaries and employee benefits                            | 340,481               | 338,357               | 295,077                             | 43,280                        |
| Services and supplies                                     | 21,910                | 25,510                | 21,825                              | 3,685                         |
| Other charges   | 144,669               | 143,747               | 131,951                             | 11,796                        |
| Intrafund transfer  | -                     | -                     | 105                                 | (105)                         |
| Capital assets  | 48,000                | 44,400                | 44,296                              | 104                           |
| Total expenditures  | <u>555,060</u>        | <u>552,014</u>        | <u>493,254</u>                      | <u>58,760</u>                 |
| <b>Expenditures: Recreation and Cultural Services</b>     |                       |                       |                                     |                               |
| Parks and Recreation                                      |                       |                       |                                     |                               |
| Salaries and employee benefits                            | 3,285,593             | 3,150,195             | 2,950,811                           | 199,384                       |
| Services and supplies                                     | 1,540,125             | 1,740,125             | 1,429,388                           | 310,737                       |
| Other charges   | 1,015,575             | 1,015,575             | 987,305                             | 28,270                        |
| Intrafund transfer  | 123,460               | 123,460               | 515,655                             | (392,195)                     |
| Capital assets  | 230,150               | 563,850               | 464,884                             | 98,966                        |
| Total expenditures  | <u>6,194,903</u>      | <u>6,593,205</u>      | <u>6,348,043</u>                    | <u>245,162</u>                |
| Tuolumne River Regional Park                              |                       |                       |                                     |                               |
| Services and supplies                                     | 194,512               | 194,512               | 194,512                             | -                             |
| Total expenditures  | <u>194,512</u>        | <u>194,512</u>        | <u>194,512</u>                      | <u>-</u>                      |
| <b>Expenditures: Debt Service</b>                         |                       |                       |                                     |                               |
| Debt Service  |                       |                       |                                     |                               |
| Other charges   | 101,357               | 101,357               | 101,357                             | -                             |
| Intrafund transfer  | (71,435)              | (71,435)              | (85,929)                            | 14,494                        |
| Total expenditures  | <u>29,922</u>         | <u>29,922</u>         | <u>15,428</u>                       | <u>14,494</u>                 |
| Total expenditures - General Fund                         | <u>254,771,739</u>    | <u>255,285,997</u>    | <u>223,172,631</u>                  | <u>32,113,366</u>             |
| Excess (deficiency) of revenues over (under) expenditures | <u>22,702,959</u>     | <u>35,920,608</u>     | <u>70,956,627</u>                   | <u>35,036,019</u>             |
| <b>Other financing sources (uses)</b>                     |                       |                       |                                     |                               |
| Transfers in  | 8,278,618             | 8,355,378             | 7,758,951                           | (596,427)                     |
| Transfers out   | (56,867,825)          | (64,005,515)          | (60,568,297)                        | 3,437,218                     |
| Sale of capital assets                                    | -                     | -                     | 28,472                              | 28,472                        |
| Total other financing sources (uses)                      | <u>(48,589,207)</u>   | <u>(55,650,137)</u>   | <u>(52,780,874)</u>                 | <u>2,869,263</u>              |
| Net change in fund balance                                | <u>(25,886,248)</u>   | <u>(19,729,529)</u>   | <u>18,175,753</u>                   | <u>37,905,282</u>             |
| Fund balance -- beginning                                 | <u>164,955,236</u>    | <u>164,955,236</u>    | <u>164,955,236</u>                  | <u>-</u>                      |
| Fund balance -- ending                                    | <u>\$ 139,068,988</u> | <u>\$ 145,225,707</u> | <u>\$ 183,130,989</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 Services-Special Revenue Fund**  
**Budget and Actual on Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2017**

|   | Budgeted Amounts     |                      | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|----------------------|----------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget   | Final<br>Budget      |                                     |                               |
| <b>Revenues</b>   |                      |                      |                                     |                               |
| Fines, forfeitures, and penalties                         | \$ 95,200            | \$ 95,200            | \$ 50,414                           | \$ (44,786)                   |
| Revenue from use of money and property                    | 742,446              | 742,446              | 642,934                             | (99,512)                      |
| Intergovernmental revenue                                 | 63,850,009           | 65,906,158           | 61,396,852                          | (4,509,306)                   |
| Charges for services                                      | 38,322,634           | 37,734,601           | 37,551,757                          | (182,844)                     |
| Miscellaneous revenue                                     | -                    | -                    | 4,371                               | 4,371                         |
| Donation  | -                    | -                    | 100                                 | 100                           |
| Total revenues - Behavioral Health and Recovery           | <u>103,010,289</u>   | <u>104,478,405</u>   | <u>99,646,428</u>                   | <u>(4,831,977)</u>            |
| <b>Expenditures: Public Protection</b>                    |                      |                      |                                     |                               |
| Salaries and employee benefits                            | 915,625              | 925,625              | 920,074                             | 5,551                         |
| Services and supplies                                     | 73,837               | 74,837               | 73,963                              | 874                           |
| Other charges   | 176,039              | 188,690              | 168,596                             | 20,094                        |
| Capital assets  | 35,000               | 35,000               | 20,604                              | 14,396                        |
| Intrafund transfer  | 118,064              | 118,064              | 119,237                             | (1,173)                       |
| Total expenditures  | <u>1,318,565</u>     | <u>1,342,216</u>     | <u>1,302,474</u>                    | <u>39,742</u>                 |
| <b>Expenditures: Health and Sanitation</b>                |                      |                      |                                     |                               |
| Salaries and employee benefits                            | 45,216,421           | 45,240,514           | 40,363,509                          | 4,877,005                     |
| Services and supplies                                     | 58,639,175           | 61,946,659           | 53,212,769                          | 8,733,890                     |
| Other charges   | 6,429,463            | 7,350,263            | 6,255,970                           | 1,094,293                     |
| Capital assets  | 469,765              | 469,765              | 104,689                             | 365,076                       |
| Intrafund transfer  | (118,064)            | (118,064)            | (119,237)                           | 1,173                         |
| Total expenditures  | <u>110,636,760</u>   | <u>114,889,137</u>   | <u>99,817,700</u>                   | <u>15,071,437</u>             |
| Total expenditures - Behavioral Health and Recovery       | <u>111,955,325</u>   | <u>116,231,353</u>   | <u>101,120,174</u>                  | <u>15,111,179</u>             |
| Excess (deficiency) of revenues over (under) expenditures | <u>(8,945,036)</u>   | <u>(11,752,948)</u>  | <u>(1,473,746)</u>                  | <u>10,279,202</u>             |
| <b>Other financing sources (uses)</b>                     |                      |                      |                                     |                               |
| Transfers in  | 2,308,262            | 2,873,844            | 4,503,182                           | 1,629,338                     |
| Sale of capital assets                                    | -                    | -                    | 8,212                               | 8,212                         |
| Total other financing sources (uses)                      | <u>2,308,262</u>     | <u>2,873,844</u>     | <u>4,511,394</u>                    | <u>1,637,550</u>              |
| Net change in fund balance                                | <u>(6,636,774)</u>   | <u>(8,879,104)</u>   | <u>3,037,648</u>                    | <u>11,916,752</u>             |
| Fund balance - beginning                                  | <u>21,851,149</u>    | <u>21,851,149</u>    | <u>21,851,149</u>                   | <u>-</u>                      |
| Fund balance - ending                                     | <u>\$ 15,214,375</u> | <u>\$ 12,972,045</u> | <u>\$ 24,888,797</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 Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Licenses, permits and franchises                          | \$ 78,752           | \$ 78,752           | \$ 85,492                           | \$ 6,740                      |
| Revenue from use of money and property                    | -                   | 189                 | 4,343                               | 4,154                         |
| Intergovernmental revenue                                 | 228,510,629         | 228,277,598         | 207,852,856                         | (20,424,742)                  |
| Charges for services                                      | 2,035,558           | 1,914,611           | 1,219,873                           | (694,738)                     |
| Miscellaneous revenue                                     | 14,398              | 14,140              | 23,130                              | 8,990                         |
| Donation  | -                   | -                   | 129                                 | 129                           |
| Total revenues - Community Services Agency                | <u>230,639,337</u>  | <u>230,285,290</u>  | <u>209,185,823</u>                  | <u>(21,099,467)</u>           |
| <b>Expenditures: Public Assistance</b>                    |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 91,422,113          | 89,338,023          | 82,393,116                          | 6,944,907                     |
| Services and supplies                                     | 25,324,816          | 28,642,008          | 21,436,942                          | 7,205,066                     |
| Other charges   | 137,344,729         | 136,101,326         | 130,113,472                         | 5,987,854                     |
| Capital assets  | 332,935             | 636,853             | 495,703                             | 141,150                       |
| Total expenditures - Community Services Agency            | <u>254,424,593</u>  | <u>254,718,210</u>  | <u>234,439,233</u>                  | <u>20,278,977</u>             |
| Excess (deficiency) of revenues over (under) expenditures | <u>(23,785,256)</u> | <u>(24,432,920)</u> | <u>(25,253,410)</u>                 | <u>(820,490)</u>              |
| <b>Other financing sources (uses)</b>                     |                     |                     |                                     |                               |
| Transfers in  | 24,093,125          | 24,382,679          | 25,218,442                          | 835,763                       |
| Transfers out   | (433,290)           | (251,657)           | -                                   | 251,657                       |
| Sale of capital assets                                    | -                   | -                   | 3,785                               | 3,785                         |
| Capital lease proceeds                                    | -                   | 303,918             | 303,918                             | -                             |
| Total other financing sources (uses)                      | <u>23,659,835</u>   | <u>24,434,940</u>   | <u>25,526,145</u>                   | <u>1,091,205</u>              |
| Net change in fund balance                                | <u>(125,421)</u>    | <u>2,020</u>        | <u>272,735</u>                      | <u>270,715</u>                |
| <b>Fund balance - beginning</b>                           | <u>205,544</u>      | <u>205,544</u>      | <u>205,544</u>                      | <u>-</u>                      |
| <b>Fund balance - ending</b>                              | <u>\$ 80,123</u>    | <u>\$ 207,564</u>   | <u>\$ 478,279</u>                   | <u>\$ 270,715</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, 2017**

|   | Business-type Activities - Enterprise Funds |   |                              |                      | Governmental<br>Activities   |
|---|---|---|------------------------------|----------------------|------------------------------|
|   | Fink Road<br>Sanitary<br>Landfill           | Health Clinics<br>and Ancillary<br>Services | Other<br>Enterprise<br>Funds | Total                | Internal<br>Service<br>Funds |
| <b>Assets</b>   |   |   |                              |                      |                              |
| <b>Current assets:</b>  |   |   |                              |                      |                              |
| Cash and investments  | \$ 20,437,352                               | \$ 7,414,947                                | \$ 13,431,757                | \$ 41,284,056        | \$ 54,746,639                |
| Accounts receivable, net  | 359,656                                     | 17,297,709                                  | 725,927                      | 18,383,292           | 963,572                      |
| Interest and other receivables  | 100,723                                     | 51,375                                      | 33,570                       | 185,668              | 119,655                      |
| Inventory   | -   | -   | 8,612                        | 8,612                | 387,108                      |
| Prepaid items   | -   | 214,136                                     | -                            | 214,136              | -                            |
| Total current assets  | <u>20,897,731</u>                           | <u>24,978,167</u>                           | <u>14,199,866</u>            | <u>60,075,764</u>    | <u>56,216,974</u>            |
| <b>Noncurrent assets:</b>   |   |   |                              |                      |                              |
| Investments with fiscal agent   | 66,862                                      | -   | -                            | 66,862               | -                            |
| Restricted cash and investments   | 19,350,660                                  | -   | 474,299                      | 19,824,959           | -                            |
| <b>Capital assets</b>   |   |   |                              |                      |                              |
| Land and right of ways  | 13,556,621                                  | -   | 1,906,261                    | 15,462,882           | -                            |
| Intangible assets   | -   | -   | -                            | -                    | 2,704,597                    |
| Structures and improvements   | 7,840,779                                   | 9,913,597                                   | 348,276                      | 18,102,652           | 1,002,508                    |
| Equipment   | 3,518,381                                   | 4,552,839                                   | 15,445,259                   | 23,516,479           | 21,633,219                   |
| Construction in progress  | -   | 395,071                                     | 158,762                      | 553,833              | 7,558,367                    |
| Less: Accumulated depreciation  | <u>(7,980,529)</u>                          | <u>(13,129,762)</u>                         | <u>(6,731,694)</u>           | <u>(27,841,985)</u>  | <u>(17,435,387)</u>          |
| Net capital assets  | <u>16,935,252</u>                           | <u>1,731,745</u>                            | <u>11,126,864</u>            | <u>29,793,861</u>    | <u>15,463,304</u>            |
| Total noncurrent assets   | <u>36,352,774</u>                           | <u>1,731,745</u>                            | <u>11,601,163</u>            | <u>49,685,682</u>    | <u>15,463,304</u>            |
| Total assets  | <u>57,250,505</u>                           | <u>26,709,912</u>                           | <u>25,801,029</u>            | <u>109,761,446</u>   | <u>71,680,278</u>            |
| <b>Deferred outflows of resources</b>   |   |   |                              |                      |                              |
| Deferred pensions   | 765,433                                     | 13,948,722                                  | 500,606                      | 15,214,761           | 8,071,979                    |
| Total deferred outflows of resources  | <u>765,433</u>                              | <u>13,948,722</u>                           | <u>500,606</u>               | <u>15,214,761</u>    | <u>8,071,979</u>             |
| <b>Liabilities</b>  |   |   |                              |                      |                              |
| <b>Current liabilities:</b>   |   |   |                              |                      |                              |
| Accounts payable  | 386,209                                     | 2,480,603                                   | 1,517,460                    | 4,384,272            | 3,471,179                    |
| Salaries and benefits payable   | 52,474                                      | 841,940                                     | 24,446                       | 918,860              | 398,682                      |
| Unearned revenues   | -   | -   | -                            | -                    | 55,677                       |
| Due to other funds  | -   | -   | -                            | -                    | 755,008                      |
| Deposits from others  | 28,617                                      | -   | -                            | 28,617               | -                            |
| Risk management liability - current   | -   | -   | -                            | -                    | 14,684,154                   |
| Capital leases - current  | -   | -   | -                            | -                    | 171,243                      |
| Compensated absences - current  | 31,818                                      | 327,196                                     | 12,480                       | 371,494              | -                            |
| Total current liabilities   | <u>499,118</u>                              | <u>3,649,739</u>                            | <u>1,554,386</u>             | <u>5,703,243</u>     | <u>19,535,943</u>            |
| <b>Noncurrent liabilities:</b>  |   |   |                              |                      |                              |
| Estimated cost of landfill closure/postclosure  | 8,757,460                                   | -   | 288,809                      | 9,046,269            | -                            |
| Risk management liability   | -   | -   | -                            | -                    | 19,869,577                   |
| Other post-employment benefits (OPEB)   | 60,372                                      | 592,076                                     | 31,552                       | 684,000              | 320,298                      |
| Compensated absences  | 58,007                                      | 720,300                                     | 15,792                       | 794,099              | 828,763                      |
| Net pension liability   | <u>1,444,886</u>                            | <u>23,030,771</u>                           | <u>923,730</u>               | <u>25,399,387</u>    | <u>13,222,626</u>            |
| Total noncurrent liabilities  | <u>10,320,725</u>                           | <u>24,343,147</u>                           | <u>1,259,883</u>             | <u>35,923,755</u>    | <u>34,241,264</u>            |
| Total liabilities   | <u>10,819,843</u>                           | <u>27,992,886</u>                           | <u>2,814,269</u>             | <u>41,626,998</u>    | <u>53,777,207</u>            |
| <b>Deferred inflows of resources</b>  |   |   |                              |                      |                              |
| Deferred pensions   | 32,061                                      | 212,116                                     | 12,844                       | 257,021              | 132,973                      |
| Total deferred inflows of resources   | <u>32,061</u>                               | <u>212,116</u>                              | <u>12,844</u>                | <u>257,021</u>       | <u>132,973</u>               |
| <b>Net position</b>   |   |   |                              |                      |                              |
| Net investment in capital assets  | 16,935,252                                  | 1,731,745                                   | 11,126,864                   | 29,793,861           | 15,463,304                   |
| <b>Restricted</b>   |   |   |                              |                      |                              |
| Landfill  | 19,399,240                                  | -   | 474,565                      | 19,873,805           | -                            |
| Health Clinics and Ancillary Services   | -   | 1,096,063                                   | -                            | 1,096,063            | -                            |
| Unrestricted  | <u>10,829,542</u>                           | <u>9,625,824</u>                            | <u>11,873,093</u>            | <u>32,328,459</u>    | <u>10,378,773</u>            |
| Total net position  | <u>\$ 47,164,034</u>                        | <u>\$ 12,453,632</u>                        | <u>\$ 23,474,522</u>         | <u>83,092,188</u>    | <u>\$ 25,842,077</u>         |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds |   |   |                              | 526,457              |                              |
| Net position of business type activities  |   |   |                              | <u>\$ 83,618,645</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 Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2017**

|   | Business-type Activities - Enterprise Funds |   |                              |                     | Governmental                 |
|---|---|---|------------------------------|---------------------|------------------------------|
|   | Fink Road<br>Sanitary<br>Landfill           | Health Clinics<br>and Ancillary<br>Services | Other<br>Enterprise<br>Funds | Total               | Internal<br>Service<br>Funds |
| <b>Operating revenues</b>   |   |   |                              |                     |                              |
| Charges for services  | \$ 7,789,489                                | \$ 42,014,090                               | \$ 2,960,913                 | \$ 52,764,492       | \$ 95,174,084                |
| Total operating revenues  | <u>7,789,489</u>                            | <u>42,014,090</u>                           | <u>2,960,913</u>             | <u>52,764,492</u>   | <u>95,174,084</u>            |
| <b>Operating expenses</b>   |   |   |                              |                     |                              |
| Salaries and benefits   | 1,224,762                                   | 18,522,991                                  | 673,554                      | 20,421,307          | 8,686,679                    |
| Services and supplies   | 2,869,410                                   | 21,915,407                                  | 7,415,491                    | 32,200,308          | 82,301,405                   |
| Depreciation  | 757,785                                     | 321,286                                     | 1,204,109                    | 2,283,180           | 1,461,589                    |
| Estimated cost of closure/postclosure   | 363,105                                     | -   | -                            | 363,105             | -                            |
| Total operating expenses  | <u>5,215,062</u>                            | <u>40,759,684</u>                           | <u>9,293,154</u>             | <u>55,267,900</u>   | <u>92,449,673</u>            |
| Operating income (loss)   | <u>2,574,427</u>                            | <u>1,254,406</u>                            | <u>(6,332,241)</u>           | <u>(2,503,408)</u>  | <u>2,724,411</u>             |
| <b>Nonoperating revenues (expenses)</b>   |   |   |                              |                     |                              |
| Investment income   | 734,180                                     | 21,548                                      | 48,173                       | 803,901             | 201,542                      |
| Intergovernmental   | -   | 264,625                                     | 7,663,147                    | 7,927,772           | 1,769,087                    |
| Gain (loss) on sale of capital assets   | -   | (3,579)                                     | -                            | (3,579)             | (974)                        |
| Total nonoperating revenues (expenses)  | <u>734,180</u>                              | <u>282,594</u>                              | <u>7,711,320</u>             | <u>8,728,094</u>    | <u>1,969,655</u>             |
| Income before contributions and transfers   | <u>3,308,607</u>                            | <u>1,537,000</u>                            | <u>1,379,079</u>             | <u>6,224,686</u>    | <u>4,694,066</u>             |
| Transfers in  | -   | 3,682,135                                   | 1,360,119                    | 5,042,254           | 1,962,902                    |
| Transfers (out)   | (1,360,119)                                 | -   | (500,000)                    | (1,860,119)         | -                            |
| Transfer in (out), net  | <u>(1,360,119)</u>                          | <u>3,682,135</u>                            | <u>860,119</u>               | <u>3,182,135</u>    | <u>1,962,902</u>             |
| Change in net position  | <u>1,948,488</u>                            | <u>5,219,135</u>                            | <u>2,239,198</u>             | <u>9,406,821</u>    | <u>6,656,968</u>             |
| Total net position - beginning  | <u>45,215,546</u>                           | <u>7,234,497</u>                            | <u>21,235,324</u>            | <u>73,685,367</u>   | <u>19,185,109</u>            |
| Total net position - ending   | <u>\$ 47,164,034</u>                        | <u>\$ 12,453,632</u>                        | <u>\$ 23,474,522</u>         |                     | <u>\$ 25,842,077</u>         |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds |   |   |                              | (266,810)           |                              |
| Change in net position of business type activities  |   |   |                              | <u>\$ 9,140,011</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, 2017**

|   | Business-type Activities - Enterprise Funds |   |                              |                      | Governmental         |
|---|---|---|------------------------------|----------------------|----------------------|
|   | Fink Road<br>Landfill                       | Health Clinics<br>and Ancillary<br>Services | Other<br>Enterprise<br>Funds | Total                | Activities           |
|   |   | Internal<br>Service<br>Funds                |                              |                      |                      |
| <b>Cash flows from operating activities:</b>  |   |   |                              |                      |                      |
| Cash received from customers and users  | \$ 7,771,413                                | \$40,968,343                                | 2,948,253                    | \$ 51,688,009        | \$ 95,323,331        |
| Cash received (paid) from interfund services  | -   | -   | -                            | -                    | (81,677,669)         |
| Cash paid to suppliers  | (2,669,241)                                 | (20,879,183)                                | (9,270,420)                  | (32,818,844)         | -                    |
| Cash paid to employees  | (1,172,658)                                 | (17,802,559)                                | (688,081)                    | (19,663,298)         | (8,290,758)          |
| Net cash provided (used) by operating activities  | <u>3,929,514</u>                            | <u>2,286,601</u>                            | <u>(7,010,248)</u>           | <u>(794,133)</u>     | <u>5,354,904</u>     |
| <b>Cash flows from noncapital financing activities:</b>                                 |   |   |                              |                      |                      |
| Transfers in  | -   | 3,682,135                                   | 1,360,119                    | 5,042,254            | 1,962,902            |
| Subsidy from state and federal grant  | -   | 264,625                                     | 7,663,147                    | 7,927,772            | 1,769,087            |
| Transfers out   | (1,360,119)                                 | -   | (500,000)                    | (1,860,119)          | -                    |
| Net cash provided (used) by noncapital financing activities                             | <u>(1,360,119)</u>                          | <u>3,946,760</u>                            | <u>8,523,266</u>             | <u>11,109,907</u>    | <u>3,731,989</u>     |
| <b>Cash flows from capital and related financing activities:</b>                        |   |   |                              |                      |                      |
| Purchase of capital assets  | (68,831)                                    | (789,741)                                   | (830,648)                    | (1,689,220)          | (8,341,262)          |
| Proceeds (loss) from disposal of capital assets   | -   | (3,579)                                     | -                            | (3,579)              | 23,885               |
| Net cash (used) by capital and related financing activities                             | <u>(68,831)</u>                             | <u>(793,320)</u>                            | <u>(830,648)</u>             | <u>(1,692,799)</u>   | <u>(8,317,377)</u>   |
| <b>Cash flows from investing activities:</b>  |   |   |                              |                      |                      |
| Interest received   | 734,180                                     | 21,548                                      | 48,173                       | 803,901              | 201,542              |
| Net cash provided by investing activities   | <u>734,180</u>                              | <u>21,548</u>                               | <u>48,173</u>                | <u>803,901</u>       | <u>201,542</u>       |
| Net increase (decrease) in cash and cash equivalents                                    | <u>3,234,744</u>                            | <u>5,461,589</u>                            | <u>730,543</u>               | <u>9,426,876</u>     | <u>971,058</u>       |
| Cash and equivalents - beginning  | <u>36,620,130</u>                           | <u>1,953,358</u>                            | <u>13,175,513</u>            | <u>51,749,001</u>    | <u>53,775,581</u>    |
| Cash and equivalents - ending   | <u>\$ 39,854,874</u>                        | <u>\$ 7,414,947</u>                         | <u>\$ 13,906,056</u>         | <u>\$ 61,175,877</u> | <u>\$ 54,746,639</u> |
| <b>Reconciliation of cash and cash equivalents to the<br/>Statement of Net Position</b> |   |   |                              |                      |                      |
| Cash and investments  | \$ 20,437,352                               | \$ 7,414,947                                | \$ 13,431,757                | \$ 41,284,056        | \$ 54,746,639        |
| Restricted cash and investments & investment with fiscal agent                          | 19,417,522                                  | -   | 474,299                      | 19,891,821           | -                    |
| Total cash and cash equivalents   | <u>\$ 39,854,874</u>                        | <u>\$ 7,414,947</u>                         | <u>\$ 13,906,056</u>         | <u>\$ 61,175,877</u> | <u>\$ 54,746,639</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, 2017**

|   | Business-type Activities - Enterprise Funds |   |                              |                     | Governmental                 |
|---|---|---|------------------------------|---------------------|------------------------------|
|   | Fink Road<br>Landfill                       | Health Clinics<br>and Ancillary<br>Services | Other<br>Enterprise<br>Funds | Total               | Internal<br>Service<br>Funds |
| Cash provided (used) by operating activities  |   |   |                              |                     |                              |
| Operating income (loss)   | \$ 2,574,427                                | \$ 1,254,406                                | \$ (6,332,241)               | \$ (2,503,408)      | \$ 2,724,411                 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: |   |   |                              |                     |                              |
| Depreciation  | 757,785                                     | 321,286                                     | 1,204,109                    | 2,283,180           | 1,461,589                    |
| (Increase) decrease in accounts receivable  | (18,076)                                    | (1,045,747)                                 | (12,660)                     | (1,076,483)         | (653,479)                    |
| (Increase) decrease in other receivables  | (12,379)                                    | 28,037                                      | 1,394                        | 17,052              | (7,959)                      |
| (Increase) decrease in inventory  | -   | -   | (3,115)                      | (3,115)             | (39,764)                     |
| (Increase) decrease in prepaid items  | -   | 235,438                                     | -                            | 235,438             | -                            |
| (Increase) decrease in deferred outflows  | (615,948)                                   | (12,021,542)                                | (409,246)                    | (13,046,736)        | (6,977,194)                  |
| Increase (decrease) in accounts payable and accrued liabilities                                       | 212,547                                     | 772,750                                     | (340,129)                    | 645,168             | 663,500                      |
| Increase (decrease) in salaries and benefits payable  | 2,283                                       | 58,628                                      | (10,657)                     | 50,254              | 48,047                       |
| Increase (decrease) in unearned revenue   | -   | -   | -                            | -                   | 55,677                       |
| Increase (decrease) in liability for compensated absences   | 3,921                                       | (34,112)                                    | (32,188)                     | (62,379)            | 24,180                       |
| Increase (decrease) in other post-employment benefits(OPEB)   | 6,129                                       | 61,984                                      | 2,891                        | 71,004              | 38,172                       |
| Increase (decrease) in deferred inflows   | (63,453)                                    | (1,019,277)                                 | (45,531)                     | (1,128,261)         | (566,550)                    |
| Increase (decrease) in pension liability  | 719,173                                     | 13,674,750                                  | 480,204                      | 14,874,127          | 7,907,702                    |
| Increase (decrease) in advances from other funds  | -   | -   | -                            | -                   | 755,008                      |
| Increase (decrease) in estimated cost of closure/postclosure  | 363,105                                     | -   | (1,513,079)                  | (1,149,974)         | -                            |
| Increase (decrease) in risk management liability  | -   | -   | -                            | -                   | (78,436)                     |
| Net cash provided (used) by operating activities  | <u>\$ 3,929,514</u>                         | <u>\$ 2,286,601</u>                         | <u>\$ (7,010,248)</u>        | <u>\$ (794,133)</u> | <u>\$ 5,354,904</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, 2017**

|  | Employees'<br>Retirement<br>Trust | Investment<br>Trust   | Agency<br>Funds  | Successor Agency<br>Private Purpose<br>Trust |
|--|-----------------------------------|-----------------------|------------------|--|
| <b>Assets</b>  |                                   |                       |                  |  |
| Cash and investments   | \$ 92,153,518                     | \$ 792,617,884        | \$ 720,739       | \$ 2,302,008                                 |
| Investments with fiscal agent  | -                                 | -                     | -                | 1,193,803                                    |
| Receivables (net of allowance for uncollectables):                           | -                                 | 15,060,939            | 740,547          | -  |
| Interest and dividends   | 6,443,406                         | -                     | -                | -  |
| Securities transactions  | 62,995,717                        | -                     | -                | -  |
| Contributions  | 5,039,247                         | -                     | -                | -  |
| Other  | -                                 | 1,928,794             | 42               | 2,347  |
| Advances to other governments  | -                                 | -                     | -                | 13,650                                       |
| Prepaid  | 82,294                            | 14,476                | -                | -  |
| Other assets   | 3,910,685                         | 27,517,646            | -                | -  |
| Investments:   |                                   |                       |                  |  |
| Bonds  | 460,780,851                       | -                     | -                | -  |
| Stocks   | 1,294,693,635                     | -                     | -                | -  |
| Private credit   | 92,820,985                        | -                     | -                | -  |
| Private real estate  | 53,535,171                        | -                     | -                | -  |
| Infrastructure   | 19,932,549                        | -                     | -                | -  |
| Collateral on loaned securities  | 140,584,293                       | -                     | -                | -  |
| Total assets   | <u>2,232,972,351</u>              | <u>837,139,739</u>    | <u>1,461,328</u> | <u>3,511,808</u>                             |
| <b>Deferred outflows of resources</b>  |                                   |                       |                  |  |
| Deferred pension   | -                                 | 8,183,584             | -                | -  |
| Total outflows of resources  | <u>-</u>                          | <u>8,183,584</u>      | <u>-</u>         | <u>-</u>                                     |
| Total assets and deferred outflows of resources                              | <u>2,232,972,351</u>              | <u>845,323,323</u>    | <u>1,461,328</u> | <u>3,511,808</u>                             |
| <b>Liabilities</b>   |                                   |                       |                  |  |
| Accounts payable   | 97,769,747                        | 16,830,301            | 103,012          | -  |
| Securities lending obligation  | 140,584,293                       | -                     | -                | -  |
| Grant deed extension fee   | 395,000                           | -                     | -                | -  |
| Trust obligations  | -                                 | 9,460,029             | 1,358,316        | -  |
| Advances from grantors and third parties                                     | -                                 | 422,287               | -                | -  |
| Interest payable   | -                                 | -                     | -                | 340,718                                      |
| Net pension liability  | -                                 | 13,468,631            | -                | -  |
| Bonds and notes payable  | -                                 | -                     | -                | 14,320,000                                   |
| Total liabilities  | <u>238,749,040</u>                | <u>40,181,248</u>     | <u>1,461,328</u> | <u>14,660,718</u>                            |
| <b>Deferred inflows of resources</b>   |                                   |                       |                  |  |
| Deferred pensions  | -                                 | 124,047               | -                | -  |
| Total inflows of resources   | <u>-</u>                          | <u>124,047</u>        | <u>-</u>         | <u>-</u>                                     |
| Total liabilities and deferred inflows of resources                          | <u>238,749,040</u>                | <u>40,305,295</u>     | <u>1,461,328</u> | <u>14,660,718</u>                            |
| Net position held in trust for pension benefits/investment pool participants | <u>\$ 1,994,223,311</u>           | <u>\$ 805,018,028</u> | <u>\$ -</u>      | <u>\$ (11,148,910)</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, 2017**

|   | Employees'<br>Retirement<br>Trust | Investment<br>Trust   | Successor Agency<br>Private Purpose<br>Trust |
|---|-----------------------------------|-----------------------|--|
| <b>Additions</b>                        |                                   |                       |  |
| Contributions:                          |                                   |                       |  |
| Employer contributions                  | \$ 63,024,560                     | \$ -                  | \$ -   |
| Member contributions                    | 25,463,745                        | -                     | -  |
| Contributions on pooled investments     | -                                 | 3,793,379,941         | -  |
| Redevelopment agency property tax trust | -                                 | -                     | 1,442,723                                    |
| Total contributions                     | <u>88,488,305</u>                 | <u>3,793,379,941</u>  | <u>1,442,723</u>                             |
| Investment Income                       |                                   |                       |  |
| Net (depreciation) in fair value        | 216,142,516                       | -                     | -  |
| Interest                                | 45,117,367                        | 2,539,342             | (1,758)                                      |
| Miscellaneous income/(expense)          | 1,035,620                         | -                     | 66,447                                       |
| Less investment expense                 | (9,985,798)                       | -                     | -  |
| Net investment income                   | <u>252,309,705</u>                | <u>2,539,342</u>      | <u>64,689</u>                                |
| Total additions                         | <u>340,798,010</u>                | <u>3,795,919,283</u>  | <u>1,507,412</u>                             |
| <b>Deductions</b>                       |                                   |                       |  |
| Benefit payments                        | 114,290,758                       | -                     | -  |
| Refunds of prior contributions          | 2,553,100                         | -                     | -  |
| Distributions from pooled investments   | -                                 | 3,707,317,053         | -  |
| Interest                                | -                                 | -                     | 733,516                                      |
| Administrative expense                  | 2,644,554                         | -                     | 95,808                                       |
| Total deductions                        | <u>119,488,412</u>                | <u>3,707,317,053</u>  | <u>829,324</u>                               |
| Change in net position                  | <u>221,309,598</u>                | <u>88,602,230</u>     | <u>678,088</u>                               |
| Net position held in trust - beginning  | <u>1,772,913,713</u>              | <u>716,415,798</u>    | <u>(11,826,998)</u>                          |
| Net position held in trust - ending     | <u>\$ 1,994,223,311</u>           | <u>\$ 805,018,028</u> | <u>\$ (11,148,910)</u>                       |

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



**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

**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 30<sup>th</sup> 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 Board of Supervisors, which is the same governing body as the County. The activity for the Authority is reported as a debt service fund.
2. Lighting Districts: The County has 28 different, legally separate lighting districts. It is governed by the five members of the Board of Supervisors, which is the same governing body as the County. 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. There are three directors of the Stanislaus Corporation, which is comprised of two Board of Supervisors of the County and one independent member. 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**  
**June 30, 2017**

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. It is governed by the five members of the Board of Supervisors, which is the same governing body as the County. 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**  
**June 30, 2017**

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**  
**June 30, 2017**

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**  
**June 30, 2017**

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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

C. **Basis of Accounting** (continued)

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.

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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

D. **Budgetary Basis of Accounting** (continued)

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 appropriations. Any transfers of appropriations between object levels within the same budget unit may be authorized by the Chief Executive Office, with the exception of transfers related to capital 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:

|                                      | General Fund          | Special Revenue Funds             |                              |
|--------------------------------------|-----------------------|-----------------------------------|------------------------------|
|                                      |                       | Behavioral Health<br>and Recovery | Community Services<br>Agency |
| Total expenditures (budgetary basis) | \$ 223,172,631        | \$ 101,120,174                    | \$ 234,439,233               |
| Basis difference - net addition of   |                       |                                   |                              |
| 2015/16 encumbrances and commitments |                       |                                   |                              |
| minus                                |                       |                                   |                              |
| 2016/17 encumbrances and commitments | (1,234,728)           | 2,645,341                         | 191,888                      |
| Total expenditures (GAAP)            | <u>\$ 221,937,903</u> | <u>\$ 103,765,515</u>             | <u>\$ 234,631,121</u>        |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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**  
**June 30, 2017**

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 acquisition value. 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, 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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

J. **Capital Assets (continued)**

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 capital assets is \$5,000 or greater.

