



**COUNTY OF KERN
STATE OF CALIFORNIA**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**For The Fiscal Year Ended
June 30, 2017**

**Mary B. Bedard, CPA
Auditor-Controller-County Clerk**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2017**



COUNTY OF KERN

Supervisor Mick Gleason..... First District
Supervisor Zach Scrivner Second District
Supervisor Mike Maggard Third District
Supervisor David Couch..... Fourth District
Supervisor Leticia Perez Fifth District
Ryan Alsop – County Administrative Officer

Prepared by the Office of Mary B. Bedard, Auditor-Controller-County Clerk

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INTRODUCTORY SECTION

Mary B. Bedard, CPA
Auditor-Controller-County Clerk



December 20, 2017

Honorable Board of Supervisors
County of Kern

Honorable Board Members:

The Comprehensive Annual Financial Report (CAFR) of the County of Kern (County) for the fiscal year ended June 30, 2017 is hereby submitted in compliance with Section 25253 of the Government Code of the State of California and Board of Supervisors' Resolution No. 69-58, dated January 28, 1969. The accompanying financial statements were prepared in accordance with generally accepted accounting principles in the United States of America (GAAP), and audited by a firm of certified public accountants 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.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Brown Armstrong Accountancy Corporation, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2017 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal

requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports will be available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The County of Kern was organized April 2, 1866, from portions of Los Angeles and Tulare Counties, making it the southernmost county of California's San Joaquin Valley, and occupies 8,170 square miles. Kern County is organized as a general law county under California law, and is divided into five supervisorial districts. Approximately 35 percent of the residents live in the unincorporated area. There are eleven incorporated cities located within the County. Bakersfield, the County seat, has approximately 43 percent of the County's total population of 895,112 living within the greater metropolitan area.

Policymaking and legislative authority is vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of the five districts. The Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and appointing the County Administrative Officer and most non-elected department heads. Supervisors are elected to four-year staggered terms, with three supervisors being elected in the presidential election cycle and two supervisors being elected in the gubernatorial election cycle. The County has elected department heads responsible for the offices of the Assessor-Recorder, Auditor-Controller-County Clerk, District Attorney, Sheriff-Coroner-Public Administrator, and Treasurer-Tax Collector.

As depicted on the organizational chart on page 9, the County provides a full range of services in the following areas: general government; public protection; public ways and facilities; health and sanitation; public assistance; education; and culture and recreation. At the beginning of the fiscal year 2016-17, Kern Medical was officially transferred to a stand-alone Hospital Authority. The transfer includes all assets, liabilities and operations of Kern Medical.

The annual budget serves as the foundation for the County's financial planning and control. The County prepares and approves a recommended budget by June 30, and adopts a budget not later than October 2nd each fiscal year in accordance with Government Code Sections 29000-29144. The County adopts budgets for all major funds and certain non-major governmental funds. The Auditor-Controller-County Clerk is responsible for controlling expenditures within budgeted appropriations. Expenditures are controlled at the object level for all budget units within the County. Encumbrance accounting is utilized to ensure effective budgetary control and accountability. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are reported as reservations of fund balance for subsequent year expenditures. Transfers of appropriations between budget units must be approved by the Board of Supervisors. Necessary supplemental appropriations, normally financed by unanticipated revenues during the year, and transfers of appropriations between expenditure object classifications, must also be approved by the Board.

In addition to these controls, the Auditor-Controller's Audit Division performs periodic internal control, compliance, and management audits of County departments. On an annual basis, an audit plan is recommended by the Auditor-Controller and approved by the Board of Supervisors. These audits help to ensure that prescribed procedures are followed while evaluating the adequacy, efficiency, and effectiveness of departmental governance, risk management, and internal controls. A fraud hotline provides County employees and the public with a way to anonymously report perceived fraud, waste or abuse in County government. Allegations reported to the hotline are evaluated by the Auditor-Controller's Audit Division and investigated, as appropriate.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and all budgeted major funds, comparisons are presented as part of the required supplementary information. For non-major governmental funds with appropriated annual budgets, these comparisons are presented in the combining and individual fund statements and schedules subsection of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Long-term financial planning

Long-term financial planning is difficult to accomplish given the recent decline of local assessed value of oil & gas roll, as well as the State experiencing significant financial difficulties from time to time. The County can reasonably expect that the State will continue to balance its budget by requiring local political subdivisions, including the County, to fund certain costs borne by the State. In addition, the County cannot predict the fiscal outcome of future State budget negotiations, the impact that such budgets will have on County finances and operation or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. There can be no assurances that actions taken by the State will not materially adversely affect the financial condition of the County. Current and future State budgets will be affected by national and State economic conditions and other factors, over which the County has no control. Current financial planning for future major outlays is considered on a case-by-case basis by the Board of Supervisors and the County Administrative Office. In the short-term, the County Administrative Office evaluates the necessity for mid-year budgetary adjustments be made for known shortfalls in budgeted revenue.

Since 1998-99, the Board of Supervisors has set aside funds for fiscal stability, in an effort to address on a long-term basis the fluctuations in County discretionary revenue from one fiscal year to the next. The intent is for the County to set aside funds when available to help mitigate significant service reductions in fiscal years where the amount of property tax or other discretionary revenue is estimated to be severely impacted. As the County plans for the upcoming fiscal year budgets, Board mandates on limited hiring and spending are in place to provide for future increase in benefit costs and decline in revenues. For the Fiscal Year 2017-18 budget, General Fund departments that are supported by an allocation of Net County Cost were reduced by 3.5% from the Fiscal Year 2016-17 budget.

Local economy

Kern County is fortunate to be rich in natural resources. It remains the largest oil-producing County in the State of California, producing an estimated 72% of all the State's oil. Although rich in natural resources, the drop in oil prices has reduced the County's discretionary resources for Fiscal Year 2016-17 by 4.3% from Fiscal Year 2015-16. The resulting decrease of discretionary revenue amounted to \$29.4 million less than Fiscal Year 2015-16.

Agriculture continues to remain steady, with the County being the leading producer of agricultural products in the State. The unemployment rate decreased from 10.8% in 2015-16 to 9.5% in 2016-17. The population of the County increased by 0.9% to 895,112. The County's major employers continue to be Grimmway Farms, Edwards Air Force Base, China Lake Naval Weapons Center, and the County of Kern.

Debt administration

The County has instituted a cash management program for its General Fund through the issuance of tax and revenue anticipation notes (TRAN). The TRAN provides cash flows to meet General Fund expenditures during the period prior to collection of property taxes. For the fiscal year 2016-17 the County issued \$160,000,000 in TRANs that matured on June 30, 2017.

In 1995 the County of Kern issued Taxable Pension Obligation Bonds in the amount of \$227,818,439. In 2003, the County issued additional Taxable Pension Obligation Bonds in the amount of \$288,177,067. The courts and the Kern County Employees' Retirement Association were included in the original issuance of these bonds. They are no longer part of the County. In 2008, the County refinanced the 2003B Taxable Pension Obligation Bonds.

As of June 30, 2017, the County had outstanding certificates of participation in a principal amount of \$81,695,000. The proceeds of such certificates of participation are being used for the purchase of equipment, as well as the acquisition, construction and renovation of certain public facilities within the County. In December 2016, the County refinanced the 2009 Certificates of Participation for capital improvement projects.

A summary of the County's certificates of participation (COP) as of June 30, 2017 includes (in thousands):

Description of Issue	Date Issued	Maturity	Principal Outstanding
2011 Refunding COP - Governmental Portion	2011	2019	\$ 1,345
2016 Refunding COP	2016	2034	80,350
		Total	<u>\$ 81,695</u>

Major Initiatives

County Fiscal Plan

The Board of Supervisors approved a Four-Year Fiscal Deficit Mitigation Plan for the County's General and Fire Funds in 2016-17. The past several years have challenged the Board's ability to achieve fiscal sustainability and meet the increasing demand for public services. In addition to a decline in countywide discretionary revenue, the County is facing retirement cost increases and fiscal uncertainty related to economic challenges. In the coming years, the County faces the challenge of continuing to provide quality services to its residents while managing the impacts of revenues that are not expected to increase sufficiently to cover increased costs. The County declared a fiscal emergency in January 2015 as a proactive budgetary measure in preparation for absorbing what, at the time, was a \$50 million loss of property tax revenue as a result of a decline in the assessed value of oil and gas properties caused by the falling market value of oil. The declaration allowed access to the County's General Reserve and provided flexibility to modify staffing for the Fire Department, if necessary. With accompanying actions taken in fiscal year (FY) 2014-15 and again in FY 2015-16 that included mid-year reductions to preserve resources, the General Fund budget was balanced without significant service level impacts to the community. The declaration of fiscal emergency was most recently reaffirmed by the Board on August 29, 2017.

The intention of the Deficit Mitigation Plan is to gradually reduce department budgets over four years, as needed, to resolve structural deficits resulting from significantly lower property tax revenue. Some use of one-time fund balance and reserves is anticipated over this time to phase in the reductions and minimize service level impacts.

Strategic Initiatives

During 2016-17 the County adopted three countywide strategic initiatives. The 2017-18 Budget supports these initiatives as follows:

- **Enhance Quality of Life for Kern County Residents:** Allocates \$793 million towards public protection with minimal service level impacts to ensure strong public safety efficacy. Provides funding for the second year of a Sheriff Deputy Academy and the opening of the new jail facility in FY 2017-18. Funds fully staffing the Fire Department. Continues to provide In Home Support

Services at current levels despite the shift of approximately \$3.4 million from the State to the County. Includes workforce enhancement through adult education partnerships, employment training classes, and job placement and occupational readiness services. Maintains Library services at current hours of operation and allocates funding to Animal Services for the spay/neuter program.

- **Be a Model of Excellence in Managing our Business and People:** Provides for balanced budgets in the General and Fire Funds consistent with the Four-Year Plan to mitigate the structural deficits, avoid layoffs, and maintain service efficacy. Considers labor negotiations that will result in ongoing cost reductions and promotes retention of critical public safety positions. Makes a priority of encouraging countywide promotional opportunities and regular recruitment announcements to "Hire from Within." Includes funding for a comprehensive analysis of fire and EMS services focusing on improving efficiency for service delivery options. Sets aside funding for future retirement cost increases.
- **Fostering a Culture of Innovation:** Allocates funding towards the countywide deployment of Lean Six Sigma training to identify opportunities that achieve greater efficiency; replacement of the County's outdated email system with Office 365; and the modernization of the County's website through a more user-friendly, transparent and social media connected design. Includes the effects of renegotiating contracts with other agencies to ensure appropriate cost reimbursement for services and tax revenue sharing.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Kern for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the twentieth consecutive year that the County of Kern has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I wish to express my appreciation to the staff of the Auditor-Controller-County Clerk's Office whose hard work, professionalism and dedication are responsible for the preparation of this report, and to the firm of Brown Armstrong Accountancy Corporation for their professional assistance. Finally, I would like to thank the Board of Supervisors and the County Administrative Office for their continued efforts in planning and conducting the County's financial operations in a responsible and progressive manner.

Sincerely,



Mary B. Bedard, CPA
Auditor-Controller-County Clerk

**COUNTY OF KERN
DIRECTORY OF COUNTY OFFICIALS**

ELECTED

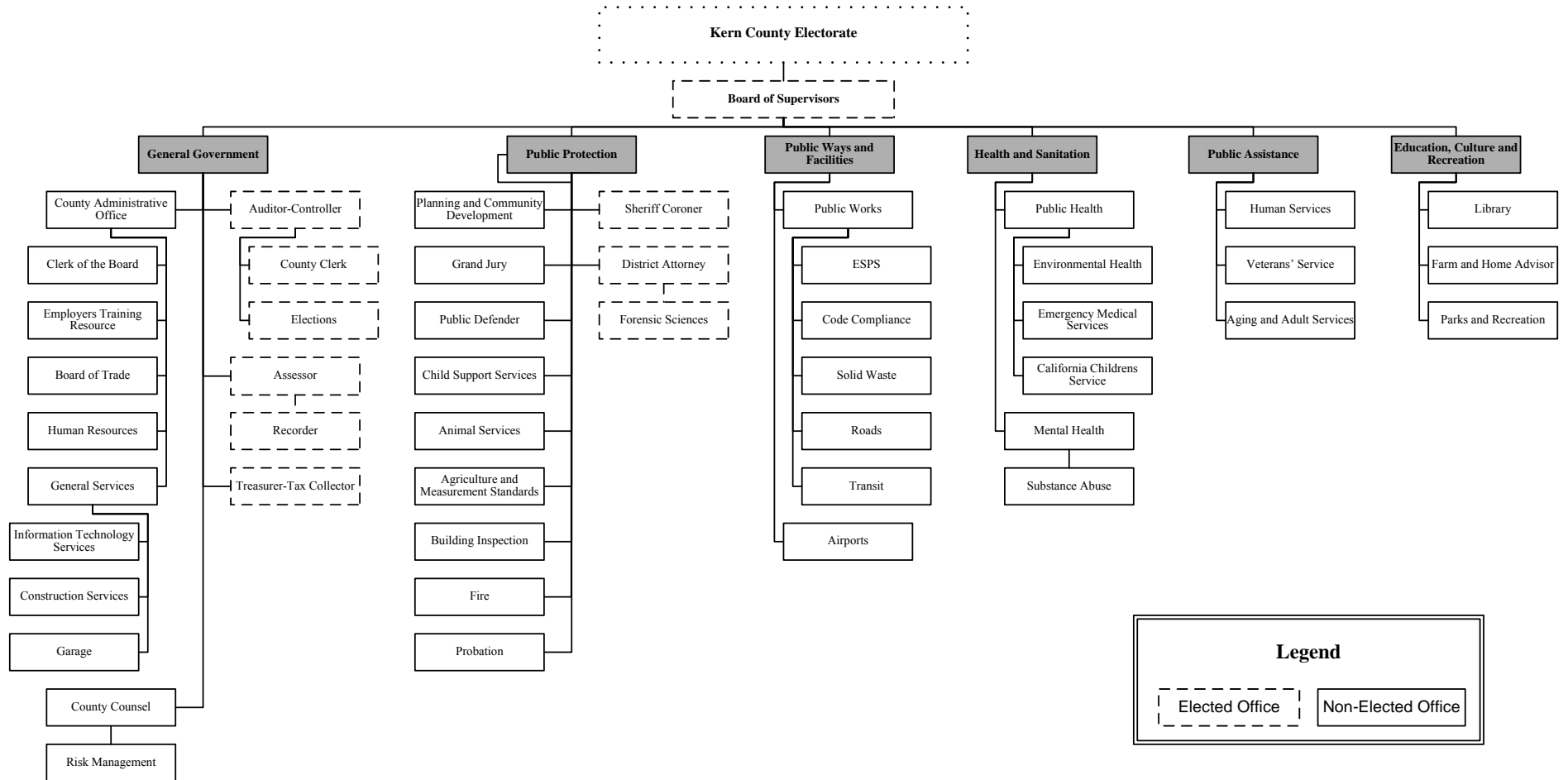
COUNTY SUPERVISOR, FIRST DISTRICT..... MICK GLEASON
COUNTY SUPERVISOR, SECOND DISTRICT ZACH SCRIVNER
COUNTY SUPERVISOR, THIRD DISTRICT MIKE MAGGARD
COUNTY SUPERVISOR, FOURTH DISTRICT DAVID COUCH
COUNTY SUPERVISOR, FIFTH DISTRICT..... LETICIA PEREZ
ASSESSOR-RECORDER..... JON LIFQUIST
AUDITOR-CONTROLLER-COUNTY CLERK MARY B. BEDARD
DISTRICT ATTORNEY LISA GREEN
SHERIFF-CORONER-PUBLIC ADMINISTRATOR DONNY YOUNGBLOOD
TREASURER-TAX COLLECTOR JORDAN KAUFMAN

COUNTY OF KERN
DIRECTORY OF COUNTY OFFICIALS
(CONTINUED)

APPOINTED

AGING AND ADULT SERVICES	LITO MORILLO
AGRICULTURAL COMMISSIONER/SEALER.....	GLENN FANKHAUSER
AIRPORTS.....	RICHARD STRICKLAND
ANIMAL SERVICES.....	NICHOLAS CULLEN
CLERK OF THE BOARD	KATHLEEN KRAUSE
CHILD SUPPORT SERVICES	MARCUS MITCHELL
COMMUNITY AND ECONOMIC DEVELOPMENT	LORELEI OVIATT
COUNTY ADMINISTRATIVE OFFICER.....	RYAN ALSOP
BOARD OF TRADE	
EMPLOYERS' TRAINING RESOURCE	
GENERAL SERVICES	
GROUP HEALTH	
HUMAN RESOURCES	
INFORMATION TECHNOLOGY SERVICES	
RETIREE GROUP HEALTH	
UNEMPLOYMENT	
COUNTY COUNSEL.....	MARK NATIONS
DEVELOPMENT SERVICES AGENCY	LORELEI OVIATT
EMERGENCY MEDICAL SERVICES.....	MATTHEW CONSTANTINE
ENVIRONMENTAL HEALTH	MATTHEW CONSTANTINE
FARM AND HOME ADVISOR.....	BRIAN MARSH
FIRE DEPARTMENT	BRIAN MARSHALL
HUMAN SERVICES	DENA MURPHY
LIBRARY.....	ANDREA APPLE
MENTAL HEALTH.....	BILL WALKER
PLANNING.....	LORELEI OVIATT
PROBATION	T.R. MERICKEL
PUBLIC DEFENDER	PAM SINGH
PUBLIC HEALTH	MATTHEW CONSTANTINE
PUBLIC WORKS	CRAIG POPE
ENGINEERING & SURVEY SERVICES	
ROADS	
WASTE MANAGEMENT	
VETERANS' SERVICES	RICHARD TAYLOR

**Kern County Organization Chart
for Staffed Budget Units – by Function of Primary Budget Unit**





Government Finance Officers Association

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

Presented to

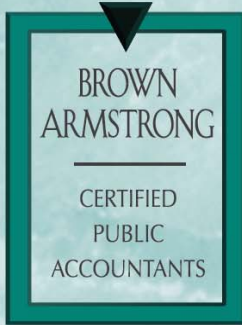
**County of Kern
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO





BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Supervisors
of the County of Kern, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Kern, 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 did not audit the financial statements of the Kern County Hospital Authority (Hospital Authority) (discretely presented component unit) and Tejon Ranch Public Facilities Financing Authority (discretely presented component unit), which represent 90% of the total assets and 97% of the total revenues of the County's discretely presented component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Hospital Authority and Tejon Ranch Public Facilities Authority, are based on the report of those auditors.