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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

**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 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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

**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.

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. Board approval is required to set and remove the constraints. 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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

O. **Fund Balance** (continued)

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, 2017.

*GASB Statement 74: Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* This Statement requires defined benefit Other Post Employment Benefit (OPEB) plans that are administered through trusts to produce a Statement of Fiduciary Net Position and a Statement of changes in Fiduciary Net Position. The Statement also includes specified criteria associated with the Notes to financial statements and the Required Supplementary Information. The County's OPEB plan is not administered through trusts and therefore this Statement does not impact the County's financial statements.

*GASB Statement 77: Tax Abatement Disclosures.* This Statement requires disclosure of tax abatement information about County's tax abatement agreements and agreements entered into by other government agencies that reduce the County's tax revenues.

*GASB Statement 78: Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.* The provisions of this Statement amends the scope and applicability of Statement 68, to exclude defined pension plan that is not a state or local governmental pension plan. This Statement does not impact the County's financial statements.

*GASB Statement 80: Blending Requirements for Certain Component Units- an amendment of GASB Statement No. 14.* This Statement requires a not-for-profit corporation, in which the County is a sole corporate member, to be reported as a blended component unit.

*GASB Statement 82: Pension Issues- an amendment of GASB Statements No. 67, No. 68, and No. 73.* The requirements for this Statement are effective for reporting periods beginning after June 15, 2016. This Statement amends

Statements 67 and 68 to require the presentation of covered payroll, defined as the payroll in which contributions to a pension plan are based, and ratios that use that measure. Stanislaus County's pension plan is in compliance with this Statement.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

Q. **Future Governmental Accounting Standards Board (GASB) Statements**

*GASB Statement 75: Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. (Fiscal Year 2017/2018)

*GASB Statement 81: Irrevocable Split-Interest Agreements.* The requirements of this Statement are effective for periods beginning after December 15, 2016. (Fiscal Year 2017/18)

*GASB Statement 83: Certain Asset Retirement Obligations.* The requirements of this Statement are effective for periods after June 30, 2018. (Fiscal Year 2018/19)

*GASB Statement 84: Fiduciary Activities.* The requirements of this Statement are effective for periods beginning after June 30, 2019. (Fiscal Year 2019/20)

*GASB Statement 85: Omnibus 2017.* The requirements of this Statement are effective for periods beginning after June 30, 2018. (Fiscal Year 2018/19)

*GASB Statement 86: Certain Debt Extinguishment Issues.* The requirements of this Statement are effective for periods beginning after June 30, 2018. (Fiscal Year 2018/19)

*GASB Statement 87: Leases.* The requirements of this Statement are effective for periods beginning after June 30, 2020. (Fiscal Year 2020/21)

Note 2: **Individual Fund Deficits**

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For the year ended June 30, 2017, the Individual Fund Deficits are as follows:

Proprietary Funds:

|                            |            |
|----------------------------|------------|
| ISF - Central Services     | \$ 304,024 |
| ISF - Facility Maintenance | \$ 98,107  |

The Central Services and Facility Maintenance deficits are due to GASB Statement No. 68 (Accounting and Financial Reporting for Pension) adjustments recorded in prior years. Deficit amount has decreased from FY 15/16 due to increase in net position (excluding GASB Statement No. 68 adjusting entries).

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

For the year ended June 30, 2017, 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 Level</u> | <u>Excess Expenditures</u> |
|---|---------------------|----------------------------|
| GF - Treasury                               | Other charges       | \$ 113                     |
| GF - Board of Supervisors                   | Other charges       | \$ 760                     |
| GF - Recorder Division                      | Other charges       | \$ 1,839                   |
| GF - Planning                               | Other charges       | \$ 8,323                   |
| GF - Elections Division                     | Other charges       | \$ 11,250                  |
| GF - Probation Juvenile Commitment Facility | Other charges       | \$ 19,309                  |
| GF - Sheriff's Detention                    | Other charges       | \$ 133,075                 |

The excess expenditures for Treasury, Board of Supervisors, Recorded Division, Planning, Elections Division, Probation and Sheriff are related to interfund reimbursements.

**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 no longer requires the formation of an Investment Oversight Committee to oversee activity in the pool for compliance and code requirements. However, Stanislaus County does still maintain an active committee.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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  | \$ 141,550              |
| Cash in banks-department administered                   | 3,697,916               |
| In custody of Treasurer:                                |                         |
| Cash on hand  | 59,348                  |
| Cash in bank  | 6,972,816               |
| Investments held by Treasurer                           | 1,323,349,744           |
| Less outstanding checks                                 | <u>(48,463,782)</u>     |
| Total in custody of Treasurer                           | 1,281,918,126           |
| Investments held by fiscal agents:                      |                         |
| Tobacco settlement                                      | 83,226,162              |
| Tobacco funding corporation                             | 6,108,434               |
| Stock investment  | 66,862                  |
| Bond requirements                                       | -                       |
| Subtotal investments held by agents                     | <u>89,401,458</u>       |
| Private Purpose Trust investments held by fiscal agents | <u>1,193,803</u>        |
| Total investments held by agents                        | 90,595,261              |
| Employees' retirement trust:                            |                         |
| Cash (outside Treasurer's pool)                         | 80,101,286              |
| Investments   | <u>2,062,347,484</u>    |
| Total cash and investments                              | <u>\$ 3,518,801,623</u> |

Total County cash & investments are reported as follows:

|   |                         |
|---|-------------------------|
| Primary government                      |                         |
| Cash and investments                    | \$ 453,607,592          |
| Investments with fiscal agent           | 89,401,458              |
| Restricted cash & investments           | 24,457,137              |
| Employees' retirement trust             |                         |
| Cash and investments                    | 92,153,518              |
| Other investments                       | 2,062,347,484           |
| Investment trust - cash and investments | 792,617,884             |
| Agency funds - cash and investments     | 720,739                 |
| Private purpose trust                   |                         |
| Cash and investments                    | 2,302,008               |
| Investments with fiscal agent           | <u>1,193,803</u>        |
| Total cash and investments              | <u>\$ 3,518,801,623</u> |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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 \$1.3 billion portfolio, over 52% of the investments have a maturity of one year or less. No investment has a maturity greater than three years.
- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio, under a separate investment policy, includes Municipal bonds with maturities of up to 15 years that are sensitive to interest rate changes. Of these bonds, 7% are insured, which tends to reduce interest rate risk.
- *StanCERA's Investment Portfolio.* Highly Sensitive Investments are certain debt investments whose terms may cause their fair value to be highly sensitive to market interest rate changes. Terms include such variables as embedded options, coupon multipliers, benchmark indices and reset dates. StanCERA's fixed income investments have embedded prepayment options that will typically cause prepayments by the obligees of the underlying investments when interest rates fall. Prepayments eliminate the stream of future interest payments and, therefore, diminish the fair value of the fixed income investment.

*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), and the State's Local Agency Investment Fund.
- *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 94% of the portfolio. The rest of the portfolio is currently being held in a Stanislaus County trust account while approved investment options are being evaluated.

*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 Poor's rating of BBB or higher at time of purchase. In cases

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

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, 2017:

| <b>Credit Rating</b> | <b>Active Management</b> | <b>Fixed Income Securities Amount</b> |
|----------------------|--------------------------|---------------------------------------|
| Aaa / AAA            | 0.24%                    | \$ 1,099,420                          |
| Aa1 / AA+            | 1.55%                    | 7,162,393                             |
| Aa2 / AA             | 0.37%                    | 1,717,017                             |
| Aa3 / AA-            | 1.07%                    | 4,910,983                             |
| A1 / A+              | 1.23%                    | 5,690,205                             |
| A2 / A               | 0.89%                    | 4,092,236                             |
| A3 / A-              | 1.66%                    | 7,630,802                             |
| Baa1 / BBB+          | 7.04%                    | 32,458,568                            |
| Baa2 / BBB           | 7.08%                    | 32,611,260                            |
| Baa3 / BBB-          | 9.51%                    | 43,797,693                            |
| Ba1 / BB+            | 4.32%                    | 19,894,398                            |
| Ba2 / BB             | 1.06%                    | 4,906,899                             |
| Ba3 / BB-            | 0.90%                    | 4,124,392                             |
| B1 / B+              | 1.00%                    | 4,599,110                             |
| B2 / B               | 0.29%                    | 1,354,560                             |
| B3 / B-              | 0.12%                    | 537,581                               |
| Caa1/CCC+            | 1.10%                    | 5,081,346                             |
| Caa2/CCC             | 27.11%                   | 124,934,789                           |
| N/A                  | 33.46%                   | 154,177,199                           |
|                      | <b>100.00%</b>           | <b>\$ 460,780,851</b>                 |

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

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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 fiscal 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 bank, i.e., Bank of the West, collateralized 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 a third party custodian. 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 fiscal 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 fiscal 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, 2017, StanCERA had securities on loan with a carrying value of \$137,200,000 and collateral of \$140,600,000. 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**  
**June 30, 2017**

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, 2017 was \$408,187,210, distributed as follows:

| Currency          | Fair Value<br>(in US \$) | Currency           | Fair Value<br>(in US \$) |
|-------------------|--------------------------|--------------------|--------------------------|
| Australian Dollar | 22,305,405               | New Israeli Shekel | 750,661                  |
| Brazilian Real    | 1,095,326                | New Taiwan Dollar  | 8,387,345                |
| British Pound     | 46,612,396               | New Zealand Dollar | 1,765,526                |
| Canadian Dollar   | 26,000,999               | Norwegian Krone    | 3,380,274                |
| Chilean Peso      | 845,878                  | Singapore Dollar   | 3,171,522                |
| Danish Krone      | 4,851,802                | South African Rand | 1,782,798                |
| Euro Dollars      | 103,052,094              | South Korean Won   | 10,198,702               |
| Hong Kong Dollar  | 23,103,895               | Swedish Krona      | 4,353,319                |
| Hungarian Forint  | 1,244,746                | Swiss Franc        | 23,278,290               |
| Indonesian Rupiah | 1,105,930                | Thailand Baht      | 1,588,645                |
| Japanese Yen      | 68,986,121               | Turkish Lira       | 1,160,637                |
| Malaysian Renggit | 947,026                  | US Dollar          | 48,217,873               |

*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 61% 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>   | 31% |
| <i>Federal Home Loan Bank</i>   | 15% |
| <i>Federal Farm Credit Bank</i> | 15% |

Of the 39% 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**  
**June 30, 2017**

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 36% of the portfolio.
- *StanCERA's Investment Portfolio.* Investments issued or explicitly guaranteed by the US Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from the disclosure requirements. As of June 30, 2017, for separately managed investment accounts, StanCERA did not have investments in any one issuer representing 5% or more of the total portfolio.

At June 30, 2017, StanCERA had the following investments:

|                                       |                  |
|---------------------------------------|------------------|
| <u>Fixed Income Securities</u>        |                  |
| U.S. Treasuries                       | \$ 151,429,405   |
| Commercial Mortgage Backed Securities | 2,239,743        |
| Government Mortgage Backed Securities | 120,887,939      |
| Collateralized Mortgage Obligations   | 1,087,450        |
| Federal Agency                        | 7,311,898        |
| Asset Backed Securities               | 2,797,008        |
| Corporate Bonds                       | 96,612,255       |
| Municipal Bonds                       | 11,528,044       |
| Emerging Market / Non-U.S. Bonds      | 66,887,109       |
|                                       | 460,780,851      |
| <u>Equities</u>                       |                  |
| Domestic                              | 851,315,999      |
| International                         | 408,187,210      |
|                                       | 1,259,503,209    |
| <u>Real Estate Securities</u>         | 35,190,426       |
| <u>Private Credit</u>                 | 92,820,985       |
| <u>Private Real Estate</u>            | 53,535,171       |
| <u>Infrastructure</u>                 | 19,932,549       |
| <u>Securities Lending Collateral</u>  | 140,584,293      |
| <u>Total Other Investments</u>        | \$ 2,062,347,484 |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

*Concentration of Credit Risk* (continued)

The following schedule indicates the credit and interest rate risk at June 30, 2017. The credit ratings listed are for Standard and Poor's. Certain investments, such as the State's Local Agency Investment Fund, are un-rated.

Stanislaus County Treasury Pool  
Fair Value Maturity Distribution  
For the Year Ended June 30, 2017  
(Dollar amounts in thousands)

|  | S&P<br>Credit<br>Rating | Maturity         |                 |                 |                  |                   |                  |                  |                    | Total          | Total % |
|--|-------------------------|------------------|-----------------|-----------------|------------------|-------------------|------------------|------------------|--------------------|----------------|---------|
|  |                         | ≤ 30<br>Days     | 31 - 60<br>Days | 61 - 90<br>Days | 91 - 180<br>Days | 181 - 360<br>Days | 1 - 2<br>Years   | 2 - 3<br>Years   |                    |                |         |
| <b>Triple A</b>                        |                         |                  |                 |                 |                  |                   |                  |                  |                    |                |         |
| Medium Term Notes                      | AAA                     | \$ -             | \$ -            | \$ -            | \$ -             | \$ -              | \$ -             | \$ 11,338        | \$ 11,338          | 0.86%          |         |
|  |                         | -                | -               | -               | -                | -                 | -                | <b>11,338</b>    | <b>11,338</b>      | <b>0.86%</b>   |         |
| <b>Double A</b>                        |                         |                  |                 |                 |                  |                   |                  |                  |                    |                |         |
| Federal Agencies                       | AA+                     | 12,850           | 17,124          | 19,988          | 47,158           | 69,352            | 177,606          | 59,839           | 403,917            | 30.53%         |         |
| US Treasuries                          | AA+                     | 19,994           | -               | 9,994           | 9,989            | 79,858            | 169,353          | 118,965          | 408,153            | 30.84%         |         |
| Medium Term Notes                      | AA+                     | -                | -               | -               | -                | -                 | -                | 16,324           | 16,324             | 1.23%          |         |
| Medium Term Notes                      | AA-                     | -                | -               | -               | -                | -                 | 16,941           | 17,851           | 34,792             | 2.63%          |         |
|  |                         | <b>32,844</b>    | <b>17,124</b>   | <b>29,982</b>   | <b>57,147</b>    | <b>149,210</b>    | <b>363,900</b>   | <b>212,979</b>   | <b>863,186</b>     | <b>65.23%</b>  |         |
| <b>Single A</b>                        |                         |                  |                 |                 |                  |                   |                  |                  |                    |                |         |
| Commercial Paper                       | A-1+                    | -                | -               | -               | 19,878           | -                 | -                | -                | 19,878             | 1.50%          |         |
| Negotiable Cert of Deposit             | A-1                     | 10,000           | -               | -               | 20,000           | 65,046            | -                | -                | 95,046             | 7.18%          |         |
| Commercial Paper                       | A-1                     | 39,989           | 24,950          | 19,939          | 44,813           | -                 | -                | -                | 129,691            | 9.80%          |         |
| Negotiable Cert of Deposit             | A-2                     | 10,000           | -               | 19,999          | 9,994            | 9,992             | -                | -                | 49,985             | 3.78%          |         |
| Medium Term Notes                      | A+                      | -                | -               | -               | -                | -                 | 10,064           | 19,940           | 30,004             | 2.27%          |         |
| Medium Term Notes                      | A                       | -                | -               | -               | -                | -                 | 22,174           | -                | 22,174             | 1.68%          |         |
| Medium Term Notes                      | A-                      | -                | -               | -               | -                | -                 | 16,997           | -                | 16,997             | 1.28%          |         |
|  |                         | <b>59,989</b>    | <b>24,950</b>   | <b>39,938</b>   | <b>94,685</b>    | <b>75,038</b>     | <b>49,235</b>    | <b>19,940</b>    | <b>363,775</b>     | <b>27.49%</b>  |         |
| <b>Unrated</b>                         |                         |                  |                 |                 |                  |                   |                  |                  |                    |                |         |
| Managed Pool Account - LAIF            | N/R                     | 65,000           | -               | -               | -                | -                 | -                | -                | 65,000             | 4.91%          |         |
| Calif Local Agency Indebt              | N/R                     | -                | 4,990           | -               | -                | -                 | -                | -                | 4,990              | 0.38%          |         |
| Money Market                           | N/R                     | 15,000           | -               | -               | -                | -                 | -                | -                | 15,000             | 1.13%          |         |
|  |                         | <b>80,000</b>    | <b>4,990</b>    | -               | -                | -                 | -                | -                | <b>84,990</b>      | <b>6.42%</b>   |         |
| <b>Total Treasury Pool Investments</b> |                         | <b>\$172,833</b> | <b>\$47,064</b> | <b>\$69,920</b> | <b>\$151,832</b> | <b>\$224,248</b>  | <b>\$413,135</b> | <b>\$244,257</b> | <b>\$1,323,289</b> | <b>100.00%</b> |         |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

*Concentration of Credit Risk* (continued)

|                                  | S&P<br>Credit<br>Rating | ≤ 30<br>Days   | 31 -<br>365<br>Days | 1 - 3<br>Years | 3 - 5<br>Years | 5 - 10<br>Years | 10 - 15<br>Years | 15 - 20<br>Years | 20 - 25<br>Years | Total           |
|----------------------------------|-------------------------|----------------|---------------------|----------------|----------------|-----------------|------------------|------------------|------------------|-----------------|
| <b>Triple A</b>                  |                         |                |                     |                |                |                 |                  |                  |                  |                 |
| Municipal Bonds                  | AAA                     | \$ -           | \$ -                | \$ -           | \$ -           | \$ 2,418        | \$ 2,661         | \$ 1,049         | \$ -             | \$ 6,128        |
|                                  |                         | -              | -                   | -              | -              | <b>2,418</b>    | <b>2,661</b>     | <b>1,049</b>     | -                | <b>6,128</b>    |
| <b>Double A</b>                  |                         |                |                     |                |                |                 |                  |                  |                  |                 |
| Municipal Bonds                  | AA+                     | -              | -                   | -              | -              | 4,552           | 1,198            | 3,388            | -                | 9,138           |
| Municipal Bonds                  | AA                      | -              | -                   | 2,242          | -              | 1,211           | 15,758           | 2,973            | 1,291            | 23,475          |
| Municipal Bonds                  | AA-                     | -              | -                   | 2,160          | 2,089          | 12,849          | 22,399           | 3,188            | -                | 42,685          |
|                                  |                         | -              | -                   | <b>4,402</b>   | <b>2,089</b>   | <b>18,612</b>   | <b>39,355</b>    | <b>9,549</b>     | <b>1,291</b>     | <b>75,298</b>   |
| <b>Single A</b>                  |                         |                |                     |                |                |                 |                  |                  |                  |                 |
| Municipal Bonds                  | A-                      | -              | -                   | -              | -              | -               | 767              | -                | -                | 767             |
| Municipal Bonds                  | A-                      | -              | -                   | -              | -              | 1,030           | -                | -                | -                | 1,030           |
|                                  |                         | -              | -                   | -              | -              | <b>1,030</b>    | <b>767</b>       | -                | -                | <b>1,797</b>    |
| <b>Unrated</b>                   |                         |                |                     |                |                |                 |                  |                  |                  |                 |
| Stanislaus Tobacco Trust Account | N/R                     | 5,381          | -                   | -              | -              | -               | -                | -                | -                | 5,381           |
|                                  |                         | <b>5,381</b>   | -                   | -              | -              | -               | -                | -                | -                | <b>5,381</b>    |
| <b>Combined Endowment Totals</b> |                         | <b>\$5,381</b> | <b>\$-</b>          | <b>\$4,402</b> | <b>\$2,089</b> | <b>\$22,060</b> | <b>\$42,783</b>  | <b>\$10,598</b>  | <b>\$1,291</b>   | <b>\$88,604</b> |

Stanislaus County Treasury Pool  
Summary of Investments  
For the Year Ended June 30, 2017  
(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 | \$ 145,031          | \$ 145,000          | 0.95% - 1.69%              | 07/25/17 - 04/13/18   |
| Commercial Paper            | 149,569             | 149,304             | 1.00% - 1.36%              | 07/05/17 - 12/15/17   |
| Managed Funds - LAIF        | 65,000              | 65,000              | 1.03% - 1.03%              | 07/01/17 - 07/01/17   |
| Federal Agencies - Coupons  | 403,917             | 405,106             | 0.75% - 2.00%              | 07/03/17 - 03/16/20   |
| US Treasuries - Coupons     | 408,153             | 408,828             | 0.50% - 1.38%              | 07/31/17 - 02/15/20   |
| Medium Term Notes           | 131,629             | 131,593             | 1.10% - 2.25%              | 05/15/18 - 10/18/19   |
| Calif Local Agency Debt     | 4,990               | 4,990               | 1.50% - 1.50%              | 08/01/17 - 08/01/17   |
| Money Market                | 15,000              | 15,000              | 0.40% - 0.40%              | 07/01/17 - 07/01/17   |
| Total Investments           | <u>\$ 1,323,289</u> | <u>\$ 1,324,821</u> |                            |                       |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

*Concentration of Credit Risk* (continued)

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:

- Negotiable Certificates of Deposit
- 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
- Corporate Bonds and Notes
- California Local Agency Debt
- Money Market Funds

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, 2017 was \$22.8 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, 2017 was \$77.6 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 194 days as of June 30, 2017.

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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

The following represents a condensed statement of net position and changes in net position for the Treasurer's investment pool at June 30, 2017:

|   |                  |
|---|------------------|
| <u>Statement of Net Position</u>            |                  |
| Net position held for pool participants     | \$ 1,281,918,126 |
| Equity of external pool participants        | 807,692,863      |
| Equity of internal pool participants        | 474,225,263      |
| Total Equity                                | \$ 1,281,918,126 |
| <u>Statement of Changes in Net Position</u> |                  |
| Net position at July 1, 2016                | \$ 1,167,649,215 |
| Net investment income                       | 16,294,924       |
| Net contributions and withdrawals           | 97,973,987       |
| Net position at June 30, 2017               | \$ 1,281,918,126 |

Statement No. 79 establishes specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. The statement also establishes additional note disclosures for qualifying external investment pools. There was no material impact on the County's financial statement as a result of the implementation of Statement No. 79.

**Fair Value Measurements**

The pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and
- Level 3: Investments reflect prices based upon unobservable sources.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

The pool has the following recurring fair value measurements as of June 30, 2017:

|   |                     | (Dollar amounts in thousands)  |   |  |
|---|---------------------|--|---|--|
|   |                     | Fair Value Measurements Using  |   |  |
| Investments by fair value level               |                     | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
| <b>Debt Securities</b>                        |                     |  |   |  |
| Negotiable Certs of Deposit                   | \$ 145,031          | \$ -   | \$ 145,031  | \$ -   |
| Commercial Paper                              | 149,569             | -  | 149,569   | -  |
| Federal Agencies                              | 403,917             | -  | 403,917   | -  |
| US Treasuries                                 | 408,153             | 408,153  | -   | -  |
| Medium Term Notes                             | 131,629             | -  | 131,629   | -  |
| Total Investments measured at fair value      | <u>\$ 1,238,299</u> | <u>\$ 408,153</u>  | <u>\$ 830,146</u>   | <u>\$ -</u>  |
| <b>Investments measured at amortized cost</b> |                     |  |   |  |
| LAIF  | \$ 65,000           |  |   |  |
| Calif Local Agency Debt                       | 4,990               |  |   |  |
| Money Market                                  | 15,000              |  |   |  |
| Total Investments                             | <u>\$ 1,323,289</u> |  |   |  |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

**Note 5: Interfund Transactions**

**Interfund Receivables/Payables**

The compositions of interfund balances as of June 30, 2017 are as follows:

***Due To/From Other Funds***

| <u>Receivable Fund</u>         | <u>Payable Fund</u>      | <u>Amount</u>        |                               |
|--------------------------------|--------------------------|----------------------|-------------------------------|
| General fund                   | Capital projects         | \$ 8,783,581         | To cover deficit cash balance |
| General fund                   | Other governmental funds | <u>1,639,910</u>     | To cover deficit cash balance |
|                                | Sub total                | <u>10,423,491</u>    |                               |
| General fund                   | Internal Service Fund    | <u>755,008</u>       | To cover deficit cash balance |
|                                | Sub total                | <u>755,008</u>       |                               |
| Behavioral Health and Recovery | General fund             | <u>1,406,030</u>     | State realignment             |
|                                | Sub total                | <u>1,406,030</u>     |                               |
|                                | Total                    | <u>\$ 12,584,529</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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

| <u>Transfer from</u>     | <u>Transfer to</u>                    | <u>Amount</u>        | <u>Purpose</u>                                |
|--------------------------|---------------------------------------|----------------------|---|
| General fund             | Behavioral Health and Recovery        | \$ 4,406,541         | County program contributions                  |
|                          | Community Services Agency             | 25,218,442           | County program contributions                  |
|                          | Health clinics and ancillary services | 3,682,135            | County program contributions                  |
|                          | Internal service funds                | 1,962,902            | General liability and technology              |
|                          | Other governmental funds              | 23,865,476           | County program contributions and debt service |
|                          | Other governmental funds              | <u>1,432,801</u>     | Contributions to capital projects             |
|                          |                                       | <u>60,568,297</u>    |   |
| Tobacco settlement       | General fund                          | <u>2,940,981</u>     | Interest distribution and debt service        |
| Public facility fees     | General fund                          | 2,514,975            | Debt service payments                         |
|                          | Other governmental funds              | 2,590,690            | Contributions to capital projects             |
|                          | Other governmental funds              | 2,296,953            | Contributions to roads and bridges            |
|                          | Other governmental funds              | 321,781              | Contributions to public works                 |
|                          | Other governmental funds              | 23,400               | Contributions to parks                        |
|                          | Other governmental funds              | <u>15,805</u>        | Contributions to planning                     |
|                          |                                       | <u>7,763,604</u>     |   |
| Other governmental funds | Behavioral Health and Recovery        | 96,641               | Various contributions to programs             |
|                          | General fund                          | 2,302,995            | Various contributions to programs             |
|                          | Other governmental funds              | <u>7,732,801</u>     | Contributions to capital projects             |
|                          |                                       | <u>10,132,438</u>    |   |
| Fink landfill            | Other enterprise funds                | <u>1,360,119</u>     | Landfill closure/post-closure                 |
| Other enterprise funds   | Other governmental funds              | <u>500,000</u>       | Contribution to public works                  |
|                          |                                       | <u>\$ 83,265,438</u> |   |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

**Note 6: Capital Assets**

Capital asset activity for the year ended June 30, 2017 was as follows:

|  | Balance<br>July 1, 2016 | Additions            | Retirements         | Adjustments &<br>Transfers | Balance<br>June 30, 2017 |
|--|-------------------------|----------------------|---------------------|----------------------------|--------------------------|
| <b>Governmental activities</b>               |                         |                      |                     |                            |                          |
| Capital assets, not being depreciated:       |                         |                      |                     |                            |                          |
| Land and right of ways                       | \$ 44,534,252           | \$ 55,718            | \$ -                | \$ -                       | \$ 44,589,970            |
| Construction in progress                     | 114,475,314             | 54,243,207           | -                   | (7,388,373)                | 161,330,148              |
| Total capital assets, not being depreciated  | <u>159,009,566</u>      | <u>54,298,925</u>    | <u>-</u>            | <u>(7,388,373)</u>         | <u>205,920,118</u>       |
| Capital assets, being depreciated:           |                         |                      |                     |                            |                          |
| Infrastructure                               | 827,533,877             | 245,060              | (386,778)           | 404,085                    | 827,796,244              |
| Structures and improvements                  | 232,471,064             | 7,511,319            | -                   | 6,980,968                  | 246,963,351              |
| Equipment                                    | 109,578,639             | 6,978,521            | (3,714,421)         | (6,872,311)                | 105,970,428              |
| Intangible assets                            | 3,351,336               | -                    | -                   | -                          | 3,351,336                |
| Total capital assets, being depreciated      | <u>1,172,934,916</u>    | <u>14,734,900</u>    | <u>(4,101,199)</u>  | <u>512,742</u>             | <u>1,184,081,359</u>     |
| Less accumulated depreciation for:           |                         |                      |                     |                            |                          |
| Infrastructure                               | (692,033,417)           | (7,607,641)          | 386,778             | (183,672)                  | (699,437,952)            |
| Structures and improvements                  | (98,381,343)            | (7,240,863)          | -                   | (1,124,979)                | (106,747,185)            |
| Equipment                                    | (70,959,073)            | (6,690,555)          | 3,601,700           | 1,574,206                  | (72,473,722)             |
| Intangible assets                            | (1,989,616)             | (335,134)            | -                   | -                          | (2,324,750)              |
| Total accumulated depreciation               | <u>(863,363,449)</u>    | <u>(21,874,193)</u>  | <u>3,988,478</u>    | <u>265,555</u>             | <u>(880,983,609)</u>     |
| Total capital assets, being depreciated, net | <u>309,571,467</u>      | <u>(7,139,293)</u>   | <u>(112,721)</u>    | <u>778,297</u>             | <u>303,097,750</u>       |
| Governmental activities capital assets, net  | <u>\$ 468,581,033</u>   | <u>\$ 47,159,632</u> | <u>\$ (112,721)</u> | <u>\$ (6,610,076)</u>      | <u>\$ 509,017,868</u>    |
| <b>Business-type activities</b>              |                         |                      |                     |                            |                          |
| Capital assets, not being depreciated:       |                         |                      |                     |                            |                          |
| Land and right of ways                       | \$ 15,462,882           | \$ -                 | \$ -                | \$ -                       | \$ 15,462,882            |
| Construction in progress                     | 305,943                 | 488,668              | -                   | (240,778)                  | 553,833                  |
| Total capital assets, not being depreciated  | <u>15,768,825</u>       | <u>488,668</u>       | <u>-</u>            | <u>(240,778)</u>           | <u>16,016,715</u>        |
| Capital assets, being depreciated:           |                         |                      |                     |                            |                          |
| Structures and improvements                  | 18,068,293              | 34,359               | -                   | -                          | 18,102,652               |
| Equipment                                    | 22,263,408              | 1,389,241            | (121,093)           | (15,077)                   | 23,516,479               |
| Total capital assets, being depreciated      | <u>40,331,701</u>       | <u>1,423,600</u>     | <u>(121,093)</u>    | <u>(15,077)</u>            | <u>41,619,131</u>        |
| Less accumulated depreciation for:           |                         |                      |                     |                            |                          |
| Structures and improvements                  | (13,807,292)            | (752,555)            | -                   | -                          | (14,559,847)             |
| Equipment                                    | (11,905,412)            | (1,530,625)          | 156,387             | (2,488)                    | (13,282,138)             |
| Total accumulated depreciation               | <u>(25,712,704)</u>     | <u>(2,283,180)</u>   | <u>156,387</u>      | <u>(2,488)</u>             | <u>(27,841,985)</u>      |
| Total capital assets, being depreciated, net | <u>14,618,997</u>       | <u>(859,580)</u>     | <u>35,294</u>       | <u>(17,565)</u>            | <u>13,777,146</u>        |
| Business-type activities capital assets, net | <u>\$ 30,387,822</u>    | <u>\$ (370,912)</u>  | <u>\$ 35,294</u>    | <u>\$ (258,343)</u>        | <u>\$ 29,793,861</u>     |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

Depreciation expense was charged to governmental functions as follows:

|                        | <u>Equipment</u>   | <u>Structures and<br/>Improvements</u> | <u>Intangible</u> | <u>Infrastructure</u> | <u>Total</u>         |
|------------------------|--------------------|--|-------------------|-----------------------|----------------------|
| General government     | \$ 47,481          | \$ 2,180,108                           | \$ -              | \$ -                  | \$ 2,227,589         |
| Public protection      | 2,578,106          | 2,906,849                              | 64,674            | -                     | 5,549,629            |
| Public ways            | 9,480              | 51,563                                 | -                 | 7,607,641             | 7,668,684            |
| Health and sanitation  | 614,010            | 379,558                                | -                 | -                     | 993,568              |
| Public assistance      | 399,603            | 649,927                                | -                 | -                     | 1,049,530            |
| Education              | 1,623,057          | 208,997                                | -                 | -                     | 1,832,054            |
| Recreation             | 253,045            | 838,505                                | -                 | -                     | 1,091,550            |
| Internal service funds | 1,165,773          | 25,356                                 | 270,460           | -                     | 1,461,589            |
| Total                  | <u>\$6,690,555</u> | <u>\$ 7,240,863</u>                    | <u>\$ 335,134</u> | <u>\$ 7,607,641</u>   | <u>\$ 21,874,193</u> |

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

|                                       | <u>Equipment</u>   | <u>Structures and<br/>Improvements</u> | <u>Total</u>        |
|---------------------------------------|--------------------|--|---------------------|
| Fink Road Landfill                    | \$ 102,116         | \$ 655,669                             | \$ 757,785          |
| Health Clinics and Ancillary Services | 244,542            | 76,744                                 | 321,286             |
| Inmate Welfare/Commissary             | 657                | 6,987                                  | 7,644               |
| Transit                               | 1,183,310          | 13,155                                 | 1,196,465           |
| Total                                 | <u>\$1,530,625</u> | <u>\$ 752,555</u>                      | <u>\$ 2,283,180</u> |

Note 7: **Receivables**

The governmental activities \$106,517,906 includes receivables from federal, state, and local governments in the amount of \$70,887,020.

The accounts receivable balance, net allowance, in the business-type activities is \$18,383,292. This balance includes \$17,297,709 for Health Clinics and Ancillary Services.

Note 8: **Notes Receivable**

As of June 30, 2017 a total of \$251,870 has been recorded as notes receivable.

On August 26, 2014, the Board of Supervisors approved \$200,000 for loans designed to help citizens living within unincorporated areas of Stanislaus County with repairs or replacement costs of water wells which provide supply for domestic use. The loans are 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, 2017 the amount of \$112,988 has been loaned and recognized as notes receivable.

The remaining \$138,882 is a reimbursement for an overpayment.

## County of Stanislaus

### Notes to the Basic Financial Statements

June 30, 2017

#### 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 2016-2017 is \$44,285,087,042.

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 15,545,411 in the General Fund is comprised of teeter property tax receivable of \$15,468,155 and \$77,256 receivable balance for 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**  
**June 30, 2017**

**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 \$5,401,440 for all fund types for the year ended June 30, 2017. 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, 2017.

| Fiscal Year Ending<br>June 30, 2017 | Amount       |
|-------------------------------------|--------------|
| 2018                                | \$ 2,291,555 |
| 2019                                | 1,353,428    |
| 2020                                | 1,071,178    |
| 2021                                | 985,576      |
| 2022                                | 695,845      |
| 2023-2027                           | 128,483      |
| Total Minimum Lease Payments        | \$ 6,526,065 |

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 a 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.