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

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

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

BAKERSFIELD OFFICE (MAIN OFFICE)

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EMAIL info@bacpas.com

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7673 N. INGRAM AVENUE
SUITE 101
FRESNO, CA 93711
TEL 559.476.3592
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, the discretely presented component units, 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 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 on pages 15-25; budgetary comparison schedules and related notes for the General Fund and major special revenue funds on pages 92-101; schedules of the County's proportionate share of the net pension liability and schedule of the County's pension contributions on page 102; and schedule of funding progress, actuarial assumptions and methodology for the County's other post-employment benefits plan on pages 103-104, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

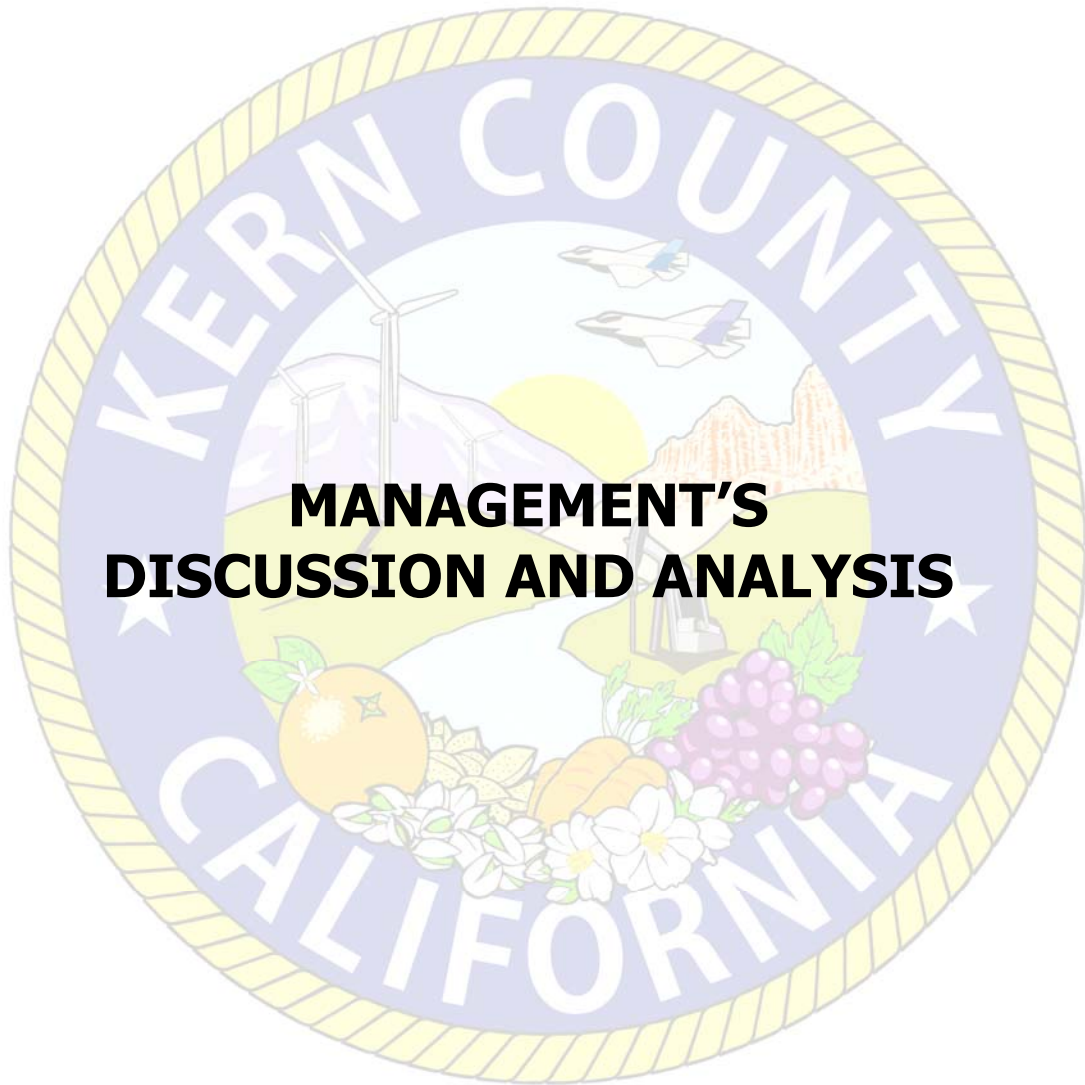
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 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.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 20, 2017



**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

COUNTY OF KERN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
UNAUDITED

The management's discussion and analysis section of the County of Kern's (County) Comprehensive Annual Financial Report (CAFR) presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2017. Users of these financial statements should read this section in conjunction with the transmittal letter at the front of the CAFR and the County's basic financial statements following this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- At June 30, 2017, the County's total net position was \$681,400. Of this total net position, \$2,024,834 is attributed to net investment in capital assets, and \$397,190 is restricted, which may be used for the County's ongoing obligations with external restrictions. (For additional information on Restricted Net Position see Note XVIII. B.) The remaining balance of the total net position is a deficit balance of \$1,740,624, representing the unrestricted net position.
- During the current fiscal year, the County's net position increased by \$420,452. The County's net position increased by \$109,402 for governmental activities and \$311,050 for business-type activities. The significant increase in the business-type activities resulted from the transfer of operations of Kern Medical to a special district. Kern Medical will be reported as a discretely presented component unit of this CAFR.
- At June 30, 2017, the County's governmental funds reported total ending fund balance of \$683,421, an increase of 1.41% compared to prior year's total ending fund balance. Approximately \$658,942 or 96.4% is considered spendable fund balance. See further discussion in the Financial Analysis of the County's Governmental Funds section on page 19.
- At June 30, 2017, the spendable fund balance for the General Fund was \$265,773 or 42.3% of total General Fund expenditures.

Overview of the Basic Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all the County's assets and deferred outflows of resources less liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases and 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 illustrating how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event takes place regardless of when cash is received or paid. Thus, some revenues and expenses are reported in the CAFR for some items that will only result in cash inflows and outflows in future fiscal years.

Both the *Statement of Net Position* and the *Statement of Activities* distinguish between activities that are primarily financed with taxes and intergovernmental revenues (governmental activities) and those that are intended to recover all or a significant portion of their costs through user fees and charges for services (business-type activities). The County's governmental activities include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and culture and recreation. The County's business-type activities include the operation of seven airports, two sanitation districts, public transportation, three golf courses, solid waste disposal, and activities associated with waste pick-up for the more densely populated unincorporated areas of Bakersfield and Taft. Although the Golf Courses, Sanitation Districts, Kern Asset Leasing Corporation, and County Service Areas are legally separate entities, in substance they are part of the County's operations and have been included as part of the County's governmental and business-type activities.

The government-wide financial statements are presented on pages 27 and 28 of the CAFR.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the County as a whole. A fund is a fiscal and accounting entity designated to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. All of the County's funds can be divided into three broad categories:

- Governmental funds
- Proprietary funds
- Fiduciary funds.

Governmental funds are used to account for activities that are similar in nature to the governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on future 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 used in evaluating Kern County's future financing requirements and available resources.

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. This will allow readers to get a better understanding of the long-term impact of the County's future 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.

The County reports eight major individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for each of the major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in the *Combining and Individual Fund Statements and Schedules* section.

The County adopted an annual appropriated budget for all its major governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with this budget and are included in the *Required Supplementary Information* section of the CAFR (debt service funds are not required to be presented in these financial statements). Individual budgetary data for each of the budgeted non-major governmental funds is provided elsewhere in the CAFR.

The basic governmental fund financial statements are presented on pages 30 through 35 of the CAFR.

Proprietary funds are reported in two ways: enterprise funds and internal service funds. Enterprise funds are reported as business-type activities in the government-wide financial statements. The County has the following

enterprise funds: Airports, County Sanitation Districts, Golf Courses, Public Transportation, Waste Management and Universal Collection. Internal service funds are used to accumulate and allocate costs internally among the County's various functions.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds' financial statements provide separate information for Airports, and Waste Management, which are considered to be major funds of the County. For presentation, all other enterprise funds are combined into a single, aggregated column, as well as the internal service funds. Individual fund data for the non-major enterprise funds and the internal service funds is provided in the combining statements of the CAFR.

The County uses the following internal service funds: General Liability, General Services - Garage, Group Health, Public Works, Retiree Group Health, Unemployment Compensation, and Workers' Compensation. Because such functions predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

The proprietary funds basic financial statements are presented on pages 36 through 39 of the CAFR.

Fiduciary funds are used to account for resources held for the benefit of parties outside the County government. Because fiduciary funds are presented separately, they do not appear in the government-wide financial statements. The resources of fiduciary funds are not available to support the County's own programs. Fiduciary funds are accounted for similar to proprietary funds.

The fiduciary fund basic financial statements are presented on pages 40 and 41 of the CAFR.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in both government-wide and fund financial statements.

The notes to the financial statements are presented starting on page 45 of the CAFR.

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At June 30, 2017, the County's total net position was \$681,400. See Table 1 on page 18 for details.

The County's largest portion of total net position is the net investment in capital assets of \$2,024,834. The investment in capital assets includes land, buildings and improvements, roads, flood control channels, machinery and equipment, intangibles and construction in progress, less accumulated depreciation and amortization and any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens, and, as a result, these assets are not available for future spending. Because the investment in capital assets is reported net of related debt, and since the capital assets themselves cannot be used to liquidate the debt liabilities, it should be noted that the resources needed to repay this debt must be provided from other sources.

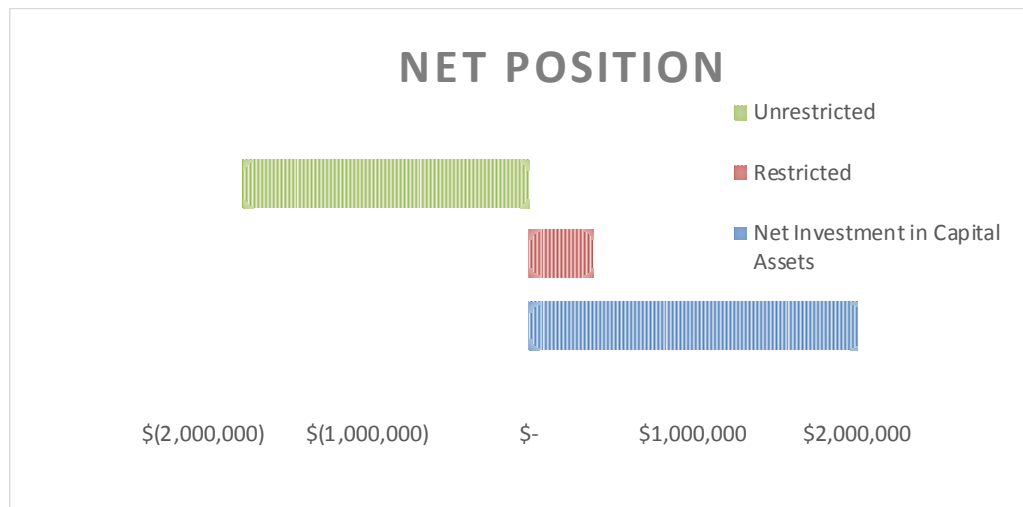
Of the County's total net position, \$397,190 is restricted, which represents external restrictions on how these resources may be used. The major portion of the restricted resources, \$355,598, is reserved for capital projects, public protection, public ways & facilities and health & sanitation. The remaining balance of net position represents the unrestricted resources, which have a deficit balance of \$1,713,301. This deficit balance is primarily due to the inclusion of the debt associated with the Kern County Tobacco Funding Corporation (see Note XIX. C) Certificates of Participation for capital projects, other post-employment benefits, net pension liability and the Pension Obligation Bonds used to pay the unfunded actuarial accrued liability owed to the Kern County Employees' Retirement Association.

At June 30, 2017, the County as a whole and its governmental and business-type activities reported positive balances in "Net Investment in Capital Assets" and "Restricted Net Position." For both governmental and business-

type activities, deficits were reported in unrestricted net position. Per the Governmental Accounting Standards Board's (GASB) directive, the County now reports a governmental activities' unrestricted net position deficit of \$1,713,301, which is primarily due to the recognition of liabilities mentioned in the previous paragraph. The business-type activities reported a deficit in unrestricted resources of \$27,323. The deficit is attributable to the negative unrestricted resources of Waste Management and Airports.

Table 1 - County of Kern's Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Total		Total Change
	2017	2016	2017	2016	2017	2016	
Current and Other Assets	\$ 996,595	\$ 958,156	\$ 94,841	\$ 241,682	\$ 1,091,436	\$ 1,199,838	\$ (108,402)
Capital Assets	1,935,122	1,870,269	189,122	216,586	2,124,244	2,086,855	37,389
Total Assets	2,931,717	2,828,425	283,963	458,268	3,215,680	3,286,693	(71,013)
Total Deferred Outflows of Resources	459,036	282,809	9,005	55,877	468,041	338,686	129,355
Current and Other Liabilities	139,220	231,258	12,121	159,531	151,341	390,789	(239,448)
Long-Term Liabilities	2,585,682	2,370,236	121,331	525,628	2,707,013	2,895,864	(188,851)
Total Liabilities	2,724,902	2,601,494	133,452	685,159	2,858,354	3,286,653	(428,299)
Total Deferred Inflows of Resources	141,140	94,431	2,827	17,319	143,967	111,750	32,217
Net Position							
Net Investment in Capital Assets	1,840,822	1,774,494	184,012	204,567	2,024,834	1,979,061	45,773
Restricted	397,190	381,142	8,567	8,567	397,190	389,709	7,481
Unrestricted	(1,713,301)	(1,740,327)	(27,323)	(401,467)	(1,740,624)	(2,141,794)	401,170
Total Net Position	\$ 524,711	\$ 415,309	\$ 156,689	\$ (188,333)	\$ 681,400	\$ 226,976	\$ 454,424



As shown in Table 2, the County's total net position increased by \$420,452, of which all is attributed to current year activity, including the transfer of operations of Kern Medical.

Table 2 - County of Kern's Changes in Net Position (In Thousands)
 Governmental Business-Type

	Governmental Activities		Business-Type Activities		Total		Total Change
	2017	2016	2017	2016	2017	2016	
Revenues							
Program Revenues							
Charges for Services	\$ 268,880	\$ 253,419	\$ 73,222	\$ 255,235	\$ 342,102	\$ 508,654	\$ (166,552)
Operating Grants & Contributions	814,087	762,670	2,974	135,960	817,061	898,630	(81,569)
Capital Grants & Contributions	87,051	53,269	25,291	5,720	112,342	58,989	53,353
General Revenues							
Property Taxes	248,903	265,638			248,903	265,638	(16,735)
Aircraft Taxes	271	256			271	256	15
Sales & Use Taxes	44,699	45,554			44,699	45,554	(855)
Transient Occupancy Tax	2,403	2,437			2,403	2,437	(34)
Special Assessments	3,265	3,022			3,265	3,022	243
Transfer Tax	3,607	3,888			3,607	3,888	(281)
Other Taxes	1,544	1,444			1,544	1,444	100
Vehicle License Taxes	93,082	96,965			93,082	96,965	(3,883)
Investment Earnings	10,514	29,511	432	1,401	10,946	30,912	(19,966)
Miscellaneous	8,519	9,372			8,519	9,372	(853)
Total Revenues	1,586,825	1,527,445	101,919	398,316	1,688,744	1,925,761	(237,017)
Expenses							
General Government	108,559	86,975			108,559	86,975	21,584
Public Protection	597,476	631,913			597,476	631,913	(34,437)
Public Ways & Facilities	60,666	48,945			60,666	48,945	11,721
Health & Sanitation	206,660	165,023			206,660	165,023	41,637
Public Assistance	466,736	466,599			466,736	466,599	137
Education	8,403	8,874			8,403	8,874	(471)
Culture & Recreation Services	777	11,586			777	11,586	(10,809)
Interest on Short & Long-Term Debt	35,566	46,805			35,566	46,805	(11,239)
Airports			7,320	7,040	7,320	7,040	280
County Sanitation Districts			4,255	4,156	4,255	4,156	99
Golf Courses			217	216	217	216	1
Kern Medical				311,695	-	311,695	(311,695)
Public Transportation			10,621	10,101	10,621	10,101	520
Universal Collection			13,305	13,132	13,305	13,132	173
Waste Management			37,626	32,138	37,626	32,138	5,488
Total Expenses	1,484,843	1,466,720	73,344	378,478	1,558,187	1,845,198	(287,011)
Excess of Revenues Over Expenses Before Transfers	101,982	60,725	28,575	19,838	130,557	80,563	49,994
Transfers	(328)	(33,407)	328	33,407	-	-	-
Special Item - Transfer of Operations	7,748		282,147		289,895		289,895
Increase in Net Position	109,402	27,318	311,050	53,245	420,452	80,563	339,889
Net Position at Beginning of Year*	415,309	387,991	(154,361)	(207,606)	260,948	180,385	80,563
Net Position at End of Year	\$ 524,711	\$ 415,309	\$ 156,689	\$ (154,361)	\$ 681,400	\$ 260,948	\$ 420,452

* As restated. See Note II. A.

Governmental Activities

The Governmental activities increased the County's net position by \$109,402 for the year ended June 30, 2017:

- Total revenues increased by 3.9%; capital and operating grants made up a majority of the increase.
- As an arm of the State government, operating grants and contributions serve multiple programs, representing 68.2% of the County's program revenue for governmental activities, and are tied to the mandated services such as public assistance, public health, and mental health. Funding levels for these revenue sources increased by 6.7% from the prior year.

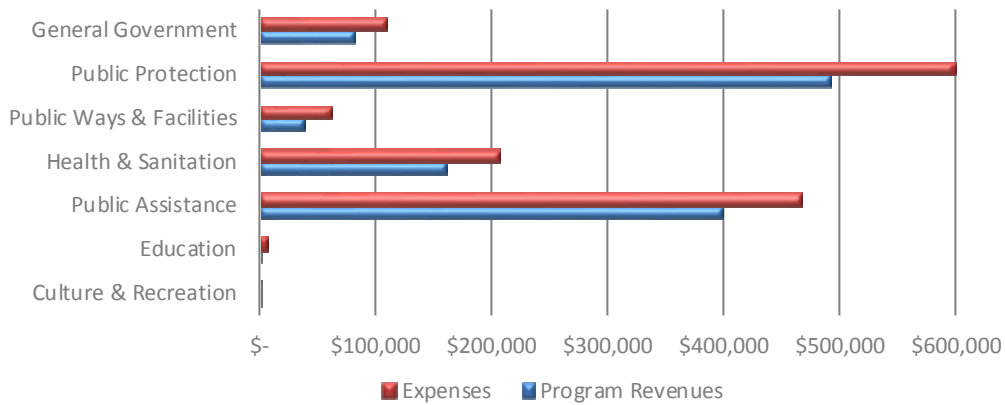
- Taxes and investment earnings that are generated locally provide the Board of Supervisors (Board) with most of its discretionary spending power. They decreased primarily due to the following:

Property Tax revenues decreased by \$16,735 or 6.3% from prior year.

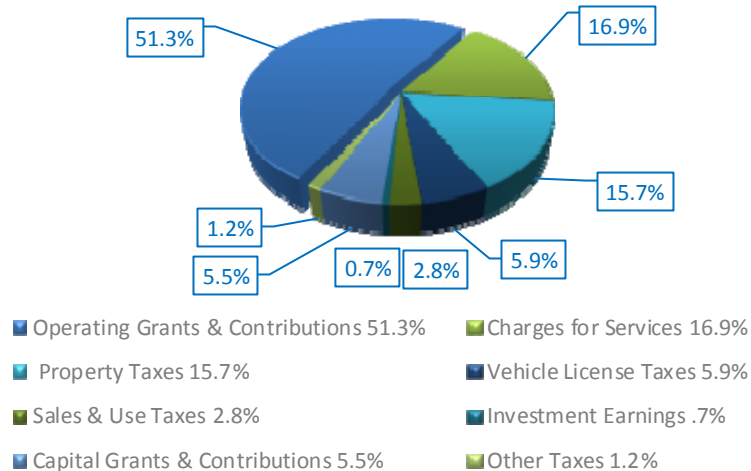
Investment Earnings revenues decreased by \$18,997 or 64.4% from prior year due primarily to change in fair value of investments at year-end.