On March 1, 2016, the County of Stanislaus entered into a new concession lease agreement with PFD Management Inc. to provide cafeteria services at the Community Services Facility. The lease with PFD Management Inc. includes a minimum base rent of \$6,480 per year, an additional 3% commission based on annual gross sales over \$216,000, an additional 3% commission on vending machine annual gross sales over \$24,000 and an annual flat \$500 commission on catering sales. Per the amendment executed on February 27, 2017, the rent and commissions are now due on a monthly basis instead of annually. The initial lease term began on March 1, 2016 and terminated February 28, 2017. The first of the four one-year renewable term commenced on March 1, 2017 and terminates on February 28, 2018. The total maximum term of this lease is limited to five years, terminating on February 28, 2021.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 10: **Leases** (continued)

Revenue Leases (continued)

Effective November 1, 2016, Stanislaus County Health Services Agency entered into a commercial lease agreement with Larry Brown, DBA Common Grounds Café. The original lease agreement was established in October 2008 at an initial term of 2 years with an option to remain in possession of the premises at a monthly rental rate of \$700 per month for continued occupancy. The premises consists of the ground floor kitchen area in the central unit of the Health Services Agency scenic campus which is approximately 750 sq. ft. Due to issues related to flooding of the premises, a new agreement was created to adjust the monthly rental rate to \$100 per month, where Health Services Agency guarantees a purchase of at least \$100 in vouchers from the tenant each month. The term of the new agreement extends to November 30, 2017 with an option to extend with mutual consent from both Health Services Agency and Larry Brown. The Health Services Agency is expected to receive \$1,200 in rental revenue over the term of the lease.

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. The lease was renewed on January 1, 2017. The annual rent is \$4,415 per year. The term of the lease is five years, terminating on December 31, 2021.

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 17<sup>th</sup>, 2004. The annual rent is one dollar. The leased property is located at 1030 11<sup>th</sup> 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.

Effective May 20, 2013 the County of Stanislaus entered into a Lease Agreement and Land Option with Golden Hills Solar, LCC for a long-term Solar and Farming Lease on county-owned land adjacent to the Fink Road Landfill. The terms of the agreement include a lease for 1,675 acres for a 70MW solar energy project. The option term is for 48 months total \$300,000 paid in quarterly advance installments of \$18,750. The lease term is one 25 year term, plus two additional optional terms of one-year each. Upon exercise of the Option, the Solar Lease rent is \$400,000 annually, with a 1.5% escalator every year.

The Agreement with Golden Hills Solar, LLC was Amended and Restated on May 9, 2017. The terms of the agreement include a lease for 1,691 acres for a 225MW solar energy project. The option term is for 60 months with a total of \$500,000 paid in quarterly advance installments of \$25,000. The lease term is one 25 year term, plus two additional optional terms of five-years each. Upon exercise of the Option the Solar Lease rent is \$660 per acre annually, 1,000 up to 1,100 acres, with a 0.5% escalator every year; with a Solar Benefit of an additional \$80 per acre annually. Upon exercise of the Option, the long-term farm lease rent is \$100 per acre annually, with a 0.5% escalator every year.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 10: **Leases** (continued)

**Revenue Leases** (continued)

The following is a schedule of future lease revenue on these noncancelable leases at June 30, 2017.

| Fiscal Year Ending<br>June 30, 2017 | Amount       |
|-------------------------------------|--------------|
| 2018                                | \$ 198,001   |
| 2019                                | 198,001      |
| 2020                                | 198,001      |
| 2021                                | 198,001      |
| 2022                                | 198,001      |
| 2023-2047                           | 792,025      |
| Total Minimum Lease Revenue         | \$ 1,782,030 |

**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:

|                                 | Stated<br>Interest<br>Rate | Present Value of<br>Remaining Payments<br>at June 30, 2017 |
|---------------------------------|----------------------------|--|
| <b>Governmental activities:</b> |                            |  |
| Equipment                       | 0.00-7.7%                  | \$ 553,410   |
| Total capital lease obligations |                            | \$ 553,410   |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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, 2017 were as follows:

| Fiscal Year Ending<br>June 30, 2017     | Governmental<br>Activities |
|---|----------------------------|
| 2018                                    | \$ 233,570                 |
| 2019                                    | 127,696                    |
| 2020                                    | 117,234                    |
| 2021                                    | 65,372                     |
| 2022                                    | 34,585                     |
| Total minimum lease payments            | <u>578,457</u>             |
| Less: amounts representing interest     | <u>(25,047)</u>            |
| Present value of minimum lease payments | 553,410                    |
| Less: current portion of capital leases | <u>(222,097)</u>           |
| Long-term capital lease obligation      | <u><u>\$ 331,313</u></u>   |

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

|                                |                            |
|--------------------------------|----------------------------|
|                                | Governmental<br>Activities |
| Equipment                      | \$ 1,316,556               |
| Less: accumulated depreciation | <u>(694,180)</u>           |
| Net value                      | <u><u>\$ 622,376</u></u>   |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

**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, 2017:

|                                  | Balance<br>June 30, 2016 | Additions            | Deletions              | Balance<br>June 30, 2017 | Amounts<br>Due Within<br>One Year |
|----------------------------------|--------------------------|----------------------|------------------------|--------------------------|-----------------------------------|
| <b>Governmental Activities:</b>  |                          |                      |                        |                          |                                   |
| Certificates of participation    | \$ 7,275,000             | \$ -                 | \$ (7,275,000)         | \$ -                     | \$ -                              |
| 2012 Lease Refunding             | 3,127,429                | -                    | (1,564,726)            | 1,562,703                | 1,562,703                         |
| 2013 Lease Refunding             | 9,915,000                | -                    | (4,925,000)            | 4,990,000                | 4,990,000                         |
| Plus issuance premium            | 221,900                  |                      | (221,900)              | -                        | -                                 |
| 2016 Lease HVAC Financing        | -                        | 7,775,000            | (385,000)              | 7,390,000                | 455,000                           |
| Tobacco securitization note      | 85,343,611               | -                    | (2,340,000)            | 83,003,611               | 5,660,000                         |
| Accreted interest tobacco note   | 36,413,839               | 4,971,917            | -                      | 41,385,756               | -                                 |
|                                  | <u>\$ 142,296,779</u>    | <u>\$ 12,746,917</u> | <u>\$ (16,711,626)</u> | <u>\$ 138,332,070</u>    | <u>\$ 12,667,703</u>              |
| Capital lease payable            | <u>\$ 483,456</u>        | <u>\$ 303,919</u>    | <u>\$ (233,965)</u>    | <u>\$ 553,410</u>        | <u>\$ 222,097</u>                 |
| Total Governmental<br>Activities | <u>\$ 142,780,235</u>    | <u>\$ 13,050,836</u> | <u>\$ (16,945,591)</u> | <u>\$ 138,885,480</u>    | <u>\$ 12,889,800</u>              |

With the exception of the Professional Liability Insurance Fund, which serves the Health Clinics and Ancillary Services 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**  
**June 30, 2017**

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

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

As of June 30, 2017, annual debt service requirements of governmental activities to maturity are as follows:

| Year Ending<br>June 30 | Governmental Activities     |                     |                                  |                       |
|------------------------|-----------------------------|---------------------|----------------------------------|-----------------------|
|                        | 2012 Lease Refunding        |                     | 2013 Lease Refunding             |                       |
|                        | Principal                   | Interest            | Principal                        | Interest              |
| 2018                   | \$ 1,562,703                | \$ 17,157           | \$ 4,990,000                     | \$ 37,425             |
| Totals                 | <u>\$ 1,562,703</u>         | <u>\$ 17,157</u>    | <u>\$ 4,990,000</u>              | <u>\$ 37,425</u>      |
| Year Ending<br>June 30 | 2016 Lease (HVAC)           |                     |                                  |                       |
|                        | Principal                   | Interest            |                                  |                       |
| 2018                   | \$ 455,000                  | \$ 165,536          |                                  |                       |
| 2019                   | 465,000                     | 155,344             |                                  |                       |
| 2020                   | 475,000                     | 144,928             |                                  |                       |
| 2021                   | 485,000                     | 134,288             |                                  |                       |
| 2022                   | 500,000                     | 123,424             |                                  |                       |
| 2023-2027              | 2,660,000                   | 444,528             |                                  |                       |
| 2028-2031              | 2,350,000                   | 132,944             |                                  |                       |
| Totals                 | <u>\$ 7,390,000</u>         | <u>\$ 1,300,992</u> |                                  |                       |
| Year Ending<br>June 30 | Tobacco Securitization Note |                     | Tobacco Securitization Note 2006 |                       |
|                        | Principal                   | Interest            | Principal                        | Interest              |
| 2018                   | 5,660,000                   | 1,644,340           | \$ -                             | \$ -                  |
| 2019                   | 6,095,000                   | 1,317,836           | -                                | -                     |
| 2020                   | 6,560,000                   | 959,314             | -                                | -                     |
| 2021                   | 7,055,000                   | 573,474             | -                                | 2,935,222             |
| 2022                   | 15,480,000                  | 228,317             | -                                | 7,781,534             |
| 2023-2027              | -                           | 41,566              | -                                | 40,397,878            |
| 2028-2032              | -                           | -                   | 23,793,381                       | 43,549,441            |
| 2033-2037              | -                           | -                   | 9,446,325                        | 48,293,677            |
| 2038-2042              | -                           | -                   | -                                | 51,867,983            |
| 2043-2047              | -                           | -                   | 8,913,905                        | 31,305,361            |
| Totals                 | <u>\$ 40,850,000</u>        | <u>\$ 4,764,847</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**  
**June 30, 2017**

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

**B. Long-Term Obligations**

A summary of lease refunding and certificates of participation outstanding at year-end is as follows:

|                                 | <u>Interest<br/>Rate %</u> | <u>Date of<br/>Issue</u> | <u>Maturity</u> | <u>Amount of<br/>Original<br/>Issue</u> | <u>Principal Outstanding<br/>as of<br/>June 30, 2017</u> |
|---------------------------------|----------------------------|--------------------------|-----------------|---|--|
| <b>Governmental activities:</b> |                            |                          |                 |   |  |
| 2012 Lease Refunding            | 1.99                       | 8/1/2012                 | 6/1/2018        | \$ 8,687,050                            | \$ 1,562,703   |
| 2013 Lease Refunding            | 1.50                       | 8/1/2013                 | 8/1/2017        | 19,540,000                              | 4,990,000  |
| 2016 Lease HVAC Financing       | 2.24                       | 8/31/2016                | 6/1/2031        | 7,775,000                               | 7,390,000  |
| Total governmental activities   |                            |                          |                 | <u>\$ 36,002,050</u>                    | <u>\$ 13,942,703</u>                                     |

A summary of notes payable follows:

|                                    | <u>Interest<br/>Rate %</u> | <u>Date of<br/>Issue</u> | <u>Maturity</u> | <u>Amount of<br/>Original<br/>Issue</u> | <u>Outstanding<br/>as of<br/>June 30, 2017</u> |
|------------------------------------|----------------------------|--------------------------|-----------------|---|--|
| Tobacco Securitization Note        | 5.50-7.50                  | 3/21/2002                | 6/1/2043        | \$ 67,305,000                           | \$ 40,850,000                                  |
| 2006 Tobacco Securitization Note * | 5.75-7.25                  | 3/29/2006                | 6/1/2055        | 42,153,611                              | 83,539,367                                     |
| Total                              |                            |                          |                 | <u>\$ 109,458,611</u>                   | <u>\$ 124,389,367</u>                          |

\* Includes accredited interest of \$41,385,756

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 |
| 2016 HVAC Financing              | Heating Ventilation Air Conditioning 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**  
**June 30, 2017**

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. The County did not have any outstanding liability for arbitrage as of June 30, 2017.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

**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/<br>postclosure at June 30, 2017 | \$ 22,276,472 | \$ 16,900,000 | \$ 39,176,472 |
| Liability recognized as of June 30, 2017                               | \$ 8,757,460  | \$ 288,809    | \$ 9,046,269  |
| Landfill capacity used to date   | 39.31%        | 100%          |               |
| Estimated remaining useful life  | 11 years      |               |               |

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:

|                             |               |
|-----------------------------|---------------|
| Fink Road Sanitary Landfill | \$ 19,350,660 |
| Geer Road Sanitary Landfill | \$ 474,299    |

**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:

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. 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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

- *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 position of the County, not restricted for any project or other purpose.

As of June 30, 2017, the County had the following restrictions to net position:

|  | Governmental<br>Activities | Business-type<br>Activities |
|--|----------------------------|-----------------------------|
| Restricted for:                                    |                            |                             |
| Capital projects                                   | \$ 57,051,706              | \$ -                        |
| Debt service                                       | 6,170,854                  | -                           |
| Other purposes:                                    | -                          | -                           |
| Landfill closure/postclosure                       | -                          | 19,873,805                  |
| Tobacco Settlement                                 | 94,817,263                 | -                           |
| Probation grants                                   | 24,373,306                 | -                           |
| Behavioral Health & Recovery                       | 22,243,456                 | -                           |
| Health Services                                    | 13,393,691                 | -                           |
| Library  | 11,535,437                 | -                           |
| Road and Bridge                                    | 11,254,511                 | -                           |
| Environmental Resources                            | 10,116,104                 | -                           |
| Children and Families Commission                   | 8,371,068                  | -                           |
| Planning   | 8,259,811                  | -                           |
| Tax loss reserve fund                              | 4,632,178                  | -                           |
| Lighting/storm drain & service area districts      | 3,896,803                  | -                           |
| Probation  | 3,425,718                  | -                           |
| Chief Executive Office                             | 3,901,871                  | -                           |
| Alliance Worknet                                   | 2,628,531                  | -                           |
| Clerk-Recorder - capital assets                    | 2,512,743                  | -                           |
| Sheriff's Office                                   | 2,312,952                  | -                           |
| Other  | 1,631,140                  | -                           |
| Department of Child Support                        | 1,424,849                  | -                           |
| Area Agency on Aging                               | 1,315,699                  | -                           |
| Indigent Health Care                               | 1,275,255                  | -                           |
| Parks  | 890,988                    | -                           |
| Court Security                                     | 172,902                    | -                           |
| Subtotal other purposes                            | 234,386,276                | 19,873,805                  |
| Total restricted net position                      | \$297,608,836              | \$ 19,873,805               |
| Amount of total restricted by enabling legislation | \$ 41,443                  |                             |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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, 2017 is as follows:

|   | General Fund          | Tobacco Settlement   | Behavioral Health and Recovery | Community Services Agency | Public Facility Fees | Other Governmental Funds | Total Governmental Funds |
|---|-----------------------|----------------------|--------------------------------|---------------------------|----------------------|--------------------------|--------------------------|
| <b>Non-spendable</b>                              |                       |                      |                                |                           |                      |                          |                          |
| Teeter receivable                                 | \$ 9,339,672          | \$ -                 | \$ -                           | \$ -                      | \$ -                 | \$ -                     | \$ 9,339,672             |
| Advances to government and other funds            | 1,766,751             | -                    | -                              | -                         | -                    | -                        | 1,766,751                |
| Inventory   | -                     | -                    | -                              | -                         | -                    | 638,568                  | 638,568                  |
| Prepaid Items                                     | 216,186               | -                    | -                              | -                         | -                    | 85,675                   | 301,861                  |
| Imprest cash                                      | 85,655                | -                    | 8,550                          | 25,650                    | -                    | 12,533                   | 132,388                  |
| <b>Total non-spendable</b>                        | <b>11,408,264</b>     | <b>-</b>             | <b>8,550</b>                   | <b>25,650</b>             | <b>-</b>             | <b>736,776</b>           | <b>12,179,240</b>        |
| <b>Restricted</b>                                 |                       |                      |                                |                           |                      |                          |                          |
| Tobacco   | -                     | 94,817,263           | -                              | -                         | -                    | 6,110,662                | 100,927,925              |
| Public facility fees                              | -                     | -                    | -                              | -                         | 47,671,953           | -                        | 47,671,953               |
| Program funds                                     | -                     | -                    | 19,180,379                     | 252,739                   | -                    | 83,289,775               | 102,722,893              |
| Children and Families Commission                  | -                     | -                    | -                              | -                         | -                    | 8,201,412                | 8,201,412                |
| AC tax loss                                       | 4,632,178             | -                    | -                              | -                         | -                    | -                        | 4,632,178                |
| Special districts                                 | -                     | -                    | -                              | -                         | -                    | 3,463,173                | 3,463,173                |
| Chief executive office county fire services       | -                     | -                    | -                              | -                         | -                    | 1,992,377                | 1,992,377                |
| Court security                                    | -                     | -                    | -                              | -                         | -                    | 172,887                  | 172,887                  |
| Chief Executive Office Prop 69 DNA identification | -                     | -                    | -                              | -                         | -                    | 156,300                  | 156,300                  |
| <b>Total restricted</b>                           | <b>4,632,178</b>      | <b>94,817,263</b>    | <b>19,180,379</b>              | <b>252,739</b>            | <b>47,671,953</b>    | <b>103,386,585</b>       | <b>269,941,097</b>       |
| <b>Committed</b>                                  |                       |                      |                                |                           |                      |                          |                          |
| Capital acquisitions                              | 5,787,402             | -                    | 3,054,527                      | -                         | -                    | 565,161                  | 9,407,090                |
| Parks and litigation                              | 1,535,387             | -                    | -                              | -                         | -                    | -                        | 1,535,387                |
| General plan maintenance                          | -                     | -                    | -                              | -                         | -                    | 33,212                   | 33,212                   |
| <b>Total committed</b>                            | <b>7,322,789</b>      | <b>-</b>             | <b>3,054,527</b>               | <b>-</b>                  | <b>-</b>             | <b>598,373</b>           | <b>10,975,689</b>        |
| <b>Assigned</b>                                   |                       |                      |                                |                           |                      |                          |                          |
| Encumbrances                                      | 5,635,813             | -                    | -                              | 8,002                     | -                    | 23,222,340               | 28,866,156               |
| Teeter plan                                       | 23,863,200            | -                    | -                              | -                         | -                    | -                        | 23,863,200               |
| Revenue stabilization                             | 23,000,000            | -                    | -                              | -                         | -                    | -                        | 23,000,000               |
| Contingencies                                     | 15,518,169            | -                    | -                              | -                         | -                    | -                        | 15,518,169               |
| Debt service                                      | 11,848,927            | -                    | -                              | -                         | -                    | -                        | 11,848,927               |
| Carryover appropriations                          | 10,310,349            | -                    | -                              | -                         | -                    | -                        | 10,310,349               |
| Retirement obligation                             | 8,800,000             | -                    | -                              | -                         | -                    | -                        | 8,800,000                |
| AB 900 phase II tobacco debt payoff               | 7,100,000             | -                    | -                              | -                         | -                    | -                        | 7,100,000                |
| Criminal justice system efficiencies              | 6,200,000             | -                    | -                              | -                         | -                    | -                        | 6,200,000                |
| 2013 Refinancing debt payoff                      | 5,027,425             | -                    | -                              | -                         | -                    | -                        | 5,027,425                |
| Community investment                              | 5,000,000             | -                    | -                              | -                         | -                    | -                        | 5,000,000                |
| Cash out obligation                               | 4,000,000             | -                    | -                              | -                         | -                    | -                        | 4,000,000                |
| Public safety facility infrastructure             | 3,000,000             | -                    | -                              | -                         | -                    | -                        | 3,000,000                |
| Public safety needs                               | 3,000,000             | -                    | -                              | -                         | -                    | -                        | 3,000,000                |
| 2007 A Borrowing final payoff                     | 2,659,000             | -                    | -                              | -                         | -                    | -                        | 2,659,000                |
| ADA transition plan                               | 2,500,000             | -                    | -                              | -                         | -                    | -                        | 2,500,000                |
| Jail expansion start-up                           | 2,000,000             | -                    | -                              | -                         | -                    | -                        | 2,000,000                |
| Deferred maintenance                              | 2,000,000             | -                    | -                              | -                         | -                    | -                        | 2,000,000                |
| Enterprise and technology upgrades                | 2,000,000             | -                    | -                              | -                         | -                    | -                        | 2,000,000                |
| Demolition of old county buildings                | 2,000,000             | -                    | -                              | -                         | -                    | -                        | 2,000,000                |
| Litigation/Audit exposures                        | 1,835,000             | -                    | -                              | -                         | -                    | -                        | 1,835,000                |
| Budget balance                                    | 1,593,328             | -                    | -                              | -                         | -                    | -                        | 1,593,328                |
| CSA IHSS  | 1,239,827             | -                    | -                              | -                         | -                    | -                        | 1,239,827                |
| Reserve CSA savings for UDW MOU                   | 1,000,000             | -                    | -                              | -                         | -                    | -                        | 1,000,000                |
| Training and workforce development                | 1,000,000             | -                    | -                              | -                         | -                    | -                        | 1,000,000                |
| Salida Park                                       | 450,000               | -                    | -                              | -                         | -                    | -                        | 450,000                  |
| Invest fair value adjustment                      | (295,704)             | -                    | -                              | -                         | -                    | 13,523                   | (282,181)                |
| <b>Total assigned</b>                             | <b>152,285,335</b>    | <b>-</b>             | <b>-</b>                       | <b>8,002</b>              | <b>-</b>             | <b>23,235,863</b>        | <b>175,529,200</b>       |
| <b>Unassigned:</b>                                |                       |                      |                                |                           |                      |                          |                          |
| General fund                                      | 8,717,151             | -                    | -                              | -                         | -                    | -                        | 8,717,151                |
| <b>Total unassigned</b>                           | <b>8,717,151</b>      | <b>-</b>             | <b>-</b>                       | <b>-</b>                  | <b>-</b>             | <b>-</b>                 | <b>8,717,151</b>         |
| <b>Total fund balance</b>                         | <b>\$ 184,365,717</b> | <b>\$ 94,817,263</b> | <b>\$ 22,243,456</b>           | <b>\$ 286,391</b>         | <b>\$ 47,671,953</b> | <b>\$ 127,957,597</b>    | <b>\$ 477,342,377</b>    |

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2017

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, and has a self-insured retention of \$250,000 per occurrence with excess insurance through CSAC-Excess Insurance Authority and several excess insurance carriers totaling \$25,000,000. The County's property coverage limit is \$846,072,075 subject to variable deductibles including \$10,000 for All Risk Coverage and \$10,000 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 self-insured for employee medical costs, and carries excess insurance for claims in excess of \$250,000 incurred in calendar year 2016 and \$275,000 for medical claims incurred in calendar year 2017.

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 \$21,500,000 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<br>Ending 6/30/17 | Fiscal Year<br>Ending 6/30/16 |
|-----------------------------------|-------------------------------|-------------------------------|
| Unpaid claims as of July 1        | \$ 34,632,167                 | \$ 32,604,479                 |
| Incurred claims (including IBNRs) | 7,910,085                     | 10,015,624                    |
| Claim payments                    | (7,988,521)                   | (7,987,936)                   |
| Unpaid claims as of June 30       | <u>\$ 34,553,731</u>          | <u>\$ 34,632,167</u>          |

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, 2017, 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 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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

In O’Neal, et al v. Stanislaus County Employees Retirement Association (“StanCERA”), Case No. 648469, 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 Plaintiff has appealed and the case is awaiting oral argument. The potential loss is estimated to be several million in the event of an unfavorable outcome.

Note 16: **Joint Ventures**

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**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, 2016, 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.

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, 2017, the County’s equity interest was \$669,077. For the fiscal year ending June 30, 2017, the County contributed \$194,512 to TRRP. The financial statements for TRRP are prepared by the City of Modesto Finance Department and may be obtained

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

Tuolumne River Regional Park (continued)

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 2017 was \$61,357.

The total cash plus in-kind contribution was \$491,439.75. 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, 2017, the County's equity interest in the CCCIFA was \$8,177,146 and is reported as Investments-joint ventures in the government-wide statement of net position.

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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

The California County Tobacco Securitization Agency

In November 1998, the Attorney 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.

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.

## County of Stanislaus

### Notes to the Basic Financial Statements

June 30, 2017

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

The California County Tobacco Securitization Agency (continued)

The financial statements of the CCTSA are produced annually and may be obtained by writing to the County of Stanislaus, Auditor-Controller, P.O. 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 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, 2017, the County paid \$50,235 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.

## County of Stanislaus

### Notes to the Basic Financial Statements

June 30, 2017

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

#### 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 county's share of costs.

In May 2017, the MOU has been updated to reflect the new forty county members, the new consortium name "CalACES" and to delineate the areas of understanding and agreement between the Consortium and the Members regarding matters related to the administration and fulfillment of the Consortium's purpose. This was the result of California Assembly Bill 16 being passed in September 2011 giving participating Counties the ability to begin migration to the new consortium known today, now composed of forty County members.

Currently the Authority is governed by a Board of Directors comprised of seven (7) County Directors, one from each of the defined C-IV regions. The SAWS C-IV regional model ensures adequate and fair representation of all participating counties and the remaining 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 2016/2017 were \$291,963. 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, 4<sup>th</sup> Floor, and San Bernardino, CA 92415.

#### 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

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
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Note 16: **Joint Ventures (continued)**

North County Corridor Transportation Expressway Authority (continued)

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. As of June 30, 2017, the County's equity interest was \$6,918,821. The financial statements may be obtained by writing to Stanislaus Animal Services Agency, Executive Director, 3647 Cornucopia Way, Modesto, CA 95358.

Note 17: **Pensions**

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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)

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 17: **Pensions (continued)**

Plan Description (continued)

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.

***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

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 17: **Pensions** (continued)

**Benefits Provided** (continued)

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, 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<br/>Contribution<br/>Rates</u> | <u>Employee<br/>Contribution<br/>Rates</u> |
|----------------|--|--|
| General Tier 1 | 25.11%                                     | 5.08-8.18%                                 |
| General Tier 2 | 20.99%                                     | 6.69-11.58%                                |
| General Tier 3 | 14.74%                                     | Non-contributory                           |
| General Tier 4 | 28.62%                                     | 4.88-7.96%                                 |
| General Tier 5 | 22.92%                                     | 7.95-12.88%                                |
| General Tier 6 | 19.74%                                     | 8.06%                                      |
| Safety Tier 2  | 33.48%                                     | 10.10-17.43%                               |
| Safety Tier 4  | 47.13%                                     | 7.63-12.24%                                |
| Safety Tier 5  | 36.56%                                     | 11.52-18.31%                               |
| Safety Tier 6  | 29.46%                                     | 13.07%                                     |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 17: **Pensions** (continued)

**Benefits Provided** (continued)

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, 2015            | \$47,521,100          |
| June 30, 2016            | \$51,455,859          |
| June 30, 2017            | \$55,715,221          |

\* Contributions made by all entities processed through County payroll

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.

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 72.8% actuarially funded as of June 30, 2016.

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

At June 30, 2017, the County reported a liability of \$637,287,750 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the liability used to calculate the net pension liability was determined by an actuarial valuation date June 30, 2015, updated to June 30, 2016. 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, 2016, the County's proportion was 88.26%, compared to 88.73% at June 30, 2015, a decrease of 0.47%.

For the year ended June 30, 2017, the County recognized pension expense of \$122,711,830. Pension expense represents the change in the net pension liability during

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 17: **Pensions** (continued)

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

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, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Deferred outflows of resources - change in proportion, change in contributions      | \$ 286,428,037                       | -                                   |
| County contributions subsequent to the measurement date                             | 50,390,883                           | -                                   |
| Deferred inflows of resources - change in actual vs. proportionate contributions    | -                                    | 5,903,784                           |
| Deferred inflows of resources - proportionate share of collective investment return | -                                    | -                                   |
|   | \$ 336,818,920                       | \$ 5,903,784                        |

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 \$50,390,883 made subsequent to the measurement date are reported as deferred outflows of resources for fiscal year ending June 30, 2017 and will be recognized as reduction of the net pension liability in the fiscal year ending June 30, 2018.

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         |
|-------------------|----------------|
| 2018              | \$ 58,645,062  |
| 2019              | 58,645,066     |
| 2020              | 85,368,713     |
| 2021              | 77,865,412     |
| Thereafter        | -              |
|                   | \$ 280,524,253 |

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the portion of the

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 17: **Pensions** (continued)

Actuarial Assumptions (continued)

actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

|                           |   |
|---------------------------|---|
| Inflation                 | 3.00%   |
| Salary increases          | 3.25% plus merit component  |
| COLA increases            | 3% for those eligible for COLA  |
| Investment rate of return | 7.25%, net of investment expense  |
| Post-retirement mortality | Fully generational mortality improvement projection from base year 2009 using scale MP-2015 |

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2015.

| <u>Asset Class</u>     | <u>2017<br/>Long-Term Expected<br/>Real Rate of Return</u> | <u>2017<br/>Target<br/>Allocation</u> |
|------------------------|--|---------------------------------------|
| Domestic Equities      |  |                                       |
| U.S. Large Cap         | 4.7%   | 18.5%                                 |
| U.S. Small Cap         | 4.8%   | 5.5%                                  |
| International Equities |  |                                       |
| Int'l Development      | 9.7%   | 19.0%                                 |
| Emerging Market Equity | 8.6%   | 5.0%                                  |
| U.S. Fixed Income      |  |                                       |
| Core fixed income      | 3.3%   | 0.0%                                  |
| U.S. Treasury          | 2.4%   | 3.0%                                  |
| Short-term Gov/Credit  | 2.6%   | 19.0%                                 |
| Real Estate            |  |                                       |
| Core                   | 4.6%   | 7.7%                                  |
| Value-add              | 6.6%   | 1.7%                                  |
| Risk Parity            | 7.2%   | 14.0%                                 |
| Private Equity         | 7.8%   | 0.0%                                  |
| Private Credit         | 6.5%   | 5.0%                                  |
| Infrastructure         | 4.6%   | 0.6%                                  |
| Cash                   | 2.2%   | 1.0%                                  |

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

Note 17: **Pensions** (continued)

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%<br>Decrease<br>6.25% | Discount<br>Rate<br>7.25% | 1%<br>Increase<br>8.25% |
|---|-------------------------|---------------------------|-------------------------|
| County's proportionate share of the net retirement plan liability | \$ 944,001,276          | \$ 637,287,750            | \$ 382,743,256          |

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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

Funding Policy (continued)

The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined within the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial accrued liabilities (UAAL) which consist of current retirees, current vested terminated and current active employees.

The following are the components of the County's annual OPEB cost for the year ended June 30, 2017:

|   |                             |
|---|-----------------------------|
| Annual required contribution (ARC)      | \$ 2,900,304                |
| Interest on net OPEB obligation         | 362,590                     |
| Amortization adjustment to ARC          | <u>(524,214)</u>            |
| Annual OPEB cost                        | 2,738,680                   |
| Employer contribution                   | <u>1,489,071</u>            |
| Change in Net OPEB obligation           | 1,249,609                   |
| Net OPEB obligation - beginning of year | <u>10,554,057</u>           |
| Net OPEB obligation - end of year       | <u><u>\$ 11,803,666</u></u> |

Based on the recent actuarial valuation dated June 30, 2014, the following is the funded status of the OPEB Plan:

|   |                             |
|---|-----------------------------|
| Actuarial accrued liability (AAL)           | \$ 28,141,627               |
| Actuarial value of plan assets              | <u>-</u>                    |
| Unfunded actuarial accrued liability (UAAL) | <u><u>\$ 28,141,627</u></u> |
| <br>  |                             |
| Covered payroll (active plan members)       | \$ 245,751,576              |
| UAAL as percentage of covered payroll       | 11.5%                       |

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

Amounts determined regarding the funded status of the 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 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.

**County of Stanislaus**  
**Notes to the Basic Financial Statements**  
**June 30, 2017**

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

**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.

Note 19: **Tax Abatements**

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The California Land Conservation Act of 1965, also known as the Williamson Act, was adopted by the State Legislature in 1965 and voluntarily implemented by the Stanislaus County Board of Supervisors in January of 1969. The Act permits a landowner, whose land is used for agriculture, to enter into a contract with the County guaranteeing that the land will continue to remain in farming for a period of at least ten years. In return for this guarantee, the County assesses taxes based on the agricultural value of the land rather than the market value.

For the Fiscal Year Ended June 30, 2017, the County's portion of the tax abatements, related to the Williamson Act, was \$460,563.

Note 20: **Subsequent Events**

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Subsequent events have been evaluated through December 15, 2017, which is the date the financial statements were available to be issued. The County does not have any reportable events.



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*Required  
Supplementary  
Information*

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**County of Stanislaus**  
**Required Supplementary Information (Unaudited)**  
**For the Year Ended June 30, 2017**

**Stanislaus County Employees Other Post Employment Benefits (OPEB)**  
**Plan Schedule of Funding Progress**  
**(Dollar amounts in thousands)**

| Actuarial Valuation Date | Actuarial Value of Assets<br>a | Actuarial Accrued Liability (AAL) Projected Unit Credit<br>b | Unfunded AAL (UAAL)<br>(b-a) | Funded Ratio<br>(a/b) | Covered Payroll<br>c | UAAL as a Percentage of Covered Payroll<br>((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%  |

Based on the latest actuarial valuation date of July 1, 2014.

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 88.41% 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, 2017**

**Required Supplementary Information**

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

|   | <u>FYE 6/30/16</u> | <u>FYE 6/30/15</u> | <u>FYE 6/30/14</u> | <u>FYE 6/30/13</u> |
|---|--------------------|--------------------|--------------------|--------------------|
| County's proportion of the net pension liability (asset)  | 88.26%             | 88.73%             | 88.6947%           | 88.4162%           |
| County's proportion share of the net pension liability (asset)  | \$ 637,287,750     | \$ 256,442,634     | \$ 202,065,617     | \$ 329,072,460     |
| County's covered-employee payroll   | \$ 211,526,725     | \$ 205,719,027     | \$ 196,780,722     | \$ 192,297,278     |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 301.28%            | 124.66%            | 102.69%            | 171.13%            |
| Plan fiduciary net position as a percentage of the total pension liability (asset)                                | 70.63%             | 86.13%             | 88.49%             | 80.23%             |

**Schedule of County's Contributions**

|   | <u>FYE 6/30/16</u> | <u>FYE 6/30/15</u> | <u>FYE 6/30/14</u> |
|---|--------------------|--------------------|--------------------|
| Actuarially determined contribution                                       | \$ 51,365,402      | \$ 47,779,167      | \$ 41,477,186      |
| Actual contributions  | \$ 51,455,859      | \$ 47,521,000      | \$ 41,313,088      |
| Contribution deficiency (excess)  | \$ (90,457)        | \$ 258,167         | \$ 164,098         |
| County's covered-employee payroll   | \$ 211,526,725     | \$ 205,719,027     | \$ 196,780,722     |
| Actual contributions as a percentage of County's covered-employee payroll | 24.33%             | 23.10%             | 20.99%             |

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

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*Other  
Supplementary  
Information*

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*Non-major  
Governmental  
Funds*

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## NON-MAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

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

### Capital Projects Fund

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

### Debt Service Funds

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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.

#### **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**  
**Non-major Governmental Funds**  
**June 30, 2017**

|   | Special<br>Revenue Funds | Capital<br>Projects  | Debt Service Funds                          |  | Totals                |
|---|--------------------------|----------------------|---|--|-----------------------|
|   |                          |                      | Capital<br>Improvement<br>Finance Authority | Stan County<br>Tobacco<br>Funding Corp |                       |
| <b>Assets</b>   |                          |                      |   |  |                       |
| Cash and investments  | \$ 106,033,650           | \$ -                 | \$ 1,166                                    | \$ 70,004                              | \$ 106,104,820        |
| Investments with fiscal agent   | -                        | -                    | -   | 6,108,434                              | 6,108,434             |
| Account receivable  | 19,296,313               | 21,115,128           | -   | 3,239,229                              | 43,650,670            |
| Interest and other receivables  | 1,079,671                | 4,858                | -   | 25                                     | 1,084,554             |
| Inventory   | 638,567                  | -                    | -   | -                                      | 638,567               |
| Prepaid items   | 187,373                  | -                    | -   | -                                      | 187,373               |
| Total assets  | <u>127,235,574</u>       | <u>21,119,986</u>    | <u>1,166</u>                                | <u>9,417,692</u>                       | <u>157,774,418</u>    |
| <br>  |                          |                      |   |  |                       |
| Total assets and deferred outflows of resources                       | <u>127,235,574</u>       | <u>21,119,986</u>    | <u>1,166</u>                                | <u>9,417,692</u>                       | <u>157,774,418</u>    |
| <br>  |                          |                      |   |  |                       |
| <b>Liabilities</b>  |                          |                      |   |  |                       |
| Accounts payable  | 8,708,502                | 2,891,871            | 1,166                                       | 3,246,838                              | 14,848,377            |
| Salaries and benefits payable   | 3,666,380                | 64,780               | -   | -                                      | 3,731,160             |
| Due to other funds  | 1,639,910                | 8,783,581            | -   | -                                      | 10,423,491            |
| Due to other governments  | 126,956                  | -                    | -   | -                                      | 126,956               |
| Advances from grantors & third parties                                | 586,837                  | -                    | -   | -                                      | 586,837               |
| Advances from other funds   | 100,000                  | -                    | -   | -                                      | 100,000               |
| Total liabilities   | <u>14,828,585</u>        | <u>11,740,232</u>    | <u>1,166</u>                                | <u>3,246,838</u>                       | <u>29,816,821</u>     |
| <br>  |                          |                      |   |  |                       |
| <b>Fund balances</b>  |                          |                      |   |  |                       |
| Non-spendable   | 736,776                  | -                    | -   | -                                      | 736,776               |
| Restricted  | 97,275,923               | -                    | -   | 6,110,662                              | 103,386,585           |
| Committed   | 598,373                  | -                    | -   | -                                      | 598,373               |
| Assigned  | 13,795,917               | 9,379,754            | -   | 60,192                                 | 23,235,863            |
| Total fund balances   | <u>112,406,989</u>       | <u>9,379,754</u>     | <u>-</u>                                    | <u>6,170,854</u>                       | <u>127,957,597</u>    |
| <br>  |                          |                      |   |  |                       |
| Total liabilities, deferred inflows of resources and<br>fund balances | <u>\$ 127,235,574</u>    | <u>\$ 21,119,986</u> | <u>\$ 1,166</u>                             | <u>\$ 9,417,692</u>                    | <u>\$ 157,774,418</u> |

**County of Stanislaus**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balance**  
**Non-major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2017**

|   | Special<br>Revenue Funds | Capital<br>Projects | Debt Service Funds                          |  | Totals                |
|---|--------------------------|---------------------|---|--|-----------------------|
|   |                          |                     | Capital<br>Improvement<br>Finance Authority | Stan County<br>Tobacco<br>Funding Corp |                       |
| <b>Revenues</b>   |                          |                     |   |  |                       |
| Taxes   | \$ 12,359,178            | \$ -                | \$ -  | \$ -                                   | \$ 12,359,178         |
| Licenses, permits and franchises                          | 2,002,395                | -                   | -   | -                                      | 2,002,395             |
| Fines, forfeitures and penalties                          | 1,267,920                | 938,397             | -   | -                                      | 2,206,317             |
| Revenue from use of money and property                    | 299,974                  | 27,825              | 1,195                                       | 237,166                                | 566,160               |
| Intergovernmental revenue                                 | 181,058,545              | 31,489,125          | -   | -                                      | 212,547,670           |
| Charges for services                                      | 39,255,924               | -                   | -   | -                                      | 39,255,924            |
| Miscellaneous revenue                                     | 609,993                  | -                   | -   | 4,800,859                              | 5,410,852             |
| Total revenues  | <u>236,853,929</u>       | <u>32,455,347</u>   | <u>1,195</u>                                | <u>5,038,025</u>                       | <u>274,348,496</u>    |
| <b>Expenditures</b>                                       |                          |                     |   |  |                       |
| General government  | 745,604                  | -                   | -   | -                                      | 745,604               |
| Public protection   | 65,389,287               | -                   | -   | -                                      | 65,389,287            |
| Public ways and facilities                                | 30,176,249               | -                   | -   | -                                      | 30,176,249            |
| Health and sanitation                                     | 34,429,266               | -                   | -   | -                                      | 34,429,266            |
| Public assistance   | 104,344,590              | -                   | -   | -                                      | 104,344,590           |
| Education   | 11,714,904               | -                   | -   | -                                      | 11,714,904            |
| Recreation and cultural services                          | 749,519                  | -                   | -   | -                                      | 749,519               |
| Capital outlay  | -                        | 43,520,286          | -   | -                                      | 43,520,286            |
| Debt service:   |                          |                     |   |  |                       |
| Interest and fiscal charges                               | 2,312                    | -                   | 751,024                                     | 2,769,785                              | 3,523,121             |
| Principal   | 48,667                   | -                   | 14,149,726                                  | 2,340,000                              | 16,538,393            |
| Total expenditures  | <u>247,600,398</u>       | <u>43,520,286</u>   | <u>14,900,750</u>                           | <u>5,109,785</u>                       | <u>311,131,219</u>    |
| Excess (deficiency) of revenues over (under) expenditures | <u>(10,746,469)</u>      | <u>(11,064,939)</u> | <u>(14,899,555)</u>                         | <u>(71,760)</u>                        | <u>(36,782,723)</u>   |
| <b>Other financing sources (uses)</b>                     |                          |                     |   |  |                       |
| Loan proceeds   | -                        | -                   | 7,775,000                                   | -                                      | 7,775,000             |
| Transfers in  | 16,347,323               | 11,756,292          | 10,676,092                                  | -                                      | 38,779,707            |
| Transfers out   | (1,522,524)              | (1,001,470)         | (7,608,444)                                 | -                                      | (10,132,438)          |
| Sale of capital assets                                    | 6,849                    | -                   | -   | -                                      | 6,849                 |
| Total other financing sources (uses)                      | <u>14,831,648</u>        | <u>10,754,822</u>   | <u>10,842,648</u>                           | <u>-</u>                               | <u>36,429,118</u>     |
| Net changes in fund balances                              | <u>4,085,179</u>         | <u>(310,117)</u>    | <u>(4,056,907)</u>                          | <u>(71,760)</u>                        | <u>(353,605)</u>      |
| Fund balances -- beginning                                | <u>108,321,810</u>       | <u>9,689,871</u>    | <u>4,056,907</u>                            | <u>6,242,614</u>                       | <u>128,311,202</u>    |
| Fund balances -- ending                                   | <u>\$ 112,406,989</u>    | <u>\$ 9,379,754</u> | <u>\$ -</u>                                 | <u>\$ 6,170,854</u>                    | <u>\$ 127,957,597</u> |

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*Non-major  
Special Revenue  
Funds*

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## NON-MAJOR 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.

## NON-MAJOR SPECIAL REVENUE FUNDS

### 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

**County of Stanislaus**  
**Combining Balance Sheet**  
**Non-major Special Revenue Funds**  
**June 30, 2017**

|  | Environmental<br>Resources | Children<br>and Families<br>Commission | Public<br>Works<br>Engineering | Road<br>and<br>Bridge | Employment<br>and<br>Training | Child<br>Support<br>Services | Public<br>Authority | Health<br>Services<br>Agency | Indigent<br>Health<br>Care | Library           | Lighting<br>Districts | All Other<br>Special<br>Revenue Funds | Totals             |
|--|----------------------------|--|--------------------------------|-----------------------|-------------------------------|------------------------------|---------------------|------------------------------|----------------------------|-------------------|-----------------------|---------------------------------------|--------------------|
| <b>Assets</b>                                      |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| Cash and investments                               | \$ 10,629,374              | \$ 8,511,088                           | \$ 3,663,377                   | \$ 12,124,262         | \$ 3,165,333                  | \$ 1,995,045                 | \$ -                | \$ 10,794,746                | \$ 303,591                 | \$ 10,469,404     | \$ 869,734            | \$ 43,507,696                         | \$ 106,033,650     |
| Account receivable                                 | 500,265                    | 476,410                                | 200,422                        | 1,072,014             | 432,230                       | 26,431                       | 2,161,366           | 4,312,900                    | 1,095,599                  | 1,866,862         | -                     | 7,151,814                             | 19,296,313         |
| Interest and other receivables                     | 8,227                      | 26,970                                 | -                              | 38,980                | -                             | 6,886                        | -                   | 960,721                      | 1,227                      | -                 | 2,170                 | 34,490                                | 1,079,671          |
| Inventory  | -                          | -                                      | -                              | 417,214               | 14,005                        | -                            | -                   | 207,348                      | -                          | -                 | -                     | -                                     | 638,567            |
| Prepaid items                                      | -                          | -                                      | -                              | -                     | 8,371                         | -                            | -                   | 179,002                      | -                          | -                 | -                     | -                                     | 187,373            |
| <b>Total assets</b>                                | <b>11,137,866</b>          | <b>9,014,468</b>                       | <b>3,863,799</b>               | <b>13,652,470</b>     | <b>3,619,939</b>              | <b>2,028,362</b>             | <b>2,161,366</b>    | <b>16,454,717</b>            | <b>1,400,417</b>           | <b>12,336,266</b> | <b>871,904</b>        | <b>50,694,000</b>                     | <b>127,235,574</b> |
| <br>   |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| Total assets and deferred outflow of resources     | 11,137,866                 | 9,014,468                              | 3,863,799                      | 13,652,470            | 3,619,939                     | 2,028,362                    | 2,161,366           | 16,454,717                   | 1,400,417                  | 12,336,266        | 871,904               | 50,694,000                            | 127,235,574        |
| <br>   |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| <b>Liabilities</b>                                 |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| Accounts payable                                   | 218,128                    | 622,041                                | 60,918                         | 2,040,357             | 736,465                       | 49,462                       | 394,500             | 1,980,879                    | 124,367                    | 405,253           | 6,192                 | 2,069,940                             | 8,708,502          |
| Salaries and benefits payable                      | 364,387                    | 21,359                                 | 297,995                        | 203,188               | 254,943                       | 554,051                      | -                   | 969,639                      | 795                        | 366,037           | -                     | 633,986                               | 3,666,380          |
| Due to other funds                                 | -                          | -                                      | -                              | -                     | -                             | -                            | 1,639,910           | -                            | -                          | -                 | -                     | -                                     | 1,639,910          |
| Due from other governments                         | -                          | -                                      | -                              | -                     | -                             | -                            | 126,956             | -                            | -                          | -                 | -                     | -                                     | 126,956            |
| Advances from grantors & third parties             | 439,248                    | -                                      | 7,542                          | -                     | -                             | -                            | -                   | 110,508                      | -                          | 29,539            | -                     | -                                     | 586,837            |
| Advances from other funds                          | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | -                            | -                          | -                 | -                     | 100,000                               | 100,000            |
| <b>Total liabilities</b>                           | <b>1,021,763</b>           | <b>643,400</b>                         | <b>366,455</b>                 | <b>2,243,545</b>      | <b>991,408</b>                | <b>603,513</b>               | <b>2,161,366</b>    | <b>3,061,026</b>             | <b>125,162</b>             | <b>800,829</b>    | <b>6,192</b>          | <b>2,803,926</b>                      | <b>14,828,585</b>  |
| <br>   |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| Total liabilities and deferred inflow of resources | 1,021,763                  | 643,400                                | 366,455                        | 2,243,545             | 991,408                       | 603,513                      | 2,161,366           | 3,061,026                    | 125,162                    | 800,829           | 6,192                 | 2,803,926                             | 14,828,585         |
| <br>   |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| <b>Fund Balances</b>                               |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| Non spendable                                      | 800                        | -                                      | 300                            | 417,214               | 14,005                        | 100                          | -                   | 293,224                      | -                          | 3,133             | -                     | 8,000                                 | 736,776            |
| Restricted   | 9,691,515                  | 8,201,412                              | 3,170,801                      | 8,057,667             | 2,614,526                     | 1,424,749                    | -                   | 12,324,446                   | 1,153,142                  | 10,994,336        | 865,712               | 38,777,617                            | 97,275,923         |
| Committed  | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | -                            | -                          | -                 | -                     | 598,373                               | 598,373            |
| Assigned   | 423,788                    | 169,656                                | 326,243                        | 2,934,044             | -                             | -                            | -                   | 776,021                      | 122,113                    | 537,968           | -                     | 8,506,084                             | 13,795,917         |
| <b>Total fund balances</b>                         | <b>10,116,103</b>          | <b>8,371,068</b>                       | <b>3,497,344</b>               | <b>11,408,925</b>     | <b>2,628,531</b>              | <b>1,424,849</b>             | <b>-</b>            | <b>13,393,691</b>            | <b>1,275,255</b>           | <b>11,535,437</b> | <b>865,712</b>        | <b>47,890,074</b>                     | <b>112,406,989</b> |
| <br>   |                            |  |                                |                       |                               |                              |                     |                              |                            |                   |                       |                                       |                    |
| Total liabilities and fund balances                | \$ 11,137,866              | \$ 9,014,468                           | \$ 3,863,799                   | \$ 13,652,470         | \$ 3,619,939                  | \$ 2,028,362                 | \$ 2,161,366        | \$ 16,454,717                | \$ 1,400,417               | \$ 12,336,266     | \$ 871,904            | \$ 50,694,000                         | \$ 127,235,574     |

**County of Stanislaus**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-major Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2017**

|   | Environmental<br>Resources | Children<br>and Families<br>Commission | Public<br>Works<br>Engineering | Road<br>and<br>Bridge | Employment<br>and<br>Training | Child<br>Support<br>Services | Public<br>Authority | Health<br>Services<br>Agency | Indigent<br>Health<br>Care | Library              | Lighting<br>Districts | All Other<br>Special<br>Revenue Funds | Totals                |
|---|----------------------------|--|--------------------------------|-----------------------|-------------------------------|------------------------------|---------------------|------------------------------|----------------------------|----------------------|-----------------------|---------------------------------------|-----------------------|
| <b>Revenues</b>                           |                            |  |                                |                       |                               |                              |                     |                              |                            |                      |                       |                                       |                       |
| Taxes                                     | \$ -                       | \$ -                                   | \$ -                           | \$ 572,555            | \$ -                          | \$ -                         | \$ -                | \$ -                         | \$ -                       | \$ 10,195,058        | \$ 84,266             | \$ 1,507,299                          | \$ 12,359,178         |
| Licenses, permits and franchises          | -                          | -                                      | 1,961,031                      | 23,049                | -                             | -                            | -                   | 14,490                       | -                          | -                    | -                     | 3,825                                 | 2,002,395             |
| Fines, forfeitures and penalties          | 136,388                    | -                                      | -                              | -                     | -                             | -                            | -                   | 106,077                      | 677,415                    | -                    | -                     | 348,040                               | 1,267,920             |
| Revenue from use of money and property    | 13,481                     | 49,009                                 | 430                            | 40,872                | -                             | 17,085                       | 152                 | 1,452                        | 2,017                      | 2,859                | 3,256                 | 169,361                               | 299,974               |
| Intergovernmental revenue                 | 471,575                    | 4,833,041                              | 69,499                         | 14,978,006            | 5,939,105                     | 14,422,827                   | 83,682,244          | 14,535,270                   | -                          | 239,333              | 575                   | 41,887,070                            | 181,058,545           |
| Charges for services                      | 7,175,351                  | -                                      | 5,368,110                      | 340,954               | 11,361,932                    | -                            | -                   | 10,446,101                   | 334,997                    | 500,293              | 342,912               | 3,385,274                             | 39,255,924            |
| Miscellaneous revenue                     | 94,695                     | -                                      | 11,074                         | -                     | (21,731)                      | -                            | 22,727              | 38,771                       | -                          | 131,210              | -                     | 333,247                               | 609,993               |
| Total revenues                            | <u>7,891,490</u>           | <u>4,882,050</u>                       | <u>7,410,144</u>               | <u>15,955,436</u>     | <u>17,279,306</u>             | <u>14,439,912</u>            | <u>83,705,123</u>   | <u>25,142,161</u>            | <u>1,014,429</u>           | <u>11,068,753</u>    | <u>431,009</u>        | <u>47,634,116</u>                     | <u>236,853,929</u>    |
| <b>Expenditures</b>                       |                            |  |                                |                       |                               |                              |                     |                              |                            |                      |                       |                                       |                       |
| General government                        | -                          | 409,975                                | -                              | -                     | -                             | -                            | -                   | -                            | -                          | -                    | -                     | 335,629                               | 745,604               |
| Public protection                         | 9,776,133                  | -                                      | 2,119,659                      | -                     | -                             | 14,437,457                   | -                   | -                            | -                          | -                    | 277,160               | 38,778,878                            | 65,389,287            |
| Public ways and facilities                | -                          | -                                      | 5,596,671                      | 24,425,164            | -                             | -                            | -                   | -                            | -                          | -                    | -                     | 154,414                               | 30,176,249            |
| Health and sanitation                     | -                          | 5,893,811                              | -                              | -                     | -                             | -                            | -                   | 27,864,438                   | 671,017                    | -                    | -                     | -                                     | 34,429,266            |
| Public assistance                         | -                          | -                                      | -                              | -                     | 15,290,342                    | -                            | 85,545,151          | -                            | -                          | -                    | -                     | 3,509,097                             | 104,344,590           |
| Education                                 | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | -                            | -                          | 11,713,862           | -                     | 1,042                                 | 11,714,904            |
| Recreation and cultural services          | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | -                            | -                          | -                    | -                     | 749,519                               | 749,519               |
| Debt Service:                             |                            |  |                                |                       |                               |                              |                     |                              |                            |                      |                       |                                       |                       |
| Interest and fiscal charges               | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | 1,374                        | -                          | -                    | -                     | 938                                   | 2,312                 |
| Principal                                 | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | 39,337                       | -                          | -                    | -                     | 9,330                                 | 48,667                |
| Total expenditures                        | <u>9,776,133</u>           | <u>6,303,786</u>                       | <u>7,716,330</u>               | <u>24,425,164</u>     | <u>15,290,342</u>             | <u>14,437,457</u>            | <u>85,545,151</u>   | <u>27,905,149</u>            | <u>671,017</u>             | <u>11,713,862</u>    | <u>277,160</u>        | <u>43,538,847</u>                     | <u>247,600,398</u>    |
| Excess revenues over (under) expenditures | <u>(1,884,643)</u>         | <u>(1,421,736)</u>                     | <u>(306,186)</u>               | <u>(8,469,728)</u>    | <u>1,988,964</u>              | <u>2,455</u>                 | <u>(1,840,028)</u>  | <u>(2,762,988)</u>           | <u>343,412</u>             | <u>(645,109)</u>     | <u>153,849</u>        | <u>4,095,269</u>                      | <u>(10,746,469)</u>   |
| <b>Other financing sources (uses)</b>     |                            |  |                                |                       |                               |                              |                     |                              |                            |                      |                       |                                       |                       |
| Transfers in                              | 1,764,698                  | -                                      | 382,586                        | 3,672,744             | -                             | -                            | 1,840,028           | 6,050,778                    | 300,000                    | 491,810              | -                     | 1,844,679                             | 16,347,323            |
| Transfers out                             | -                          | -                                      | -                              | -                     | -                             | -                            | -                   | -                            | -                          | -                    | -                     | (1,522,524)                           | (1,522,524)           |
| Sale of capital assets                    | 3,412                      | -                                      | 2,828                          | -                     | -                             | -                            | -                   | 609                          | -                          | -                    | -                     | -                                     | 6,849                 |
| Total other financing sources (uses)      | <u>1,768,110</u>           | <u>-</u>                               | <u>385,414</u>                 | <u>3,672,744</u>      | <u>-</u>                      | <u>-</u>                     | <u>1,840,028</u>    | <u>6,051,387</u>             | <u>300,000</u>             | <u>491,810</u>       | <u>-</u>              | <u>322,155</u>                        | <u>14,831,648</u>     |
| Net change in fund balance                | <u>(116,533)</u>           | <u>(1,421,736)</u>                     | <u>79,228</u>                  | <u>(4,796,984)</u>    | <u>1,988,964</u>              | <u>2,455</u>                 | <u>-</u>            | <u>3,288,399</u>             | <u>643,412</u>             | <u>(153,299)</u>     | <u>153,849</u>        | <u>4,417,424</u>                      | <u>4,085,179</u>      |
| Fund balances -- beginning                | <u>10,232,636</u>          | <u>9,792,804</u>                       | <u>3,418,116</u>               | <u>16,205,909</u>     | <u>639,567</u>                | <u>1,422,394</u>             | <u>-</u>            | <u>10,105,292</u>            | <u>631,843</u>             | <u>11,688,736</u>    | <u>711,863</u>        | <u>43,472,650</u>                     | <u>108,321,810</u>    |
| Fund balances -- ending                   | <u>\$ 10,116,103</u>       | <u>\$ 8,371,068</u>                    | <u>\$ 3,497,344</u>            | <u>\$ 11,408,925</u>  | <u>\$ 2,628,531</u>           | <u>\$ 1,424,849</u>          | <u>\$ -</u>         | <u>\$ 13,393,691</u>         | <u>\$ 1,275,255</u>        | <u>\$ 11,535,437</u> | <u>\$ 865,712</u>     | <u>\$ 47,890,074</u>                  | <u>\$ 112,406,989</u> |

**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, 2017**

|  | Budgeted Amounts   |                  | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|--|--------------------|------------------|-------------------------------------|-------------------------------|
|  | Original<br>Budget | Final<br>Budget  |                                     |                               |
| <b>Revenues</b>                          |                    |                  |                                     |                               |
| Fines, forfeitures and penalties         | \$ 44,000          | \$ 44,000        | \$ 136,388                          | \$ 92,388                     |
| Revenue from use of money and property   | 11,521             | 11,521           | 13,481                              | 1,960                         |
| Intergovernmental revenue                | 890,228            | 890,228          | 471,575                             | (418,653)                     |
| Charges for services                     | 6,746,400          | 6,746,400        | 7,175,351                           | 428,951                       |
| Miscellaneous revenue                    | 36,658             | 36,658           | 94,695                              | 58,037                        |
| Total revenues - Environmental Resources | <u>7,728,807</u>   | <u>7,728,807</u> | <u>7,891,490</u>                    | <u>162,683</u>                |
| <b>Expenditures: Public Protection</b>   |                    |                  |                                     |                               |
| Environmental Resources                  |                    |                  |                                     |                               |
| Salaries and employee benefits           | 7,964,362          | 7,921,362        | 7,392,756                           | 528,606                       |
| Services and supplies                    | 1,296,719          | 1,437,469        | 1,187,897                           | 249,572                       |
| Other charges                            | 685,251            | 756,251          | 754,620                             | 1,631                         |
| Intrafund transfer                       | (1,320,758)        | (1,320,758)      | (1,376,383)                         | 55,625                        |
| Capital assets                           | 277,500            | 369,500          | 251,024                             | 118,476                       |
| Total expenditures                       | <u>8,903,074</u>   | <u>9,163,824</u> | <u>8,209,914</u>                    | <u>953,910</u>                |
| Beverage Container Recycling             |                    |                  |                                     |                               |
| Services and supplies                    | 17,784             | 12,711           | 12,049                              | 662                           |
| Intrafund transfer                       | 13,188             | 18,261           | 16,841                              | 1,420                         |
| Total expenditures                       | <u>30,972</u>      | <u>30,972</u>    | <u>28,890</u>                       | <u>2,082</u>                  |
| Household Hazardous Waste                |                    |                  |                                     |                               |
| Services and supplies                    | 304,566            | 304,566          | 190,817                             | 113,749                       |
| Other charges                            | 3,515              | 3,515            | 549                                 | 2,966                         |
| Intrafund transfer                       | 531,780            | 531,780          | 486,110                             | 45,670                        |
| Total expenditures                       | <u>839,861</u>     | <u>839,861</u>   | <u>677,476</u>                      | <u>162,385</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                    | 406,000            | 406,000          | 279,258                             | 126,742                       |
| Intrafund transfer                       | 457,521            | 457,521          | 322,396                             | 135,125                       |
| Total expenditures                       | <u>863,521</u>     | <u>863,521</u>   | <u>601,654</u>                      | <u>261,867</u>                |
| Disclosure Program                       |                    |                  |                                     |                               |
| Services and supplies                    | 49,467             | 13,467           | -                                   | 13,467                        |
| Intrafund transfer                       | 359,000            | 395,000          | 395,000                             | -                             |
| Total expenditures                       | <u>408,467</u>     | <u>408,467</u>   | <u>395,000</u>                      | <u>13,467</u>                 |
| Code Enforcement Abatement               |                    |                  |                                     |                               |
| Services and supplies                    | 20,000             | 15,219           | 8,310                               | 6,909                         |
| Other charges                            | -                  | 10,783           | 10,783                              | -                             |
| Total expenditures                       | <u>20,000</u>      | <u>26,002</u>    | <u>19,093</u>                       | <u>6,909</u>                  |

**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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| Used Oil Recycling  |                     |                     |                                     |                               |
| Services and supplies                                     | 52,329              | 60,474              | 60,474                              | -                             |
| Intrafund transfer  | 99,662              | 91,517              | 28,916                              | 62,601                        |
| Total expenditures  | <u>151,991</u>      | <u>151,991</u>      | <u>89,390</u>                       | <u>62,601</u>                 |
| Environmental Enforcement                                 |                     |                     |                                     |                               |
| Services and supplies                                     | -                   | 300                 | 259                                 | 41                            |
| Other charges   | 41,174              | 40,874              | -                                   | 40,874                        |
| Total expenditures  | <u>41,174</u>       | <u>41,174</u>       | <u>259</u>                          | <u>40,915</u>                 |
| Waste Tire Enforcement Grant                              |                     |                     |                                     |                               |
| Services and supplies                                     | 19,306              | 19,306              | 2,710                               | 16,596                        |
| Intrafund transfer  | 98,969              | 98,969              | 84,317                              | 14,652                        |
| Total expenditures  | <u>118,275</u>      | <u>118,275</u>      | <u>87,027</u>                       | <u>31,248</u>                 |
| Abandoned Vehicle Abatement                               |                     |                     |                                     |                               |
| Services and supplies                                     | 1,725               | 1,725               | 495                                 | 1,230                         |
| Other charges   | 6,562               | 6,562               | 850                                 | 5,712                         |
| Intrafund transfer  | 52,249              | 52,249              | 41,353                              | 10,896                        |
| Total expenditures  | <u>60,536</u>       | <u>60,536</u>       | <u>42,698</u>                       | <u>17,838</u>                 |
| Total expenditures - Environmental Resources              | <u>11,505,604</u>   | <u>11,772,356</u>   | <u>10,151,401</u>                   | <u>1,620,955</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>(3,776,797)</u>  | <u>(4,043,549)</u>  | <u>(2,259,911)</u>                  | <u>1,783,638</u>              |
| Other financing sources (uses)                            |                     |                     |                                     |                               |
| Transfers in  | 1,900,590           | 1,900,590           | 1,764,698                           | (135,892)                     |
| Sale of capital assets                                    | -                   | -                   | 3,412                               | 3,412                         |
| Total other financing sources (uses)                      | <u>1,900,590</u>    | <u>1,900,590</u>    | <u>1,768,110</u>                    | <u>(132,480)</u>              |
| Net change in fund balance                                | <u>(1,876,207)</u>  | <u>(2,142,959)</u>  | <u>(491,801)</u>                    | <u>1,651,158</u>              |
| Fund balance -- beginning                                 | <u>10,232,636</u>   | <u>10,232,636</u>   | <u>10,232,636</u>                   | <u>-</u>                      |
| Fund balance -- ending                                    | <u>\$ 8,356,429</u> | <u>\$ 8,089,677</u> | <u>\$ 9,740,835</u>                 | <u>\$ 1,651,158</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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Revenue from use of money and property                    | \$ 74,343           | \$ 74,343           | \$ 49,009                           | \$ (25,334)                   |
| Intergovernmental revenue                                 | 4,705,849           | 4,705,849           | 4,833,041                           | 127,192                       |
| Total revenues - Children and Families Commission         | <u>4,780,192</u>    | <u>4,780,192</u>    | <u>4,882,050</u>                    | <u>101,858</u>                |
| <b>Expenditures: General Government</b>                   |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 313,245             | 313,245             | 280,477                             | 32,768                        |
| Services and supplies                                     | 87,584              | 87,584              | 104,872                             | (17,288)                      |
| Other charges   | 19,250              | 19,250              | 26,679                              | (7,429)                       |
| Total expenditures  | <u>420,079</u>      | <u>420,079</u>      | <u>412,028</u>                      | <u>8,051</u>                  |
| <b>Expenditures: Health and Sanitation</b>                |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 193,023             | 193,023             | 64,893                              | 128,130                       |
| Services and supplies                                     | 3,649,515           | 3,649,515           | 3,128,953                           | 520,562                       |
| Other charges   | 2,918,248           | 2,918,248           | 2,822,684                           | 95,564                        |
| Total expenditures  | <u>6,760,786</u>    | <u>6,760,786</u>    | <u>6,016,530</u>                    | <u>744,256</u>                |
| Total expenditures - Children and Families Commission     | <u>7,180,865</u>    | <u>7,180,865</u>    | <u>6,428,558</u>                    | <u>752,307</u>                |
| Excess (deficiency) of revenues over (under) expenditures | <u>(2,400,673)</u>  | <u>(2,400,673)</u>  | <u>(1,546,508)</u>                  | <u>854,165</u>                |
| Net change in fund balance                                | <u>(2,400,673)</u>  | <u>(2,400,673)</u>  | <u>(1,546,508)</u>                  | <u>854,165</u>                |
| Fund balance -- beginning                                 | 9,792,804           | 9,792,804           | 9,792,804                           | -                             |
| Fund balance -- ending                                    | <u>\$ 7,392,131</u> | <u>\$ 7,392,131</u> | <u>\$ 8,246,296</u>                 | <u>\$ 854,165</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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Licenses, permits and franchises                          | \$ 1,945,324        | \$ 1,945,324        | \$ 1,961,031                        | \$ 15,707                     |
| Revenue from use of money and property                    | 250                 | 250                 | 430                                 | 180                           |
| Intergovernmental revenue                                 | 91,000              | 590,790             | 69,499                              | (521,291)                     |
| Charges for services                                      | 5,558,055           | 5,901,786           | 5,368,110                           | (533,676)                     |
| Miscellaneous revenue                                     | 1,587               | 1,587               | 11,074                              | 9,487                         |
| Total revenues - Public Works Engineering                 | <u>7,596,216</u>    | <u>8,439,737</u>    | <u>7,410,144</u>                    | <u>(1,029,593)</u>            |
| <b>Expenditures: Public Protection</b>                    |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 1,762,661           | 1,762,661           | 1,463,910                           | 298,751                       |
| Services and supplies                                     | 545,126             | 545,126             | 341,590                             | 203,536                       |
| Other charges   | 268,511             | 268,511             | 233,206                             | 35,305                        |
| Intrafund transfer  | 320                 | 320                 | -                                   | 320                           |
| Capital assets  | 344                 | 344                 | (344)                               | 688                           |
| Total expenditures  | <u>2,576,962</u>    | <u>2,576,962</u>    | <u>2,038,362</u>                    | <u>538,600</u>                |
| <b>Expenditures: Public Ways</b>                          |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 4,682,355           | 4,602,355           | 4,380,343                           | 222,012                       |
| Services and supplies                                     | 387,801             | 823,679             | 646,483                             | 177,196                       |
| Other charges   | 603,513             | 600,513             | 498,096                             | 102,417                       |
| Intrafund transfer  | -                   | (40,000)            | -                                   | (40,000)                      |
| Capital assets  | 20,000              | 20,000              | 20,000                              | -                             |
| Total expenditures  | <u>5,693,669</u>    | <u>6,006,547</u>    | <u>5,544,922</u>                    | <u>461,625</u>                |
| Total expenditures - Public Works Engineering             | <u>8,270,631</u>    | <u>8,583,509</u>    | <u>7,583,284</u>                    | <u>1,000,225</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>(674,415)</u>    | <u>(143,772)</u>    | <u>(173,140)</u>                    | <u>(29,368)</u>               |
| <b>Other financing sources (uses)</b>                     |                     |                     |                                     |                               |
| Transfers in  | 396,000             | 456,000             | 382,586                             | (73,414)                      |
| Sale of capital assets                                    | -                   | -                   | 2,828                               | 2,828                         |
| Total other financing sources (uses)                      | <u>396,000</u>      | <u>456,000</u>      | <u>385,414</u>                      | <u>(70,586)</u>               |
| Net change in fund balance                                | <u>(278,415)</u>    | <u>312,228</u>      | <u>212,274</u>                      | <u>(99,954)</u>               |
| Fund balance -- beginning                                 | <u>3,418,116</u>    | <u>3,418,116</u>    | <u>3,418,116</u>                    | <u>-</u>                      |
| Fund balance -- ending                                    | <u>\$ 3,139,701</u> | <u>\$ 3,730,344</u> | <u>\$ 3,630,390</u>                 | <u>\$ (99,954)</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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Taxes   | \$ 750,000          | \$ 750,000          | \$ 572,555                          | \$ (177,445)                  |
| Licenses, permits and franchises                          | 22,000              | 22,000              | 23,049                              | 1,049                         |
| Revenue from use of money and property                    | 125,000             | 125,000             | 40,872                              | (84,128)                      |
| Intergovernmental revenue                                 | 34,441,714          | 28,164,830          | 14,978,006                          | (13,186,824)                  |
| Charges for services                                      | 127,500             | 127,500             | 340,954                             | 213,454                       |
| Total revenues - Road & Bridge                            | <u>35,466,214</u>   | <u>29,189,330</u>   | <u>15,955,436</u>                   | <u>(13,233,894)</u>           |
| <b>Expenditures: Public Ways and Facilities</b>           |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 4,696,985           | 4,791,985           | 4,341,964                           | 450,021                       |
| Services and supplies                                     | 35,266,976          | 30,576,991          | 9,689,431                           | 20,887,560                    |
| Other charges   | 6,145,566           | 6,263,667           | 5,874,060                           | 389,607                       |
| Capital assets  | 7,426,430           | 7,426,430           | 104,714                             | 7,321,716                     |
| Total expenditures - Road & Bridge                        | <u>53,535,957</u>   | <u>49,059,073</u>   | <u>20,010,169</u>                   | <u>29,048,904</u>             |
| Excess (deficiency) of revenues over (under) expenditures | <u>(18,069,743)</u> | <u>(19,869,743)</u> | <u>(4,054,733)</u>                  | <u>15,815,010</u>             |
| <b>Other financing sources (uses)</b>                     |                     |                     |                                     |                               |
| Transfers in  | 5,945,271           | 6,445,271           | 3,672,744                           | (2,772,527)                   |
| Total other financing sources (uses)                      | <u>5,945,271</u>    | <u>6,445,271</u>    | <u>3,672,744</u>                    | <u>(2,772,527)</u>            |
| Net change in fund balance                                | <u>(12,124,472)</u> | <u>(13,424,472)</u> | <u>(381,989)</u>                    | <u>13,042,483</u>             |
| Fund balance -- beginning                                 | 16,205,909          | 16,205,909          | 16,205,909                          | -                             |
| Fund balance -- ending                                    | <u>\$ 4,081,437</u> | <u>\$ 2,781,437</u> | <u>\$ 15,823,920</u>                | <u>\$ 13,042,483</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, 2017**