- Total expenses increased by \$18,123 or 1.2% from prior year due to increases in salaries and benefits. General Government, Public Ways & Facilities, and Health & Sanitation were the functions that had increases. Public Protection had an increase to salaries and benefits, but the overall decrease resulted from capitalized cost.

Program Revenues & Expenses



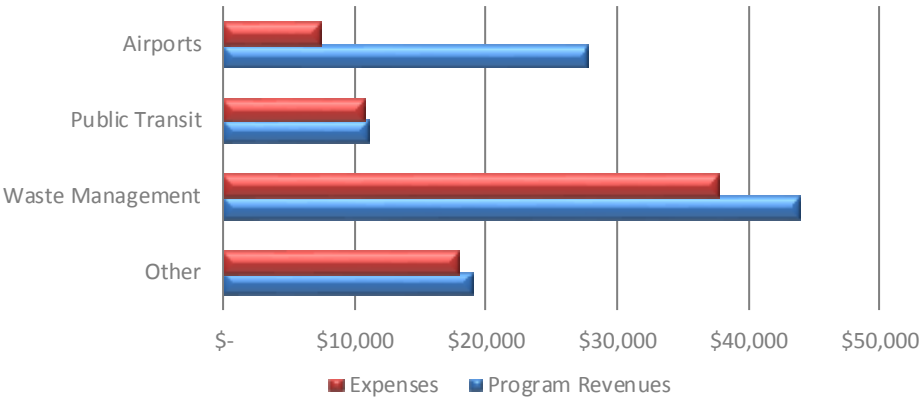
Revenues by Source



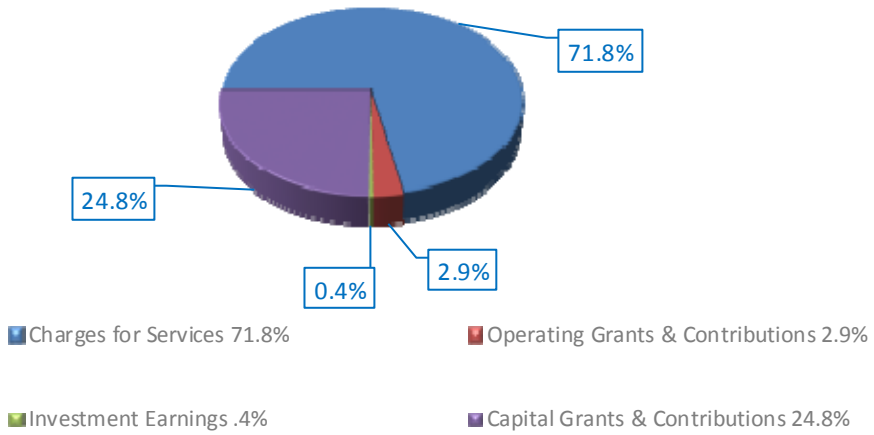
Business-type Activities

Business-type activities’ total net position increased the County’s net position by \$311,050, which was an increase of \$257,805 as compared to the prior year’s increase in net position of \$53,245. Charges for Services and Operating Grants and Contributions decreased by \$314,999 due primarily to the transfer of Kern Medical operations to a special district. Expenses in the government-wide business-type activities increased by \$6,561, attributed to an increase in salaries and benefits and the allocation of internal service fund activity, excluding the transfer of operations of Kern Medical.

Program Revenues & Expenses



Revenues by Source



Financial Analysis of the County's Funds

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

Governmental Funds

The focus of the County's governmental funds is to provide information on future inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

At June 30, 2017, the County's governmental funds reported total fund balances of \$683,421, an increase of 1.4% compared to prior year's total ending fund balance. Approximately \$658,942 or 96.4% of total fund balance is spendable fund balance, which is a useful measure of the County's resources available for spending in subsequent periods. Spendable fund balance is broken out into the following categories: Restricted, Committed, Assigned and Unassigned. These categories identify allowable usage of fund balance. The remaining balance of fund balance is nonspendable. Nonspendable fund balance indicates that it is not available for spending because it is either not in spendable form or legally or contractually required to be maintained intact.

The General Fund is the chief operating fund of the County. At June 30, 2017, spendable fund balance of the General Fund was \$265,773. As a measure of the General Fund's liquidity, it may be helpful to compare both spendable fund balance and total fund balance to total fund expenditures. Spendable fund balance represents 42.3% of total General Fund expenditures, while total fund balance represents 45.8% of total General Fund expenditures.

The other governmental funds' fund balances increased by \$14,244 or 3.6%. The following major governmental funds **increased** in fund balance:

- Behavioral Health & Recovery Services – Fund balance increased by \$15,573 from the prior year due to an increase in charges for services revenues.
- Community Development – Fund balance increased by \$850 from the prior year due to an increase in Aid from Other Governmental Agencies.
- County Local Revenue Fund – Fund balance increased by \$10,914 due to increase in Aid from Other Governmental Agencies.
- Human Services – Fund balance increased by \$7,477 from the prior year due in part to an increase in Aid from Other Governmental Agencies.

The following major governmental funds **decreased** in fund balance:

- Kern County Tobacco Funding Corporation – Fund balance decreased by \$84 from the prior year due to a minimal reduction in activity.
- Roads – Fund balance decreased by \$4,285 from the prior year due to a increase in expenditures.
- Structural Fire – Fund balance decreased by \$3,154 from the prior year due to a decrease in operating transfers.

Proprietary Funds

The proprietary funds provide similar information to the government-wide financial statements, but in more detail. The enterprise funds' total net position increased by \$311,199. The net position of Waste Management increased by \$6,785, similar to prior year's increase. The net position of Kern Medical increased by \$282,147 as a result of the transfer of operations to the Hospital Authority. The net position of Airports increased by \$20,668 primarily due to increased capital contributions and a decrease in operating expenses. Additionally, the combined net position of the non-major enterprise funds increased by \$1,599.

The internal service funds had an increase in net position of \$24,965 due to increases in charges for services and reduction in expense.

General Fund Budgetary Variances

The difference between the General Fund’s original budget and final budget includes appropriations that rolled over from the prior year and increases in supplemental appropriations. The County also adjusted for mid-year identification of any resource short-fall by adjusting appropriations down. The supplemental appropriations increases were from unanticipated revenue sources received throughout the year. All functions came in under budget due to various reasons, with the core reason being departments’ conservative spending and hiring. Dwindling tax revenues, related to a continued drop in oil prices, was the primary cause of the conservative approach. Significant variances are briefly summarized as follows:

- Increase in total General Government appropriations of \$57,783 includes prior year appropriations that consisted of major maintenance and capital projects as well as appropriations transferred from appropriations for contingencies. Also included in that number is reclassification of the Parks department into the General Services department.
- Increase in total Public Protection appropriations of \$6,284 includes prior year appropriations for capital projects and additional appropriations for capital assets.
- Culture and Recreation Services decreased by \$12,153 due to the move of the Parks department to the General Services department.
- Miscellaneous increases in appropriations for normal operations in other budgetary functions of the General Fund.

Significant variances between the General Fund’s final budget and actual on the budgetary basis are as follows:

- Taxes exceeded budget estimates due to greater secured, supplemental and sales tax revenues.
- Aid from Other Governmental Agencies decreased due to a reduction in State aid for welfare and other various programs.
- General Government excess appropriations are the result of capital projects not started.
- Public Protection excess appropriations are the result unspent funds in Probation, Sheriff, and Planning, with small unspent funds in all other Public Protection departments.

Capital Assets and Debt Administration

Capital Assets

The County’s total net capital assets are \$2,124,244 at June 30, 2017. Capital assets include land, land acquisition in progress, construction in progress, works of art, infrastructure, structures and improvements, equipment and intangibles. The County’s capital assets are illustrated in Table 3.

Table 3 – The County’s Gross Capital Assets (In Thousands)

	Governmental Activities		Business - Type Activities		Total		Total
	2017	2016	2017	2016	2017	2016	Change
Land	\$ 27,104	\$ 27,104	\$ 27,447	\$ 27,617	\$ 54,551	\$ 54,721	\$ (170)
Land Acquisition in Progress			97	93	97	93	4
Construction in Progress	129,936	59,738	32,677	10,373	162,613	70,111	92,502
Works of Arts	60	60	198	198	258	258	
Infrastructure	742,711	721,048	51,756	51,360	794,467	772,408	22,059
Structures and Improvements*	461,482	449,446	156,254	237,661	617,736	687,107	(69,371)
Equipment	201,016	197,803	31,452	69,673	232,468	267,476	(35,008)
Intangibles	1,123,503	1,122,266	886	11,639	1,124,389	1,133,905	(9,516)
Total	\$ 2,685,812	\$ 2,577,465	\$ 300,767	\$ 408,614	\$ 2,986,579	\$ 2,986,079	\$ 500

*As restated. See Note II. A.

The major capital assets events during the current fiscal year include the following:

- Major construction in progress includes new jail facility, upgrade to the Lerdo water plant and several roads projects.
- The Roads Department had several infrastructure improvements and additions for the current fiscal year. The total infrastructure additions for Roads was \$23,221.

Additional information regarding the County’s capital assets is reported in Note VII. A of the Notes to the Financial Statements.

Long-Term Debt

At June 30, 2017, the County’s long-term debt is \$2,440,800, which is mainly comprised of Certificates of Participation (COP) (secured by the County’s lease rental payments), net pension liability, and Pension Obligation Bonds. The remaining long-term liabilities include bonds payables, facilities and capital asset leases, a public health facility loan, closure/post closure liabilities, compensated absences, and Other Post-Employment Benefits.

The County has no general obligation debt. The COP and bonds are insured by different companies and have Standard and Poor’s (S&P) ratings of A+ through AA.

Additional information regarding the County’s long-term debt can be found in the Notes to the Financial Statements in Note IX. A of the CAFR.

Table 4 – The County’s Outstanding Debt (In Thousands)

	Governmental Activities		Business - Type Activities		Total		Total
	2017	2016	2017	2016	2017	2016	Change
Compensated Absences	\$ 53,112	\$ 54,327	\$ 1,561	\$ 11,568	\$ 54,673	\$ 65,895	\$ (11,222)
Lease Purchase Agreements	8,400	5,005		2,453	8,400	7,458	942
Certificates of Participation	86,188	86,346		6,339	86,188	92,685	(6,497)
Tobacco - Asset Backed Bonds	92,439	96,326			92,439	96,326	(3,887)
Bonds Payable	11,964	12,660			11,964	12,660	(696)
Loans Payable	4,205	4,568	5,302	6,126	9,507	10,694	(1,187)
Pension Obligation Bonds	213,851	231,266	3,473	34,682	217,324	265,948	(48,624)
Landfill Closure Liability			28,510	27,483	28,510	27,483	1,027
Post Closure Liability			35,563	35,711	35,563	35,711	(148)
Other Post-Employment Benefits	36,519	34,253	701	6,019	37,220	40,272	(3,052)
Net Pension Liability	1,820,886	1,666,213	38,126	342,556	1,859,012	2,008,769	(149,757)
Total	\$ 2,327,564	\$ 2,190,964	\$ 113,236	\$ 472,937	\$ 2,440,800	\$ 2,663,901	\$ (223,101)

Economic Factors and Next Year's Budgets and Rates

The State's budget has improved from prior years, although there is one notable impact to In-Home Supportive Services with the State shifting cost from the terminated Coordinated Care Initiative for 2017 – 2018. The recommended County budget for 2017 – 2018 is \$2.4 billion. The recommended budget for the General Fund for fiscal year 2017 – 2018 was recommended at \$738 million, which is 2.7% less than appropriations adopted last year. The 2.7% decrease is primarily related to the 3.5% Net General Fund Cost reduction. The comparison excludes Budget Savings Incentive (BSI) credits and capital project and major maintenance accounts for the General Fund.

Property tax revenue for the General Fund is projected to increase \$9.6 million or 4% from the prior year, resulting from an estimated increase to the oil and gas property valuation. The property tax revenue loss beginning in FY 2015 – 2016 has led to a budget deficit that must be mitigated in order to produce a balanced budget as required by law. The Board approved a four-year deficit mitigation plan in FY 2016 – 2017 to resolve the structural deficit by FY 2019 – 2020. In the coming years the following factors will have a significant impact on the County budget: Retirement cost, future increase in minimum wage to \$15 per hour, loss of public safety funding (SAFER grant) and State predicted recession sometime during the next five years.

Requests for Information

The CAFR is designed to provide citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the funds it receives. If you have any questions about the CAFR or need additional financial information, contact Mrs. Mary B Bedard, Kern County Auditor-Controller-County Clerk at 1115 Truxtun Avenue, Bakersfield, California 93301, (661) 868-3599 or visit the website at www.kerncounty.com.

If available at the time of issuance, the County will include four discretely presented component units in the government-wide financial statements, First 5 Kern, Tejon Ranch Public Facilities Financing Authority, Hospital Authority, and the Housing Authority of Kern County. The operations of these component units are not considered to be significant in relation to the overall operations of the primary government and have not been included in this Management's Discussion & Analysis. Complete financial statements of the individual component units can be obtained from First 5 Kern located at 2724 L Street, Bakersfield, California 93301; Tejon Ranch Public Facilities Financing Authority (Tejon Ranch PFFA) located at P.O. Box 1000, Lebec, California 93243; Hospital Authority office at 1700 Mount Vernon Avenue, Bakersfield, CA 93306; and the Housing Authority of Kern County located at 601 24th Street, Bakersfield, California 93301.



**BASIC FINANCIAL
STATEMENTS**

Government-Wide Financial Statements

**COUNTY OF KERN
STATEMENT OF NET POSITION
JUNE 30, 2017 (IN THOUSANDS)**

ASSETS	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Totals	
Pooled Cash and Investments	\$ 626,650	\$ 106,385	\$ 733,035	\$ 61,176
Other Cash and Investments				44,501
Revolving Fund Cash	1,478	14	1,492	
Restricted Cash and Investments	47,687		47,687	
Receivables, Net	201,094	13,489	214,583	45,036
Due from Other Agencies	19,212		19,212	
Inventories	2,338		2,338	4,488
Prepaid Expenses				3,545
Housing Loans Receivable	55,502		55,502	
Housing Loans Interest Receivable	13,363		13,363	
Deposits with Others	1,655		1,655	
Internal Balances	27,616	(27,616)		
Investment in Joint Venture		2,569	2,569	
Capital Assets:				
Nondepreciable	1,271,777	60,419	1,332,196	5,424
Depreciable, Net	663,345	128,703	792,048	47,533
Total Assets	2,931,717	283,963	3,215,680	211,703
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	9,632	52	9,684	484
Deferred Pensions	449,404	8,953	458,357	71,753
Total Deferred Outflows of Resources	459,036	9,005	468,041	72,237
LIABILITIES				
Accounts Payable	27,384	9,367	36,751	30,840
Salaries and Employee Benefits Payable	45,563	219	45,782	6,818
Due to Other Agencies	275		275	45,451
Accrued Interest Payable	28,148	522	28,670	5,836
Advances from Grantors and Third Parties	37,850	2,013	39,863	
Long-Term Liabilities:				
Due Within One Year:				
Long-Term Debt	26,187	1,160	27,347	4,873
Capital Leases	2,688		2,688	537
Compensated Absences	34,523	1,171	35,694	11,583
Landfill Closure/Post Closure Costs		3,220	3,220	
Liability for Self-Insurance	25,331		25,331	3,459
Due After One Year:				
Certificates of Participation	82,831		82,831	2,277
Bonds and Notes Payable	295,797	3,162	298,959	104,326
Loans Payable	3,832	4,453	8,285	
Accrued Interest	117,609	1,971	119,580	18,640
Capital Leases	5,712		5,712	1,387
Compensated Absences	18,589	390	18,979	3,858
Liability for Pollution Remediation		6,124	6,124	
Accrued Landfill Closure/Post Closure Costs		60,853	60,853	
Liability for Other Post-Employment Benefits	36,519	701	37,220	4,201
Liability for Self-Insurance	115,178		115,178	10,248
Net Pension Liability	1,820,886	38,126	1,859,012	329,936
Total Liabilities	2,724,902	133,452	2,858,354	584,270
DEFERRED INFLOWS OF RESOURCES				
Deferred Housing Payments	1,009		1,009	
Deferred Pensions	140,131	2,827	142,958	22,239
Total Deferred Outflows of Resources	141,140	2,827	143,967	22,239
NET POSITION				
Net Investment in Capital Assets	1,840,822	184,012	2,024,834	49,707
Restricted (Note XI. B):				
Debt Service	11,522		11,522	913
Capital Assets				5,770
Capital Projects	39,658		39,658	
General Government	4,329		4,329	
Public Protection	114,721		114,721	
Public Ways & Facilities	42,867		42,867	
Health and Sanitation	158,640		158,640	
Public Assistance	23,103		23,103	
Education	471		471	
Culture & Recreation Services	250		250	
Other Purposes	1,629		1,629	9,116
Unrestricted (Deficits)	(1,713,301)	(27,323)	(1,740,624)	(388,075)
Total Net Position	\$ 524,711	\$ 156,689	\$ 681,400	\$ (322,569)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Discretely Presented Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Governmental Activities:								
General Government	\$ 108,559	\$ 65,439	\$ 15,193	\$ 1,841	\$ (26,086)		\$ (26,086)	
Public Protection	597,476	104,186	325,534	61,053	(106,703)		(106,703)	
Public Ways and Facilities	60,666	5,380	16,206	16,714	(22,366)		(22,366)	
Health and Sanitation	206,660	78,007	74,656	7,443	(46,554)		(46,554)	
Public Assistance	466,736	15,326	382,421		(68,989)		(68,989)	
Education	8,403	527	77		(7,799)		(7,799)	
Culture and Recreation Services	777	15			(762)		(762)	
Interest on Short and Long-term Debt	35,566				(35,566)		(35,566)	
Total Governmental Activities	<u>1,484,843</u>	<u>268,880</u>	<u>814,087</u>	<u>87,051</u>	<u>(314,825)</u>		<u>(314,825)</u>	
Business-type Activities:								
Airports	7,320	4,198	565	22,947		20,390	20,390	
County Sanitation Districts	4,255	5,330				1,075	1,075	
Golf Courses	217	190				(27)	(27)	
Kern Medical								
Public Transportation	10,621	7,453	1,228	2,344		404	404	
Universal Collection	13,305	13,341				36	36	
Waste Management	37,626	42,710	1,181			6,265	6,265	
Total Business-type Activities	<u>73,344</u>	<u>73,222</u>	<u>2,974</u>	<u>25,291</u>		<u>28,143</u>	<u>28,143</u>	
Total Primary Government	<u>\$ 1,558,187</u>	<u>\$ 342,102</u>	<u>\$ 817,061</u>	<u>\$ 112,342</u>	<u>(314,825)</u>	<u>28,143</u>	<u>(286,682)</u>	
Discretely Presented Component Units	<u>\$ 366,332</u>	<u>\$ 199,927</u>	<u>\$ 170,404</u>	<u>\$</u>				<u>3,999</u>
General Revenues:								
Taxes:								
Property Taxes					248,903		248,903	
Aircraft Taxes					271		271	
Sales and Use Taxes					44,699		44,699	
Transient Occupancy Tax					2,403		2,403	
Special Assessments					3,265		3,265	5,201
Transfer Taxes					3,607		3,607	
Other Taxes					1,544		1,544	
Property Taxes in Lieu of Motor Vehicle License Fees					93,082		93,082	
Grants and Contributions not Restricted to Specific Programs:								
Unrestricted Investment Earnings					10,514	432	10,946	1,074
Miscellaneous					8,519		8,519	
Special Item - Transfer to Component Unit (Note XX)					7,748	282,147	289,895	(289,895)
Transfers					(328)	328		
Total General Revenues, Special Item, and Transfers					<u>424,227</u>	<u>282,907</u>	<u>707,134</u>	<u>(283,620)</u>
Change in Net Position					109,402	311,050	420,452	(279,621)
Net Position--beginning (as restated, Note II. A)					415,309	(154,361)	260,948	(42,948)
Net Position--ending					<u>\$ 524,711</u>	<u>\$ 156,689</u>	<u>\$ 681,400</u>	<u>\$ (322,569)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