|   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|-------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| <b>Revenues</b>   |                    |                   |                                     |                               |
| Intergovernmental revenue                                 | \$ 7,651,083       | \$ 7,522,540      | \$ 5,939,105                        | \$ (1,583,435)                |
| Charges for services                                      | 11,302,411         | 11,302,411        | 11,361,932                          | 59,521                        |
| Miscellaneous revenue                                     | -                  | -                 | (21,731)                            | (21,731)                      |
| Total revenues - Employment and Training                  | <u>18,953,494</u>  | <u>18,824,951</u> | <u>17,279,306</u>                   | <u>(1,545,645)</u>            |
| <b>Expenditures: Public Assistance</b>                    |                    |                   |                                     |                               |
| Workforce Development                                     |                    |                   |                                     |                               |
| Salaries and employee benefits                            | 4,315,561          | 4,015,561         | 3,553,110                           | 462,451                       |
| Services and supplies                                     | 3,629,559          | 3,832,078         | 2,722,027                           | 1,110,051                     |
| Other charges   | 276,900            | 245,200           | 217,828                             | 27,372                        |
| Total expenditures  | <u>8,222,020</u>   | <u>8,092,839</u>  | <u>6,492,965</u>                    | <u>1,599,874</u>              |
| Workforce Development - Stanworks                         |                    |                   |                                     |                               |
| Salaries and employee benefits                            | 8,067,069          | 7,349,469         | 5,682,726                           | 1,666,743                     |
| Services and supplies                                     | 2,455,673          | 3,024,373         | 2,826,184                           | 198,189                       |
| Other charges   | 181,900            | 330,800           | 287,759                             | 43,041                        |
| Total expenditures  | <u>10,704,642</u>  | <u>10,704,642</u> | <u>8,796,669</u>                    | <u>1,907,973</u>              |
| Total expenditures - Employment and Training              | <u>18,926,662</u>  | <u>18,797,481</u> | <u>15,289,634</u>                   | <u>3,507,847</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>26,832</u>      | <u>27,470</u>     | <u>1,989,672</u>                    | <u>1,962,202</u>              |
| <b>Other financing sources (uses)</b>                     |                    |                   |                                     |                               |
| Transfers out   | (27,100)           | (27,100)          | -                                   | 27,100                        |
| Total other financing sources (uses)                      | <u>(27,100)</u>    | <u>(27,100)</u>   | <u>-</u>                            | <u>27,100</u>                 |
| Net change in fund balance                                | <u>(268)</u>       | <u>370</u>        | <u>1,989,672</u>                    | <u>1,989,302</u>              |
| <b>Fund balance -- beginning</b>                          | <u>639,567</u>     | <u>639,567</u>    | <u>639,567</u>                      | <u>-</u>                      |
| <b>Fund balance -- ending</b>                             | <u>\$ 639,299</u>  | <u>\$ 639,937</u> | <u>\$ 2,629,239</u>                 | <u>\$ 1,989,302</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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Revenue from use of money and property                    | \$ 25,000           | \$ 25,000           | \$ 17,085                           | \$ (7,915)                    |
| Intergovernmental revenue                                 | 16,302,923          | 16,330,965          | 14,422,827                          | (1,908,138)                   |
| Total revenues - Child Support Services                   | <u>16,327,923</u>   | <u>16,355,965</u>   | <u>14,439,912</u>                   | <u>(1,916,053)</u>            |
| <b>Expenditures: Public Protection</b>                    |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 13,361,114          | 13,092,425          | 11,941,662                          | 1,150,763                     |
| Services and supplies                                     | 1,334,371           | 1,547,643           | 974,019                             | 573,624                       |
| Other charges   | 1,664,642           | 1,664,642           | 1,341,586                           | 323,056                       |
| Capital assets  | -                   | 83,459              | 83,227                              | 232                           |
| Total expenditures - Child Support Services               | <u>16,360,127</u>   | <u>16,388,169</u>   | <u>14,340,494</u>                   | <u>2,047,675</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>(32,204)</u>     | <u>(32,204)</u>     | <u>99,418</u>                       | <u>131,622</u>                |
| <b>Other financing sources (uses)</b>                     |                     |                     |                                     |                               |
| Transfers out   | (44,092)            | (44,092)            | -                                   | 44,092                        |
| Total other financing sources (uses)                      | <u>(44,092)</u>     | <u>(44,092)</u>     | <u>-</u>                            | <u>44,092</u>                 |
| Net change in fund balance                                | <u>(76,296)</u>     | <u>(76,296)</u>     | <u>99,418</u>                       | <u>175,714</u>                |
| Fund balance -- beginning                                 | 1,422,394           | 1,422,394           | 1,422,394                           | -                             |
| Fund balance -- ending                                    | <u>\$ 1,346,098</u> | <u>\$ 1,346,098</u> | <u>\$ 1,521,812</u>                 | <u>\$ 175,714</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, 2017**

|   | Budgeted Amounts   |                    | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|--------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget    |                                     |                               |
| <b>Revenues</b>   |                    |                    |                                     |                               |
| Revenue from use of money and property                    | \$ -               | \$ -               | \$ 152                              | \$ 152                        |
| Intergovernmental revenue                                 | 80,789,537         | 83,992,096         | 83,682,244                          | (309,852)                     |
| Miscellaneous revenue                                     | 381,725            | 353,222            | 22,727                              | (330,495)                     |
| Total revenues - Public Authority                         | <u>81,171,262</u>  | <u>84,345,318</u>  | <u>83,705,123</u>                   | <u>(640,195)</u>              |
| <b>Expenditures: Public Assistance</b>                    |                    |                    |                                     |                               |
| CSA - IHSS Administration                                 |                    |                    |                                     |                               |
| Services and supplies                                     | 55,676             | 222,343            | 184,091                             | 38,252                        |
| Other charges   | 819,007            | 857,458            | 770,056                             | 87,402                        |
| Total expenditures  | <u>874,683</u>     | <u>1,079,801</u>   | <u>954,147</u>                      | <u>125,654</u>                |
| CSA - IHSS Benefits                                       |                    |                    |                                     |                               |
| Services and supplies                                     | 976,146            | 969,905            | 568,865                             | 401,040                       |
| Other charges   | 81,000             | 87,241             | 87,241                              | -                             |
| Total expenditures  | <u>1,057,146</u>   | <u>1,057,146</u>   | <u>656,106</u>                      | <u>401,040</u>                |
| CSA - IHSS Provider wages                                 |                    |                    |                                     |                               |
| Other charges   | 82,161,445         | 85,130,383         | 83,934,898                          | 1,195,485                     |
| Total expenditures  | <u>82,161,445</u>  | <u>85,130,383</u>  | <u>83,934,898</u>                   | <u>1,195,485</u>              |
| Total expenditures - Public Authority                     | <u>84,093,274</u>  | <u>87,267,330</u>  | <u>85,545,151</u>                   | <u>1,722,179</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>(2,922,012)</u> | <u>(2,922,012)</u> | <u>(1,840,028)</u>                  | <u>1,081,984</u>              |
| <b>Other financing sources (uses)</b>                     |                    |                    |                                     |                               |
| Transfers in  | 2,922,012          | 2,922,012          | 1,840,028                           | (1,081,984)                   |
| Total other financing sources (uses)                      | <u>2,922,012</u>   | <u>2,922,012</u>   | <u>1,840,028</u>                    | <u>(1,081,984)</u>            |
| Net change in fund balance                                | <u>-</u>           | <u>-</u>           | <u>-</u>                            | <u>-</u>                      |
| Fund balance -- beginning                                 | <u>-</u>           | <u>-</u>           | <u>-</u>                            | <u>-</u>                      |
| Fund balance -- ending                                    | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>                         | <u>\$ -</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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Licenses, permits and franchises                          | \$ 14,000           | \$ 14,000           | \$ 14,490                           | \$ 490                        |
| Fines, forfeitures and penalties                          | 95,000              | 95,000              | 106,077                             | 11,077                        |
| Revenue from use of money and property                    | 8,900               | 8,900               | 1,452                               | (7,448)                       |
| Intergovernmental revenue                                 | 14,985,351          | 14,985,351          | 14,535,270                          | (450,081)                     |
| Charges for services                                      | 11,475,223          | 11,475,223          | 10,446,101                          | (1,029,122)                   |
| Miscellaneous revenue                                     | 132,185             | 132,185             | 38,771                              | (93,414)                      |
| Total revenues - Health Services Agency                   | <u>26,710,659</u>   | <u>26,710,659</u>   | <u>25,142,161</u>                   | <u>(1,568,498)</u>            |
| <b>Expenditures: Health and Sanitation</b>                |                     |                     |                                     |                               |
| EMS - Discretionary Fund                                  |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 16,762,105          | 16,760,485          | 13,568,881                          | 3,191,604                     |
| Services and supplies                                     | 4,287,270           | 4,288,890           | 3,285,876                           | 1,003,014                     |
| Other charges   | 697,471             | 697,471             | 663,052                             | 34,419                        |
| Intrafund transfer  | 3,780,752           | 3,780,752           | 3,506,701                           | 274,051                       |
| Capital assets  | 100,000             | 100,000             | -                                   | 100,000                       |
| Total expenditures  | <u>25,627,598</u>   | <u>25,627,598</u>   | <u>21,024,510</u>                   | <u>4,603,088</u>              |
| Administration  |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 7,355,075           | 7,155,075           | 7,067,755                           | 87,320                        |
| Services and supplies                                     | 1,829,820           | 2,020,070           | 1,655,889                           | 364,181                       |
| Other charges   | 1,886,735           | 1,886,735           | 1,587,700                           | 299,035                       |
| Intrafund transfer  | (3,780,451)         | (3,780,451)         | (3,506,701)                         | (273,750)                     |
| Capital assets  | 341,324             | 351,074             | 308,628                             | 42,446                        |
| Total expenditures  | <u>7,632,503</u>    | <u>7,632,503</u>    | <u>7,113,271</u>                    | <u>519,232</u>                |
| Total expenditures - Health Services Agency               | <u>33,260,101</u>   | <u>33,260,101</u>   | <u>28,137,781</u>                   | <u>5,122,320</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>(6,549,442)</u>  | <u>(6,549,442)</u>  | <u>(2,995,620)</u>                  | <u>3,553,822</u>              |
| <b>Other financing sources (uses)</b>                     |                     |                     |                                     |                               |
| Transfers in  | 6,682,132           | 6,682,132           | 6,050,778                           | (631,354)                     |
| Transfers out   | (335,657)           | (335,657)           | -                                   | 335,657                       |
| Sale of capital assets                                    | -                   | -                   | 609                                 | 609                           |
| Total other financing sources (uses)                      | <u>6,346,475</u>    | <u>6,346,475</u>    | <u>6,051,387</u>                    | <u>(295,088)</u>              |
| Net change in fund balance                                | <u>(202,967)</u>    | <u>(202,967)</u>    | <u>3,055,767</u>                    | <u>3,258,734</u>              |
| Fund balance -- beginning                                 | 10,105,292          | 10,105,292          | 10,105,292                          | -                             |
| Fund balance -- ending                                    | <u>\$ 9,902,325</u> | <u>\$ 9,902,325</u> | <u>\$ 13,161,059</u>                | <u>\$ 3,258,734</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, 2017**

|   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|-------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| <b>Revenues</b>   |                    |                   |                                     |                               |
| Fines, forfeitures and penalties                          | \$ 606,000         | \$ 606,000        | \$ 677,415                          | \$ 71,415                     |
| Revenue from use of money and property                    | 2,500              | 2,500             | 2,017                               | (483)                         |
| Charges for services                                      | 252,500            | 252,500           | 334,997                             | 82,497                        |
| Total revenues - Indigent Health Care                     | <u>861,000</u>     | <u>861,000</u>    | <u>1,014,429</u>                    | <u>153,429</u>                |
| <b>Expenditures: Health and Sanitation</b>                |                    |                   |                                     |                               |
| EMS Hospital  |                    |                   |                                     |                               |
| Services and supplies                                     | 326,426            | 326,426           | 55,591                              | 270,835                       |
| Total expenditures  | <u>326,426</u>     | <u>326,426</u>    | <u>55,591</u>                       | <u>270,835</u>                |
| Indigent Health Care Program                              |                    |                   |                                     |                               |
| Services and supplies                                     | 456,500            | 456,500           | 454,155                             | 2,345                         |
| Total expenditures  | <u>456,500</u>     | <u>456,500</u>    | <u>454,155</u>                      | <u>2,345</u>                  |
| Administration  |                    |                   |                                     |                               |
| Salaries and employee benefits                            | 156,565            | 136,565           | 26,957                              | 109,608                       |
| Services and supplies                                     | 17,050             | 37,050            | 27,294                              | 9,756                         |
| Other charges   | 273,751            | 273,751           | 105,432                             | 168,319                       |
| Total expenditures  | <u>447,366</u>     | <u>447,366</u>    | <u>159,683</u>                      | <u>287,683</u>                |
| Total expenditures - Indigent Health Care                 | <u>1,230,292</u>   | <u>1,230,292</u>  | <u>669,429</u>                      | <u>560,863</u>                |
| Excess (deficiency) of revenues over (under) expenditures | <u>(369,292)</u>   | <u>(369,292)</u>  | <u>345,000</u>                      | <u>714,292</u>                |
| <b>Other financing sources (uses)</b>                     |                    |                   |                                     |                               |
| Transfers in  | 300,000            | 300,000           | 300,000                             | -                             |
| Total other financing sources (uses)                      | <u>300,000</u>     | <u>300,000</u>    | <u>300,000</u>                      | <u>-</u>                      |
| Net change in fund balance                                | <u>(69,292)</u>    | <u>(69,292)</u>   | <u>645,000</u>                      | <u>714,292</u>                |
| <b>Fund balance -- beginning</b>                          | <u>631,843</u>     | <u>631,843</u>    | <u>631,843</u>                      | <u>-</u>                      |
| <b>Fund balance -- ending</b>                             | <u>\$ 562,551</u>  | <u>\$ 562,551</u> | <u>\$ 1,276,843</u>                 | <u>\$ 714,292</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, 2017**

|   | Budgeted Amounts    |                     | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|---------------------|---------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget  | Final<br>Budget     |                                     |                               |
| <b>Revenues</b>   |                     |                     |                                     |                               |
| Taxes   | \$ 9,941,951        | \$ 10,096,568       | \$ 10,195,058                       | \$ 98,490                     |
| Revenue from use of money and property                    | 2,971               | 2,971               | 2,859                               | (112)                         |
| Intergovernmental revenue                                 | 237,501             | 239,333             | 239,333                             | -                             |
| Charges for services                                      | 462,850             | 468,124             | 500,293                             | 32,169                        |
| Miscellaneous revenue                                     | 102,510             | 146,954             | 131,210                             | (15,744)                      |
| Total revenues - Library                                  | <u>10,747,783</u>   | <u>10,953,950</u>   | <u>11,068,753</u>                   | <u>114,803</u>                |
| <b>Expenditures: Public Ways and Facilities</b>           |                     |                     |                                     |                               |
| Salaries and employee benefits                            | 7,408,403           | 7,349,112           | 7,109,071                           | 240,041                       |
| Services and supplies                                     | 3,179,352           | 3,996,705           | 3,421,770                           | 574,935                       |
| Other charges   | 847,146             | 1,003,842           | 948,158                             | 55,684                        |
| Capital assets  | 1,526,549           | 1,000,944           | 56,122                              | 944,822                       |
| Total expenditures - Library                              | <u>12,961,450</u>   | <u>13,350,603</u>   | <u>11,535,121</u>                   | <u>1,815,482</u>              |
| Excess (deficiency) of revenues over (under) expenditures | <u>(2,213,667)</u>  | <u>(2,396,653)</u>  | <u>(466,368)</u>                    | <u>1,930,285</u>              |
| <b>Other financing sources (uses)</b>                     |                     |                     |                                     |                               |
| 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>(1,721,857)</u>  | <u>(1,904,843)</u>  | <u>25,442</u>                       | <u>1,930,285</u>              |
| Fund balance -- beginning                                 | <u>11,688,736</u>   | <u>11,688,736</u>   | <u>11,688,736</u>                   | <u>-</u>                      |
| Fund balance -- ending                                    | <u>\$ 9,966,879</u> | <u>\$ 9,783,893</u> | <u>\$ 11,714,178</u>                | <u>\$ 1,930,285</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, 2017**

|   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|-------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| <b>Revenues</b>   |                    |                   |                                     |                               |
| Taxes   | \$ 54,692          | \$ 54,692         | \$ 84,266                           | \$ 29,574                     |
| Revenue from use of money and property                    | -                  | -                 | 3,256                               | 3,256                         |
| Intergovernmental revenue                                 | -                  | -                 | 575                                 | 575                           |
| Charges for services                                      | 284,493            | 284,493           | 342,912                             | 58,419                        |
| Total revenues - Lighting Districts                       | <u>339,185</u>     | <u>339,185</u>    | <u>431,009</u>                      | <u>91,824</u>                 |
| <b>Expenditures: Public Ways and Facilities</b>           |                    |                   |                                     |                               |
| Services and supplies                                     | 386,823            | 386,823           | 277,160                             | 109,663                       |
| Total expenditures - Lighting Districts                   | <u>386,823</u>     | <u>386,823</u>    | <u>277,160</u>                      | <u>109,663</u>                |
| Excess (deficiency) of revenues over (under) expenditures | <u>(47,638)</u>    | <u>(47,638)</u>   | 153,849                             | 201,487                       |
| Net change in fund balance                                | <u>(47,638)</u>    | <u>(47,638)</u>   | 153,849                             | 201,487                       |
| <b>Fund balance -- beginning</b>                          | <u>711,863</u>     | <u>711,863</u>    | <u>711,863</u>                      | <u>-</u>                      |
| <b>Fund balance -- ending</b>                             | <u>\$ 664,225</u>  | <u>\$ 664,225</u> | <u>\$ 865,712</u>                   | <u>\$ 201,487</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, 2017**

|  | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|--|--------------------|-------------------|-------------------------------------|-------------------------------|
|  | Original<br>Budget | Final<br>Budget   |                                     |                               |
| <b>Revenues</b>                              |                    |                   |                                     |                               |
| Taxes  | \$ 1,194,933       | \$ 1,194,933      | \$ 1,507,299                        | \$ 312,366                    |
| Licenses, permits and franchises             | 2,000              | 2,000             | 3,825                               | 1,825                         |
| Fines, forfeitures and penalties             | 189,457            | 189,457           | 348,040                             | 158,583                       |
| Revenue from use of money and property       | 187,550            | 198,110           | 169,361                             | (28,749)                      |
| Intergovernmental revenue                    | 42,194,400         | 51,215,839        | 41,887,070                          | (9,328,769)                   |
| Charges for services                         | 4,022,849          | 4,025,444         | 3,385,274                           | (640,170)                     |
| Miscellaneous revenue                        | 319,870            | 319,870           | 333,247                             | 13,377                        |
| Total revenues - Other                       | <u>48,111,059</u>  | <u>57,145,653</u> | <u>47,634,116</u>                   | <u>(9,511,537)</u>            |
| <b>Expenditures: General</b>                 |                    |                   |                                     |                               |
| 12th Street Office Building                  |                    |                   |                                     |                               |
| Services and supplies                        | 14,949             | 14,949            | 14,056                              | 893                           |
| Other charges                                | 31,203             | 31,203            | 28,531                              | 2,672                         |
| Total expenditures                           | <u>46,152</u>      | <u>46,152</u>     | <u>42,587</u>                       | <u>3,565</u>                  |
| Stanislaus Veterans Center                   |                    |                   |                                     |                               |
| Services and supplies                        | 157,144            | 499,878           | 422,198                             | 77,680                        |
| Other charges                                | 635,295            | 292,561           | 2,777                               | 289,784                       |
| Total expenditures                           | <u>792,439</u>     | <u>792,439</u>    | <u>424,975</u>                      | <u>367,464</u>                |
| <b>Expenditures: Public Protection</b>       |                    |                   |                                     |                               |
| Stanislaus Family Justice Center             |                    |                   |                                     |                               |
| Salaries and employee benefits               | 6,740              | 151,875           | 44,697                              | 107,178                       |
| Services and supplies                        | 105,857            | 697,897           | 197,765                             | 500,132                       |
| Other charges                                | 2,473              | 15,298            | 4,242                               | 11,056                        |
| Total expenditures                           | <u>115,070</u>     | <u>865,070</u>    | <u>246,704</u>                      | <u>618,366</u>                |
| County Fire Service Fund                     |                    |                   |                                     |                               |
| Salaries and employee benefits               | 887,589            | 865,589           | 659,888                             | 205,701                       |
| Services and supplies                        | 645,286            | 584,116           | 563,390                             | 20,726                        |
| Other charges                                | 103,261            | 176,431           | 159,098                             | 17,333                        |
| Capital assets                               | 38,100             | 48,100            | 42,861                              | 5,239                         |
| Total expenditures                           | <u>1,674,236</u>   | <u>1,674,236</u>  | <u>1,425,237</u>                    | <u>248,999</u>                |
| Department of Justice Drug and Alcohol       |                    |                   |                                     |                               |
| Services and supplies                        | 174,474            | 174,474           | 3,124                               | 171,350                       |
| Total expenditures                           | <u>174,474</u>     | <u>174,474</u>    | <u>3,124</u>                        | <u>171,350</u>                |
| Homeland Security Grant                      |                    |                   |                                     |                               |
| Salaries and employee benefits               | 130,538            | 221,437           | 74,973                              | 146,464                       |
| Services and supplies                        | 226,932            | 602,493           | 325,209                             | 277,284                       |
| Capital assets                               | 263,343            | 414,878           | 25,177                              | 389,701                       |
| Total expenditures                           | <u>620,813</u>     | <u>1,238,808</u>  | <u>425,359</u>                      | <u>813,449</u>                |
| Office of Emergency Services Water Resources |                    |                   |                                     |                               |
| Salaries and employee benefits               | -                  | 205,000           | 1,622                               | 203,378                       |
| Total expenditures                           | <u>-</u>           | <u>205,000</u>    | <u>1,622</u>                        | <u>203,378</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, 2017**

|   | Budgeted Amounts   |                  | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget  |                                     |                               |
| Clerk Recorder Modernization Trust Fund                     |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 780,376            | 780,376          | 675,158                             | 105,218                       |
| Services and supplies                                       | 2,307,634          | 2,307,634        | 872,383                             | 1,435,251                     |
| Capital assets  | 150,558            | 150,558          | 28,526                              | 122,032                       |
| Total expenditures  | <u>3,238,568</u>   | <u>3,238,568</u> | <u>1,576,067</u>                    | <u>1,662,501</u>              |
| Clerk Recorder Vital and Health Statistics                  |                    |                  |                                     |                               |
| Services and supplies                                       | 139,152            | 139,152          | -                                   | 139,152                       |
| Total expenditures  | <u>139,152</u>     | <u>139,152</u>   | <u>-</u>                            | <u>139,152</u>                |
| Arson Task Force  |                    |                  |                                     |                               |
| Services and supplies                                       | 59,194             | 59,194           | 39,770                              | 19,424                        |
| Total expenditures  | <u>59,194</u>      | <u>59,194</u>    | <u>39,770</u>                       | <u>19,424</u>                 |
| Enforce Consumer Protection Laws                            |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 89,519             | 89,519           | 87,953                              | 1,566                         |
| Services and supplies                                       | -                  | -                | (73)                                | 73                            |
| Total expenditures  | <u>89,519</u>      | <u>89,519</u>    | <u>87,880</u>                       | <u>1,639</u>                  |
| Elder Abuse Advocacy and Outreach                           |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 84,035             | 80,035           | 30,623                              | 49,412                        |
| Services and supplies                                       | 116,602            | 120,602          | 119,264                             | 1,338                         |
| Total expenditures  | <u>200,637</u>     | <u>200,637</u>   | <u>149,887</u>                      | <u>50,750</u>                 |
| Federal Asset Forfeiture                                    |                    |                  |                                     |                               |
| Services and supplies                                       | 9,619              | 9,619            | 533                                 | 9,086                         |
| Total expenditures  | <u>9,619</u>       | <u>9,619</u>     | <u>533</u>                          | <u>9,086</u>                  |
| Unserviced/Underserved Victim Advocacy and Outreach Program |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 153,003            | 148,378          | 127,506                             | 20,872                        |
| Services and supplies                                       | -                  | 21,325           | 9,863                               | 11,462                        |
| Total expenditures  | <u>153,003</u>     | <u>169,703</u>   | <u>137,369</u>                      | <u>32,334</u>                 |
| Impaired Driver Vertical Prosecution Program                |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 83,267             | 225,626          | 211,972                             | 13,654                        |
| Services and supplies                                       | -                  | 3,500            | 446                                 | 3,054                         |
| Total expenditures  | <u>83,267</u>      | <u>229,126</u>   | <u>212,418</u>                      | <u>16,708</u>                 |
| Auto Insurance Fraud Program                                |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 185,939            | 155,149          | 149,775                             | 5,374                         |
| Services and supplies                                       | 13,643             | 12,163           | 10,236                              | 1,927                         |
| Total expenditures  | <u>199,582</u>     | <u>167,312</u>   | <u>160,011</u>                      | <u>7,301</u>                  |
| Victim Services Program                                     |                    |                  |                                     |                               |
| Salaries and employee benefits                              | 597,236            | 556,036          | 464,930                             | 91,106                        |
| Services and supplies                                       | 262,374            | 303,574          | 267,729                             | 35,845                        |
| Total expenditures  | <u>859,610</u>     | <u>859,610</u>   | <u>732,659</u>                      | <u>126,951</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, 2017**

|   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|-------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| Victim Compensation and Government Claims |                    |                   |                                     |                               |
| Salaries and employee benefits            | 86,880             | 89,613            | 89,567                              | 46                            |
| Total expenditures                        | <u>86,880</u>      | <u>89,613</u>     | <u>89,567</u>                       | <u>46</u>                     |
| Real Estate Fraud Prosecution             |                    |                   |                                     |                               |
| Salaries and employee benefits            | 352,948            | 360,485           | 360,485                             | -                             |
| Services and supplies                     | 10,167             | 2,630             | 2,397                               | 233                           |
| Total expenditures                        | <u>363,115</u>     | <u>363,115</u>    | <u>362,882</u>                      | <u>233</u>                    |
| Planning Special Revenue Grants           |                    |                   |                                     |                               |
| Services and supplies                     | 9,568,263          | 9,568,263         | 2,825,978                           | 6,742,285                     |
| Other charges                             | 811,403            | 811,403           | 540,060                             | 271,343                       |
| Total expenditures                        | <u>10,379,666</u>  | <u>10,379,666</u> | <u>3,366,038</u>                    | <u>7,013,628</u>              |
| Planning General Plan Maintenance         |                    |                   |                                     |                               |
| Services and supplies                     | 304,500            | 304,500           | 29,654                              | 274,846                       |
| Other charges                             | 173,550            | 173,550           | 51,735                              | 121,815                       |
| Total expenditures                        | <u>478,050</u>     | <u>478,050</u>    | <u>81,389</u>                       | <u>396,661</u>                |
| Juvenile Justice Crime Prevention Grant   |                    |                   |                                     |                               |
| Salaries and employee benefits            | 1,779,648          | 1,743,648         | 1,705,249                           | 38,399                        |
| Services and supplies                     | 8,500              | 52,599            | 45,157                              | 7,442                         |
| Other charges                             | 37,991             | 37,991            | 40,179                              | (2,188)                       |
| Capital assets                            | -                  | 36,000            | 36,000                              | -                             |
| Total expenditures                        | <u>1,826,139</u>   | <u>1,870,238</u>  | <u>1,826,585</u>                    | <u>43,653</u>                 |
| Juvenile Accountability Block Grant       |                    |                   |                                     |                               |
| Services and supplies                     | 100,000            | 300,000           | 171,633                             | 128,367                       |
| Total expenditures                        | <u>100,000</u>     | <u>300,000</u>    | <u>171,633</u>                      | <u>128,367</u>                |
| Youthful Offender Block Grant             |                    |                   |                                     |                               |
| Salaries and employee benefits            | 1,271,391          | 1,271,391         | 644,482                             | 626,909                       |
| Services and supplies                     | 27,292             | 22,292            | 12,750                              | 9,542                         |
| Other charges                             | 10,157             | 15,157            | 16,310                              | (1,153)                       |
| Total expenditures                        | <u>1,308,840</u>   | <u>1,308,840</u>  | <u>673,542</u>                      | <u>635,298</u>                |
| Ward Welfare Fund                         |                    |                   |                                     |                               |
| Services and supplies                     | 25,000             | 25,000            | 8,253                               | 16,747                        |
| Capital assets                            | 15,000             | 15,000            | -                                   | 15,000                        |
| Total expenditures                        | <u>40,000</u>      | <u>40,000</u>     | <u>8,253</u>                        | <u>31,747</u>                 |
| Corrections Performance Incentive Act     |                    |                   |                                     |                               |
| Salaries and employee benefits            | 708,947            | 787,828           | 578,561                             | 209,267                       |
| Services and supplies                     | 13,900             | 13,900            | 4,461                               | 9,439                         |
| Other charges                             | 8,502              | 8,502             | 9,759                               | (1,257)                       |
| Total expenditures                        | <u>731,349</u>     | <u>846,230</u>    | <u>628,781</u>                      | <u>217,449</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, 2017**

|                                   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|-----------------------------------|--------------------|-------------------|-------------------------------------|-------------------------------|
|                                   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| Local Community Corrections       |                    |                   |                                     |                               |
| Services and supplies             | 802,500            | 802,500           | 691,815                             | 110,685                       |
| Other charges                     | 19,720,033         | 19,720,033        | 15,637,495                          | 4,082,538                     |
| Total expenditures                | <u>20,522,533</u>  | <u>20,522,533</u> | <u>16,329,310</u>                   | <u>4,193,223</u>              |
| Court Security                    |                    |                   |                                     |                               |
| Salaries and employee benefits    | 5,370,951          | 5,368,334         | 5,245,810                           | 122,524                       |
| Services and supplies             | 31,146             | 17,060            | 13,380                              | 3,680                         |
| Other charges                     | 236,177            | 223,129           | 224,114                             | (985)                         |
| Total expenditures                | <u>5,638,274</u>   | <u>5,608,523</u>  | <u>5,483,304</u>                    | <u>125,219</u>                |
| California Identification Program |                    |                   |                                     |                               |
| Salaries and employee benefits    | 106,886            | 109,694           | 109,694                             | -                             |
| Services and supplies             | 441,650            | 578,138           | 498,343                             | 79,795                        |
| Other charges                     | 6,870              | 6,870             | 5,279                               | 1,591                         |
| Capital assets                    | -                  | 270,032           | 261,524                             | 8,508                         |
| Total expenditures                | <u>555,406</u>     | <u>964,734</u>    | <u>874,840</u>                      | <u>89,894</u>                 |
| Juvenile Accountability Grant     |                    |                   |                                     |                               |
| Services and supplies             | 650,376            | 1,250,555         | 1,028,643                           | 221,912                       |
| Other charges                     | 85,549             | 189,414           | 130,949                             | 58,465                        |
| Total expenditures                | <u>735,925</u>     | <u>1,439,969</u>  | <u>1,159,592</u>                    | <u>280,377</u>                |
| Vehicle Theft Unit                |                    |                   |                                     |                               |
| Salaries and employee benefits    | 93,848             | 83,848            | 75,276                              | 8,572                         |
| Services and supplies             | 181,945            | 181,945           | 148,207                             | 33,738                        |
| Other charges                     | 204,638            | 214,638           | 217,246                             | (2,608)                       |
| Capital assets                    | 8,000              | 383,000           | 370,743                             | 12,257                        |
| Total expenditures                | <u>488,431</u>     | <u>863,431</u>    | <u>811,472</u>                      | <u>51,959</u>                 |
| Civil Process Fee                 |                    |                   |                                     |                               |
| Services and supplies             | 127,342            | 127,342           | 45,516                              | 81,826                        |
| Other charges                     | 1,112              | 1,112             | 697                                 | 415                           |
| Capital assets                    | 249,544            | 249,544           | 1,236                               | 248,308                       |
| Total expenditures                | <u>377,998</u>     | <u>377,998</u>    | <u>47,449</u>                       | <u>330,549</u>                |
| Sheriff - Dedicated Funds         |                    |                   |                                     |                               |
| Other charges                     | -                  | 336,866           | 336,866                             | -                             |
| Total expenditures                | <u>-</u>           | <u>336,866</u>    | <u>336,866</u>                      | <u>-</u>                      |
| Driving Training Program          |                    |                   |                                     |                               |
| Salaries and employee benefits    | 129,397            | 114,397           | 93,132                              | 21,265                        |
| Services and supplies             | 19,254             | 19,254            | 3,510                               | 15,744                        |
| Other charges                     | 43,554             | 58,554            | 35,118                              | 23,436                        |
| Total expenditures                | <u>192,205</u>     | <u>192,205</u>    | <u>131,760</u>                      | <u>60,445</u>                 |
| CAL-MMET Program                  |                    |                   |                                     |                               |
| Salaries and employee benefits    | 311,555            | 51,555            | 51,049                              | 506                           |
| Services and supplies             | 205,519            | 214,049           | 135,155                             | 78,894                        |
| Other charges                     | 184,646            | 169,646           | 164,908                             | 4,738                         |
| Capital assets                    | -                  | 885,579           | 968,002                             | (82,423) *                    |
| Total expenditures                | <u>701,720</u>     | <u>1,320,829</u>  | <u>1,319,114</u>                    | <u>1,715</u>                  |

\*Amount is overstated due to timing difference

**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, 2017**

|   | Budgeted Amounts   |                   | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|--------------------|-------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget   |                                     |                               |
| Special Districts                               |                    |                   |                                     |                               |
| Services and supplies                           | 1,718,643          | 1,921,140         | 990,392                             | 930,748                       |
| Total expenditures                              | <u>1,718,643</u>   | <u>1,921,140</u>  | <u>990,392</u>                      | <u>930,748</u>                |
| Dangerous Building Abatement                    |                    |                   |                                     |                               |
| Services and supplies                           | 216,000            | 216,000           | 24,186                              | 191,814                       |
| Other charges                                   | 50,000             | 50,000            | 14,178                              | 35,822                        |
| Total expenditures                              | <u>266,000</u>     | <u>266,000</u>    | <u>38,364</u>                       | <u>227,636</u>                |
| <b>Expenditures: Public Ways and Facilities</b> |                    |                   |                                     |                               |
| Airport Sewer Project                           |                    |                   |                                     |                               |
| Services and supplies                           | -                  | 6,276,884         | 3,692,422                           | 2,584,462                     |
| Total expenditures                              | <u>-</u>           | <u>6,276,884</u>  | <u>3,692,422</u>                    | <u>2,584,462</u>              |
| <b>Expenditures: Public Assistance</b>          |                    |                   |                                     |                               |
| Area Agency on Aging                            |                    |                   |                                     |                               |
| Salaries and employee benefits                  | 1,593,185          | 1,543,185         | 1,542,236                           | 949                           |
| Services and supplies                           | 337,313            | 388,711           | 315,502                             | 73,209                        |
| Other charges                                   | 1,627,424          | 1,808,278         | 1,700,003                           | 108,275                       |
| Capital assets                                  | -                  | 50,000            | -                                   | 50,000                        |
| Total expenditures                              | <u>3,557,922</u>   | <u>3,790,174</u>  | <u>3,557,741</u>                    | <u>232,433</u>                |
| <b>Expenditures: Education</b>                  |                    |                   |                                     |                               |
| Coop-Extension Farm and Home Advisors Research  |                    |                   |                                     |                               |
| Services and supplies                           | 16,200             | 16,200            | 1,042                               | 15,158                        |
| Total expenditures                              | <u>16,200</u>      | <u>16,200</u>     | <u>1,042</u>                        | <u>15,158</u>                 |
| <b>Expenditures: Recreation</b>                 |                    |                   |                                     |                               |
| Off Highway Vehicle Parks                       |                    |                   |                                     |                               |
| Services and supplies                           | 179,682            | 213,882           | 164,791                             | 49,091                        |
| Other charges                                   | 8,650              | 341,905           | 334,436                             | 7,469                         |
| Intrafund transfer                              | 456,503            | 89,048            | 1,450                               | 87,598                        |
| Capital assets                                  | 230,218            | 230,218           | 89,203                              | 141,015                       |
| Total expenditures                              | <u>875,053</u>     | <u>875,053</u>    | <u>589,880</u>                      | <u>285,173</u>                |
| Fish and Game                                   |                    |                   |                                     |                               |
| Services and supplies                           | 35,000             | 35,000            | 10,592                              | 24,408                        |
| Total expenditures                              | <u>35,000</u>      | <u>35,000</u>     | <u>10,592</u>                       | <u>24,408</u>                 |
| Modesto Reservoir Patrol                        |                    |                   |                                     |                               |
| Services and supplies                           | 33,954             | 33,954            | -                                   | 33,954                        |
| Other charges                                   | 25,000             | 25,000            | -                                   | 25,000                        |
| Capital assets                                  | 317,757            | 317,757           | -                                   | 317,757                       |
| Total expenditures                              | <u>376,711</u>     | <u>376,711</u>    | <u>-</u>                            | <u>376,711</u>                |
| Regional Water Safety Training Center           |                    |                   |                                     |                               |
| Services and supplies                           | 25,124             | 45,330            | 41,414                              | 3,916                         |
| Other charges                                   | 14,700             | 21,700            | 21,700                              | -                             |
| Total expenditures                              | <u>39,824</u>      | <u>67,030</u>     | <u>63,114</u>                       | <u>3,916</u>                  |
| Total expenditures - Other                      | <u>59,867,219</u>  | <u>71,085,651</u> | <u>48,312,126</u>                   | <u>22,773,525</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, 2017**

|   | Budgeted Amounts     |                      | Actual Amount on<br>Budgetary Basis | Variance with<br>Final Budget |
|---|----------------------|----------------------|-------------------------------------|-------------------------------|
|   | Original<br>Budget   | Final<br>Budget      |                                     |                               |
| Excess (deficiency) of revenues over (under) expenditures | (11,756,160)         | (13,939,998)         | (678,010)                           | (32,285,062)                  |
| <b>Other financing sources (uses)</b>                     |                      |                      |                                     |                               |
| Transfers in  | 2,071,713            | 2,071,130            | 1,844,679                           | (226,451)                     |
| Transfers out   | (1,547,868)          | (1,644,669)          | (1,522,524)                         | 122,145                       |
| Total other financing sources (uses)                      | 523,845              | 426,461              | 322,155                             | (104,306)                     |
| Net change in fund balance                                | (11,232,315)         | (13,513,537)         | (355,855)                           | 13,157,682                    |
| Fund balance -- beginning                                 | 43,472,650           | 43,472,650           | 43,472,650                          | -                             |
| Fund balance -- ending                                    | <u>\$ 32,240,335</u> | <u>\$ 29,959,113</u> | <u>\$ 43,116,795</u>                | <u>\$ 13,157,682</u>          |



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*Non-major  
Enterprise  
Funds*

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## NON-MAJOR 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

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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

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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

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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**  
**Non-major Enterprise Funds**  
**June 30, 2017**

|                                       | County<br>Transit<br>System | Geer Road<br>Sanitary<br>Landfill | Inmate<br>Welfare/<br>Commissary | Total                |
|---------------------------------------|-----------------------------|-----------------------------------|----------------------------------|----------------------|
| <b>Assets</b>                         |                             |                                   |                                  |                      |
| Current assets:                       |                             |                                   |                                  |                      |
| Cash and investments                  | \$ 11,205,032               | \$ 129,444                        | \$ 2,097,281                     | \$ 13,431,757        |
| Accounts receivable, net              | 658,262                     | -                                 | 67,665                           | 725,927              |
| Interest and other receivables        | 26,823                      | 1,784                             | 4,963                            | 33,570               |
| Inventory                             | -                           | -                                 | 8,612                            | 8,612                |
| Total current assets                  | <u>11,890,117</u>           | <u>131,228</u>                    | <u>2,178,521</u>                 | <u>14,199,866</u>    |
| Noncurrent assets:                    |                             |                                   |                                  |                      |
| Restricted cash and investments       | -                           | 474,299                           | -                                | 474,299              |
| Capital assets                        |                             |                                   |                                  |                      |
| Land and right of ways                | -                           | 1,906,261                         | -                                | 1,906,261            |
| Building and improvements             | 131,545                     | -                                 | 216,731                          | 348,276              |
| Equipment                             | 15,300,352                  | -                                 | 144,907                          | 15,445,259           |
| Construction in progress              | 158,762                     | -                                 | -                                | 158,762              |
| Less: Accumulated depreciation        | <u>(6,487,679)</u>          | <u>-</u>                          | <u>(244,015)</u>                 | <u>(6,731,694)</u>   |
| Net capital assets                    | <u>9,102,980</u>            | <u>1,906,261</u>                  | <u>117,623</u>                   | <u>11,126,864</u>    |
| Total noncurrent assets               | <u>9,102,980</u>            | <u>2,380,560</u>                  | <u>117,623</u>                   | <u>11,601,163</u>    |
| Total assets                          | 20,993,097                  | 2,511,788                         | 2,296,144                        | 25,801,029           |
| <b>Deferred outflows of resources</b> |                             |                                   |                                  |                      |
| Deferred pensions                     | 347,353                     | -                                 | 153,253                          | 500,606              |
| Total deferred outflows of resources  | <u>347,353</u>              | <u>-</u>                          | <u>153,253</u>                   | <u>500,606</u>       |
| <b>Liabilities</b>                    |                             |                                   |                                  |                      |
| Current liabilities:                  |                             |                                   |                                  |                      |
| Accounts payable                      | 1,179,022                   | 191,920                           | 146,518                          | 1,517,460            |
| Salaries and benefits payable         | 11,071                      | -                                 | 13,375                           | 24,446               |
| Compensated absences - current        | 12,135                      | -                                 | 345                              | 12,480               |
| Total current liabilities             | <u>1,202,228</u>            | <u>191,920</u>                    | <u>160,238</u>                   | <u>1,554,386</u>     |
| Noncurrent liabilities:               |                             |                                   |                                  |                      |
| Estimated cost of closure/postclosure | -                           | 288,809                           | -                                | 288,809              |
| Other post-employment benefits (OPEB) | 11,202                      | -                                 | 20,350                           | 31,552               |
| Compensated absences                  | 338                         | -                                 | 15,454                           | 15,792               |
| Net pension liability                 | <u>634,439</u>              | <u>-</u>                          | <u>289,291</u>                   | <u>923,730</u>       |
| Total noncurrent liabilities          | <u>645,979</u>              | <u>288,809</u>                    | <u>325,095</u>                   | <u>1,259,883</u>     |
| Total liabilities                     | <u>1,848,207</u>            | <u>480,729</u>                    | <u>485,333</u>                   | <u>2,814,269</u>     |
| <b>Deferred inflows of resources</b>  |                             |                                   |                                  |                      |
| Deferred pensions                     | 5,843                       | -                                 | 7,001                            | 12,844               |
| Total deferred inflows of resources   | <u>5,843</u>                | <u>-</u>                          | <u>7,001</u>                     | <u>12,844</u>        |
| <b>Net position</b>                   |                             |                                   |                                  |                      |
| Net investment in capital assets      | 9,102,980                   | 1,906,261                         | 117,623                          | 11,126,864           |
| Restricted - Landfill                 | -                           | 474,565                           | -                                | 474,565              |
| Unrestricted                          | 10,383,420                  | (349,767)                         | 1,839,440                        | 11,873,093           |
| Total net position                    | <u>\$ 19,486,400</u>        | <u>\$ 2,031,059</u>               | <u>\$ 1,957,063</u>              | <u>\$ 23,474,522</u> |

**County of Stanislaus**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Non-major Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2017**

|   | County<br>Transit<br>System | Geer Road<br>Sanitary<br>Landfill | Inmate<br>Welfare/<br>Commissary | Total                |
|---|-----------------------------|-----------------------------------|----------------------------------|----------------------|
| <b>Operating revenues</b>                 |                             |                                   |                                  |                      |
| Charges for services                      | \$ 559,730                  | \$ -                              | \$ 2,401,183                     | \$ 2,960,913         |
| Total operating revenues                  | <u>559,730</u>              | <u>-</u>                          | <u>2,401,183</u>                 | <u>2,960,913</u>     |
| <b>Operating expenses</b>                 |                             |                                   |                                  |                      |
| Salaries and benefits                     | 391,926                     | -                                 | 281,628                          | 673,554              |
| Services and supplies                     | 5,935,277                   | -                                 | 1,480,214                        | 7,415,491            |
| Depreciation                              | 1,196,465                   | -                                 | 7,644                            | 1,204,109            |
| Total operating expenses                  | <u>7,523,668</u>            | <u>-</u>                          | <u>1,769,486</u>                 | <u>9,293,154</u>     |
| Operating income (loss)                   | <u>(6,963,938)</u>          | <u>-</u>                          | <u>631,697</u>                   | <u>(6,332,241)</u>   |
| <b>Nonoperating revenues (expenses)</b>   |                             |                                   |                                  |                      |
| Investment income                         | 31,676                      | 9,050                             | 7,447                            | 48,173               |
| Intergovernmental                         | 7,663,147                   | -                                 | -                                | 7,663,147            |
| Total nonoperating revenues (expenses)    | <u>7,694,823</u>            | <u>9,050</u>                      | <u>7,447</u>                     | <u>7,711,320</u>     |
| Income before contributions and transfers | <u>730,885</u>              | <u>9,050</u>                      | <u>639,144</u>                   | <u>1,379,079</u>     |
| Transfers in                              | -                           | 1,360,119                         | -                                | 1,360,119            |
| Transfers (out)                           | (500,000)                   | -                                 | -                                | (500,000)            |
| Transfer in (out), net                    | <u>(500,000)</u>            | <u>1,360,119</u>                  | <u>-</u>                         | <u>860,119</u>       |
| Change in net position                    | <u>230,885</u>              | <u>1,369,169</u>                  | <u>639,144</u>                   | <u>2,239,198</u>     |
| Total net position - beginning            | <u>19,255,515</u>           | <u>661,890</u>                    | <u>1,317,919</u>                 | <u>21,235,324</u>    |
| Total net position - ending               | <u>\$ 19,486,400</u>        | <u>\$ 2,031,059</u>               | <u>\$ 1,957,063</u>              | <u>\$ 23,474,522</u> |

**County of Stanislaus**  
**Statement of Cash Flows**  
**Non-major Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2017**

|   | County<br>Transit<br>System | Geer Road<br>Landfill | Inmate<br>Welfare/<br>Commissary | Total                |
|---|-----------------------------|-----------------------|----------------------------------|----------------------|
| <b>Cash flows from operating activities:</b>  |                             |                       |                                  |                      |
| Cash received from customers and users  | \$ 544,735                  | \$ -                  | \$ 2,403,518                     | \$ 2,948,253         |
| Cash paid to suppliers  | (6,308,560)                 | (1,532,617)           | (1,429,243)                      | (9,270,420)          |
| Cash paid to employees  | (415,367)                   | -                     | (272,714)                        | (688,081)            |
| Net cash provided (used) by operating activities  | <u>(6,179,192)</u>          | <u>(1,532,617)</u>    | <u>701,561</u>                   | <u>(7,010,248)</u>   |
| <b>Cash flows from noncapital financing activities:</b>                                 |                             |                       |                                  |                      |
| Transfers in  | -                           | 1,360,119             | -                                | 1,360,119            |
| Interfund borrowing   | -                           | -                     | -                                | -                    |
| Subsidy from state and federal grant  | 7,663,147                   | -                     | -                                | 7,663,147            |
| Transfers out   | (500,000)                   | -                     | -                                | (500,000)            |
| Net cash provided (used) by noncapital financing activities                             | <u>7,163,147</u>            | <u>1,360,119</u>      | <u>-</u>                         | <u>8,523,266</u>     |
| <b>Cash flows from capital and related financing activities:</b>                        |                             |                       |                                  |                      |
| Purchase of capital assets  | (830,648)                   | -                     | -                                | (830,648)            |
| Proceeds (loss) from disposal of capital assets   | -                           | -                     | -                                | -                    |
| Net cash (used) by capital and related financing activities                             | <u>(830,648)</u>            | <u>-</u>              | <u>-</u>                         | <u>(830,648)</u>     |
| <b>Cash flows from investing activities:</b>  |                             |                       |                                  |                      |
| Interest received   | 31,676                      | 9,050                 | 7,447                            | 48,173               |
| Net cash provided by investing activities   | <u>31,676</u>               | <u>9,050</u>          | <u>7,447</u>                     | <u>48,173</u>        |
| Net increase (decrease) in cash and cash equivalents                                    | <u>184,983</u>              | <u>(163,448)</u>      | <u>709,008</u>                   | <u>730,543</u>       |
| Cash and equivalents - beginning  | 11,020,049                  | 767,191               | 1,388,273                        | 13,175,513           |
| Cash and equivalents - ending   | <u>\$ 11,205,032</u>        | <u>\$ 603,743</u>     | <u>\$ 2,097,281</u>              | <u>\$ 13,906,056</u> |
| <b>Reconciliation of cash and cash equivalents to the<br/>Statement of Net Position</b> |                             |                       |                                  |                      |
| Cash and investments  | \$ 11,205,032               | \$ 129,444            | \$ 2,097,281                     | \$ 13,431,757        |
| Restricted cash and investments & investment with fiscal agent                          | -                           | 474,299               | -                                | 474,299              |
| Total cash and cash equivalents   | <u>\$ 11,205,032</u>        | <u>\$ 603,743</u>     | <u>\$ 2,097,281</u>              | <u>\$ 13,906,056</u> |

**County of Stanislaus**  
**Statement of Cash Flows (continued)**  
**Non-major Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2017**

|   | County<br>Transit<br>System | Geer Road<br>Landfill | Inmate<br>Welfare/<br>Commissary | Total                 |
|---|-----------------------------|-----------------------|----------------------------------|-----------------------|
| Cash provided (used) by operating activities                    |                             |                       |                                  |                       |
| Operating income (loss)   | \$ (6,963,938)              | \$ -                  | \$ 631,697                       | \$ (6,332,241)        |
| Depreciation  | 1,196,465                   | -                     | 7,644                            | 1,204,109             |
| (Increase) decrease in accounts receivable                      | (14,995)                    | -                     | 2,335                            | (12,660)              |
| (Increase) decrease in other receivables                        | 2,618                       | 842                   | (2,066)                          | 1,394                 |
| (Increase) decrease in inventory                                | -                           | -                     | (3,115)                          | (3,115)               |
| (Increase) decrease in deferred outflows                        | (286,053)                   | -                     | (123,193)                        | (409,246)             |
| Increase (decrease) in accounts payable and accrued liabilities | (375,900)                   | (20,380)              | 56,151                           | (340,129)             |
| Increase (decrease) in salaries and benefits payable            | (10,473)                    | -                     | (184)                            | (10,657)              |
| Increase (decrease) in liability for compensated absences       | (31,699)                    | -                     | (489)                            | (32,188)              |
| Increase (decrease) in other post-employment benefits(OPEB)     | 1,267                       | -                     | 1,624                            | 2,891                 |
| Increase (decrease) in deferred inflows                         | (33,325)                    | -                     | (12,206)                         | (45,531)              |
| Increase (decrease) in pension liability                        | 336,841                     | -                     | 143,363                          | 480,204               |
| Increase (decrease) in estimated cost of closure/postclosure    | -                           | (1,513,079)           | -                                | (1,513,079)           |
| Net cash provided (used) by operating activities                | <u>\$ (6,179,192)</u>       | <u>\$ (1,532,617)</u> | <u>\$ 701,561</u>                | <u>\$ (7,010,248)</u> |

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*Internal Service  
Funds*

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## 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

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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

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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

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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

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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

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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

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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

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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

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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

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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

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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

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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

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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

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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, 2017**

|   | Self Insurance Funds        |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      | Total              |                      |
|---|-----------------------------|------------------------|---------------------------------|------------------------|-------------------------|-------------------|-----------------------|----------------------------------|--------------------|-------------------|-------------------------------|----------------------|--------------------|----------------------|
|   | General Liability Insurance | Unemployment Insurance | Workers' Compensation Insurance | Medical Self-Insurance | Other Employee Benefits | Dental Insurance  | Vision Care Insurance | Professional Liability Insurance | Central Services   | Fleet Services    | Technology and Communications | Morgan Shop Garage   |                    | Facility Maintenance |
| <b>Assets</b>                               |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| <b>Current assets:</b>                      |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Cash and investments                        | \$ 6,201,033                | \$ 375,544             | \$ 22,731,732                   | \$ 15,200,024          | \$ 289,000              | \$ 887,378        | \$ 155,346            | \$ 576,372                       | \$ 384,756         | \$ 755,694        | \$ 4,997,983                  | \$ 49                | \$ 2,191,728       | \$ 54,746,639        |
| Accounts receivable, net                    | 213,440                     | -                      | 6,679                           | 136,535                | -                       | -                 | -                     | -                                | 7,486              | -                 | 5,896                         | 583,706              | 9,830              | 963,572              |
| Interest and other receivables              | 15,611                      | 1,163                  | 59,168                          | 38,243                 | 835                     | 2,839             | 399                   | 1,397                            | -                  | -                 | -                             | -                    | -                  | 119,655              |
| Inventory                                   | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 134,955            | 71,872            | -                             | 179,584              | 697                | 387,108              |
| <b>Total current assets</b>                 | <b>6,430,084</b>            | <b>376,707</b>         | <b>22,797,579</b>               | <b>15,374,802</b>      | <b>289,835</b>          | <b>890,217</b>    | <b>155,745</b>        | <b>577,769</b>                   | <b>527,197</b>     | <b>827,566</b>    | <b>5,003,879</b>              | <b>763,339</b>       | <b>2,202,255</b>   | <b>56,216,974</b>    |
| <b>Capital assets:</b>                      |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Intangible assets                           | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                  | -                 | 2,704,597                     | -                    | -                  | 2,704,597            |
| Structures and improvements                 | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 11,735             | 990,773           | -                             | -                    | -                  | 1,002,508            |
| Construction in progress                    | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                  | -                 | -                             | 7,558,367            | -                  | 7,558,367            |
| Equipment                                   | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 69,895             | 3,556,156         | 2,559,741                     | 15,320,164           | 127,263            | 21,633,219           |
| Less: Accumulated depreciation              | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | (75,322)           | (3,951,041)       | (3,318,109)                   | (9,963,748)          | (127,167)          | (17,435,387)         |
| <b>Net capital assets</b>                   | <b>-</b>                    | <b>-</b>               | <b>-</b>                        | <b>-</b>               | <b>-</b>                | <b>-</b>          | <b>-</b>              | <b>-</b>                         | <b>6,308</b>       | <b>595,888</b>    | <b>1,946,229</b>              | <b>12,914,783</b>    | <b>96</b>          | <b>15,463,304</b>    |
| <b>Total assets</b>                         | <b>6,430,084</b>            | <b>376,707</b>         | <b>22,797,579</b>               | <b>15,374,802</b>      | <b>289,835</b>          | <b>890,217</b>    | <b>155,745</b>        | <b>577,769</b>                   | <b>533,505</b>     | <b>1,423,454</b>  | <b>6,950,108</b>              | <b>13,678,122</b>    | <b>2,202,351</b>   | <b>71,680,278</b>    |
| <b>Deferred outflows of resources</b>       |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Deferred pensions                           | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 869,406            | 914,890           | 3,187,192                     | 847,682              | 2,252,809          | 8,071,979            |
| <b>Total deferred outflows of resources</b> | <b>-</b>                    | <b>-</b>               | <b>-</b>                        | <b>-</b>               | <b>-</b>                | <b>-</b>          | <b>-</b>              | <b>-</b>                         | <b>869,406</b>     | <b>914,890</b>    | <b>3,187,192</b>              | <b>847,682</b>       | <b>2,252,809</b>   | <b>8,071,979</b>     |
| <b>Liabilities</b>                          |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| <b>Current liabilities:</b>                 |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Accounts payable                            | 148,352                     | 165,000                | 10,999                          | 1,528,987              | 38,819                  | -                 | 39,445                | 3,534                            | 84,381             | 113,610           | 229,806                       | 784,694              | 323,552            | 3,471,179            |
| Salaries and benefits payable               | -                           | -                      | -                               | -                      | 10,269                  | -                 | -                     | -                                | 43,108             | 42,501            | 142,109                       | 40,581               | 120,114            | 398,682              |
| Unearned revenue                            | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                  | -                 | -                             | 55,677               | -                  | 55,677               |
| Due to other funds                          | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                  | -                 | -                             | 755,008              | -                  | 755,008              |
| Risk management liability                   | 1,204,833                   | 144,000                | 3,685,359                       | 9,360,000              | -                       | 227,065           | 39,000                | 23,897                           | -                  | -                 | -                             | -                    | -                  | 14,684,154           |
| Compensated absences                        | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 11,518             | 16,659            | 74,013                        | 16,372               | 52,681             | 171,243              |
| <b>Total current liabilities</b>            | <b>1,353,185</b>            | <b>309,000</b>         | <b>3,696,358</b>                | <b>10,888,987</b>      | <b>49,088</b>           | <b>227,065</b>    | <b>78,445</b>         | <b>27,431</b>                    | <b>139,007</b>     | <b>172,770</b>    | <b>445,928</b>                | <b>1,652,332</b>     | <b>496,347</b>     | <b>19,535,943</b>    |
| <b>Noncurrent liabilities:</b>              |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Risk management liability                   | 2,290,955                   | -                      | 17,554,741                      | -                      | -                       | -                 | -                     | 23,881                           | -                  | -                 | -                             | -                    | -                  | 19,869,577           |
| Other post-employment benefits (OPEB)       | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 56,638             | 34,215            | 86,378                        | 35,836               | 107,231            | 320,298              |
| Compensated absences                        | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 66,750             | 124,001           | 348,634                       | 84,162               | 205,216            | 828,763              |
| Net pension liability                       | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 1,431,357          | 1,442,310         | 5,261,403                     | 1,377,255            | 3,710,301          | 13,222,626           |
| <b>Total noncurrent liabilities</b>         | <b>2,290,955</b>            | <b>-</b>               | <b>17,554,741</b>               | <b>-</b>               | <b>-</b>                | <b>-</b>          | <b>-</b>              | <b>23,881</b>                    | <b>1,554,745</b>   | <b>1,600,526</b>  | <b>5,696,415</b>              | <b>1,497,253</b>     | <b>4,022,748</b>   | <b>34,241,264</b>    |
| <b>Total liabilities</b>                    | <b>3,644,140</b>            | <b>309,000</b>         | <b>21,251,099</b>               | <b>10,888,987</b>      | <b>49,088</b>           | <b>227,065</b>    | <b>78,445</b>         | <b>51,312</b>                    | <b>1,693,752</b>   | <b>1,773,296</b>  | <b>6,142,343</b>              | <b>3,149,585</b>     | <b>4,519,095</b>   | <b>53,777,207</b>    |
| <b>Deferred inflows of resources</b>        |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Deferred pensions                           | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 13,183             | 13,284            | 59,649                        | 12,685               | 34,172             | 132,973              |
| <b>Total deferred inflows of resources</b>  | <b>-</b>                    | <b>-</b>               | <b>-</b>                        | <b>-</b>               | <b>-</b>                | <b>-</b>          | <b>-</b>              | <b>-</b>                         | <b>13,183</b>      | <b>13,284</b>     | <b>59,649</b>                 | <b>12,685</b>        | <b>34,172</b>      | <b>132,973</b>       |
| <b>Net Position</b>                         |                             |                        |                                 |                        |                         |                   |                       |                                  |                    |                   |                               |                      |                    |                      |
| Net investment in capital assets            | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 6,308              | 595,888           | 1,946,229                     | 12,914,783           | 96                 | 15,463,304           |
| Unrestricted                                | 2,785,944                   | 67,707                 | 1,546,480                       | 4,485,815              | 240,747                 | 663,152           | 77,300                | 526,457                          | (310,332)          | (44,124)          | 1,989,079                     | (1,551,249)          | (98,203)           | 10,378,773           |
| <b>Total net position</b>                   | <b>\$ 2,785,944</b>         | <b>\$ 67,707</b>       | <b>\$ 1,546,480</b>             | <b>\$ 4,485,815</b>    | <b>\$ 240,747</b>       | <b>\$ 663,152</b> | <b>\$ 77,300</b>      | <b>\$ 526,457</b>                | <b>\$(304,024)</b> | <b>\$ 551,764</b> | <b>\$ 3,935,308</b>           | <b>\$ 11,363,534</b> | <b>\$ (98,107)</b> | <b>\$ 25,842,077</b> |

**County of Stanislaus**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Fiscal Year Ended June 30, 2017**

|  | Self Insurance Funds        |                        |                                 |                        |                         |                   |                       |                                  |                     |                   |                               |                      | Total              |                      |
|--|-----------------------------|------------------------|---------------------------------|------------------------|-------------------------|-------------------|-----------------------|----------------------------------|---------------------|-------------------|-------------------------------|----------------------|--------------------|----------------------|
|  | General Liability Insurance | Unemployment Insurance | Workers' Compensation Insurance | Medical Self-Insurance | Other Employee Benefits | Dental Insurance  | Vision Care Insurance | Professional Liability Insurance | Central Services    | Fleet Services    | Technology and Communications | Morgan Shop Garage   |                    | Facility Maintenance |
| <b>Operating revenues</b>                        |                             |                        |                                 |                        |                         |                   |                       |                                  |                     |                   |                               |                      |                    |                      |
| Charges for services                             | \$ 4,847,818                | \$ 117,748             | \$ 4,669,946                    | \$ 57,035,571          | \$ 280,248              | \$ 4,075,799      | \$ 605,419            | \$ 17,733                        | \$ 1,304,946        | \$ 2,755,495      | \$ 6,414,012                  | \$ 3,098,448         | \$ 9,950,901       | \$ 95,174,084        |
| Total operating revenues                         | <u>4,847,818</u>            | <u>117,748</u>         | <u>4,669,946</u>                | <u>57,035,571</u>      | <u>280,248</u>          | <u>4,075,799</u>  | <u>605,419</u>        | <u>17,733</u>                    | <u>1,304,946</u>    | <u>2,755,495</u>  | <u>6,414,012</u>              | <u>3,098,448</u>     | <u>9,950,901</u>   | <u>95,174,084</u>    |
| <b>Operating expenses</b>                        |                             |                        |                                 |                        |                         |                   |                       |                                  |                     |                   |                               |                      |                    |                      |
| Salaries and benefits                            | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 932,910             | 972,816           | 3,272,948                     | 874,582              | 2,633,423          | 8,686,679            |
| Services and supplies                            | 4,018,277                   | 595,105                | 3,936,977                       | 54,876,239             | 435,462                 | 4,052,790         | 695,653               | 284,965                          | 344,354             | 2,007,527         | 4,098,149                     | (161,563)            | 7,117,470          | 82,301,405           |
| Depreciation                                     | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | 587                 | 25,748            | 471,379                       | 963,300              | 575                | 1,461,589            |
| Total operating expenses                         | <u>4,018,277</u>            | <u>595,105</u>         | <u>3,936,977</u>                | <u>54,876,239</u>      | <u>435,462</u>          | <u>4,052,790</u>  | <u>695,653</u>        | <u>284,965</u>                   | <u>1,277,851</u>    | <u>3,006,091</u>  | <u>7,842,476</u>              | <u>1,676,319</u>     | <u>9,751,468</u>   | <u>92,449,673</u>    |
| Operating income (loss)                          | <u>829,541</u>              | <u>(477,357)</u>       | <u>732,969</u>                  | <u>2,159,332</u>       | <u>(155,214)</u>        | <u>23,009</u>     | <u>(90,234)</u>       | <u>(267,232)</u>                 | <u>27,095</u>       | <u>(250,596)</u>  | <u>(1,428,464)</u>            | <u>1,422,129</u>     | <u>199,433</u>     | <u>2,724,411</u>     |
| <b>Nonoperating revenues (expenses)</b>          |                             |                        |                                 |                        |                         |                   |                       |                                  |                     |                   |                               |                      |                    |                      |
| Investment income                                | 20,065                      | 712                    | 87,634                          | 74,401                 | 1,129                   | 6,323             | 660                   | 422                              | -                   | -                 | -                             | -                    | 10,196             | 201,542              |
| Intergovernmental                                | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                   | -                 | -                             | 1,769,087            | -                  | 1,769,087            |
| Gain(loss) on sale of capital assets             | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                   | 17,523            | (1,658)                       | (23,201)             | 6,362              | (974)                |
| Total nonoperating revenues (expenses), net      | <u>20,065</u>               | <u>712</u>             | <u>87,634</u>                   | <u>74,401</u>          | <u>1,129</u>            | <u>6,323</u>      | <u>660</u>            | <u>422</u>                       | <u>-</u>            | <u>17,523</u>     | <u>(1,658)</u>                | <u>1,745,886</u>     | <u>16,558</u>      | <u>1,969,655</u>     |
| Income (loss) before contributions and transfers | <u>849,606</u>              | <u>(476,645)</u>       | <u>820,603</u>                  | <u>2,233,733</u>       | <u>(154,085)</u>        | <u>29,332</u>     | <u>(89,574)</u>       | <u>(266,810)</u>                 | <u>27,095</u>       | <u>(233,073)</u>  | <u>(1,430,122)</u>            | <u>3,168,015</u>     | <u>215,991</u>     | <u>4,694,066</u>     |
| Transfers in                                     | -                           | -                      | -                               | -                      | -                       | -                 | -                     | -                                | -                   | -                 | 1,960,345                     | -                    | 2,557              | 1,962,902            |
| Transfer in (out), net                           | <u>-</u>                    | <u>-</u>               | <u>-</u>                        | <u>-</u>               | <u>-</u>                | <u>-</u>          | <u>-</u>              | <u>-</u>                         | <u>-</u>            | <u>-</u>          | <u>1,960,345</u>              | <u>-</u>             | <u>2,557</u>       | <u>1,962,902</u>     |
| Change in net position                           | <u>849,606</u>              | <u>(476,645)</u>       | <u>820,603</u>                  | <u>2,233,733</u>       | <u>(154,085)</u>        | <u>29,332</u>     | <u>(89,574)</u>       | <u>(266,810)</u>                 | <u>27,095</u>       | <u>(233,073)</u>  | <u>530,223</u>                | <u>3,168,015</u>     | <u>218,548</u>     | <u>6,656,968</u>     |
| Total net position - beginning                   | <u>1,936,338</u>            | <u>544,352</u>         | <u>725,877</u>                  | <u>2,252,082</u>       | <u>394,832</u>          | <u>633,820</u>    | <u>166,874</u>        | <u>793,267</u>                   | <u>(331,119)</u>    | <u>784,837</u>    | <u>3,405,085</u>              | <u>8,195,519</u>     | <u>(316,655)</u>   | <u>19,185,109</u>    |
| Total net position (deficit) - ending            | <u>\$ 2,785,944</u>         | <u>\$ 67,707</u>       | <u>\$ 1,546,480</u>             | <u>\$ 4,485,815</u>    | <u>\$ 240,747</u>       | <u>\$ 663,152</u> | <u>\$ 77,300</u>      | <u>\$ 526,457</u>                | <u>\$ (304,024)</u> | <u>\$ 551,764</u> | <u>\$ 3,935,308</u>           | <u>\$ 11,363,534</u> | <u>\$ (98,107)</u> | <u>\$ 25,842,077</u> |