**BASIC FINANCIAL
STATEMENTS**

Fund Financial Statements

**COUNTY OF KERN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

Page 1 of 1

	<u>GENERAL FUND</u>	<u>BEHAVIORAL HEALTH & RECOVERY SERVICES</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>COUNTY LOCAL REVENUE FUND</u>	<u>HUMAN SERVICES</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 226,433	\$ 136,492	\$ 1,443	\$ 25,641	\$ 2,506
Revolving Fund Cash	1,309	1			101
Cash and Investments Deposited with Trustee					
Interest Receivable	1,096	418			33
Taxes Receivable	30,723				
Accounts Receivable	3,035	880			5,932
Accrued Revenue	21,797	27,546	814	16,924	40,314
Due from Other Funds	33,300	4,423			11,455
Due from Other Agencies	12,582	506		3,777	1,554
Advances to Other Funds	5,000				
Housing Loans Receivable			40,558		
Housing Loans Interest Receivable			11,977		
Deposits with Others	136				
Inventory - Materials and Supplies					
Total Assets	<u>335,411</u>	<u>170,266</u>	<u>54,792</u>	<u>46,342</u>	<u>61,895</u>
Deferred Outflows of Resources:					
Tobacco Settlement Revenues					
Total Deferred Outflows of Resources					
Total Assets and Deferred Outflows of Resources	<u>\$ 335,411</u>	<u>\$ 170,266</u>	<u>\$ 54,792</u>	<u>\$ 46,342</u>	<u>\$ 61,895</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 10,320	\$ 6,709	\$ 645	\$	\$ 209
Salaries and Employee Benefits Payable	22,449	3,497			7,422
Due to Other Funds	4,904	1,063	218	18,379	3,503
Due to Other Agencies		184			
Advances from Other Funds					
Advances from Grantors and Third Parties	1,928				35,844
Total Liabilities	<u>39,601</u>	<u>11,453</u>	<u>863</u>	<u>18,379</u>	<u>46,978</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments			52,335		
Tobacco Settlement Revenues					
Unavailable Revenue - Property Taxes	4,049				
Unavailable Revenue - Reimbursements					6,521
Unavailable Revenue - Other	3,618	7,069			
Total Deferred Inflows of Resources	<u>7,667</u>	<u>7,069</u>	<u>52,335</u>		<u>6,521</u>
Fund Balances:					
Nonspendable	22,370	1			101
Restricted	11,915	151,743	1,594	27,963	8,295
Committed	44,488				
Assigned	118,153				
Unassigned	91,217				
Total Fund Balances	<u>288,143</u>	<u>151,744</u>	<u>1,594</u>	<u>27,963</u>	<u>8,396</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 335,411</u>	<u>\$ 170,266</u>	<u>\$ 54,792</u>	<u>\$ 46,342</u>	<u>\$ 61,895</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

KERN COUNTY TOBACCO FUNDING CORP.	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
					ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
\$	\$	\$	\$	\$	Assets:
	34,568	5,288	114,180	546,551	Pooled Cash and Investments
		5	62	1,478	Revolving Fund Cash
9,617			38,070	47,687	Cash and Investments Deposited with Trustee
	90	11	156	1,804	Interest Receivable
		2,455	360	33,538	Taxes Receivable
	126		329	10,302	Accounts Receivable
	76	12,043	32,939	152,453	Accrued Revenue
	299	722	2,881	53,080	Due from Other Funds
			793	19,212	Due from Other Agencies
				5,000	Advances to Other Funds
			14,944	55,502	Housing Loans Receivable
			1,386	13,363	Housing Loans Interest Receivable
				136	Deposits with Others
	876	1,064		1,940	Inventory - Materials and Supplies
					Total Assets
<u>9,617</u>	<u>36,035</u>	<u>21,588</u>	<u>206,100</u>	<u>942,046</u>	
					Deferred Outflows of Resources:
<u>132,611</u>				<u>132,611</u>	Tobacco Settlement Revenues
<u>132,611</u>				<u>132,611</u>	Total Deferred Outflows of Resources
\$ <u>142,228</u>	\$ <u>36,035</u>	\$ <u>21,588</u>	\$ <u>206,100</u>	\$ <u>1,074,657</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$	Liabilities:
	1,023	320	7,700	26,926	Accounts Payable
		8,081	1,855	43,304	Salaries and Employee Benefits Payable
	37	2,081	22,439	52,624	Due to Other Funds
			91	275	Due to Other Agencies
			5,000	5,000	Advances from Other Funds
			78	37,850	Advances from Grantors and Third Parties
	1,060	10,482	37,163	165,979	Total Liabilities
					Deferred Inflows of Resources:
			16,330	68,665	Deferred Housing Loan Payments
132,611				132,611	Tobacco Settlement Revenues
		2,061	334	6,444	Unavailable Revenue - Property Taxes
				6,521	Unavailable Revenue - Reimbursements
			329	11,016	Unavailable Revenue - Other
<u>132,611</u>		<u>2,061</u>	<u>16,993</u>	<u>225,257</u>	Total Deferred Inflows of Resources
	876	1,069	62	24,479	Fund Balances:
9,617	34,099	4,070	122,426	371,722	Nonspendable
		181	26,547	71,216	Restricted
		3,725	2,909	124,787	Committed
				91,217	Assigned
<u>9,617</u>	<u>34,975</u>	<u>9,045</u>	<u>151,944</u>	<u>683,421</u>	Unassigned
					Total Fund Balances
\$ <u>142,228</u>	\$ <u>36,035</u>	\$ <u>21,588</u>	\$ <u>206,100</u>	\$ <u>1,074,657</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017 (IN THOUSANDS)**

Fund Balances - Total Governmental Funds:	\$	683,421	
Capital assets used in governmental activities are not financial resources; therefore, the capital assets are not reported in the governmental funds.			1,929,760
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized when earned in governmental activities.			91,637
Deferred outflows and inflows of resources are reported in the Statement of Net Position, but are not recognized in the governmental funds:			
Deferred charge on refunding	\$	9,632	
Deferred pensions - outflow		448,701	
Deferred pensions - inflow		<u>(139,868)</u>	318,465
Internal service funds are used by management to charge the costs of management of fleet maintenance, employee benefits, personal injury, and retiree health insurance benefits to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.			(29,570)
Accrued interest expense does not require the use of current financial resources; therefore, it is not accrued as a liability in the governmental funds.			(145,436)
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:			
Pension Obligation Bonds	\$	(213,615)	
Bonds Payable		(98,274)	
Certificates of Participation		(81,695)	
Net Unamortized Premium/Discount on Long-term Debt		(10,623)	
Capital Leases		(8,400)	
Loan Payable		(4,205)	
Compensated Absences		(53,049)	
Net Other Post-Employment Benefits Obligation		(36,508)	
Net Pension Liability		<u>(1,817,197)</u>	<u>(2,323,566)</u>
Net Position of Governmental Activities	\$		<u><u>524,711</u></u>

**COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

Page 1 of 1

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES
REVENUES:					
Taxes	\$ 300,809	\$	\$	\$	\$
Licenses, Permits and Franchises	12,343				
Fines, Forfeitures and Penalties	12,786				
Revenues from Use of Money and Property	9,024	621	(7)	(175)	71
Aid from Other Governmental Agencies	144,493	41,226	7,521	194,477	272,205
Charges for Current Services	78,861	61,078			240
Other Revenues	6,149	613	993		2,196
Total Revenues	<u>564,465</u>	<u>103,538</u>	<u>8,507</u>	<u>194,302</u>	<u>274,712</u>
EXPENDITURES:					
Current:					
General Government	126,943				
Public Protection	402,748			2,071	
Public Ways and Facilities					
Health and Sanitation	64,623	136,874			
Public Assistance	13,974		4,219		420,226
Education	7,945				
Culture and Recreation Services					
Capital Outlay	7,338				
Debt Service:					
Principal	683				
Interest	3,818				
Cost of Issuance					
Total Expenditures	<u>628,072</u>	<u>136,874</u>	<u>4,219</u>	<u>2,071</u>	<u>420,226</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(63,607)</u>	<u>(33,336)</u>	<u>4,288</u>	<u>192,231</u>	<u>(145,514)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	167,581	53,606			152,991
Transfers Out	(117,474)	(4,697)	(3,438)	(181,317)	
Refunding Certificates of Participation Issued					
Premium on Issuance					
Payment for Defeasance of Old Debt					
Inceptions of Capital Leases	7,338				
Total Other Financing Sources (Uses)	<u>57,445</u>	<u>48,909</u>	<u>(3,438)</u>	<u>(181,317)</u>	<u>152,991</u>
Net Changes in Fund Balances	(6,162)	15,573	850	10,914	7,477
Fund Balances, July 1, 2016 (as previously reported)	292,774	136,171	744	17,815	537
Prior Period Adjustments	1,531			(766)	382
Fund Balances, June 30, 2017	<u>\$ 288,143</u>	<u>\$ 151,744</u>	<u>\$ 1,594</u>	<u>\$ 27,963</u>	<u>\$ 8,396</u>

KERN COUNTY TOBACCO FUNDING CORP.	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
\$	\$	\$	\$	\$	REVENUES:
	2,702	90,693	3,264	397,468	Taxes
	2,735	835	9,255	25,168	Licenses, Permits and Franchises
		100	8,940	21,826	Fines, Forfeitures and Penalties
353	112	(300)	615	10,314	Revenues from Use of Money and Property
	32,920	4,725	187,880	885,447	Aid from Other Governmental Agencies
	1,325	42,173	20,681	204,358	Charges for Current Services
7,443	71	250	57,839	75,554	Other Revenues
					Total Revenues
7,796	39,865	138,476	288,474	1,620,135	
					EXPENDITURES:
					Current:
7			724	127,674	General Government
		153,582	33,475	591,876	Public Protection
	49,025		2,750	51,775	Public Ways and Facilities
			11,124	212,621	Health and Sanitation
			35,093	473,512	Public Assistance
				7,945	Education
			23	23	Culture and Recreation Services
			67,549	74,887	Capital Outlay
					Debt Service:
3,620			21,986	26,289	Principal
4,253			35,779	43,850	Interest
			2,139	2,139	Cost of Issuance
					Total Expenditures
7,880	49,025	153,582	210,642	1,612,591	
(84)	(9,160)	(15,106)	77,832	7,544	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
	4,875	12,718	33,005	424,776	Transfers In
		(766)	(118,676)	(426,368)	Transfers Out
			80,350	80,350	Refunding Certificates of Participation Issued
			4,512	4,512	Premium on Issuance
			(90,070)	(90,070)	Payment for Defeasance of Old Debt
				7,338	Inceptions of Capital Leases
	4,875	11,952	(90,879)	538	Total Other Financing Sources (Uses)
(84)	(4,285)	(3,154)	(13,047)	8,082	Net Changes in Fund Balances
9,701	39,260	12,199	164,718	673,919	Fund Balances, July 1, 2016 (as previously reported)
			273	1,420	Prior Period Adjustments
\$ 9,617	\$ 34,975	\$ 9,045	\$ 151,944	\$ 683,421	Fund Balances, June 30, 2017

**COUNTY OF KERN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF
ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

Net Changes in Fund Balances - Total Governmental Funds:	\$	8,082
Amounts Reported for Governmental Activities in the Statement of Activities:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense:		
Expenditures for capital assets and other related capital asset adjustments	\$ 110,947	
Less: current year depreciation	(46,918)	
Retirement of capital assets	<u>(4,462)</u>	59,567
Capital contributions of capital assets are not reported on governmental funds but recorded at fair value on the Statement of Net Position.		5,053
Issuance of long-term debt provides current resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:		
Inceptions of capital leases	(7,338)	
Advance Refunding of 2009 Certificates of Participation	(80,350)	
Defeasance of Debt	90,070	
Premium on refunding	<u>(4,512)</u>	(2,130)
Governmental fund revenues that do not provide current financial resources are not reported as revenue in the funds. Revenue in the Statement of Activities is not limited by availability and has been included in the Statement of Activities:		
Change in unavailable property tax revenues	\$ 304	
Change in unavailable reimbursements and other revenues	<u>10,426</u>	10,730
Mitigation of Pollution Remediation		1,250
Repayments of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Principal repayments:		
Pension Obligation Bonds	\$ 17,389	
Certificates of Participation	3,483	
Capital Leases	3,943	
Tobacco - Asset Backed Bonds	3,620	
Bonds Payable	695	
Loans Payable	<u>363</u>	29,493
Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds:		
Change in accrued interest payable	\$ 11,035	
Change in compensated absences	1,215	
Change in Other Post-Employment Benefits obligation	(2,266)	
Change in pension expense	<u>(37,850)</u>	(27,866)
Premiums, discounts, and losses associated with the issuance of long-term debt are included in governmental funds, but deferred and amortized in the Statement of Activities:		
Amortization of bond premiums	\$ 429	
Amortization of losses on refunding	<u>(320)</u>	109
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 within governmental activities.		<u>25,114</u>
Change in Net Position of Governmental Activities	\$	<u><u>109,402</u></u>

**COUNTY OF KERN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL
	AIRPORTS	KERN MEDICAL	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
ASSETS						
Current Assets:						
Pooled Cash and Investments	\$ 547	\$	\$ 89,079	\$ 16,759	\$ 106,385	\$ 80,099
Revolving Fund Cash	1		13		14	
Interest Receivable			274	42	316	238
Accounts Receivable, Net	49		1,681	227	1,957	
Accrued Revenue	5,000		925	1,799	7,724	2,759
Due from Other Funds			240	36	276	247
Inventory - Materials and Supplies						398
Total Current Assets	5,597		92,212	18,863	116,672	83,741
Non-current Assets:						
Taxes Receivable			1,780	1,712	3,492	
Deposits with Others						1,519
Investment in Joint Venture				2,569	2,569	
Capital Assets:						
Non-depreciable:						
Land	10,395		16,383	668	27,446	
Land Acquisition in Progress			97		97	
Works of Art	198				198	
Construction in Progress	30,865		1,730	83	32,678	
Depreciable:						
Structures and Improvements	59,176		80,406	16,672	156,254	
Equipment	2,123		9,561	19,767	31,451	11,938
Intangible			640	246	886	37
Infrastructure	40,807			10,949	51,756	
Accumulated Depreciation and Amortization	(42,684)		(44,279)	(24,681)	(111,644)	(6,613)
Total Non-current Assets	100,880		66,318	27,985	195,183	6,881
Total Assets	106,477		158,530	46,848	311,855	90,622
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amount on Refunding	52				52	
Deferred Pensions	1,113		6,269	1,571	8,953	703
Total Deferred Outflows of Resources	1,165		6,269	1,571	9,005	703
LIABILITIES						
Current Liabilities:						
Accounts Payable	5,536		2,517	1,314	9,367	458
Salaries and Employee Benefits Payable	113			106	219	2,259
Due to Other Funds			16	247	263	716
Current Portion of Long-Term Debt	831		280	49	1,160	27
Interest Payable - Current	149		300	73	522	67
Current Portion of Compensated Absences	151		825	195	1,171	41
Current Portion of Accrued Closure/Post Closure Liability			3,220		3,220	
Current Portion of Liability for Self-Insurance						25,331
Advances from Grantors and Third Parties			184	1,829	2,013	
Total Current Liabilities	6,780		7,342	3,813	17,935	28,899
Non-current Liabilities:						
Loans Payable	4,325		128		4,453	
Compensated Absences Payable	51		275	64	390	22
Long-Term Debt - Self-Insurance						115,178
Long-Term Debt - Pension Obligation Bonds	428		2,234	500	3,162	209
Long-Term - Interest Payable - Pension Obligation Bonds	338		1,318	315	1,971	253
Pollution Remediation Obligation			6,124		6,124	
Accrued Closure Liability			26,279		26,279	
Accrued Post Closure Liability			34,574		34,574	
Other Post-Employment Benefits (OPEB) Obligation	138		436	127	701	11
Net Pension Liability	3,980		29,736	4,410	38,126	3,689
Total Non-current Liabilities	9,260		101,104	5,416	115,780	119,362
Total Liabilities	16,040		108,446	9,229	133,715	148,261
DEFERRED INFLOWS OF RESOURCES						
Deferred Pensions	354		1,992	481	2,827	263
Total Deferred Inflows of Resources	354		1,992	481	2,827	263
NET POSITION						
Net Investment in Capital Assets	95,770		64,538	23,704	184,012	5,362
Restricted:						
Deposits						1,519
Inventory						398
Unrestricted (Deficit)	(4,522)		(10,177)	15,005	306	(64,478)
Total Net Position	\$ 91,248	\$	\$ 54,361	\$ 38,709	\$ 184,318	\$ (57,199)
Cumulative adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.					(27,629)	
Net Position of Business-Type Activities					\$ 156,689	

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES	
	AIRPORTS	KERN MEDICAL	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
OPERATING REVENUES:						
Charges for Current Services	\$ 241	\$	\$ 42,413	\$ 19,579	\$ 62,233	\$ 244,797
Revenues from Use of Property	3,254		25	142	3,421	
Other Operating Revenues	91			37	128	648
Total Operating Revenues	3,586		42,438	19,758	65,782	245,445
OPERATING EXPENSES:						
Salaries and Employee Benefits	2,280			1,964	4,244	52,764
Services and Supplies	1,663		32,136	24,310	58,109	26,927
Claims Incurred						141,091
Other Charges	104		1,765	41	1,910	8,357
Depreciation and Amortization	3,119		3,274	1,881	8,274	911
Total Operating Expenses	7,166		37,175	28,196	72,537	230,050
Operating Income (Loss)	(3,580)		5,263	(8,438)	(6,755)	15,395
NON-OPERATING REVENUES (EXPENSES):						
Taxes and Assessments	602			6,268	6,870	
Fines, Forfeitures and Penalties	1		272	287	560	
Licenses, Permits and Franchises	9			1	10	
Interest on Bank Deposits and Investments	16		353	63	432	200
Aid from Other Governmental Agencies	496		248	1,228	1,972	
Other Revenues	69		933		1,002	362
Interest Expense	(220)		(284)	(55)	(559)	(36)
Loss on Disposal of Capital Assets				(99)	(99)	(132)
Total Non-Operating Revenues, Net	973		1,522	7,693	10,188	394
Income (Loss) before Contributions, Transfers, and Special Item	(2,607)		6,785	(745)	3,433	15,789
Capital Contributions	22,947			2,344	25,291	164
Transfers In	328				328	5,264
Transfers Out						(4,000)
Special Item - Transfer to Component Unit (Note XX)		282,147			282,147	7,748
Changes in Net Position	20,668	282,147	6,785	1,599	311,199	24,965
Net Position, July 1, 2016 (as previously reported)	70,196	(316,119)	44,509	36,668		(82,505)
Prior Period Adjustments	384	33,972	3,067	442		341
Net Position, June 30, 2017	\$ 91,248	\$ 282,147	\$ 54,361	\$ 38,709		\$ (57,199)
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.					(149)	
Change in Net Position - Business-Type Activities					\$ 311,050	

**COUNTY OF KERN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

Page 1 of 2

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES
	AIRPORTS	KERN MEDICAL	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received for Patient/Current Services	\$ 272	\$	\$ 41,725	\$ 19,420	\$ 61,417	\$ 222,562
Cash Received for Use of Property	3,254		34	142	3,430	
Cash Received for Interfund Services Provided						19,034
Cash Received for Other Operations	91			38	129	650
Cash Received on Deposit with Others						259
Cash Paid for Salaries and Benefits	(2,217)			(2,066)	(4,283)	(52,561)
Cash Paid for Services and Supplies	(3,055)		(16,417)	(18,883)	(38,355)	(28,493)
Cash Paid for Reported Claims						(131,477)
Cash Paid for Interfund Services and Supplies	(442)		(15,461)	(5,005)	(20,908)	
Cash Paid for Other Charges	(104)		(738)	(41)	(883)	(8,357)
Net Cash Provided (Used) by Operating Activities	(2,201)		9,143	(6,395)	547	21,617
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:						
Cash Received from Other Funds						5,264
Cash Received for Other Non-Operations	69		874		943	359
Cash Received for Taxes and Special Assessments	602			6,268	6,870	
Cash Received as Fines, Forfeitures, and Penalties	1		273	286	560	
Cash Received for Licenses, Permits & Franchises	9			1	10	
Cash Paid to Other Funds						(4,000)
Transfer of Operations		(33,512)			(33,512)	
Aid from Other Governmental Agencies	942		277	1,911	3,130	
Payment of Long-Term Debt - Pension Obligation Bonds	(43)		(198)	(46)	(287)	(26)
Interest Paid on Pension Obligation Bonds	(21)		(343)	(82)	(446)	(66)
Net Cash Provided(Used) by Non-Capital Financing Activities	1,559	(33,512)	883	8,338	(22,732)	1,531
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from Sale of Capital Assets						80
Capital Contributions	18,012			545	18,557	
Acquisition or Construction of Capital Assets	(17,981)		(4,053)	(2,795)	(24,829)	(1,188)
Principal Paid on Capital Debt	(760)		(2,019)		(2,779)	
Interest Paid on Capital Debt	(234)		(32)		(266)	
Net Cash Used by Capital and Related Financing Activities	(963)		(6,104)	(2,250)	(9,317)	(1,108)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest on Bank Deposits and Investments	16		256	47	319	86
Net Cash Provided by Investing Activities	16		256	47	319	86
Net Increase (Decrease) in Cash and Investments	(1,589)	(33,512)	4,178	(260)	(31,183)	22,126
Cash and Investments, July 1, 2016	2,137	33,512	84,914	17,019	137,582	57,973
Cash and Investments, June 30, 2017	\$ 548	\$	\$ 89,092	\$ 16,759	\$ 106,399	\$ 80,099

**COUNTY OF KERN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

Page 2 of 2

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	AIRPORTS	KERN MEDICAL	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (3,580)	\$	\$ 5,263	\$ (8,438)	\$ 15,395
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	3,119		3,274	1,881	911
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	31		(167)	(223)	(359)
(Increase) Decrease in Inventory					(65)
(Increase) Decrease in Accrued Revenue			(184)	86	(98)
(Increase) Decrease in Taxes Receivable			(20)	11	(9)
(Increase) Decrease in Due from Others			(240)	(36)	(276)
(Increase) Decrease in Deferred Pensions Outflow	(407)		(1,983)	(715)	(3,105)
(Increase) Decrease in Deposits with Others			125		125
(Increase) Decrease in Investment in Joint Venture				(172)	(172)
Increase (Decrease) in Accounts Payable	(1,834)		3	193	(1,638)
Increase (Decrease) in Salaries & Benefits Payable	(4)			15	11
Increase (Decrease) in Due to Others			(193)	219	26
Increase (Decrease) in Deferred Pensions Inflow	126		413	269	808
Increase (Decrease) in Compensated Absences Payable	(21)		(68)	1	(88)
Increase (Decrease) in Provision for Liability Claims					6,277
Increase (Decrease) in Pollution Remediation			13		13
Increase (Decrease) in Closure/Post Closure Liability			879		879
Increase (Decrease) in Other Post-Employment Benefits Obligation	9		2	25	36
Increase (Decrease) in Net Pension Liability	360		2,026	489	2,875
Total Adjustments	1,379		3,880	2,043	7,302
Net Cash Provided (Used) by Operating Activities	\$ (2,201)	\$	\$ 9,143	\$ (6,395)	\$ 21,617
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Borrowing Under Capital Lease	\$	\$	\$	\$	\$
Capital Contributions					164
Total Non-cash Investing, Capital, and Financing Activities	\$	\$	\$	\$	\$ 164

**COUNTY OF KERN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

<u>ASSETS</u>	<u>INVESTMENT TRUST FUND</u>	<u>OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST</u>	<u>AGENCY FUNDS</u>
Cash and Cash Equivalents Held in the Pool	\$ 2,236,686	\$	\$ 289,803
Cash and Cash Equivalents Held in Trust		72,907	
Total Cash and Cash Equivalents	<u>2,236,686</u>	<u>72,907</u>	<u>289,803</u>
Receivables:			
Accounts	1,547		
Taxes			60,527
Interest and Dividends	6,207		678
Due from Other Agencies			9,956
Capital Assets, Net of Accumulated Depreciation	<u>122</u>		
Total Assets	<u>2,244,562</u>	<u>72,907</u>	<u>\$ 360,964</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pensions	<u>647</u>		
Total Deferred Outflows of Resources	<u>647</u>		
 LIABILITIES			
Warrants Payable	44,119		12,283
Accounts Payable	2,926		
Matured Bonds & Interest Payable	1,509		1,167
Due to Other Agencies	92		347,194
Unapportioned Installment Redemptions			320
Net Pension Liability	<u>2,633</u>		
Total Liabilities	<u>51,279</u>		<u>\$ 360,964</u>
 DEFERRED INFLOWS OF RESOURCES			
Deferred Pensions	<u>205</u>		
Total Deferred Inflows of Resources	<u>205</u>		
 NET POSITION			
Net Position Held in Trust for Pool Participants	<u>\$ 2,193,725</u>		
Net Position Held in Trust for OPEB		<u>\$ 72,907</u>	

**COUNTY OF KERN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>INVESTMENT TRUST FUND</u>	<u>OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST</u>
ADDITIONS:		
Contributions	\$ 8,889,151	\$ 10,565
Use of Money and Property	<u>4,692</u>	<u>7,204</u>
Total Additions	<u>8,893,843</u>	<u>17,769</u>
DEDUCTIONS:		
Distributions	8,648,508	8,950
Fiscal Agent Expense	<u> </u>	<u>216</u>
Total Deductions	<u>8,648,508</u>	<u>9,166</u>
Change in Net Position	245,335	8,603
Net Position, July 1, 2016	<u>1,948,390</u>	<u>64,304</u>
Net Position, June 30, 2017	<u>\$ 2,193,725</u>	<u>\$ 72,907</u>

**COUNTY OF KERN
STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2017 (IN THOUSANDS)**

ASSETS	FIRST 5 KERN	KERN COUNTY HOSPITAL AUTHORITY	TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY	Totals
Pooled Cash and Investments	\$ 19,645	\$ 41,531	\$	\$ 61,176
Other Cash and Investments	425	26,701	17,375	44,501
Receivables, Net	1,192	43,844		45,036
Inventories		4,488		4,488
Prepaid Expenses	6	3,539		3,545
Capital Assets:				
Nondepreciable		5,424		5,424
Depreciable, Net	21	47,512		47,533
Total Assets	21,289	173,039	17,375	211,703
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding			484	484
Deferred Pensions		71,753		71,753
Total Deferred Outflows of Resources		71,753	484	72,237
LIABILITIES				
Accounts Payable	2,006	28,808	26	30,840
Salaries and Employee Benefits Payable	22	6,796		6,818
Due to Other Agencies		45,451		45,451
Long-Term Liabilities:				
Due Within One Year:				
Interest Payable		4,510	1,326	5,836
Compensated Absences	93	11,490		11,583
Capital Leases		537		537
Self-Insurance		3,459		3,459
Long-Term Debt		3,708	1,165	4,873
Due After One Year:				
Interest Payable		18,640		18,640
Compensated Absences	28	3,830		3,858
Capital Leases		1,387		1,387
Self-Insurance		10,248		10,248
Certificates of Participation		2,277		2,277
Bonds and Notes Payable		25,767	78,559	104,326
Other Post-Employment Benefits		4,201		4,201
Net Pension Liability		329,936		329,936
Total Liabilities	2,149	501,045	81,076	584,270
DEFERRED INFLOWS OF RESOURCES				
Deferred Pensions		22,239		22,239
Total Deferred Inflows of Resources		22,239		22,239
NET POSITION				
Net Investment in Capital Assets	21	49,686		49,707
Restricted:				
Debt Service		913		913
Capital Assets		5,770		5,770
Other Purposes	9,116			9,116
Unrestricted (Deficits)	10,003	(334,861)	(63,217)	(388,075)
Total Net Position	\$ 19,140	\$ (278,492)	\$ (63,217)	\$ (322,569)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN
STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>FIRST 5 KERN</u>	<u>KERN COUNTY HOSPITAL AUTHORITY</u>	<u>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</u>	<u>Totals</u>
Program (Expenses) Revenues:				
Expenses	\$ (10,178)	\$ (350,102)	\$ (6,052)	\$ (366,332)
Program Revenues:				
Charges for Services		199,927		199,927
Operating Grants and Contributions	<u>9,638</u>	<u>160,766</u>		<u>170,404</u>
Net Program (Expenses) Revenues	<u>(540)</u>	<u>10,591</u>	<u>(6,052)</u>	<u>3,999</u>
General Revenues:				
Special Assessments			5,201	5,201
Unrestricted Investment Earnings	205	812	57	1,074
Special Item - Transfer of Operations		<u>(289,895)</u>		<u>(289,895)</u>
Total General Revenues and Special Item	<u>205</u>	<u>(289,083)</u>	<u>5,258</u>	<u>(283,620)</u>
Change in Net Position	(335)	(278,492)	(794)	(279,621)
Net Position, July 1, 2016	<u>19,475</u>		<u>(62,423)</u>	<u>(42,948)</u>
Net Position, June 30, 2017	<u>\$ 19,140</u>	<u>\$ (278,492)</u>	<u>\$ (63,217)</u>	<u>\$ (322,569)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



**NOTES TO THE FINANCIAL
STATEMENTS**

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The County of Kern (the County) was established April 2, 1866, as a legal subdivision of the State of California (the State) charged with general governmental powers. The County is governed by an elected five-member Board of Supervisors (Board).

As required by accounting principles generally accepted in the United States of America, these financial statements present the County as the primary government and its component units, entities for which the County is considered financially accountable. Although legally separate entities, blended component units are in substance part of the County's operations; therefore, data from these units is combined with data of the County.

B. BLENDED COMPONENT UNITS

Using the criteria of Governmental Accounting Standards Board (GASB) Statements No. 14 and No. 39, as amended by GASB Statements No. 61 & No. 80, management has determined that the following component units should be blended:

County Service Areas (CSAs)

The County's Board serves as the governing body of the CSAs. Among the duties of the Board is to approve the CSAs' budgets, approve parcel fees, and appoint the management. The CSAs' component unit is reported in the governmental activities as a non-major governmental fund.

Sanitation Districts

The County's Board serves as the governing body of the Sanitation Districts. The Board approves the budget and appoints the management of these entities, which are reported as a non-major enterprise fund.

County of Kern Asset Leasing Corporation

Although the County of Kern Asset Leasing Corporation has its own governing body, this component unit provides services exclusively to the County, and is reported as a non-major governmental fund in these financial statements. This nonprofit entity is used to finance capital assets constructed through the Certificates of Participation (COP) Program. Equipment and construction costs related to proprietary funds are recorded within each appropriate enterprise fund, and any cash related to the COP is designated as deposits with trustee. See Note IX. B.

Kern County Tobacco Funding Corporation (the Corporation)

The Corporation is a separate legal nonprofit public benefit corporation created under California Nonprofit Public Benefit Corporation Law. The Corporation was established to purchase tobacco settlement payments allocated to the County from the State, pursuant to the Master Settlement Agreement concluded on November 23, 1998, between the major tobacco companies and 46 states, including California, the District of Columbia, and four U.S. Territories. For additional information regarding the sale by the County to the Corporation of all rights, title, and interest of the County to such monies see Note XIX. C. The Corporation is governed by the Board of Directors consisting of three members appointed by the County's Board.

Kern Public Services Financing Authority

The Kern Public Services Financing Authority was originally established as a Joint Powers Authority with the Kern County Superintendent of Schools in 2003 for the purpose of financing and constructing the Southeast Community Services Center. The County took over the management of the property. The fund was blended due to the Kern Public Services Financing Authority providing services directly to the County and it would be misleading to exclude the fund because of the County's use of the building.

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C. DISCRETELY PRESENTED COMPONENT UNITS

The discretely presented component units column in the County's government-wide statements includes all current audited financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County. For the discretely presented component units whose fiscal year 2016-17 financial data is unavailable at the date of the audit report, the County has chosen to disclose their most recent condensed audited financial statement available in Note XXI. Using the criteria of GASB Statements No. 14 and No. 39, as amended by GASB Statement No. 61 & No. 80, management has determined that the following component units should be discretely presented:

First 5 Kern

First 5 Kern was established under the State's California Children and Families Act. The Board enacted Ordinance G-6565, which created the Kern County Children and Families Trust Fund (Commission), and established the membership and Commission. The Board appoints a majority of the Commission and has the authority to replace all members. The Commission is responsible for allocating funds to local service providers for programs that promote, support and improve the early development of children from prenatal through age five, and promote children's readiness to enter school. Complete financial statements for First 5 Kern may be obtained from the office of First 5 Kern located at 2724 L Street, Bakersfield, California 93301.

Kern County Hospital Authority (Hospital Authority) – Kern Medical

On September 26, 2014, Governor Edmund Gerald Brown approved Assembly Bill No. 2546 – Salas (AB 2546), which gave the Board the authority to establish, by ordinance, the Hospital Authority to manage, administer, and control Kern Medical. On October 6, 2015, the Board enacted Ordinance No. A-356, which added Chapter 2.170 to Title 2 of the Ordinance Code of the County creating the Hospital Authority. The purpose of the Hospital Authority is to provide access to affordable, high-quality health care services and to preserve and strengthen the viability of the health care safety net in the County in order to maintain and improve the health status of the people of the County through an organizational and operational structure that facilitates and improves Kern Medical's ability to function with flexibility, responsiveness, and innovation. On July 1, 2016, the County transferred ownership of Kern Medical and its employees to the Hospital Authority. The Board retained the right to approve certain actions and activities of the Hospital Authority including approving its budget as well as appointing its seven-member governing board. The Hospital Authority is discretely presented because its governing body is not substantially the same as the County's governing body, and it does not provide services exclusively to the County. The Hospital Authority issues a separate financial report that may be obtained from the Kern Medical office at 1700 Mount Vernon Avenue, Bakersfield, CA 93306.

Housing Authority of the County of Kern (Housing Authority)

The Housing Authority was established by the Board under the Housing Authorities Law of the State. The Housing Authority consists of seven members, one member nominated by appointment by each Supervisor and two members are tenants who are nominated by the Housing Authority and appointed by the Board. The Housing Authority is discretely presented due to the fact it provides services to the citizens of the County and not directly related to the County. Also, the Board is able to impose its will on the Housing Authority. The purpose of the Housing Authority is to provide adequate housing for qualified low-income individuals in areas where a shortage of such housing exists. At the time of publication, the current financial statements were not available. The most recent audited financial statements have been included in the condensed format in Note XXI. If you have any questions about the report or need additional financial information, please contact the Housing Authority's Treasurer at 601 24th Street, Bakersfield, California 93301.

Tejon Ranch Public Facilities Financing Authority (Authority)

The Authority, a not-for-profit governmental entity, was established as a Joint Powers Agreement

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between the County and the Tejon-Castaic Water District under Articles 1-4 of Chapter 5, Division 7, and Title 1 of the Government Code of the State. The Authority is administered by a Board of Directors, of which three are appointed by the Board of the County, and two are members of the Tejon-Castaic Water District. The County is able to impose its will upon the Authority; however, the Authority does not provide services to the County, qualifying the Authority to be discretely presented. The Authority was formed to establish Community Facilities Districts, the West District and the East District, and issue special tax bonds on behalf of those Districts. If you have any questions about the report or need additional financial information, please contact the Authority's Treasurer at P.O. Box 1000, Lebec, California 93243.

D. IMPLEMENTATION OF GASB STATEMENTS

New Accounting Pronouncements

Statement No. 77	<i>Tax Abatement Disclosures</i>	The requirements of this Statement are effective for reporting periods beginning after December 15, 2015.
Statement No. 78	<i>Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans</i>	The requirements of this Statement are effective for reporting periods beginning after December 15, 2015.
Statement No. 79	<i>Certain External Investment Pools and Pool Participants</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23–26, and 40, which are effective for reporting periods beginning after December 15, 2015.
Statement No. 80	<i>Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2016.
Statement No. 82	<i>Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

New Accounting Pronouncements Affecting Future Fiscal Years

Statement No. 75	<i>Accounting and Financial Reporting for Postemployment Benefits Other than Pensions</i>	The provisions in GASB Statement No. 75 are effective for fiscal years beginning after June 15, 2017.
Statement No. 81	<i>Irrevocable Split-Interest Agreements</i>	The requirements of this Statement are effective for periods beginning after December 15, 2016.
Statement No. 83	<i>Certain Asset Retirement Obligations</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.
Statement No. 84	<i>Fiduciary Activities</i>	The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.
Statement No. 85	<i>Omnibus 2017</i>	The provisions of this Statement are effective for periods beginning after June 15, 2017.
Statement No. 86	<i>Certain Debt Extinguishment Issues</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.
Statement No. 87	<i>Leases</i>	For reporting periods beginning after December 15, 2019.

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E. BASIS OF PRESENTATION

Government-Wide Financial Statements

Information relating to the primary government is displayed in the Statement of Net Position and Statement of Activities. These statements include information regarding the financial statements, excluding the fiduciary activities. These statements distinguish between governmental activities and business-type activities of the County. Governmental activities are primarily supported by taxes, and business-type activities strongly depend upon fees charged to external parties, each type is presented separately.

In the government-wide financial statements, eliminations have been made to minimize the double counting of internal activities. In the Statement of Net Position, all internal balances have been eliminated, apart from those representing balances between the governmental activities and business-type activities, which are presented as internal balances and eliminated in the total government column. In the Statement of Activities, direct expenses such as services provided and used are not eliminated, but internal service fund activity has been eliminated.

A comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities are presented in the Statement of Activities. Direct expenses are clearly identifiable to a particular function and are specifically associated with a program or function. Indirect expenses are allocated based on the County-wide Cost Allocation Plan, which allocates the cost of central service departments to service user departments. 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 requirement of a particular program. Revenues not classified as program revenues, including all taxes, are presented as general revenue.

When both restricted and unrestricted resources are available, it is County policy to use restricted resources first, and then use the unrestricted resources as they are needed.