**County of Stanislaus  
Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2017**

|  | Self Insurance Funds        |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      | Total         |
|--|-----------------------------|------------------------|---------------------------------|------------------------|----------------------------|------------------|-----------------------|----------------------------------|------------------|----------------|-------------------------------|--------------------|----------------------|---------------|
|  | General Liability Insurance | Unemployment Insurance | Workers' Compensation Insurance | Medical Self-Insurance | Other EE Employee Benefits | Dental Insurance | Vision Care Insurance | Professional Liability Insurance | Central Services | Fleet Services | Technology and Communications | Morgan Shop Garage | Facility Maintenance |               |
| Cash flows from operating activities:  |                             |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      |               |
| Cash received from customers and users   | \$ -                        | \$ -                   | \$ -                            | \$ -                   | \$ -                       | \$ -             | \$ -                  | \$ -                             | \$ -             | \$ -           | \$ -                          | \$ 55,677          | \$ -                 | \$ 55,677     |
| Cash received from interfund services  | 4,630,844                   | 118,735                | 4,668,712                       | 57,088,581             | 281,310                    | 4,078,637        | 606,173               | 18,703                           | 1,303,776        | 2,755,495      | 6,411,523                     | 3,355,223          | 9,949,942            | 95,267,654    |
| Cash paid to suppliers   | (4,005,490)                 | (580,105)              | (3,955,848)                     | (54,674,115)           | (431,566)                  | (4,138,986)      | (701,017)             | (284,965)                        | (356,402)        | (1,989,638)    | (3,985,818)                   | 530,851            | (7,104,570)          | (81,677,669)  |
| Cash paid to employees   | 325,236                     | 19,000                 | (1,052,905)                     | 760,000                | 10,208                     | 8,618            | -                     | (138,385)                        | (883,670)        | (918,363)      | (3,095,274)                   | (824,687)          | (2,500,536)          | (8,290,758)   |
| Net cash provided (used) by operating activities   | 950,590                     | (442,370)              | (340,041)                       | 3,174,466              | (140,048)                  | (51,731)         | (94,844)              | (404,647)                        | 63,704           | (152,506)      | (669,569)                     | 3,117,064          | 344,836              | 5,354,904     |
| Cash flows from noncapital financing activities:   |                             |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      |               |
| Transfers in   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | -              | 1,960,345                     | -                  | 2,557                | 1,962,902     |
| Subsidy from state & federal grant   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | -              | -                             | 1,769,087          | -                    | 1,769,087     |
| Net cash provided (used) by noncapital financing activities                                    | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | -              | 1,960,345                     | 1,769,087          | 2,557                | 3,731,989     |
| Cash flows from capital and related financing activities:                                      |                             |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      |               |
| Sale of capital assets   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | 17,523         | -                             | -                  | 6,362                | 23,885        |
| Purchase of capital assets   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | (504)          | (72,270)                      | (8,268,488)        | -                    | (8,341,262)   |
| Net cash provided (used) by capital and related financing activities                           | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | 17,019         | (72,270)                      | (8,268,488)        | 6,362                | (8,317,377)   |
| Cash flows from investing activities:  |                             |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      |               |
| Interest received  | 20,065                      | 712                    | 87,634                          | 74,401                 | 1,129                      | 6,323            | 660                   | 422                              | -                | -              | -                             | -                  | 10,196               | 201,542       |
| Net cash provided (used) by investing activities   | 20,065                      | 712                    | 87,634                          | 74,401                 | 1,129                      | 6,323            | 660                   | 422                              | -                | -              | -                             | -                  | 10,196               | 201,542       |
| Net increase (decrease) in cash and cash equivalents   | 970,655                     | (441,658)              | (252,407)                       | 3,248,867              | (138,919)                  | (45,408)         | (94,184)              | (404,225)                        | 63,704           | (135,487)      | 1,218,506                     | (3,382,337)        | 363,951              | 971,058       |
| Beginning Cash Balance   | 5,230,378                   | 817,202                | 22,984,139                      | 11,951,157             | 427,919                    | 932,786          | 249,530               | 980,597                          | 321,052          | 891,181        | 3,779,477                     | 3,382,386          | 1,827,777            | 53,775,581    |
| Ending Cash Balance  | \$ 6,201,033                | \$ 375,544             | \$ 22,731,732                   | \$ 15,200,024          | \$ 289,000                 | \$ 887,378       | \$ 155,346            | \$ 576,372                       | \$ 384,756       | \$ 755,694     | \$ 4,997,983                  | \$ 49              | \$ 2,191,728         | \$ 54,746,639 |
| Cash provided (used) by operating activities:  |                             |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      |               |
| Operating income   | \$ 829,541                  | \$ (477,357)           | \$ 732,969                      | \$ 2,159,332           | \$ (155,214)               | \$ 23,009        | \$ (90,234)           | \$ (267,232)                     | \$ 27,095        | \$ (250,596)   | \$ (1,428,464)                | \$ 1,422,129       | \$ 199,433           | \$ 2,724,411  |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: |                             |                        |                                 |                        |                            |                  |                       |                                  |                  |                |                               |                    |                      |               |
| Depreciation   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | 587              | 25,748         | 471,379                       | 963,300            | 575                  | 1,461,589     |
| (Increase) decrease in accounts receivable   | (213,439)                   | -                      | 312                             | 58,277                 | 791                        | 2,859            | 572                   | -                                | (1,170)          | -              | (2,489)                       | (498,233)          | (959)                | (653,479)     |
| (Increase) decrease in other receivables   | (3,536)                     | 987                    | (1,546)                         | (5,267)                | 272                        | (21)             | 182                   | 970                              | -                | -              | -                             | -                  | -                    | (7,959)       |
| (Increase) decrease in inventory   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | (91,361)         | -              | -                             | 51,597             | -                    | (39,764)      |
| (Increase) decrease in deferred outflows   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | (750,187)        | (803,401)      | (2,744,564)                   | (735,449)          | (1,943,593)          | (6,977,194)   |
| Increase (decrease) in accounts payable  | 12,788                      | 15,000                 | (18,871)                        | 202,124                | 3,895                      | (86,196)         | (5,364)               | -                                | 79,313           | 17,889         | 112,331                       | 317,691            | 12,900               | 663,500       |
| Increase (decrease) in salaries and benefits payable   | -                           | -                      | -                               | -                      | 10,208                     | -                | -                     | -                                | 6,422            | 5,923          | 6,673                         | 3,211              | 15,610               | 48,047        |
| Increase (decrease) in unearned revenue  | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | -              | -                             | 55,677             | -                    | 55,677        |
| Increase (decrease) in risk mgmt current liability   | 164,711                     | 19,000                 | (276,277)                       | 760,000                | -                          | 8,618            | -                     | (73,217)                         | -                | -              | -                             | -                  | -                    | 602,835       |
| Increase (decrease) in current liability comp abs  | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | 3,876            | 4,146          | 24,293                        | 4,816              | 4,930                | 42,061        |
| Increase (decrease) in risk mgmt long-term liability   | 160,525                     | -                      | (776,628)                       | -                      | -                          | -                | -                     | (65,168)                         | -                | -              | -                             | -                  | -                    | (681,271)     |
| Increase (decrease) in due to other funds/governments  | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | -                | -              | -                             | 755,008            | -                    | 755,008       |
| Increase (decrease) in other post-employment benefits(OPE)                                     | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | 6,935            | 3,708          | 9,124                         | 4,030              | 14,375               | 38,172        |
| Increase (decrease) in LT liability comp abs   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | (7,391)          | 975            | (7,238)                       | (71)               | (4,156)              | (17,881)      |
| Increase (decrease) in pension liability   | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | 852,578          | 901,055        | 3,112,557                     | 832,386            | 2,209,126            | 7,907,702     |
| Increase (decrease) in deferred inflows  | -                           | -                      | -                               | -                      | -                          | -                | -                     | -                                | (62,993)         | (57,953)       | (223,171)                     | (59,028)           | (163,405)            | (566,550)     |
| Net cash provided (used) by operating activities   | \$ 950,590                  | \$ (442,370)           | \$ (340,041)                    | \$ 3,174,466           | \$ (140,048)               | \$ (51,731)      | \$ (94,844)           | \$ (404,647)                     | \$ 63,704        | \$ (152,506)   | \$ (669,569)                  | \$ 3,117,064       | \$ 344,836           | \$ 5,354,904  |

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*Successor  
Agency*

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**County of Stanislaus**  
**Successor Agency to the Stanislaus County Redevelopment Agency**  
**For the Fiscal Year Ended June 30, 2017**

The agency had the following long-term debt liabilities as of June 30, 2017:

|  | <u>Beginning<br/>Principal<br/>Balance</u> | <u>Deletions</u> | <u>Ending<br/>Principal<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|--|--|------------------|---|--------------------------------|
| <u>Notes Payable</u>                       |  |                  |   |                                |
| United States Department<br>of Agriculture | \$ 3,770,000                               | \$ 80,000        | \$ 3,690,000                            | \$ 85,000                      |
| <u>Bonds Payable</u>                       |  |                  |   |                                |
| 2005 tax allocation bonds                  | 11,075,000                                 | 445,000          | 10,630,000                              | 450,000                        |
| Total long-term liabilities                | <u>\$ 14,845,000</u>                       | <u>\$525,000</u> | <u>\$ 14,320,000</u>                    | <u>\$ 535,000</u>              |

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

| <u>Fiscal Year<br/>Ending</u> | <u>Principal</u>     | <u>Interest</u>     | <u>Total</u>        |
|-------------------------------|----------------------|---------------------|---------------------|
| 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                          | 570,000              | 626,079             | 1,196,079           |
| 2022                          | 585,000              | 596,648             | 1,181,648           |
| 2023-2027                     | 3,115,000            | 2,517,293           | 5,632,293           |
| 2028-2032                     | 3,475,000            | 1,670,214           | 5,145,214           |
| 2033-2037                     | 3,855,000            | 729,962             | 4,584,962           |
| 2038-2042                     | 1,075,000            | 118,335             | 1,193,335           |
|                               | <u>\$ 14,320,000</u> | <u>\$ 8,301,112</u> | <u>\$22,621,112</u> |

**County of Stanislaus**  
**Successor Agency to the Stanislaus County Redevelopment Agency**  
**For the Fiscal Year Ended June 30, 2017**

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<br>Ending | Principal           | Interest            | Total               |
|-----------------------|---------------------|---------------------|---------------------|
| 2018                  | \$ 85,000           | \$ 155,004          | \$ 240,004          |
| 2019                  | 90,000              | 151,284             | 241,284             |
| 2020                  | 95,000              | 147,352             | 242,352             |
| 2021                  | 95,000              | 143,713             | 238,713             |
| 2022                  | 100,000             | 139,170             | 239,170             |
| 2023-2027             | 575,000             | 626,594             | 1,201,594           |
| 2028-2032             | 705,000             | 490,939             | 1,195,939           |
| 2033-2037             | 870,000             | 324,284             | 1,194,284           |
| 2038-2042             | 1,075,000           | 118,335             | 1,193,335           |
|                       | <u>\$ 3,690,000</u> | <u>\$ 2,296,675</u> | <u>\$ 5,986,675</u> |

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<br>Ending | Principal           | Interest            | Total               |
|-----------------------|---------------------|---------------------|---------------------|
| 2018                  | \$ 450,000          | \$ 552,619          | \$ 1,002,619        |
| 2019                  | 460,000             | 529,869             | 989,869             |
| 2020                  | 465,000             | 506,453             | 971,453             |
| 2021                  | 475,000             | 482,366             | 957,366             |
| 2022                  | 485,000             | 457,478             | 942,478             |
| 2023-2027             | 2,540,000           | 1,890,699           | 4,430,699           |
| 2028-2032             | 2,770,000           | 1,179,275           | 3,949,275           |
| 2033-2037             | 2,985,000           | 405,678             | 3,390,678           |
|                       | <u>\$10,630,000</u> | <u>\$ 6,004,437</u> | <u>\$16,634,437</u> |

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*Statistical  
Information*

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

|   | Fiscal Year           |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 2008                  | 2009                  | 2010                  | 2011                  | 2012                  | 2013                  | 2014                  | 2015                  | 2016                  | 2017                  |
| <b>Governmental activities</b>              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets            | \$ 435,204,374        | \$ 418,149,972        | \$ 397,176,565        | \$ 393,212,996        | \$ 385,331,672        | \$ 383,152,489        | \$ 380,595,362        | \$ 411,359,448        | \$ 447,336,350        | \$ 494,299,857        |
| Restricted                                  | 193,992,595           | 189,524,182           | 182,467,381           | 291,389,268           | 312,275,044           | 306,281,464           | 310,193,664           | 308,311,889           | 304,416,103           | 297,608,836           |
| Unrestricted (deficit)                      | 72,110,910            | 81,056,076            | 53,951,001            | (47,246,228)          | (42,965,529)          | (10,910,256)          | (1,978,513)           | (244,384,302)         | (197,360,931)         | (250,775,999)         |
| Total governmental activities net position  | <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>    | <u>554,391,522</u>    | <u>541,132,694</u>    |
| <b>Business-type activities</b>             |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets            | 23,544,958            | 24,087,472            | 24,537,140            | 24,275,953            | 23,350,343            | 26,864,465            | 28,812,078            | 27,149,973            | 30,387,822            | 29,793,861            |
| Restricted                                  | 20,404,464            | 20,831,269            | 20,697,693            | 20,453,722            | 20,711,930            | 19,457,319            | 20,102,454            | 20,111,762            | 19,393,530            | 20,969,868            |
| Unrestricted (deficit)                      | (6,364,621)           | (13,496,679)          | (14,739,508)          | (13,181,272)          | (8,194,825)           | (1,263,633)           | 3,778,008             | 16,825,936            | 24,697,283            | 32,854,917            |
| Total business-type activities net position | <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>     | <u>74,478,635</u>     | <u>83,618,646</u>     |
| <b>Net position</b>                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets            | 458,749,332           | 442,237,444           | 421,713,705           | 417,488,949           | 408,682,015           | 410,016,954           | 409,407,440           | 438,509,421           | 477,724,172           | 524,093,718           |
| Restricted                                  | 214,397,059           | 210,355,451           | 203,165,074           | 311,842,990           | 332,986,974           | 325,738,783           | 330,296,118           | 328,423,651           | 323,809,633           | 318,578,704           |
| Unrestricted (deficit)                      | 65,746,289            | 67,559,397            | 39,211,493            | (60,427,500)          | (51,160,354)          | (12,173,889)          | 1,799,495             | (227,558,366)         | (172,663,648)         | (217,921,082)         |
| Total net position                          | <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> | <u>\$ 628,870,157</u> | <u>\$ 624,751,340</u> |

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

|   | Fiscal Year          |                      |                      |                      |                      |                      |                      |                     |                     |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|----------------------|
|   | 2008                 | 2009                 | 2010                 | 2011                 | 2012                 | 2013                 | 2014                 | 2015                | 2016                | 2017                 |
| <b>Expenses</b>                                 |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Governmental activities:                        |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| General government                              | \$ 43,025,653        | \$ 41,874,466        | \$ 53,939,423        | \$ 39,047,915        | \$ 31,262,204        | \$ 34,640,462        | \$ 29,418,322        | \$ 34,068,208       | \$ 39,924,809       | \$ 45,365,643        |
| Public protection                               | 191,239,717          | 188,612,369          | 187,171,627          | 178,821,359          | 172,544,110          | 180,757,835          | 203,134,867          | 208,625,928         | 226,360,587         | 300,326,244          |
| Public ways and facilities                      | 55,988,788           | 53,935,268           | 48,937,845           | 35,995,934           | 49,480,040           | 52,929,458           | 61,684,798           | 59,796,563          | 70,723,726          | 36,073,544           |
| Health and sanitation                           | 121,365,271          | 117,806,204          | 123,260,103          | 130,697,663          | 114,881,433          | 131,314,972          | 128,083,298          | 124,226,055         | 133,992,756         | 151,320,780          |
| Public assistance                               | 259,362,079          | 269,101,718          | 280,497,676          | 280,276,073          | 265,885,829          | 282,044,591          | 294,889,889          | 306,804,683         | 325,543,153         | 328,149,912          |
| Education                                       | 15,610,881           | 14,687,440           | 12,784,666           | 9,726,317            | 8,149,446            | 9,738,176            | 9,457,254            | 10,001,794          | 10,575,336          | 13,664,296           |
| Recreation                                      | 6,879,842            | 5,811,357            | 6,986,331            | 5,171,457            | 5,669,167            | 7,123,274            | 6,466,131            | 6,506,067           | 7,130,168           | 8,372,919            |
| Interest and fiscal charges on long-term debt   | 16,122,979           | 15,244,566           | 16,481,243           | 14,149,048           | 11,308,210           | 11,492,957           | 12,441,241           | (14,796,048)        | (15,049,070)        | 8,381,196            |
| Total governmental activities expenses          | <u>709,595,210</u>   | <u>707,073,388</u>   | <u>730,058,914</u>   | <u>693,885,766</u>   | <u>659,180,439</u>   | <u>710,041,725</u>   | <u>745,575,800</u>   | <u>735,233,250</u>  | <u>799,201,465</u>  | <u>891,654,534</u>   |
| Business-type activities:                       |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Landfills                                       | 4,561,797            | 4,766,494            | 8,600,496            | 5,020,344            | 3,285,042            | 3,486,212            | 4,570,478            | 6,252,577           | 7,353,713           | 5,215,062            |
| Behavioral Health                               | 3,403,472            | (2,472)              | -                    | -                    | -                    | -                    | -                    | -                   | -                   | -                    |
| Health Clinics and Ancillary                    | 44,898,435           | 44,109,491           | 47,269,019           | 42,109,590           | 39,470,220           | 34,752,858           | 37,029,440           | 38,176,229          | 38,183,676          | 41,044,649           |
| Inmate Welfare and Commissary                   | 1,555,411            | 1,864,632            | 1,820,149            | 1,344,932            | 1,239,584            | 1,404,060            | 1,389,576            | 1,506,293           | 1,642,511           | 1,769,487            |
| Transit   | 3,133,519            | 3,588,704            | 3,784,351            | 3,971,811            | 4,262,606            | 4,655,628            | 6,165,247            | 6,141,560           | 6,348,722           | 7,523,667            |
| Total business-type activities expenses         | <u>57,552,634</u>    | <u>54,326,849</u>    | <u>61,474,015</u>    | <u>52,446,677</u>    | <u>48,257,452</u>    | <u>44,298,758</u>    | <u>49,154,741</u>    | <u>52,076,659</u>   | <u>53,528,622</u>   | <u>55,552,865</u>    |
| Total primary government expenses               | <u>767,147,844</u>   | <u>761,400,237</u>   | <u>791,532,929</u>   | <u>746,332,443</u>   | <u>707,437,891</u>   | <u>754,340,483</u>   | <u>794,730,541</u>   | <u>787,309,909</u>  | <u>852,730,087</u>  | <u>947,207,399</u>   |
| <b>Program revenues</b>                         |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Governmental activities:                        |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Charges for services:                           |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| General government                              | 28,325,318           | 29,188,498           | 25,288,833           | 21,461,403           | 16,844,922           | 17,831,574           | 17,702,441           | 19,053,035          | 19,503,916          | 19,483,419           |
| Public protection                               | 44,468,709           | 42,232,145           | 40,563,656           | 39,900,420           | 38,134,653           | 44,846,489           | 47,801,929           | 48,427,401          | 48,864,976          | 50,897,678           |
| Public ways and facilities                      | 10,880,736           | 7,689,430            | 6,969,697            | 5,782,680            | 5,782,815            | 6,916,936            | 6,835,337            | 8,161,907           | 8,190,648           | 10,641,483           |
| Health and sanitation                           | 33,728,583           | 30,132,125           | 35,071,044           | 34,607,863           | 33,689,959           | 34,539,726           | 38,459,900           | 43,037,345          | 48,465,224          | 49,896,007           |
| Public assistance                               | 4,306,559            | 4,276,140            | 7,475,063            | 8,130,839            | 6,336,221            | 6,962,414            | 8,408,836            | 10,627,429          | 12,578,244          | 12,979,298           |
| Education                                       | 929,447              | 525,221              | 456,577              | 365,953              | 325,092              | 439,237              | 486,531              | 571,470             | 736,246             | 804,946              |
| Recreation                                      | 3,464,167            | 2,795,544            | 2,791,644            | 2,841,387            | 3,359,825            | 3,451,645            | 3,060,901            | 3,056,431           | 3,559,754           | 4,942,058            |
| Operating grants and contributions              | 407,883,255          | 404,255,872          | 415,579,530          | 422,599,832          | 435,135,939          | 456,187,128          | 485,384,295          | 493,130,740         | 515,871,262         | 526,433,610          |
| Capital grants and contributions                | 24,598,071           | 25,452,497           | 19,331,088           | 18,457,150           | 6,662,251            | 22,426,787           | 16,423,263           | 43,111,386          | 67,291,846          | 36,710,716           |
| Total governmental activities program revenues  | <u>558,584,845</u>   | <u>546,547,472</u>   | <u>553,527,132</u>   | <u>554,147,527</u>   | <u>546,271,677</u>   | <u>593,601,936</u>   | <u>624,563,433</u>   | <u>669,177,144</u>  | <u>725,062,116</u>  | <u>712,789,215</u>   |
| Business-type activities:                       |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Charges for services:                           |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Landfills                                       | 5,976,090            | 4,902,033            | 4,220,903            | 4,208,446            | 4,588,277            | 5,217,737            | 5,598,975            | 6,499,463           | 6,969,365           | 7,789,485            |
| Behavioral Health                               | 2,747,730            | -                    | -                    | -                    | -                    | -                    | -                    | -                   | -                   | -                    |
| Health Clinics and Ancillary                    | 40,609,257           | 40,307,063           | 44,994,702           | 39,625,230           | 38,216,020           | 34,807,751           | 32,587,731           | 37,510,027          | 38,369,412          | 42,031,823           |
| Inmate Welfare and Commissary                   | 1,576,214            | 1,568,646            | 1,379,595            | 1,180,418            | 1,369,506            | 1,688,466            | 1,528,952            | 1,670,882           | 1,859,908           | 2,401,183            |
| Transit   | 287,648              | 363,804              | 346,729              | 502,139              | 465,005              | 687,089              | 506,184              | 539,266             | 510,822             | 559,730              |
| Operating grants and contributions              | 2,567,553            | 2,952,731            | 1,296,301            | 1,470,103            | 1,519,071            | 1,307,816            | 4,312,029            | 3,339,513           | 1,491,073           | 1,395,579            |
| Capital grants and contributions                | 742,258              | -                    | -                    | -                    | -                    | -                    | -                    | -                   | -                   | -                    |
| Total business-type activities program revenues | <u>54,506,750</u>    | <u>50,094,277</u>    | <u>52,238,230</u>    | <u>46,986,336</u>    | <u>46,157,879</u>    | <u>43,708,859</u>    | <u>44,533,871</u>    | <u>49,559,151</u>   | <u>49,200,580</u>   | <u>54,177,800</u>    |
| Total primary government program revenues       | <u>613,091,595</u>   | <u>596,641,749</u>   | <u>605,765,362</u>   | <u>601,133,863</u>   | <u>592,429,556</u>   | <u>637,310,795</u>   | <u>669,097,304</u>   | <u>718,736,295</u>  | <u>774,262,696</u>  | <u>766,967,015</u>   |
| Net (expense)/revenue                           |                      |                      |                      |                      |                      |                      |                      |                     |                     |                      |
| Governmental activities                         | (151,010,365)        | (160,525,916)        | (176,531,782)        | (139,738,240)        | (112,908,762)        | (116,439,789)        | (121,012,367)        | (66,056,106)        | (74,139,349)        | (178,865,319)        |
| Business-type activities                        | (3,045,884)          | (4,232,568)          | (9,235,785)          | (5,460,341)          | (2,099,573)          | (589,899)            | (4,620,870)          | (2,517,508)         | (4,328,042)         | (1,375,065)          |
| Total primary government net expense            | <u>(154,056,249)</u> | <u>(164,758,484)</u> | <u>(185,767,567)</u> | <u>(145,198,581)</u> | <u>(115,008,335)</u> | <u>(117,029,688)</u> | <u>(125,633,237)</u> | <u>(68,573,614)</u> | <u>(78,467,391)</u> | <u>(180,240,384)</u> |

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

|   | Fiscal Year          |                       |                        |                     |                      |                      |                      |                      |                      |                       |
|---|----------------------|-----------------------|------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|   | 2008                 | 2009                  | 2010                   | 2011                | 2012                 | 2013                 | 2014                 | 2015                 | 2016                 | 2017                  |
| <b>General Revenues and other changes in net position</b>   |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| Governmental activities:                                    |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| Taxes   |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| Property taxes  | 113,743,380          | 103,175,578           | 83,397,110             | 90,486,458          | 86,124,943           | 94,552,082           | 90,233,301           | 97,990,771           | 111,785,574          | 119,517,121           |
| Sales taxes   | 29,552,774           | 26,568,776            | 20,677,876             | 23,329,577          | 26,796,833           | 30,024,222           | 32,606,659           | 32,819,560           | 34,211,664           | 36,578,957            |
| Other taxes   | 2,583,804            | 2,765,178             | 2,220,643              | 2,157,019           | 2,284,530            | 2,298,871            | 2,607,534            | 3,264,767            | 3,451,718            | 3,898,466             |
| Franchise fees  | 1,126,758            | 1,175,849             | 958,324                | 1,005,292           | 1,013,027            | 1,008,261            | 1,111,071            | 1,235,724            | 1,189,904            | 1,129,666             |
| Payment in lieu of taxes                                    |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| Open space subvention                                       | 1,466,943            | 1,332,316             | -                      | -                   | -                    | -                    | -                    | -                    | -                    | -                     |
| Unrestricted investment earnings                            | 11,247,849           | 7,448,383             | 9,327,724              | 8,173,086           | 9,608,355            | 1,975,516            | 818,300              | 884,347              | 718,321              | 935,445               |
| Miscellaneous   | 10,011,674           | 9,734,087             | 7,719,050              | 21,020,693          | 8,077,436            | 9,950,570            | 8,952,442            | 13,269,382           | 8,465,542            | 6,728,972             |
| Transfers   | (11,265,358)         | (4,251,900)           | (5,250,856)            | (2,673,525)         | (2,432,361)          | 512,777              | (5,030,124)          | (20,466,733)         | (6,578,887)          | (3,182,136)           |
| <b>Total governmental activities</b>                        | <b>158,467,824</b>   | <b>147,948,267</b>    | <b>119,049,871</b>     | <b>143,498,600</b>  | <b>131,472,763</b>   | <b>140,322,299</b>   | <b>131,299,183</b>   | <b>128,997,818</b>   | <b>153,243,836</b>   | <b>165,606,491</b>    |
| Business-type activities:                                   |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| Sales taxes   | 2,528,268            | 2,781,611             | 2,962,729              | 3,026,730           | 3,490,576            | 5,863,652            | 6,537,281            | 4,895,572            | 6,856,640            | 6,609,799             |
| Unrestricted investment earnings                            | 943,553              | 673,368               | 95,463                 | 813,164             | 495,681              | 374,703              | 687,854              | 758,618              | 1,345,053            | 726,720               |
| Sale of capital assets                                      | -                    | -                     | -                      | -                   | -                    | -                    | -                    | 12,985               | (61,574)             | (3,579)               |
| Transfers   | 11,265,358           | 4,251,900             | 5,250,856              | 2,673,525           | 2,432,361            | (512,777)            | 5,030,124            | 20,466,733           | 6,578,887            | 3,182,136             |
| <b>Total business-type activities</b>                       | <b>14,737,179</b>    | <b>7,706,879</b>      | <b>8,309,048</b>       | <b>6,513,419</b>    | <b>6,418,618</b>     | <b>5,725,578</b>     | <b>12,255,259</b>    | <b>26,133,908</b>    | <b>14,719,006</b>    | <b>10,515,076</b>     |
| <b>Total primary government</b>                             | <b>173,205,003</b>   | <b>155,655,146</b>    | <b>127,358,919</b>     | <b>150,012,019</b>  | <b>137,891,381</b>   | <b>146,047,877</b>   | <b>143,554,442</b>   | <b>155,131,726</b>   | <b>167,962,842</b>   | <b>176,121,567</b>    |
| <b>Change in net position excluding extraordinary items</b> |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| Governmental activities                                     | 7,457,459            | (12,577,649)          | (57,481,911)           | 3,760,360           | 18,564,001           | 23,882,510           | 10,286,816           | 62,941,712           | 79,104,487           | (13,258,828)          |
| Business-type activities                                    | 11,691,295           | 3,474,311             | (926,737)              | 1,053,078           | 4,319,045            | 5,135,679            | 7,634,389            | 23,616,400           | 10,390,964           | 9,140,011             |
| <b>Total primary government</b>                             | <b>19,148,754</b>    | <b>(9,103,338)</b>    | <b>(58,408,648)</b>    | <b>4,813,438</b>    | <b>22,883,046</b>    | <b>29,018,189</b>    | <b>17,921,205</b>    | <b>86,558,112</b>    | <b>89,495,451</b>    | <b>(4,118,817)</b>    |
| Extraordinary items   |                      |                       |                        |                     |                      |                      |                      |                      |                      |                       |
| RDA debt write-off  | -                    | -                     | -                      | -                   | 18,141,513           | -                    | -                    | -                    | -                    | -                     |
| RDA due to successor agency                                 | -                    | -                     | -                      | -                   | (19,421,089)         | -                    | -                    | -                    | -                    | -                     |
| Net extraordinary loss                                      | -                    | -                     | -                      | -                   | (1,279,576)          | -                    | -                    | -                    | -                    | -                     |
| <b>Change in net position</b>                               | <b>\$ 19,148,754</b> | <b>\$ (9,103,338)</b> | <b>\$ (58,408,648)</b> | <b>\$ 4,813,438</b> | <b>\$ 21,603,470</b> | <b>\$ 29,018,189</b> | <b>\$ 17,921,205</b> | <b>\$ 86,558,112</b> | <b>\$ 89,495,451</b> | <b>\$ (4,118,817)</b> |

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

| <u>Fiscal<br/>Year</u> | <u>Property<br/>Tax</u> | <u>Sales<br/>Tax</u> | <u>Other<br/>Tax</u> | <u>Total</u>  |
|------------------------|-------------------------|----------------------|----------------------|---------------|
| 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 |
| 2016                   | \$111,785,574           | \$34,211,664         | \$3,451,718          | \$149,448,956 |
| 2017                   | \$119,517,121           | \$36,578,957         | \$3,898,466          | \$159,994,544 |

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

|   | Fiscal Year           |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 2008                  | 2009                  | 2010                  | 2011                  | 2012                  | 2013                  | 2014                  | 2015                  | 2016                  | 2017                  |
| <b>General fund</b>                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Reserved                                  | \$ 62,679,395         | \$ 41,020,498         | \$ 33,648,284         | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  |
| Unreserved                                | 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            | 14,137,929            | 11,408,264            |
| Restricted                                | -                     | -                     | -                     | 3,902,067             | 3,766,553             | 3,728,477             | 3,872,119             | 4,240,486             | 4,506,356             | 4,632,178             |
| Committed                                 | -                     | -                     | -                     | 7,360,782             | 2,835,387             | 7,460,200             | 4,510,888             | 6,933,209             | 7,772,769             | 7,322,789             |
| Assigned                                  | -                     | -                     | -                     | 53,427,519            | 71,991,359            | 92,656,760            | 97,448,659            | 101,215,033           | 128,572,135           | 152,285,335           |
| Unassigned                                | -                     | -                     | -                     | 20,761,362            | 16,066,425            | 9,599,149             | 16,765,674            | 15,945,066            | 9,966,047             | 8,717,151             |
| <b>Total general fund</b>                 | <b>123,925,507</b>    | <b>122,532,773</b>    | <b>106,416,452</b>    | <b>108,268,430</b>    | <b>115,765,912</b>    | <b>133,127,825</b>    | <b>138,112,356</b>    | <b>142,363,127</b>    | <b>164,955,236</b>    | <b>184,365,717</b>    |
| <b>All other governmental funds</b>       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Reserved                                  | 33,055,756            | 44,950,684            | 38,392,864            | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Unreserved                                |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Special Revenue                           | 167,860,880           | 165,211,615           | 166,634,879           | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Capital Projects                          | 127,469,211           | 113,352,227           | 107,615,020           | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Debt Service                              | 803,917               | (53,215)              | 343,325               | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Non-spendable                             | -                     | -                     | -                     | 604,486               | 629,283               | 567,030               | 567,922               | 567,757               | 568,132               | 770,976               |
| Restricted                                | -                     | -                     | -                     | 275,406,521           | 275,903,217           | 258,631,067           | 277,156,074           | 278,069,806           | 269,243,780           | 265,308,919           |
| Committed                                 | -                     | -                     | -                     | 7,673,957             | 8,006,919             | 5,958,731             | 3,700,637             | 3,657,838             | 3,657,838             | 3,652,900             |
| Assigned                                  | -                     | -                     | -                     | 31,321,622            | 23,969,078            | 37,470,379            | 24,896,916            | 21,776,005            | 26,439,995            | 23,243,865            |
| Unassigned                                | -                     | -                     | -                     | (606,674)             | (1,309,161)           | (1,166,409)           | (1,036,901)           | (372,416)             | (224,116)             | -                     |
| <b>Total all other governmental funds</b> | <b>\$ 329,189,764</b> | <b>\$ 323,461,311</b> | <b>\$ 312,986,088</b> | <b>\$ 314,399,912</b> | <b>\$ 307,199,336</b> | <b>\$ 301,460,798</b> | <b>\$ 305,284,648</b> | <b>\$ 303,698,990</b> | <b>\$ 299,685,629</b> | <b>\$ 292,976,660</b> |