Fund Financial Statements

The fund financial statements separately present three fund categories. The three fund categories that are presented are: governmental, proprietary, and fiduciary. The emphasis of presenting these categories is to identify the major governmental and enterprise funds. The major funds are reported separately, and the remaining governmental and enterprise funds are reported aggregately and separately as non-major funds. Proprietary funds' operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. An exchange transaction is where two parties receive and give up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions. Proprietary funds' operating expenses, such as salaries and benefits or services and supplies, result from providing services and producing and delivering goods in relation to the proprietary funds' primary operations. Expenses that are not directly related to the proprietary funds' primary operations are reported as non-operating expenses.

The County reports the following major governmental funds:

The **General Fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are: taxes; licenses, permits and franchises; fines, forfeitures and penalties; use of money and property; aid from other governmental agencies and charges for current services. Primary expenditures are for general government; public protection; health and sanitation; public assistance; education; culture and recreation services; and capital leases.

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Behavioral Health and Recovery Services accounts for developing and maintaining Countywide, client-centered, culturally competent mental health services for people suffering from a mental illness consistent with the provision of the California Mental Health Services Law. This special revenue fund is funded primarily through state and federal aid and mental health patient fees. Additionally, the special revenue fund also receives interest revenue and other miscellaneous revenue.

Community Development accounts for Federal Community Development Block Grants that are used to develop viable urban communities through the provision of decent housing, a suitable living environment, and economic opportunities for low and moderate-income individuals.

Department of Human Services provides for direct financial assistance payments to eligible recipients. Public assistance programs administered by the Human Services Department are mandated by the State through the Welfare and Institution Code, as implementing legislation for the Federal Social Security Act. This special revenue fund is funded primarily through state-aid and also receives interest revenue and other miscellaneous revenue.

Kern County Tobacco Funding Corporation is a nonprofit public benefit corporation established to ensure and otherwise protect against the risk of a substantial decline in tobacco revenues and to assure a source of funding for County programs.

The County has opted to report the following funds as major funds:

County Local Revenue Fund accounts for sales tax revenues from the State's 2011 Realignment of public safety custodial responsibility of non-violent, non-sex, and non-serious offenders to local jails. Also, the State parole function was delegated to the County. In conjunction with the public safety realignment, the State also shifted full financial burden of many social service and mental health programs. The County was responsible for delivery of the social service and mental health programs before realignment but with the shift, the State no longer participates in the share of cost. Proceeds are split between Public Protection, Health and Sanitation, and Public Assistance.

Roads fund accounts for planning, designing, constructing and maintaining public roads, bridges, streets, and traffic control devices in the unincorporated areas of the County, except for State-maintained highways and bridges. This special revenue fund is funded through various revenues including: gas tax, federal and state aid for construction, charges for services, and County contributions.

Structural Fire accounts for fire prevention, protection and suppression services for structures and watershed areas; hazardous material control and incident response; emergency rescue and medical aid; and performance of arson investigations. This special revenue fund is funded primarily through property taxes for fire protection and charges for services. Other miscellaneous revenues include aid from other governments, public protection state sales tax, and licenses and permits.

The County reports the following major business-type funds:

Waste Management accounts for the operation, engineering, planning, and regulatory compliance activities associated with the County's Solid Waste Disposal System.

The County has opted to report the following business-type fund as a major fund:

Airports, headquartered at Meadows Field Airport in Bakersfield, contain the financing requirements for administration, maintenance, and operation of the County's seven airports located in Bakersfield, Buttonwillow, Kern Valley, Lost Hills, Poso, Taft, and Wasco.

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The County reports the following additional fund types:

Internal Service Funds account for services furnished to other County departments and are financed primarily by charges for such services. Internal service funds account for fleet services, public works, and self-insurance programs such as group health, retiree group health, unemployment compensation, workers' compensation, and personal injury and property damage.

Investment Trust Funds are made up of funds for school districts, self-governed special districts, state trial court and other investment trusts. The County schools' operating and debt service funds are grouped under this fund. The County is responsible for numerous self-governed special districts. Cash and investments are administered by the County Treasurer, and the Auditor-Controller-County Clerk makes disbursements upon the request of the responsible district officers.

Other Post-Employment Benefits (OPEB) Trust fund accounts for the County's participation in the Public Agency Retirement Services (PARS). The fund is used to accumulate the resources needed to fund future benefit payments of the County's OPEB plans.

Agency Funds are funds under the control of individual County officers who use them for the deposit of various types of receipts and to accumulate resources for specific purposes. Unapportioned funds are used for recording the collection and distribution of property taxes and interest on bank deposits. Disbursements are made from these funds by warrants issued by the County Auditor-Controller-County Clerk upon the requisition of the responsible officer.

F. BASIS OF ACCOUNTING

The government-wide and proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds are recorded on the accrual basis of accounting and are custodial in nature and do not involve measurement of results of operations. Revenues are recorded when they are earned, and expenditures are recorded when they are incurred, regardless of when the cash was collected. Non-exchange transactions occur when an entity gives or receives value without giving or receiving the same value in return. An example of a non-exchange transaction would be property and sales taxes, grants, entitlements, and donations. On an accrual basis of accounting, property tax revenue is recognized in the fiscal year the taxes are levied. Revenues from donations, entitlements, and grants are recognized in the fiscal year in which all eligible requirements have been fulfilled.

Governmental funds are reported using the current financial resources measurement focus and on the modified accrual basis of accounting. Using this method, revenue is recorded when it is measurable and available. Property and sales taxes are considered available if collected within 60 days after the end of the accounting period. Interest and charges for services are accrued when their receipt occurs within 90 days after the end of the accounting period. The County considers voluntary non-exchange transactions, such as federal and state grants, available if received within 9 months after the end of the accounting period. All revenues must be both measurable and available. Under the modified accrual basis of accounting, expenditures are recorded when a liability is incurred. However, debt service expenditures, expenditures related to claims and judgments, and compensated absences are only recorded when payment is due. In governmental funds, general capital asset acquisitions are reported as expenditures. Proceeds from general long-term debt and capital leases are reported as other financing sources.

GASB Statement No. 34 has eliminated the presentation of account groups, but requires these records to be maintained and incorporated with the Governmental Activities column in the Government-wide Statement of Net Position.

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Internal service funds are used by management to charge the cost of certain activities, such as fleet management and the self-insurance programs. Both the assets and liabilities of the internal service funds are included in Governmental Activities of the Statement of Activities and the Statement of Net Position. The internal service funds' profit or loss is allocated to the function or program that benefits from the internal service funds' activity. The County does this by reviewing the usage and apportioning the cost and profit to the funds responsible.

G. ASSETS, LIABILITIES, AND NET POSITION

Cash and Cash Equivalents

All amounts reported to be cash and cash equivalents represent cash or short-term, highly liquid investments with an original maturity of three months or less.

Investments

In accordance with GASB Statement No. 31, investments in the County Treasurer's pooled investments are reported at fair value. Participating entities that are not part of the County's reporting entity prepare independent financial statements, which may or may not include these changes in fair value. Interest earnings are distributed to all participating funds based on their average daily balance within the pool. The unrealized increase or decrease in the fair value of the investments have been recognized.

Receivables and Payables

Transactions between funds that are representative of lending or borrowing arrangements with outstanding balances at fiscal year-end are referred to as either "loans receivable or loans payable," and "advances to or advances from other funds." An example of a lending arrangement is the current portion of inter-fund loans. An example of a borrowing arrangement is the non-current portion of inter-fund loans. All other outstanding balances between funds are reported as "due to" or "due from" other funds. See Notes VI. A and VI. B for a detailed reconciliation. These internal balances have been eliminated in the government-wide statements.

Property Tax

All jurisdictions within the State derive their taxing authority from the State Constitution and various legislative provisions contained in the California Government Code and Revenue and Taxation Code. Property is assessed at 100% of full cash or market value (with some exceptions) pursuant to Article XIII of the California State Constitution and statutory provisions by the County Assessor and the State Board of Equalization. The total 2016 - 2017 net assessed valuation of the County was \$85,431,551. The property tax levy to support general operations of the various jurisdictions is limited to one percent (1%) of full cash value and is distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are calculated separately and levied each fiscal year. The rates are formally adopted by the Board after approval of city councils or the governing boards of special districts, where applicable. Property taxes are levied on both real and personal property. Secured property taxes are levied on or before the first business day of September of each year, and become a lien on real property on March 1 proceeding the fiscal year for which taxes are levied. These tax payments can be made in two equal installments; the first is due on November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10.

Secured property taxes, which are delinquent if unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, costs, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property may be sold at public auction. The proceeds are used to pay the delinquent amounts due, and any excess is remitted, if claimed, to the taxpayer. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1 and become delinquent if unpaid by August 31. In 1983, the Governor signed Senate Bill (SB) 813, which requires County Assessors to appraise property and

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issue an assessment when new construction is completed or a change in ownership occurs. The supplemental assessment will reflect the change in value for the remainder of the property tax year. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates, but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill.

Inventory - Materials and Supplies

Inventories in the Garage and Public Works Internal Services Funds and the Roads and Structural Fire Special Revenue Funds consist of expendable supplies held for consumption. The inventory is valued at cost using the average cost basis. Reported inventories are categorized as nonspendable fund balance as required by GASB 54 because these amounts are not available to spend. Other materials and supplies are recorded as expenditures upon acquisition.

Capital Assets

Capital assets, which include plant, property, equipment, and infrastructure assets (roads, street lighting, bridges, sidewalks, and similar items), are reported under the governmental or business-type activities in the government-wide financial statements. To be considered a County's capital asset, the capital asset must exceed \$5 for equipment; \$25 for intangibles; \$50 for structures and infrastructures and must have an estimated useful life of at least two years. Intangible assets are amortized based on estimated useful life and will vary by item. All purchased capital assets are valued at cost, where historical records are available, and donated capital assets are valued at their estimated acquisition value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. As projects are constructed, major capital outlays for capital assets and improvements are capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Capital assets are depreciated or amortized using the straight-line method over the estimated useful lives of the assets as follows:

Structures and Improvements	20 - 60 years
Airplanes and Temporary Buildings	25 years
Boats	20 years
Ground Equipment, Furniture, Office Equipment, and Fire Trucks or Engines	15 years
Kitchen Equipment	12 years
Construction, Communication, and Scientific Equipment and Vehicles	5 - 10 years
Computer Equipment	5 - 7 years
Infrastructure (roads, sidewalks, drains, bike paths, other improvements)	5 - 50 years

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statements No. 63 and No. 65, the County recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

Compensated Absences

The County's policy on compensated absences is to permit employees to accumulate earned but unused vacation and sick leave benefits up to a maximum balance detailed in each memorandum of understanding with the individual employee associations. The liability is accrued for the balance of unpaid compensatory time off, sick leave, and vacation earned at year-end. The accumulated benefits will be liquidated as employees elect to use them. All payments of these accumulated benefits will be funded in the year in which they are to be paid.

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Long-Term Obligations

In the government-wide and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate governmental activities or proprietary funds statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

Fund Equity

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned classifications based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

Nonspendable fund balance – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – amounts with constraints placed on the use of the resource are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Board of Supervisors). An ordinance code is used by the Board to commit fund balance.

Assigned fund balance – amounts that are constrained by the County's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent can only be expressed by the Board through the signing and approving of contracts and agreements.

Unassigned fund balance – the residual classification for the County's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, followed by the unrestricted committed, assigned and unassigned resources as they are needed. The County does not have a fund balance policy that would dictate the level of financial resources required to be in the funds at year-end. The County also does not have a formal fiscal stabilization policy.

H. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of certain assets and deferred outflows of resources, liabilities and deferred inflows of resources, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**COUNTY OF KERN
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II. RESTATEMENTS OF NET POSITION

A. RESTATEMENT OF EQUITY

The County's beginning fund balance and net position have been restated to reflect the cumulative effect of prior year adjustments. A summary of the restatements as of June 30, 2017 is as follows:

Fund Balances – Governmental Funds	
Fund Balances – Governmental Funds at June 30, 2016, as previously reported	\$ 673,919
Prior Period Adjustments:	
Correction to realignment transfers - General Fund	1,531
Correction to realignment transfers - County Local Revenue Fund	(766)
Correction to realignment transfers - Human Services	382
Correction to revenue accrual - Aging & Adult Services	148
Correction to realignment transfers - IHSS Public Authority	125
Fund Balances – Governmental Activities at June 30, 2016, as restated	<u>\$ 675,339</u>
Net Position – Proprietary Funds	
Net Position – Proprietary Funds at June 30, 2016, as previously reported	\$ (164,746)
Prior Period Adjustments:	
Change in GASB 68 allocation - Airports	384
Change in GASB 68 allocation - Kern Medical	33,972
Change in GASB 68 allocation - Waste Management	3,067
Change in GASB 68 allocation - County Sanitation Districts	365
Change in GASB 68 allocation - Public Transportation	33
Correction to Long-Term Interest Payable - County Sanitation Districts	44
Net Position – Proprietary Funds at June 30, 2016, as restated	<u>\$ (126,881)</u>
Net Position – Internal Service Fund Activities	
Net Position – Internal Service Funds at June 30, 2016, as previously reported	\$ (82,505)
Prior Period Adjustments:	
Change in GASB 68 allocation - Garage	376
Correction to Long-Term Interest Payable - Garage	(35)
Net Position – Internal Service Funds at June 30, 2016, as restated	<u>\$ (82,164)</u>
Net Position – Governmental Activities - Government-Wide	
Net Position – Governmental Activities at June 30, 2016, as previously reported	\$ 443,494
Prior Period Adjustments:	
Change in GASB 68 allocation - Governmental Funds	(38,460)
To record Housing Loan Receivables not previously recorded	4,817
Correction to Capital Assets	3,697
Net change in Governmental Activities noted above	1,420
Change in Internal Service Fund Activities noted above	341
Net Position – Governmental Activities at June 30, 2016, as restated	<u>\$ 415,309</u>
Net Position – Business-type Activities - Government-Wide	
Net Position – Business-type Activities at June 30, 2016, as previously reported	\$ (192,226)
Prior Period Adjustments:	
Net change from Business-type Activities noted above	37,865
Net Position – Business-type Activities at June 30, 2016, as restated	<u>\$ (154,361)</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. DEFICIT NET POSITION

The following funds have a deficit net position as of June 30, 2017:

Proprietary Funds		
General Liability	\$	(34,613)
Workers' Compensation		(62,705)
	\$	<u>(97,318)</u>

General Liability and Workers' Compensation negative net position represents liabilities incurred as a result of self-insurance.

IV. CASH AND INVESTMENTS

A. DEPOSITS

Cash and Deposits

As provided for by the California Government Code, the cash balances for all funds are pooled and invested by the County's Treasurer for the purpose of increasing interest earnings through investment activities. The respective funds' shares of the total pooled cash and investments are included in the accompanying balance sheet for governmental funds and statement of net position for proprietary funds under the caption "Pooled Cash and Investments." In accordance with Section 53652 of the California Government Code, a financial institution is required to secure deposits in excess of \$100 made by the State and local governmental units by pledging securities held in the form of an undivided collateral investment pool. The fair value of the pledged securities in the collateral investment pool must equal 110% of the total amount deposited by the public agencies. The collateral must be held at the pledging bank's trust department or another bank, acting as the pledging bank's agent, in the County's name. Interest earned on pooled investments is deposited to the participating funds based upon each fund's average daily deposit balance during the allocation period with all remaining interest deposited to the General Fund. Bank deposits are reported at cost as of the end of the reporting period.

B. CASH AND INVESTMENTS DEPOSITED WITH TRUSTEE

At June 30, 2017, the balance for Cash and Investments Deposited with Trustee consists of the following:

Cash	\$	385
Commercial Paper		9,331
Money Market Account		759
Governmental Agency Bond/Notes		<u>37,212</u>
Total Cash and Investments Deposited with Trustee	\$	<u>47,687</u>

Of the \$47,687 total cash and investments deposited with the trustee, \$673 relates to the construction debt refinancing and equipment acquisition funds from Certificates of Participation held by the trustee for the Kern Asset Leasing Corporation and are reported in the Kern Asset Leasing Corporation Debt Service Fund. \$36,274 is in the Tobacco Securitization Proceeds Fund to be utilized for capital projects. \$9,617 is with the Corporation being held in trust for debt service reserves. \$901 resides in the Kern Public Services Financing Authority reserved for debt service. The remaining \$221 is in the Pension Obligation Bond Trustee Debt Service Fund used to service debt payments related to the County's Pension Obligation Bonds. The funds are currently held by Wells Fargo Bank and U.S. Bank.

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C. INVESTMENTS

Interest Rate Risk

In accordance with Kern County's Investment Policy, the government manages its exposure to declines in fair values by limiting the effective duration of the pool to no more than one and a half years.

Credit Risk, Concentration and Rating

Statutes authorize the County to invest in obligations of the United States Treasury, Federal agencies, municipalities, bankers acceptances, certificates of deposit, and commercial paper rated either A-1 by Standard & Poor's Corporation (S&P), P-1 by Moody's Commercial Paper Record (Moody's), or F-1 by Fitch Ratings (Fitch) (securities must be rated by at least two of the three; excluding Federal agencies).

The County of Kern Investment Pool (the Pool) is subject to regulatory oversight by the Treasury Oversight Committee, as required by California Government Code Section 27143. The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2017, to support the value of the shares in the Pool. Management believes that the investments in the Pool are of high quality and that the risk of participation in the Pool is negligible. The Pool will not invest more than 6% of its assets in the Eligible Securities of a single institution, other than U.S. government and agency securities.

Investment	Rating		Weighted Average Maturity
	Moody's	Standard & Poor's (S&P)	
Commercial Paper	P-1	NR, A-1	0.20
Negotiable Certificates of Deposit	P-1	A-1	0.37
U.S. Treasury Securities	Aaa	AA	2.75
Corporate Notes	A, Aa, Aaa	BBB, A, AA, AAA	1.80
Federal Agencies	NR, AAA	NR, AA	2.32
Supranational	Aaa	AAA	3.00
Portfolio Weighted Average Maturity			<u>1.57</u>

Custodial Credit Risk – Deposits

The County's deposits are collateralized, and two methods of protection are used. The first method is that the bank is required by state law to collateralize the deposits to the extent of 110%. Collateral securities are held in custody by the State Treasurer's office. The second method of protection is that the bank must carry umbrella insurance to protect against theft or negligence on the part of the bank.

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Pool will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in that of the County's total bank balance, \$250 is insured by the Federal Depository Insurance Corporation. The remaining amount on deposit, \$72,972, is collateralized with securities held by the pledging financial institution's agent.

Custodial Credit Risk – Investments

The County minimizes its exposure by purchasing securities with the highest credit rating from Moody's, S&P, and Fitch and by limiting the exposure to any one issuer as required by state law. Certain agencies outside of the County reporting entity participate in the Pool. The participation of these agencies is externally mandated. The participants reported under the Investment Trust Fund are schools, special districts, and special assessments. The County Pool does not issue separate financial statements. Participants may withdraw up to the amortized cost of their respective share. As of July 1, 1997, the County implemented GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. In accordance with this statement, the fair value of the County's combined pool is determined

**COUNTY OF KERN
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annually and is based on current market prices received from the securities custodian, except for governmental securities and bankers acceptances, which are carried at amortized cost plus accrued interest.

GASB 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 GASB Statement No. 79.

The Pool participates in the Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). The LAIF and CAMP operate and report to participants on an amortized cost basis. For both the LAIF and CAMP, the income, gains, and losses, net of administration fees, are allocated based upon the participant's average daily balance. The fair value of the LAIF and CAMP investment pools are approximately equal to the value of the pool shares.

The Local Investment Advisory Board has oversight responsibility for LAIF. The Local Investment Advisory Board consists of five members designated by state statute. The County's investment in the LAIF is \$48,408.

The CAMP is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services directed by a seven-member Board of Trustees. The County's investment in the CAMP is \$131,693.

A summary of the investments held in the Pool is as follows:

Investment	Fair Value	Principal	Maturity Range
State Treasury's Pool (LAIF)	\$ 48,408	\$ 48,533	On Demand
California Asset Management Program (CAMP)	131,693	131,827	On Demand
Money Market Account	512	514	On Demand
Commercial Paper	353,361	353,302	07/03/2017-12/06/2017
Negotiable Certificates of Deposit	473,717	475,000	07/07/2017-06/19/2018
U.S. Treasury Securities	69,416	69,316	04/30/2018-10/31/2021
Corporate Notes	703,176	715,868	08/01/2017-05/25/2022
Federal Agencies	1,372,303	1,382,754	08/28/2017-05/03/2022
Supranational	94,313	95,170	01/16/2019-09/28/2021
Total Investments	<u>\$ 3,246,899</u>	<u>\$ 3,272,284</u>	
Cash on Hand	110		
Cash in Banks	73,222		
Total Cash and Investments	<u><u>\$ 3,320,231</u></u>		

First 5 Kern and the Hospital Authority, discretely presented component units, have elected not to record the County's fair value allocation resulting in an additional \$469 reported in pooled cash and investments on the Government-Wide Statement of Net Position in the Discretely Presented Component Unit column.

The following represents a condensed statement of net position and changes in net position for the Pool as of June 30, 2017:

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Statement of Net Position:	
Total Assets Held for Pool Participants	\$ 3,320,231
Less: Warrants Payable	56,402
Pool Equity, Net	<u>\$ 3,263,829</u>
Equity of Internal Pool Participants	\$ 1,070,104
Equity of External Pool Participants (Voluntary & Involuntary)	2,193,725
Total Equity	<u>\$ 3,263,829</u>
Statement of Changes in Net Position:	
Net Position at July 1, 2016	\$ 2,951,401
Net Changes in Investments by Pool Participants	312,428
Net Position at June 30, 2017	<u>\$ 3,263,829</u>

D. DEPOSITS WITH OTHERS

The County has total deposits with others of \$1,655. The General Fund has deposited \$136 with the City of Bakersfield for the construction of an overpass on Bakersfield Union Avenue pursuant to a joint agency agreement between the County, the City of Bakersfield, and the Greater Bakersfield Separation of Grade District. The remaining balance of \$1,519 represents deposits by the Group Health Internal Service Fund with its designated claim administrators. This amount has been determined by claim administrators to be representative of one month's billings.

E. FAIR VALUE MEASUREMENTS

The Pool categorizes its fair value measurement within the fair value hierarchy established by GASB Statement No. 72. The Pool has the following recurring fair value measurements as of June 30, 2017:

	6/30/2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by Fair Value Level</u>				
Debt Securities				
Commercial Paper	\$ 353,361	\$	\$ 353,361	\$
Corporate Notes	703,176		703,176	
Federal Agencies	1,372,303		1,372,303	
Money Market Account	512		512	
Negotiable Certificates of Deposit	473,717		473,717	
Supranational	94,313		94,313	
U.S. Treasury Securities	69,416		69,416	
Total Investments by Fair Value Level	<u>3,066,798</u>	<u>\$</u>	<u>\$ 3,066,798</u>	<u>\$</u>
Investments Measured at Amortized Cost				
State Treasury's Pool (LAIF)	48,408			
California Asset Management Program (CAMP)	131,693			
Total Investments Measured at Amortized Cost	<u>180,101</u>			
Total Investments Measured at Fair Value	<u>\$ 3,246,899</u>			

Debt Securities are classified as Level 2 of the fair value hierarchy due to use of evaluated pricing by the trustee used by the Pool. The trustee of the Pool has chosen this alternative pricing technique, and based on their definition of an "active market," has elected to categorize only equity securities as Level 1.

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V. RECEIVABLES

A. RECEIVABLES

The County's net receivables for the year ended June 30, 2017 for the individual major funds, non-major funds, and internal service funds are as follows:

Governmental Activities:	Interest	Taxes	Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 1,096	\$ 30,723	\$ 3,825	\$ 21,797	\$ (790)	\$ 56,651
Behavior Health & Recovery Services	418		880	27,546		28,844
Community Development				814		814
County Local Revenue Fund				16,924		16,924
Human Services	33		5,932	40,314		46,279
Roads	90		296	76	(170)	292
Structural Fire	11	2,455		12,043		14,509
Other Non-major Governmental Funds	156	360	329	32,939		33,784
Internal Service Funds	238			2,759		2,997
Total Governmental Activities	\$ 2,042	\$ 33,538	\$ 11,262	\$ 155,212	\$ (960)	\$ 201,094

The receivables category classified as "Other" is composed of receivables from the State and other sources. The total amount of taxes receivable not expected to be collected within one-year totals \$6,444. Of this amount, \$4,049 is recorded in the General Fund, \$2,061 in the Structural Fire Fund and \$334 in the CSAs Non-Major Governmental Fund – Special Revenue Fund.

The County's net receivables for the year ended June 30, 2017 for the enterprise funds are as follows:

Business-type Activities:	Interest	Taxes	Accounts	Other	Allowance for Uncollectibles	Net Receivables
Airports	\$	\$	\$ 50	\$ 5,000	\$ (1)	\$ 5,049
Waste Management	274	1,780	1,684	925	(3)	4,660
Non-major Enterprise Funds	42	1,712	227	1,799		3,780
Total Business-type Activities	\$ 316	\$ 3,492	\$ 1,961	\$ 7,724	\$ (4)	\$ 13,489

Housing Loans Receivable and Housing Loans Interest Receivable

A total of \$55,502 was recorded as housing loans receivable and a total of \$13,363 was recorded as housing loans interest receivable at June 30, 2017. These represent low or no interest mortgage notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects, as well as homebuyer assistance for low income families, as part of the County's affordable housing program with loan terms ranging from 15 to 55 years. Loans, with a total balance of \$1,009 contain a forgiveness clause and more than likely will not be repaid back to the County. The County's primary sources of funding for these loans come from grants from the federal HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) programs. The HOME and CDBG grants contain monitoring requirements, reflected in the loan agreements, to ensure grant compliance. Due to the terms of the loans, offsetting deferred inflows of resources of \$68,665 have been established in the Governmental Funds Balance Sheet for the housing loan principal and interest payments. Additionally, offsetting deferred inflows of resources of \$1,009 have been established in the Statement of Net Position for the principal and interest balance of loans with a forgiveness clause.

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VI. INTERFUND TRANSACTIONS

A. DUE FROM/TO OTHER FUNDS

Due From and Due To Other Funds amounts will be repaid in the following fiscal year. Due From and Due To Other Funds at June 30, 2017 are as follows:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Behavioral Health & Recovery Services	\$ 1,063	Expenditure Reimbursement
	Community Development	218	Expenditure Reimbursement
	County Local Revenue Fund	4,634	Realignment
	Human Services	3,500	Cash Flow
	Roads	37	Expenditure Reimbursement
	Structural Fire	2,081	Cash Flow
	Waste Management	8	Expenditure Reimbursement
	Non-major Governmental Funds	21,703	Expenditure Reimbursement, Prop 172 Revenue, Cash Flow
	Internal Service Funds	<u>56</u>	Expenditure Adjustment
		33,300	
Behavioral Health & Recovery Services	County Local Revenue Fund	4,423	Realignment
Human Services	General Fund	3,215	Realignment
	County Local Revenue Fund	<u>8,240</u>	Realignment
		11,455	
Roads	Waste Management	8	Services Provided
	Internal Service Funds	<u>291</u>	Expenditure Adjustment
		299	
Structural Fire	Non-major Governmental Funds	722	Prop 172 Revenue
Waste Management	Internal Service Funds	240	Expenditure Adjustment
Non-major Governmental Funds	General Fund	1,689	Realignment
	County Local Revenue Fund	1,082	Realignment
	Human Services	3	Expenditure Reimbursement
	Internal Service Funds	<u>107</u>	Expenditure Adjustment
		2,881	
Non-major Enterprise Funds	Non-major Governmental Funds	14	Services Provided
	Internal Service Funds	<u>22</u>	Expenditure Adjustment
		36	
Internal Service Funds	Non-major Enterprise Funds	247	Services Provided
Total		<u>\$ 53,603</u>	

B. ADVANCES TO/FROM OTHER FUNDS

Advances To and From Other Funds at June 30, 2017 are as follows:

<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Non-major Governmental Funds	\$ 5,000	To cover cash flow

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C. TRANSFERS

Transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them. Transfers also include debt service payments required to be paid out of debt service funds. Other transfers include unrestricted amounts in the General Fund transferred to finance various programs accounted for in other funds as per the budgetary authorizations. Transfers out/in for the year ended June 30, 2017 are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Airports	\$ 328
	Behavioral Health & Recovery Services	1,609
	Human Services	87,698
	Roads	179
	Structural Fire	5,027
	Non-Major Governmental Funds	17,474
	Internal Service Fund - Public Works	<u>5,159</u>
		117,474
Behavioral Health & Recovery Services	General Fund	4,697
Community Development	General Fund	2,637
	Roads	696
	Internal Service Fund - Public Works	<u>105</u>
		3,438
County Local Revenue Fund	General Fund	57,523
	Behavioral Health & Recovery Services	51,638
	Human Services	64,460
	Non-Major Governmental Funds	<u>7,696</u>
		181,317
Structural Fire	General Fund	196
	Non-Major Governmental Funds	<u>570</u>
		766
Non-Major Governmental Funds	General Fund	102,528
	Behavioral Health & Recovery Services	359
	Human Services	833
	Structural Fire	7,691
	Non-Major Governmental Funds	<u>7,265</u>
		118,676
Internal Service Fund - Public Works	Roads	4,000
Total		<u><u>\$ 430,368</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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VII. CAPITAL ASSETS

A. GOVERNMENTAL CAPITAL ASSETS

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

	Beginning Balance Restated*	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, not being depreciated:				
Land and Easement	\$ 27,104	\$	\$	\$ 27,104
Construction in Progress	59,738	103,589	33,391	129,936
Intangibles	1,115,541	4,216	5,080	1,114,677
Works of Art	60			60
Total Capital Assets, not being depreciated	<u>1,202,443</u>	<u>107,805</u>	<u>38,471</u>	<u>1,271,777</u>
Capital Assets, being depreciated and amortized:				
Infrastructure	721,048	23,221	1,558	742,711
Structures and Improvements*	449,446	12,036		461,482
Equipment	197,803	7,390	4,177	201,016
Intangibles	6,725	2,101		8,826
Total Capital Assets, being depreciated and amortized	<u>1,375,022</u>	<u>44,748</u>	<u>5,735</u>	<u>1,414,035</u>
Less: Accumulated Depreciation and Amortization for:				
Infrastructure*	362,493	27,108	741	388,860
Structures and Improvements	199,716	9,342		209,058
Equipment	142,545	10,909	3,594	149,860
Intangibles	2,442	470		2,912
Total Accumulated Depreciation and Amortization	<u>707,196</u>	<u>47,829</u>	<u>4,335</u>	<u>750,690</u>
Total Capital Assets, being depreciated and amortized, net	<u>667,826</u>	<u>(3,081)</u>	<u>1,400</u>	<u>663,345</u>
Capital Assets, net	<u>\$ 1,870,269</u>	<u>\$ 104,724</u>	<u>\$ 39,871</u>	<u>\$ 1,935,122</u>

*As restated see Note II. A

**COUNTY OF KERN
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B. ENTERPRISE AND COMPONENT UNIT CAPITAL ASSETS

Capital asset business-type activity for the year ended June 30, 2017 is as follows:

	Beginning Balance	Additions	Deletions	Transfer to Component Unit	Ending Balance
Business-type Activities:					
Capital Assets, not being depreciated:					
Land	\$ 27,617	\$	\$ 2	\$ 168	\$ 27,447
Land Acquisition in Progress	93	4			97
Construction in Progress	10,373	25,434	1,554	1,576	32,677
Works of Art	198				198
Total Capital Assets, not being depreciated	38,281	25,438	1,556	1,744	60,419
Capital Assets, being depreciated and amortized:					
Structures and Improvements	237,661	1,056		82,463	156,254
Equipment	69,673	4,660	430	42,451	31,452
Intangibles	11,639			10,753	886
Infrastructure	51,360	396			51,756
Total Capital Assets, being depreciated and amortized	370,333	6,112	430	135,667	240,348
Less: Accumulated Depreciation and Amortization for:					
Structures and Improvements	106,829	5,109		47,559	64,379
Equipment	44,623	1,927	430	30,441	15,679
Intangibles	10,528	13		10,227	314
Infrastructure	30,048	1,225			31,273
Total Accumulated Depreciation and Amortization	192,028	8,274	430	88,227	111,645
Total Capital Assets, being depreciated and amortized, net	178,305	(2,162)		47,440	128,703
Capital Assets, net	\$ 216,586	\$ 23,276	\$ 1,556	\$ 49,184	\$ 189,122

Discretely Presented Component Unit

A summary of capital asset activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2017, were as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Hospital Authority Component Unit Activities:				
Capital Assets, not being depreciated:				
Land	\$ 168	\$ 2		\$ 170
Construction in Progress	1,576	3,677		5,253
Total Capital Assets, not being depreciated	1,744	3,679		5,423
Capital Assets, being depreciated:				
Equipment	42,451	4,528	120	46,859
Structures and Improvements	82,463			82,463
Intangibles	10,753	1,566		12,319
Total Capital Assets, being depreciated and amortized	135,667	6,094	120	141,641
Less: Accumulated Depreciation	(88,227)	(6,005)	(106)	(94,126)
Total Capital Assets, being depreciated and amortized, net	47,440	89	14	47,515
Capital Assets, net	\$ 49,184	\$ 3,768	\$ 14	\$ 52,938

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C. DEPRECIATION

Depreciation and amortization expense was charged to functions or programs of the primary government as follows:

Governmental Activities:	
General	\$ 3,979
Public Protection	11,714
Public Ways and Facilities	28,084
Health and Sanitation	948
Public Assistance	619
Education	756
Culture and Recreation Services	818
Depreciation on Capital Assets Held by the County's Internal Service Funds are charged to various functions based on usage of the assets	911
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 47,829</u>
Business-type Activities:	
Airports	\$ 3,119
Waste Management	3,274
County Sanitation Districts	436
Golf Course	148
Public Transportation	1,297
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 8,274</u>

D. CONSTRUCTION IN PROGRESS

Construction in progress for governmental funds includes projects for the new jail facility, Behavioral Health and Recovery Services Expansion, roads, an upgrade to the Lerdo waste and water treatment plant, and several smaller projects. Business-type construction in progress projects include rehabilitating and upgrading of the airport's runway and the improvement of land for landfill closures.

VIII. LEASES

A. LONG-TERM OPERATING LEASES

The County has entered into various long-term lease agreements for buildings and land, which have been classified as operating leases. None of the leases convey rights of ownership or are of a duration approximating useful economic life. The total costs for operating leases for the fiscal year ended June 30, 2017, amounted to \$13,583. The following is a schedule of future minimum long-term operating lease payments for the Governmental Funds:

Year Ending June 30,	Amount
2018	\$ 14,621
2019	12,767
2020	11,975
2021	10,529
2022	9,891
2023 - 2027	38,598
2028 - 2032	10,836
2033 - 2035	31
2036 - 2042	30
Total	<u>\$ 109,278</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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B. CAPITAL LEASES

The County has entered into several long-term lease purchase agreements for certain major pieces of equipment during the fiscal year ended June 30, 2017. At the end of the lease, when all terms have been met, the related equipment will become property of the County.

The following is a schedule of future minimum lease payments for capital leases:

Year Ending June 30,	Governmental Activities
2018	\$ 2,833
2019	2,054
2020	1,554
2021	1,531
2022	767
Total Minimum Lease Payments	8,739
Less: Amount Representing Interest	(339)
Present Value of Minimum Lease Payments	<u>\$ 8,400</u>

Interest expense for capital leases in Governmental Activities for the current fiscal year was \$132. The interest expense is reported as direct expense in each function.

The following is a schedule of capital assets under capital leases by major classes at June 30, 2017:

Year Ending June 30, 2017	Governmental Activities
Equipment	\$ 23,462
Total Capital Lease Assets, Gross	<u>\$ 23,462</u>

IX. LONG-TERM DEBT

A. LONG-TERM LIABILITIES

The County is not obligated in any manner for outstanding special assessment debt. However, the County acts in an agency capacity for property owners in collecting overlapping tax and assessment debt, which totals \$1,526,145. These amounts do not appear in the accompanying General Purpose Financial Statements.

As indicated in Notes I. G, VIII. A, VIII. B, IX. B, IX. C, IX. D, and IX. E, the County has recognized a long-term liability for compensated absences, lease purchase agreements, certificates of participation, facility lease, loans payable, bonds payable, and pension obligation bonds.

For governmental activities, the General Fund and the Special Revenue Funds for Behavioral Health & Recovery Services, Human Services, Roads, Structural Fire, Aging and Adult Services, Building Inspection, Child Support Services, Environmental Health, and Recorder have typically been used to liquidate compensated absences, OPEB, and Pension liabilities.

Internal Service Funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the totals for governmental activities.

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The following is a summary of long-term liabilities and corresponding activity for the year ended June 30, 2017:

	Beginning Balance Restated*	Additions	Deletions	Transfer to Component Unit	June 30, 2017	Due Within One Year
Governmental Activities:						
Compensated Absences	\$ 54,327	\$ 38,360	\$ 39,575	\$	\$ 53,112	\$ 34,523
Lease Purchase Agreements	5,005	7,338	3,943		8,400	2,688
Certificates of Participation (COP)	86,203	80,350	84,858		81,695	3,357
COP - Unamortized Premium	143	4,512	162		4,493	
Tobacco - Asset Backed Bonds	89,930		3,620		86,310	2,790
Tobacco - Unamortized Bond Premium	6,396		267		6,129	
Bonds Payable - Qualified Energy Conservation Bonds	- 3,150		286		- 2,864	- 292
Bonds Payable - Kern Public Services	9,510		410		9,100	425
Loans Payable - I Bank	4,568		363		4,205	373
Pension Obligation Bonds (1995)	34,089		6,222		27,867	6,159
Pension Obligation Bonds (2003)	154,892		11,193		143,699	12,791
Pension Obligation Bonds (2008)	42,285				42,285	
Other Post-Employment Benefit Obligation	34,253	2,266			36,519	
Net Pension Liability*	1,666,213	154,673			1,820,886	
Total Governmental Activities	2,190,964	287,499	150,899	-	2,327,564	63,398
Business-type Activities:						
Compensated Absences	11,568	1,024	1,112	9,919	1,561	1,171
Lease Purchase Agreements	2,453			2,453	-	
Certificates of Participation	6,193		1,955	4,238	-	
COP - Unamortized Premium	189		109	80	-	
COP - Unamortized Discount	(43)		(43)		-	
Loans Payable - California Waste Management Board	256		64		192	64
Loan Payable - Airport	5,870		760		5,110	785
Pension Obligation Bonds (1995)	6,355		106	5,776	473	105
Pension Obligation Bonds (2003)	22,252		180	19,754	2,318	206
Pension Obligation Bonds (2008)	6,075			5,393	682	
Closure Liability	27,483	1,027			28,510	2,231
Post-Closure Liability	35,711		148		35,563	989
Other Post-Employment Benefit Obligation	6,019	37		5,355	701	
Net Pension Liability*	342,556	2,877		307,307	38,126	
Total Business-type Activities	472,937	4,965	4,391	360,275	113,236	5,551
Total Government-wide Long-Term Liabilities	\$ 2,663,901	\$ 292,464	\$ 155,290	\$ 360,275	\$ 2,440,800	\$ 68,949

*As restated see Note II. A.