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

|  | Fiscal Year          |                       |                        |                     |                    |                      |                     |                     |                      |                      |
|--|----------------------|-----------------------|------------------------|---------------------|--------------------|----------------------|---------------------|---------------------|----------------------|----------------------|
|  | 2008                 | 2009                  | 2010                   | 2011                | 2012               | 2013                 | 2014                | 2015                | 2016                 | 2017                 |
| <b>Revenues</b>  |                      |                       |                        |                     |                    |                      |                     |                     |                      |                      |
| Taxes  | \$ 146,040,455       | \$ 132,516,011        | \$ 106,302,266         | \$ 116,024,106      | \$ 115,217,548     | \$ 126,869,802       | \$ 125,522,743      | \$ 134,075,103      | \$ 149,448,956       | \$ 159,994,544       |
| Licenses, permits and franchises                           | 4,850,084            | 4,362,507             | 3,779,539              | 3,346,635           | 3,251,371          | 3,427,357            | 4,528,028           | 4,316,195           | 4,597,396            | 4,501,367            |
| Fines, forfeitures and penalties                           | 16,471,765           | 18,740,397            | 15,853,039             | 14,102,259          | 11,277,500         | 11,731,463           | 11,250,391          | 9,913,309           | 8,444,144            | 8,081,083            |
| Revenue from use of money and property                     | 20,366,844           | 13,135,585            | 11,628,724             | 10,951,594          | 12,046,180         | 3,544,350            | 14,961,376          | 7,231,730           | 14,398,251           | 743,626              |
| Intergovernmental revenue                                  | 423,136,156          | 424,320,463           | 432,391,862            | 437,920,991         | 439,019,276        | 476,840,206          | 487,407,449         | 529,630,722         | 568,977,461          | 563,135,025          |
| Charges for services                                       | 106,066,595          | 95,147,099            | 99,969,868             | 96,719,319          | 90,939,405         | 100,787,593          | 108,153,835         | 119,742,371         | 130,012,070          | 138,122,330          |
| Miscellaneous revenue                                      | 10,012,180           | 9,734,085             | 7,700,801              | 20,758,655          | 8,053,236          | 9,831,879            | 8,932,426           | 13,207,716          | 6,693,645            | 6,681,654            |
| Donation   | -                    | -                     | -                      | 188,052             | -                  | -                    | -                   | -                   | -                    | -                    |
| <b>Total revenues</b>                                      | <b>726,944,079</b>   | <b>697,956,147</b>    | <b>677,626,099</b>     | <b>700,011,611</b>  | <b>679,804,516</b> | <b>733,032,650</b>   | <b>760,756,248</b>  | <b>818,117,146</b>  | <b>882,571,923</b>   | <b>881,259,629</b>   |
| <b>Expenditures</b>  |                      |                       |                        |                     |                    |                      |                     |                     |                      |                      |
| General  | 42,117,731           | 35,384,104            | 32,492,953             | 32,199,947          | 27,597,103         | 30,181,242           | 27,206,222          | 31,258,034          | 35,856,602           | 37,387,007           |
| Public protection  | 191,335,195          | 187,668,670           | 184,488,026            | 164,981,273         | 165,575,535        | 183,212,316          | 195,378,255         | 207,452,347         | 220,974,865          | 233,255,786          |
| Public ways and facilities                                 | 33,640,576           | 33,072,185            | 24,836,257             | 33,152,617          | 29,360,660         | 28,921,543           | 37,490,486          | 46,219,528          | 45,967,327           | 31,085,519           |
| Health and sanitation                                      | 121,486,760          | 117,463,923           | 117,204,330            | 128,343,261         | 114,687,805        | 130,738,595          | 127,482,966         | 125,835,208         | 134,725,048          | 147,406,576          |
| Public assistance  | 258,662,538          | 268,783,428           | 278,429,040            | 278,379,256         | 264,657,512        | 280,991,671          | 292,431,366         | 308,531,925         | 326,933,459          | 339,250,164          |
| Education  | 14,038,114           | 12,614,620            | 11,426,521             | 8,439,844           | 7,945,714          | 8,565,946            | 9,020,692           | 9,509,756           | 10,167,303           | 12,209,085           |
| Recreation and cultural services                           | 6,548,470            | 5,393,150             | 5,180,469              | 5,147,480           | 5,454,792          | 4,915,595            | 5,578,898           | 5,353,945           | 6,450,793            | 7,091,792            |
| Capital outlay   | 7,032,270            | 11,398,556            | 17,536,137             | 13,993,830          | 13,759,973         | 22,696,280           | 13,175,917          | 44,074,289          | 61,736,561           | 43,593,843           |
| Debt Service   |                      |                       |                        |                     |                    |                      |                     |                     |                      |                      |
| Interest and fiscal charges                                | 13,622,687           | 12,187,477            | 11,420,042             | 10,220,117          | 9,296,468          | 7,436,146            | 5,570,802           | 3,954,070           | 3,517,796            | 3,535,852            |
| Principal  | 16,444,563           | 18,125,510            | 18,546,652             | 19,887,473          | 20,159,733         | 32,516,086           | 49,618,106          | 12,734,637          | 13,112,133           | 16,723,691           |
| <b>Total expenditures</b>                                  | <b>704,928,904</b>   | <b>702,091,623</b>    | <b>701,560,427</b>     | <b>694,745,098</b>  | <b>658,495,295</b> | <b>730,175,420</b>   | <b>762,953,710</b>  | <b>794,923,739</b>  | <b>859,441,887</b>   | <b>871,539,315</b>   |
| Excess of revenues<br>over (under) expenditures            | <u>22,015,175</u>    | <u>(4,135,476)</u>    | <u>(23,934,328)</u>    | <u>5,266,513</u>    | <u>21,309,221</u>  | <u>2,857,230</u>     | <u>(2,197,462)</u>  | <u>23,193,407</u>   | <u>23,130,036</u>    | <u>9,720,314</u>     |
| <b>Other financing sources (uses)</b>                      |                      |                       |                        |                     |                    |                      |                     |                     |                      |                      |
| Capital lease proceeds                                     | 254,451              | 1,005,918             | 1,224,693              | 363,711             | -                  | 370,612              | 394,368             | -                   | 247,658              | 303,918              |
| Transfers in   | 81,047,677           | 84,579,807            | 67,347,196             | 74,906,929          | 66,041,234         | 78,625,650           | 74,412,744          | 83,460,934          | 79,002,346           | 76,260,282           |
| Transfers (out)  | (92,022,031)         | (88,571,434)          | (71,247,366)           | (77,346,060)        | (67,656,660)       | (79,035,846)         | (83,361,274)        | (104,050,890)       | (85,573,189)         | (81,405,320)         |
| Loan proceeds  | -                    | -                     | -                      | -                   | -                  | 8,687,050            | 19,540,000          | 61,662              | -                    | 7,775,000            |
| Sale of capital assets                                     | 501                  | -                     | 18,266                 | 73,981              | 24,200             | 118,679              | 20,005              | -                   | 1,771,897            | 47,318               |
| Payment to refund bond agent                               | -                    | -                     | -                      | -                   | -                  | -                    | -                   | -                   | -                    | -                    |
| <b>Total other financing sources (uses)</b>                | <b>(10,719,402)</b>  | <b>(2,985,709)</b>    | <b>(2,657,211)</b>     | <b>(2,001,439)</b>  | <b>(1,591,226)</b> | <b>8,766,145</b>     | <b>11,005,843</b>   | <b>(20,528,294)</b> | <b>(4,551,288)</b>   | <b>2,981,198</b>     |
| <b>Extraordinary items</b>                                 |                      |                       |                        |                     |                    |                      |                     |                     |                      |                      |
| Amount due to Successor Agency                             | -                    | -                     | -                      | -                   | (19,421,089)       | -                    | -                   | -                   | -                    | -                    |
| <b>Net change in fund balances</b>                         | <b>\$ 11,295,773</b> | <b>\$ (7,121,185)</b> | <b>\$ (26,591,539)</b> | <b>\$ 3,265,074</b> | <b>\$ 296,906</b>  | <b>\$ 11,623,375</b> | <b>\$ 8,808,381</b> | <b>\$ 2,665,113</b> | <b>\$ 18,578,748</b> | <b>\$ 12,701,512</b> |
| Debt service as a percentage of<br>noncapital expenditures | 4.57%                | 4.68%                 | 4.65%                  | 4.82%               | 5.13%              | 5.79%                | 7.42%               | 2.34%               | 2.10%                | 2.10%                |

**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)<br>Total Direct Tax Rate |
|-------------|------------------|-----------------|---------------|------------------|----------------------|------------------------------|
| 2007/2008   | \$42,751,224,126 | \$1,745,534,689 | \$370,786,974 | -\$1,522,013,751 | \$43,345,532,038     | 1.0%                         |
| 2008/2009   | \$39,861,440,733 | \$1,861,399,243 | \$398,040,004 | -\$1,696,421,199 | \$40,424,458,781     | 1.0%                         |
| 2009/2010   | \$36,721,899,745 | \$1,974,607,091 | \$409,095,572 | -\$1,808,453,455 | \$37,297,148,953     | 1.0%                         |
| 2010/2011   | \$35,013,648,694 | \$1,939,997,482 | \$393,961,387 | -\$1,788,699,500 | \$35,558,908,063     | 1.0%                         |
| 2011/2012   | \$33,922,860,970 | \$1,894,647,699 | \$428,218,674 | -\$1,470,636,584 | \$34,775,090,759     | 1.0%                         |
| 2012/2013   | \$33,453,356,537 | \$1,922,433,762 | \$437,990,226 | -\$1,889,181,108 | \$33,924,599,417     | 1.0%                         |
| 2013/2014   | \$35,144,058,624 | \$1,942,053,158 | \$459,071,732 | -\$1,944,954,990 | \$35,600,228,524     | 1.0%                         |
| 2014/2015   | \$38,926,957,292 | \$2,099,919,013 | \$493,095,264 | -\$1,844,694,448 | \$39,675,277,121     | 1.0%                         |
| 2015/2016   | \$41,481,258,519 | \$2,209,060,152 | \$529,533,521 | -\$1,865,008,788 | \$42,354,843,404     | 1.0%                         |
| 2016/2017   | \$43,807,012,877 | \$2,392,355,386 | \$542,400,723 | -\$1,914,281,221 | \$44,827,487,765     | 1.0%                         |

Note: Exemption field includes 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 limited 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              |                 | Allocation Percentages |        |                  |        |         |
|-------------|---------------------------------|-----------------|------------------------|--------|------------------|--------|---------|
|             | Per \$100 of Assessed Valuation |                 | County                 | Cities | (1)              | (2)    | Total   |
| (Low)       | (High)                          | School District |                        |        | Special District |        |         |
| 2007/2008   | 0.9383                          | 1.1683          | 10.84%                 | 6.81%  | 71.25%           | 11.10% | 100.00% |
| 2008/2009   | 0.9233                          | 1.2053          | 10.98%                 | 6.52%  | 71.11%           | 11.39% | 100.00% |
| 2009/2010   | 1.0202                          | 1.2168          | 11.09%                 | 6.37%  | 71.23%           | 11.31% | 100.00% |
| 2010/2011   | 1.0259                          | 1.2440          | 11.07%                 | 6.39%  | 71.57%           | 10.97% | 100.00% |
| 2011/2012   | 1.0246                          | 1.2541          | 11.10%                 | 6.39%  | 71.89%           | 10.62% | 100.00% |
| 2012/2013   | 1.0213                          | 1.2731          | 11.20%                 | 6.32%  | 71.91%           | 10.57% | 100.00% |
| 2013/2014   | 1.0194                          | 1.2707          | 11.23%                 | 6.40%  | 71.84%           | 10.53% | 100.00% |
| 2014/2015   | 1.0160                          | 1.2751          | 10.59%                 | 6.37%  | 72.67%           | 10.37% | 100.00% |
| 2015/2016   | 1.0269                          | 1.2757          | 13.00%                 | 6.37%  | 70.28%           | 10.35% | 100.00% |
| 2016/2017   | 0.9821                          | 1.2820          | 13.00%                 | 6.40%  | 70.10%           | 10.50% | 100.00% |

Note: County is divided into approximately 1,630 Tax Rate Areas, which are unique combinations of various jurisdictions serving a specific geographical area. The above Property Tax Rates, which include levies for general obligation bonds, represent the lowest and highest tax rates levied through the County.

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 rate are shared by all overlapping government entities.

(1) Includes Superintendent of Schools

(2) Includes independent special districts, dependent school districts, redeveloper successor agencies and County Fire Service

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

| Taxpayer                 | Secured Assessed Value  | 2016/2017             |      |   | 2007/2008            |      |                                    |
|--------------------------|-------------------------|-----------------------|------|---|----------------------|------|------------------------------------|
|                          |                         | Property Taxes Billed | Rank | Percentage of Total Property Taxes Billed | Property Taxes       | Rank | Percentage of Total Property Taxes |
| Gallo Winery             | \$ 440,613,920          | \$ 5,002,533          | 1    | 0.8970%                                   | \$ 1,378,021         | 4    | 0.2728%                            |
| Pacific Gas and Electric | 327,477,112             | 4,248,809             | 2    | 0.7618%                                   | 1,608,842            | 3    | 0.3185%                            |
| World International, LLC | 22,040,608              | 3,237,703             | 3    | 0.5805%                                   |                      |      | 0.0000%                            |
| Gallo Glass Co           | 291,025,616             | 3,213,673             | 4    | 0.5762%                                   | 1,682,328            | 2    | 0.3331%                            |
| Doctor's Medical Center  | 228,032,370             | 2,517,888             | 5    | 0.4515%                                   | 1,216,776            | 5    | 0.2409%                            |
| Excel Monte Vista LP     | 138,921,002             | 1,877,170             | 6    | 0.3366%                                   |                      |      | 0.0000%                            |
| Beard Land Imp Co        | 100,970,754             | 1,533,133             | 7    | 0.2749%                                   |                      |      | 0.0000%                            |
| WR Griffin Patterson LLC | 100,198,114             | 1,487,418             | 8    | 0.2667%                                   |                      |      | 0.0000%                            |
| G3 Enterprises Inc       | 124,503,970             | 1,407,566             | 9    | 0.2524%                                   |                      |      | 0.0000%                            |
| Fresno Farming LLC       | 102,771,626             | 1,372,759             | 10   | 0.2461%                                   |                      |      | 0.0000%                            |
| Diablo Grande, LTD       |                         |                       |      | 0.0000%                                   | 2,933,771            | 1    | 0.5808%                            |
| Recot Inc (Frito Lay)    |                         |                       |      | 0.0000%                                   | 1,178,915            | 6    | 0.2334%                            |
| Hershey's Chocolate, Inc |                         |                       |      | 0.0000%                                   | 1,131,569            | 7    | 0.2240%                            |
| Pacific Bell             |                         |                       |      | 0.0000%                                   | 1,077,428            | 8    | 0.0000%                            |
| Del Monte Corp           |                         |                       |      | 0.0000%                                   | 1,071,880            | 9    | 0.2122%                            |
| Foster Dairy Farms       |                         |                       |      | 0.0000%                                   | 1,026,928            | 10   | 0.0000%                            |
| Total                    | <u>\$ 1,876,555,092</u> | <u>\$ 25,898,651</u>  |      | <u>4.6436%</u>                            | <u>\$ 14,306,458</u> |      | <u>2.4157%</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 |
| 2007/2008   | \$ 505,125,278                   | \$ 464,689,972                           | 91.99%          | \$ 34,579,021                   | \$ 499,268,993            | 98.84%          |
| 2008/2009   | \$ 474,286,882                   | \$ 451,524,927                           | 95.20%          | \$ 20,240,772                   | \$ 471,765,699            | 99.47%          |
| 2009/2010   | \$ 446,704,648                   | \$ 430,564,452                           | 96.39%          | \$ 13,413,518                   | \$ 443,977,970            | 99.39%          |
| 2010/2011   | \$ 436,493,485                   | \$ 424,593,296                           | 97.27%          | \$ 9,870,540                    | \$ 434,463,836            | 99.54%          |
| 2011/2012   | \$ 426,313,135                   | \$ 416,034,209                           | 97.59%          | \$ 7,148,528                    | \$ 423,182,737            | 99.27%          |
| 2012/2013   | \$ 427,774,039                   | \$ 417,419,791                           | 97.58%          | \$ 5,516,261                    | \$ 422,936,052            | 98.87%          |
| 2013/2014   | \$ 448,139,124                   | \$ 438,298,281                           | 97.80%          | \$ 4,206,717                    | \$ 442,504,998            | 98.74%          |
| 2014/2015   | \$ 491,947,597                   | \$ 482,999,011                           | 98.18%          | \$ 3,585,493                    | \$ 486,584,504            | 98.91%          |
| 2015/2016   | \$ 526,506,616                   | \$ 515,308,358                           | 97.87%          | \$ 2,657,041                    | \$ 517,965,399            | 98.38%          |
| 2016/2017   | \$ 557,726,852                   | \$ 548,386,591                           | 98.33%          | \$ -                            | \$ 548,386,591            | 98.33%          |

\*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        |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                   | 2008               | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               |
| <b>Governmental activities:</b>   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Certificates of participation     | \$ 97,123,784      | \$ 89,941,864      | \$ 82,497,584      | \$ 74,775,944      | \$ 66,765,000      | \$ 58,242,612      | \$ 15,930,000      | \$ 11,725,000      | \$ 7,275,000       | \$ -               |
| 2012 Lease Refunding              | -                  | -                  | -                  | -                  | -                  | -                  | 6,065,970          | 4,598,695          | 3,127,429          | 1,562,703          |
| 2013 Lease Refunding              | -                  | -                  | -                  | -                  | -                  | -                  | 19,540,000         | 14,765,000         | 9,915,000          | 4,990,000          |
| Plus issuance premium             | 1,413,354          | 1,269,011          | 1,124,669          | 980,326            | 835,983            | 691,641            | 502,193            | 362,046            | 221,899            | -                  |
| 2016 Lease HVAC financing         | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | 7,390,000          |
| Bonds payable                     | 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       | 103,083,611        | 100,733,611        | 99,268,611         | 97,718,611         | 96,118,611         | 91,563,611         | 89,503,611         | 87,448,611         | 85,343,611         | 83,003,611         |
| Accreted interest tobacco note    | 5,979,861          | 9,016,239          | 12,241,056         | 15,674,559         | 19,325,022         | 23,210,698         | 27,339,863         | 31,738,345         | 36,413,839         | 41,385,756         |
|                                   | <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> | <u>142,296,778</u> | <u>138,332,070</u> |
| Risk management liability         | 23,403,422         | 22,469,658         | 25,809,608         | 25,133,348         | 32,058,413         | 31,200,685         | 32,246,341         | 32,391,466         | 34,446,004         | 34,505,953         |
| Capital lease payable             | 394,045            | 1,134,634          | 1,688,007          | 973,618            | 679,780            | 567,439            | 688,802            | 466,373            | 483,456            | 553,410            |
| Compensated absences              | 27,169,321         | 28,956,933         | 29,993,934         | 31,405,686         | 32,091,677         | 30,839,732         | 31,247,389         | 30,758,594         | 30,606,051         | 31,331,685         |
|                                   | <u>50,966,788</u>  | <u>52,561,225</u>  | <u>57,491,549</u>  | <u>57,512,652</u>  | <u>64,829,870</u>  | <u>62,607,856</u>  | <u>64,182,532</u>  | <u>63,616,433</u>  | <u>65,535,511</u>  | <u>66,391,048</u>  |
| Total governmental activities     | <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>214,254,130</u> | <u>207,832,289</u> | <u>204,723,118</u> |
| <b>Business-type activities:</b>  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Certificates of participation     | 721,216            | 553,136            | 377,416            | 194,056            | -                  | -                  | -                  | -                  | -                  | -                  |
| Risk management liability         | 284,000            | 161,000            | 628,000            | 1,048,000          | 781,000            | 648,000            | 648,000            | 213,013            | 186,163            | 47,778             |
| Compensated absences              | 1,356,791          | 1,344,233          | 1,333,857          | 1,527,631          | 1,607,055          | 1,679,835          | 1,414,011          | 1,350,868          | 1,227,972          | 1,165,593          |
| Capital lease payable             | 24,770             | 1,276,404          | 982,022            | 663,281            | 340,820            | -                  | -                  | -                  | -                  | -                  |
| Total business-type activities    | <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>   | <u>1,414,135</u>   | <u>1,213,371</u>   |
| Total primary government          | 337,191,470        | 324,748,688        | 315,530,376        | 300,118,382        | 271,913,361        | 249,679,253        | 225,126,180        | 215,818,011        | 209,246,424        | 205,936,489        |
| Percentage of personal income (1) | 2.11%              | 2.04%              | 1.97%              | 1.80%              | 1.53%              | 1.35%              | 1.16%              | 1.02%              | 0.99%              | 0.97%              |
| Per capita (2)                    | <u>\$ 641</u>      | <u>\$ 617</u>      | <u>\$ 595</u>      | <u>\$ 580</u>      | <u>\$ 520</u>      | <u>\$ 474</u>      | <u>\$ 425</u>      | <u>\$ 401</u>      | <u>\$ 386</u>      | <u>\$ 383</u>      |

**Note:**

(1) FYE 2016 & 2017 were calculated based on FYE 2015 personal income. Personal income was not available for FYE 2016 & 2017 at the time schedule was completed.

|                                |            |            |            |            |            |            |            |            |         |     |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|-----|
| Population                     | 525,903    | 526,383    | 530,584    | 517,685    | 522,651    | 526,546    | 530,327    | 538,388    | 541,560 | N/A |
| Personal income (in thousands) | 15,977,182 | 15,948,738 | 15,980,924 | 16,652,338 | 17,810,902 | 18,528,026 | 19,341,120 | 21,236,783 | N/A     | N/A |
| Per capita income              | \$ 31,485  | \$ 31,248  | \$ 31,006  | \$ 32,115  | \$ 34,138  | \$ 35,259  | \$ 36,356  | \$ 39,445  | 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> |
|--------------------|-----------------------|------------------------------|-------------------|---|--------------------------|---|
| 2007/2008          | \$ 43,345,532,038     | 1.25%                        | \$ 541,819,150    | \$ -                                      | \$ 541,819,150           | 0%  |
| 2008/2009          | \$ 40,424,458,781     | 1.25%                        | \$ 505,305,735    | -   | \$ 505,305,735           | 0%  |
| 2009/2010          | \$ 37,297,148,953     | 1.25%                        | \$ 466,214,362    | -   | \$ 466,214,362           | 0%  |
| 2010/2011          | \$ 35,558,908,063     | 1.25%                        | \$ 444,486,351    | -   | \$ 444,486,351           | 0%  |
| 2011/2012          | \$ 34,775,090,759     | 1.25%                        | \$ 434,688,634    | -   | \$ 434,688,634           | 0%  |
| 2012/2013          | \$ 33,924,599,417     | 1.25%                        | \$ 424,057,493    | -   | \$ 424,057,493           | 0%  |
| 2013/2014          | \$ 35,600,228,524     | 1.25%                        | \$ 445,002,857    | -   | \$ 445,002,857           | 0%  |
| 2014/2015          | \$ 39,675,277,121     | 1.25%                        | \$ 495,940,964    | -   | \$ 495,940,964           | 0%  |
| 2015/2016          | \$ 42,354,843,404     | 1.25%                        | \$ 529,435,543    | -   | \$ 529,435,543           | 0%  |
| 2016/2017          | \$ 44,827,487,765     | 1.25%                        | \$ 560,343,597    | -   | \$ 560,343,597           | 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**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

| Calendar<br>Year | Population<br>(2) | Personal<br>Income<br>(in thousands)<br>(1) | Per Capita<br>Personal<br>Income<br>(1) | School<br>Enrollment<br>(3) | Unemployment<br>Rate<br>(2) |
|------------------|-------------------|---|---|-----------------------------|-----------------------------|
| 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           | \$ 19,341,120                               | \$ 36,356                               | 106,920                     | 7.6%                        |
| 2015             | 538,388           | \$ 21,236,783                               | \$ 29,445                               | 107,653                     | 5.5%                        |
| 2016             | 541,560           | not available                               | not available                           | 109,513                     | 7.5%                        |

Detail of estimated population, as of January 1, 2017:

(2) Incorporated Cities

|                               |         |
|-------------------------------|---------|
| Ceres                         | 47,754  |
| Hughson                       | 7,331   |
| Modesto                       | 215,080 |
| Newman                        | 11,165  |
| Oakdale                       | 22,711  |
| Patterson                     | 22,730  |
| Riverbank                     | 24,610  |
| Turlock                       | 72,879  |
| Waterford                     | 8,906   |
| Total of incorporated         | 433,166 |
| Total of unincorporated areas | 114,891 |
| Total population              | 548,057 |

- 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

**County of Stanislaus  
Principal Employers  
Current Year and Nine Years Ago**

| (1)<br>Employer                  | 2017           |      |   | 2008           |      |   |
|----------------------------------|----------------|------|---|----------------|------|---|
|                                  | Employees      | Rank | Percentage<br>of Total County<br>Employment | Employees      | Rank | Percentage<br>of Total County<br>Employment |
| Stanislaus County                | 3,892          | 1    | 1.71%                                       | 4,891          | 1    | 2.28%                                       |
| Modesto City Schools             | 3,200          | 2    | 1.40%                                       | 3,600          | 2    | 1.68%                                       |
| E & J Gallo Winery               | 3,000          | 3    | 1.32%                                       | 3,300          | 3    | 1.54%                                       |
| Doctors Medical Center           | 2,600          | 4    | 1.14%                                       | 1,960          | 8    | 0.91%                                       |
| Memorial Medical Center          | 2,056          | 5    | 0.90%                                       | 2,832          | 4    | 1.32%                                       |
| Foster Farms                     | 2,000          | 6    | 0.88%                                       |                |      | N/A   |
| Turlock Emergency Medical Svcs   | 2,000          | 6    | 0.88%                                       |                |      | N/A   |
| Save Mart Supermarkets           | 1,661          | 8    | 0.73%                                       |                |      | N/A   |
| Del Monte Foods                  | 1,500          | 9    | 0.66%                                       | 1,850          | 9    | 0.86%                                       |
| Turlock Unified School District  | 1,244          | 10   | 0.55%                                       | 2,202          | 6    | 1.02%                                       |
| Seneca (Signature) Foods         |                |      | N/A   | 2,300          | 5    | 1.07%                                       |
| Ceres Unified School District    |                |      | N/A   | 2,032          | 7    | 0.95%                                       |
| Stanislaus County Food Products  |                |      | N/A   | 1,800          | 10   | 0.84%                                       |
| Total ten largest                | 23,153         |      | 10.15%                                      | 26,767         |      | 11.67%                                      |
| Total all other (2)              | 204,979        |      | 89.85%                                      | 202,554        |      | 88.33%                                      |
| Total companies or organizations | <u>228,132</u> |      | <u>100.00%</u>                              | <u>229,321</u> |      | <u>100.00%</u>                              |

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  |              |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  | 2008         | 2009         | 2010         | 2011         | 2012         | 2013         | 2014         | 2015         | 2016         | 2017         |
| <b>Paid employees (1)</b>                        |              |              |              |              |              |              |              |              |              |              |
| <b>Governmental activities</b>                   |              |              |              |              |              |              |              |              |              |              |
| General government                               | N/A          | 372          | N/A          | 299          | 287          | 284          | 292          | 297          | 304          | 324          |
| Public protection                                | N/A          | 1,615        | N/A          | 1,405        | 1,304        | 1,301        | 1,345        | 1,396        | 1,288        | 1,482        |
| Public ways and facilities                       | N/A          | 118          | N/A          | 105          | 76           | 100          | 99           | 100          | 119          | 94           |
| Health and sanitation                            | N/A          | 781          | N/A          | 717          | 642          | 639          | 653          | 667          | 850          | 732          |
| Public assistance                                | N/A          | 975          | N/A          | 948          | 983          | 992          | 1,025        | 1,074        | 1,125        | 1,133        |
| Education  | N/A          | 170          | N/A          | 137          | 130          | 134          | 139          | 142          | 148          | 158          |
| Recreation                                       | N/A          | 49           | N/A          | 48           | 40           | 43           | 44           | 45           | 48           | 52           |
| <b>Total governmental activities</b>             | <b>N/A</b>   | <b>4,080</b> | <b>N/A</b>   | <b>3,659</b> | <b>3,462</b> | <b>3,493</b> | <b>3,597</b> | <b>3,721</b> | <b>3,882</b> | <b>3,975</b> |
| <b>Business-type activities</b>                  |              |              |              |              |              |              |              |              |              |              |
| Landfill   | N/A          | 19           | N/A          | 17           | 16           | 16           | 17           | 16           | 6            | 16           |
| Health Clinics & Ancillary                       | N/A          | 288          | N/A          | 262          | 249          | 254          | 259          | 261          | 268          | 266          |
| Transit  | N/A          | 4            | N/A          | 4            | 4            | 4            | 3            | 4            | 4            | 4            |
| Inmate Welfare/Commissary                        | N/A          | 13           | N/A          | 0            | 5            | 6            | 5            | 3            | 2            | 3            |
| Behavioral Health                                | N/A          | 0            | N/A          | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>Total business-type activities</b>            | <b>N/A</b>   | <b>324</b>   | <b>N/A</b>   | <b>283</b>   | <b>274</b>   | <b>280</b>   | <b>284</b>   | <b>284</b>   | <b>280</b>   | <b>289</b>   |
| <b>Total Stanislaus County</b>                   | <b>N/A</b>   | <b>4,404</b> | <b>N/A</b>   | <b>3,942</b> | <b>3,736</b> | <b>3,773</b> | <b>3,881</b> | <b>4,005</b> | <b>4,162</b> | <b>4,264</b> |
| <b>Actual full-time equivalent employees (2)</b> |              |              |              |              |              |              |              |              |              |              |
| <b>Governmental activities</b>                   |              |              |              |              |              |              |              |              |              |              |
| General government                               | 352          | 348          | 337          | 270          | 281          | 268          | 272          | 279          | 288          | 289          |
| Public protection                                | 1,486        | 1,464        | 1,418        | 1,224        | 1,215        | 1,208        | 1,235        | 1,399        | 1,426        | 1,317        |
| Public ways and facilities                       | 109          | 110          | 107          | 99           | 73           | 98           | 97           | 99           | 96           | 90           |
| Health and sanitation                            | 644          | 676          | 664          | 568          | 622          | 576          | 547          | 608          | 645          | 586          |
| Public assistance                                | 979          | 951          | 927          | 913          | 962          | 969          | 1,003        | 1,059        | 1,106        | 1,016        |
| Education  | 94           | 88           | 86           | 71           | 70           | 68           | 68           | 102          | 108          | 74           |
| Recreation                                       | 30           | 27           | 23           | 20           | 20           | 20           | 20           | 40           | 44           | 34           |
| <b>Total governmental activities</b>             | <b>3,694</b> | <b>3,664</b> | <b>3,562</b> | <b>3,165</b> | <b>3,243</b> | <b>3,207</b> | <b>3,242</b> | <b>3,586</b> | <b>3,713</b> | <b>3,406</b> |
| <b>Business-type activities</b>                  |              |              |              |              |              |              |              |              |              |              |
| Landfill   | 17           | 17           | 17           | 14           | 13           | 14           | 15           | 16           | 17           | 12           |
| Health Clinics & Ancillary                       | 193          | 229          | 220          | 186          | 185          | 182          | 178          | 226          | 239          | 168          |
| Transit  | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 4            | 4            | 3            |
| Inmate Welfare/Commissary                        | 0            | 0            | 0            | 4            | 5            | 4            | 4            | 4            | 4            | 3            |
| Behavioral Health                                | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>Total business-type activities</b>            | <b>213</b>   | <b>249</b>   | <b>240</b>   | <b>207</b>   | <b>206</b>   | <b>203</b>   | <b>200</b>   | <b>250</b>   | <b>264</b>   | <b>186</b>   |
| <b>Total Stanislaus County</b>                   | <b>3,907</b> | <b>3,913</b> | <b>3,802</b> | <b>3,372</b> | <b>3,449</b> | <b>3,410</b> | <b>3,442</b> | <b>3,836</b> | <b>3,977</b> | <b>3,592</b> |

**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 |             |             |             |             |             |             |           |             |             |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-------------|
|   | 2008        | 2009        | 2010        | 2011        | 2012        | 2013        | 2014        | 2015      | 2016        | 2017        |
| Public safety:                                |             |             |             |             |             |             |             |           |             |             |
| Other:  |             |             |             |             |             |             |             |           |             |             |
| Filed felonies-District Attorney              | 11,391      | 11,055      | 10,405      | 8,447       | 7,363       | 7,464       | 8,022       | 4,399     | 4,235       | 3,631       |
| Filed misdemeanors-District Attorney          | 6,600       | 6,554       | 6,368       | 5,300       | 5,598       | 6,097       | 6,243       | 9,141     | 10,069      | 9,976       |
| Public Defender's total new caseload          | 11,034      | 10,837      | 10,084      | 8,358       | 8,343       | 8,490       | 10,218      | 9,178     | 10,636      | 14,915      |
| Fire emergency responses                      | 42,791      | 42,190      | 38,114      | 37,897      | 41,208      | 42,741      | 44,404      | 46,443    | 51,634      | 53,966      |
| Sheriff:                                      |             |             |             |             |             |             |             |           |             |             |
| Total miles patrolled                         | 1,896,031   | 1,962,891   | 1,944,926   | 1,473,670   | 1,355,504   | 1,446,670   | 1,575,282   | 1,646,848 | 1,572,574   | 891,487     |
| Processed and booked adult offenders          | 23,922      | 22,934      | 21,464      | 18,391      | 18,417      | 20,472      | 21,997      | 19,025    | 18,850      | 18,926      |
| Probation                                     |             |             |             |             |             |             |             |           |             |             |
| Juvenile referrals processed                  | 6,449       | 5,727       | 4,883       | 4,280       | 3,554       | 2,868       | 2,611       | 2,307     | 2,022       | 2,005       |
| Juvenile bookings processed                   | 1,965       | 2,017       | 2,031       | 1,803       | 1,453       | 1,160       | 1,022       | 931       | 909         | 820         |
| Adult and juvenile cases supervised           | 23,799      | 24,390      | 24,216      | 22,627      | 21,663      | 21,173      | 21,166      | 20,646    | 20,902      | 21,668      |
| Health & public assistance                    |             |             |             |             |             |             |             |           |             |             |
| ADMHS clients served                          | 3,209       | 3,216       | 2,017       | 1,845       | 1,661       | 1,857       | 2,037       | 2,243     | 2,315       | 2,457       |
| Established orders for child support          | 1,814       | 3,691       | 4,596       | 2,858       | 2,463       | 1,787       | 1,892       | 1,761     | 1,527       | 1,369       |
| Assistance claims paid to eligible recipients | 143,630     | 155,426     | 164,172     | 174,764     | 170,956     | 217,837     | 218,617     | 207,236   | 209,626     | 195,435     |
| Patient encounters at public health clinics   | N/A         | N/A         | N/A         | 16,979      | 28,009      | 25,427      | 23,562      | 21,555    | 19,221      | 16,216      |
| Community resources & public facilities       |             |             |             |             |             |             |             |           |             |             |
| Building inspections                          | 11,569      | 8,621       | 7,079       | 7,198       | 7,633       | 7,334       | 9,441       | 11,472    | 10,833      | 11,788      |
| Building permits (calendar year)              | 2,448       | 2,032       | 2,313       | 2,138       | 2,134       | 2,452       | 2,811       | N/A       | 3,285       | 3,016       |
| Cost of building permits (calendar year)      | \$1,926,485 | \$1,729,597 | \$1,420,550 | \$1,253,989 | \$1,368,633 | \$1,576,289 | \$1,748,652 | N/A       | \$2,122,923 | \$2,004,964 |
| Enhanced or maintained road lanes (miles)     | 1,545       | 1,527       | 1,546       | 1,524       | 1,521       | 1,513       | 1,513       | 1,511     | 1,511       | 1,511       |
| General government & support services         |             |             |             |             |             |             |             |           |             |             |
| Clerk-Recorder-Assessor                       |             |             |             |             |             |             |             |           |             |             |
| Recorded documents & vital copies issued      | 150,371     | 138,709     | 123,366     | 116,213     | 113,461     | 122,290     | 99,919      | 101,090   | 96,437      | 96,490      |
| Elections                                     |             |             |             |             |             |             |             |           |             |             |
| Registered voters                             | 230,163     | 216,847     | 224,513     | 229,057     | 232,887     | 232,887     | 211,227     | 175,821   | 219,255     | 243,983     |
| Number voting                                 | 162,941     | 58,340      | 71,405      | 122,490     | 156,935     | 156,935     | 55,835      | 39,176    | 97,511      | 177,884     |
| Percent voting                                | 70.79%      | 26.90%      | 31.80%      | 53.48%      | 67.39%      | 67.39%      | 26.43%      | 22.28%    | 44.47%      | 72.91%      |
| Resource recovery                             |             |             |             |             |             |             |             |           |             |             |
| Waste recycled (tons per month)               | 451         | 453         | 556         | 313         | 261         | 245         | 259         | 270       | 404         | 416         |
| Landfill waste disposal (tons per month)      | 192,276     | 238,491     | 169,779     | 160,972     | 159,487     | 266,086     | 184,759     | 185,030   | 267,159     | 282,105     |

**County of Stanislaus**  
**Miscellaneous Statistical Data**  
**June 30, 2017**

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                  | <u>65</u> |

Number of other special districts :

|                       |    |                   |                  |
|-----------------------|----|-------------------|------------------|
| Irrigation            | 5  | Cemetery          | 3                |
| Mosquito Abatement    | 2  | Sanitation        | 2                |
| Resource Conservation | 2  | Reclamation       | 4                |
| Community Services    | 8  | Healthcare & Hosp | 3                |
| Flood Control         | 2  | Drainage          | 1                |
| Fire Protection       | 14 | Water             | <u>6</u>         |
|                       |    | Total             | <u><u>52</u></u> |