Discretely Presented Component Unit

Long-term obligations and corresponding activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Deletions	June 30, 2017	Due Within One Year
Compensated Absences	\$ 9,919	\$ 5,401	\$	\$ 15,320	\$ 11,490
Certificates of Participation	4,238		987	3,251	1,033
COP - Unamortized Premium	80		20	60	
Pension Obligation Bonds	30,923		2,482	28,441	2,675
Other Post-Employment Benefit Obligation	5,355		1,154	4,201	
Net Pension Liability	307,307	22,629		329,936	
Total	\$ 357,822	\$ 28,030	\$ 4,643	\$ 381,209	\$ 15,198

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

B. CERTIFICATES OF PARTICIPATION

COPs are secured by annual lease rental payments payable by the County for use of facilities constructed or purchased from the certificate proceeds.

The County has outstanding COPs totaling \$81,695 at fixed interest rates. The proceeds of the COPs are being used for the acquisition of equipment, construction, and renovation of certain public facilities within the County. The COPs have been delivered to the trustee, U.S. Bank, for investment and disbursement subject to the terms and conditions of the trust agreements.

The obligation of the County to make base rental payments does not constitute a general obligation of the County for which the County is obligated to levy or pledge any form of taxation. A portion of the 2011 Refunding is being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding activity for the debt in Note IX. A. The rest of the 2011 Refunding COP and the 2016 Refunding Capital Improvement Projects COP are paid from the Kern Asset Leasing Corporation. A description of each COP and the corresponding schedules of future minimum payments owed by the primary government are as follows:

2016 Refunding COP, Series A

On December 14, 2016, the County issued \$80,350 of Certificates of Participation with fixed interest rates ranging from 3.00% to 5.00% to advance refund the \$81,375 of outstanding debt on the 2009 COP. The 2016 COP refunding included a debt service reserve insurance policy to satisfy the reserve requirement. The 2016 COP has expected maturity dates from November 1, 2017 – 2034. The net proceeds of \$82,723 (after payment of \$2,139 in costs of issuance fees and a premium of \$4,512), plus the available funds from the 2009 COP reserve account, were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2009 COP. As a result, the 2009 COP is considered defeased and the liability for those bonds has been removed from the County's long-term debt liabilities.

The County advanced refunded the 2009 COP to reduce its total debt service payments by \$11,852 resulting in an economic gain of \$8,005. The 2016 Refunding COP has the following schedule of future payments:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 2,930	\$ 3,307	\$ 6,237
2019	3,080	3,157	6,237
2020	3,245	2,998	6,243
2021	3,405	2,832	6,237
2022	3,580	2,658	6,238
2023 - 2027	20,870	10,336	31,206
2028 - 2032	25,555	5,647	31,202
2033 - 2035	17,685	1,051	18,736
Total	\$ 80,350	\$ 31,986	\$ 112,336

2011 Refunding COP, Series A – Governmental Portion

The original issue amount of the 2011 Refunding COP, Series A – Governmental Portion, is \$6,431 and the expected maturity dates are from November 1, 2011 – 2019. The Refunding COP has fixed interest rates from 2.00% to 5.00%. The 2011 Refunding COP, Series A – Governmental Portion debt schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 427	\$ 52	\$ 479
2019	449	30	479
2020	469	9	478
Total	\$ 1,345	\$ 91	\$ 1,436

**COUNTY OF KERN
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C. LOANS PAYABLE

2011 Refunding Loan – Airports

The original issue amount of the 2011 Refunding Loan - Airports is \$8,660 and the expected maturity date is August 1, 2022. The Refunding Loan has a fixed interest rate of 3.08%. The 2011 Refunding Loan – Airports debt schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 785	\$ 151	\$ 936
2019	810	127	937
2020	835	102	937
2021	865	76	941
2022	890	49	939
2023	925	14	939
Total	\$ 5,110	\$ 519	\$ 5,629

Fifth District Curb and Gutter Project

To facilitate the construction of curbs, gutters, drainage and sidewalk improvements in the Fifth District, the County obtained a loan for \$7,200 in the fiscal year 2007-2008 from the California Infrastructure and Economic Development Bank (I-Bank). The loan has a fixed interest rate of 2.66%, and the expected maturity dates are from August 1, 2007 to August 1, 2026. The Fifth District Curb and Gutter Project debt schedule of the outstanding balance is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 373	\$ 120	\$ 493
2019	382	108	490
2020	393	97	490
2021	403	85	488
2022	414	73	487
2023-2027	2,240	173	2,413
Total	\$ 4,205	\$ 656	\$ 4,861

California Integrated Waste Management Board (CIWMB) Loans

On August 12, 2009, the Solid Waste Management Enterprise Fund was approved interest-free loans from the CIWMB. The loan funds will be used to cover part of the closing costs of the Buttonwillow and Lost Hills Sanitary Landfills. The total loan amount was \$640 and will be repaid within ten years with an annual payment of \$64.

Year Ending June 30,	Principal	Interest	Total
2018	\$ 64		\$ 64
2019	64		64
2020	64		64
Total	\$ 192		\$ 192

D. BONDS PAYABLE

Tobacco Settlement Asset-Backed Refunding Bonds

On October 21, 2014, the California County Tobacco Securitization Agency (the Agency) issued the Tobacco Settlement Asset-Backed Refunding Bonds, Series 2014, on behalf of the Corporation in the amount of \$95,860. The issuance consisted of \$29,010 in serial bonds and \$66,850 in term bonds with the expected maturity dates to range from June 1, 2015 – 2040. The bonds' interest rates range from 4.0% to 5.0%.

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The Agency issued bonds and loaned the proceeds to the Corporation, which, in turn paid the proceeds to the County. The bonds are limited obligations of the Agency payable solely from payments made by the Corporation from tobacco settlement payments purchased from the County. The bonds do not constitute a charge against the general credit of the Agency (except from loan payments by the Corporation) or the County and neither will the Agency or the County be obligated to pay interest on or principal of these bonds. These bonds do not constitute a legal debt, liability or obligation of the County. For additional information regarding the Tobacco Settlement Revenues see Note XIX. C. The Tobacco Settlement Asset-Backed Bonds debt schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 2,790	\$ 4,108	\$ 6,898
2019	2,860	3,997	6,857
2020	2,950	3,854	6,804
2021	3,050	3,706	6,756
2022	3,565	3,554	7,119
2023 - 2027	7,440	15,582	23,022
2028 - 2032	17,915	12,868	30,783
2033 - 2037	20,590	8,347	28,937
2038 - 2040	25,150	3,773	28,923
Total	\$ 86,310	\$ 59,789	\$ 146,099

2010 Lease Revenue Refunding

On December 16, 2010, the County issued Lease Revenue Refunding Bonds, 2010 Series in the principal amount of \$11,250. The proceeds of the bonds were used to redeem the 2002 Series A Lease Revenue Refunding Bonds. The maturity date of the bonds is March 1, 2032. The bonds have interest rates that range from 3.00% to 5.75%. The debt related schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 425	\$ 479	\$ 904
2019	440	461	901
2020	460	441	901
2021	480	421	901
2022	505	399	904
2023 - 2027	2,950	1,566	4,516
2028 - 2032	3,840	676	4,516
Total	\$ 9,100	\$ 4,443	\$ 13,543

2011 Qualified Energy Conservation Bonds

On April 12, 2011, to facilitate the construction of Solar Power Systems for the County Administrative Center and the Lerdo Detention Facility, the County issued bonds in the principal amount of \$4,337. The bonds have a fixed interest rate of 5.94%, and the expected maturity dates are from January 1, 2012 to January 1, 2026. The Qualified Energy Conservation Bonds debt schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 292	\$ 166	\$ 458
2019	298	148	446
2020	304	131	435
2021	311	113	424
2022	318	94	412
2023 - 2026	1,341	181	1,522
Total	\$ 2,864	\$ 833	\$ 3,697

**COUNTY OF KERN
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E. PENSION OBLIGATION BONDS

1995 Pension Obligation Bond

The County's Board adopted a resolution to authorize the issuance of a County pension obligation debenture, a trust agreement, and the option to enter into an interest rate swap agreement in order to finance the County's share of the unfunded actuarial accrued liability of the Kern County Employees' Retirement Association (KCERA). The actuarial accrued liability of participating special districts was excluded from this funding source. The taxable pension obligation bonds were issued at \$227,818 to cover the County's unfunded actuarial accrued liability of not less than \$224,437. KCERA received the bond proceeds and recorded \$224,437 of contribution income for the fiscal year ended June 30, 1996.

At June 30, 2017, the amount of bonds included, as a component of the County's pension liability, was \$28,340. Of this amount, \$27,867 has been recorded in the governmental activities, and \$473 has been recorded in the proprietary fund types. Debt service for the amount recorded in the governmental activities is reflected in the debt service fund entitled Pension Obligation Bond Trustee Non-Major Governmental Fund. A portion of the 1995 Pension Obligation Bond is being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding debt activity in Note IX. A.

The bonds have various maturity dates between 2001 and 2015 for Current Interest Bonds and between 2016 and 2022 for Capital Appreciation Bonds. The interest ranges from 6.160% to 7.260% for the Current Interest Bonds and 7.560% to 7.610% for the Capital Appreciation Bonds. For the year ended June 30, 2017, interest payments related to the bonds were \$23,221. Of this amount, \$22,892 was paid out of governmental funds and \$389 was paid out of enterprise funds. The following is a summary of the County's total funding requirements of the bonds:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 6,264	\$ 25,376	\$ 31,640
2019	6,212	27,672	33,884
2020	6,199	30,236	36,435
2021	6,239	33,276	39,515
2022	3,426	19,963	23,389
Total	<u>\$ 28,340</u>	<u>\$ 136,523</u>	<u>\$ 164,863</u>

2003 & 2008 Pension Obligation Bonds

The County's Board adopted a resolution to authorize the issuance of the County pension obligation debenture in order to finance the County's share of the unfunded actuarial accrued liability of the KCERA. The actuarial accrued liability of participating special districts was excluded from this funding source. The Taxable Pension Obligation Bonds have been issued at \$288,177, of which \$238,177 was issued as 2003 Series A Bonds and \$50,000 was issued as 2003 Series B Bonds. The 2003 Series A Bonds were issued as Current Interest Bonds and Capital Appreciation Bonds; the 2003 Series B Bonds were refunded as Adjustable Rate Bonds in August 2008. The bonds have various maturity dates ranging from 2006 to 2023 for Current Interest Bonds and from 2023 to 2028 for Capital Appreciation Bonds. The 2003 Series A has fixed interest rates that range from 2.33% to 4.88% for the Current Interest Bonds and 5.50% to 5.57% for the Capital Appreciation Bonds. A portion of the 2003 & 2008 Pension Obligation Bonds are being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding activity for the debt in Note IX. A.

On August 27, 2008, the County entered into a Purchase Agreement with Dexia Credit to purchase the Taxable Pension Obligation Refunding Bonds, 2008 Series A in the principal amount of \$50,000 to redeem the 2003 Series B Pension Obligation Bond. The 2008 Series A Bonds have a fixed interest rate of 4.185% and maturity date of August 15, 2027.

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At June 30, 2017, the amount of bonds included as a component of the County's pension liability was \$188,984. The following is a summary of the County's total funding requirements of the 2003 Series A bonds:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 12,997	\$ 5,460	\$ 18,457
2019	14,768	4,805	19,573
2020	16,701	4,037	20,738
2021	18,781	3,172	21,953
2022	21,015	2,200	23,215
2023 - 2027	61,755	63,561	125,316
Total	<u>\$ 146,017</u>	<u>\$ 83,235</u>	<u>\$ 229,252</u>

The following is a summary of the County's total funding requirements of the 2008 Series A bonds:

Year Ending June 30,	Principal	Interest	Total
2018		\$ 1,798	\$ 1,798
2019		1,798	1,798
2020		1,798	1,798
2021		1,798	1,798
2022		1,798	1,798
2023 - 2027	10,213	8,635	18,848
2028	32,754	229	32,983
Total	<u>\$ 42,967</u>	<u>\$ 17,854</u>	<u>\$ 60,821</u>

X. SHORT-TERM DEBT

TAX AND REVENUE ANTICIPATION NOTES

The Tax and Revenue Anticipation Notes (TRAN) proceeds were intended to provide financing of seasonal cash flow requirements for the County's General Fund expenditures during the fiscal year ended June 30, 2017.

Beginning Balance	Additions	Deletions	Ending Balance
\$	\$ 160,000	\$ 160,000	\$

XI. PENSION PLAN

PLAN DESCRIPTION

The County's Board established the KCERA under the provisions of the County Employees' Retirement Law of 1937 on January 1, 1945. All permanent employees of the County and thirteen related agencies are covered by KCERA, which operates as a cost-sharing multi-employer defined benefit plan. It is the responsibility of KCERA to function as an investment and administrative agent for the County with respect to the pension plan.

KCERA became independent from the County's supervision and control as a result of the 1992 passage of Proposition 162, which legally established the independent control of the Board of Retirement.

Separate audited financial statements can be obtained from KCERA at 11125 River Run Blvd., Bakersfield, California 93311. Management of the KCERA plan is vested with the Board of Retirement, which consists of nine members and two alternates.

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The Board of Retirement establishes policy for the operation of the plan, considers applications for disability retirement, recommends contributions on the basis of actuarial valuations and controls investment of assets. Prior to January 1, 1996, the Kern County Treasurer-Tax Collector was responsible for financial reporting and accounting for all investments as required by California Government Code Section 31596; thereafter, responsibility for financial reporting and accounting is vested with the Board of Retirement as required by Government Code Section 31596 et seq., as amended. On January 11, 1987, the Board of Retirement authorized the retirement fund to incur an administrative expense and hire an Administrator to serve at the Board of Retirement's pleasure. The Administrator is responsible for the processing and computing of applications for retirement benefits, refunds, beneficiary allowances, death benefits, reciprocity, and any other duties the Board of Retirement may assign. The Administrator also acts as Secretary for all Board of Retirement and Committee meetings and performs other activities as directed by the Board of Retirement. The KCERA Pension Plan (the Plan) provides for retirement, disability, death, beneficiary and cost-of-living benefits.

	General	Safety	Total
Active Employees	6,971	1,767	8,738
Terminated Employees	806	124	930
Retirees and Beneficiaries			
Currently Receiving Benefits	6,181	1,906	8,087
	<u>13,958</u>	<u>3,797</u>	<u>17,755</u>

All regular, full-time employees of the County or contracting districts who work 50% or more of the regular standard hours are required to become members of KCERA effective on the first day of the payroll period following the date of hire. Safety membership includes those in active law enforcement, fire suppression, criminal investigation, detention and probation.

General Tier I and Tier II members are eligible to retire at age 70 regardless of service or at age 50 with 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General Tier III members are eligible to retire at age 70 regardless of service or at age 52 with 5 or more years of retirement service credit.

Safety members are eligible to retire at age 70 regardless of service or at age 50 with 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age.

The retirement benefit the member will receive is based on age at retirement, final average salary, years of retirement service credit and benefit tier.

General member benefits for Tier I and Tier II are calculated pursuant to California Government Code Sections 31676.17 and 31676.01, respectively. The monthly allowance is equal to 1/50th of final compensation times years of accrued retirement service credit times an age factor from Section 31676.17 (Tier I), or 1/90th of FAC times years of accrued retirement service credit times an age factor from Section 31676.01 (Tier II). General Tier III member benefits are calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by an age factor from California Government Code Section 7522.20(a).

Safety member benefits for Tier I and Tier II are calculated pursuant to California Government Code Sections 31664.1 and 31664, respectively. The monthly allowance is equal to 3% of final compensation times years of accrued retirement service credit times an age factor from Section 31664.1 (Tier I), or 1/50th of FAC times years of accrued retirement service credit times an age factor from Section 31664 (Tier II).

For general and safety members in Tiers I and II, the maximum monthly retirement allowance is 100% of final compensation. For General Tier III members, there is no final compensation limit on the maximum retirement benefit.

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The maximum amount of compensation earnable that can be taken into account for 2016 for members with membership dates on or after July 1, 1996 but before January 1, 2013 is \$265,000. For General Tier III members who joined KCERA on or after January 1, 2013, the maximum pensionable compensation that can be taken into account for 2016 is \$117,020 for those enrolled in Social Security. These limits are adjusted on an annual basis. Members are exempt from paying member contributions and employers are exempt from paying employer contributions on compensation in excess of the annual cap.

Final compensation consists of the highest 12 consecutive months of compensation earnable for a General Tier I or Tier IIA member or a Safety Tier I or Tier IIA member, and the highest 36 consecutive months for a General Tier IIB or Tier III member or a Safety Tier IIB member.

KCERA provides an annual cost-of-living adjustment for all retirees. The cost-of-living adjustment (COLA), based upon the Consumer Price Index for the Los-Angeles-Riverside-Orange County Area, is capped at 2.5%.

The Memorandum of Understanding (MOU) adopted March 2012 between the County and its general employees states that all general members hired prior to the first day of payroll period 2004-16 shall start to pay, in the second year of the agreement, one-sixth of the employee's normal contribution to retirement. In the third year, the employee's normal contribution will increase to one-third. All general members hired on or after the first day of payroll period 2004-16 shall pay 100% of the new employees' normal contribution to retirement. The MOUs adopted in March 2012 between the County and its safety employees state that all safety members, depending on MOU, hired before the range March 2007 – October 2007, will contribute one-sixth of the employee's normal contribution to retirement in the second year of the agreement. In the third year, the employee's normal contribution will increase to one-third.

The Kern County Prosecutors' Association's MOU adopted in March 2012 states that all employees hired prior to pay period 2005-05 will start to pay one-third of the employee's normal contribution to retirement in the first year, an additional one-third in the second and an additional one-third in the third year. In addition, any safety employee hired on or after the adoption of the new MOU will have a lower retirement tier of 2% at age 50. The County Administrative Office negotiated an agreement with the Central California Association of Public Employees (CCAPE) adopting California Government Code Section 31676.17, which provides enhanced retirement benefits, commonly known as 3% at 60, for General members, in August 2004.

BASIS OF ACCOUNTING

KCERA follows GASB accounting principles and reporting guidelines. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of KCERA. Employer and member contributions are recognized in the period in which the contributions are due, and benefits and refunds of prior contributions are recognized when due and payable in accordance with the terms of the Plan.

CONTRIBUTIONS

As a condition of participation under the provisions of the County Employees' Retirement Law of 1937 (CERL), members are required to contribute to KCERA a percentage of their salaries. Member contribution rates for fiscal year ended 2016 ranged from 4.45% to 18.48% and were applied to the member's base pay plus compensable special pays. For general members hired prior to 2013, contribution rates were determined by benefit tier and KCERA entry age. For safety members hired prior to 2013, contribution rates were determined by benefit tier and each safety-represented bargaining unit's applicable MOU. Some safety member rates were based on age of entry, whereas other safety members contribute at a flat, average rate. The contribution rates of general and safety members who first joined KCERA, on or after January 1, 2013, are at least 50% of the normal cost rate. Furthermore, the rate of members integrated with Social Security is reduced by one-third on the first \$161 of biweekly salary.

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Interest is credited to member contributions semi-annually on June 30 and December 31, in accordance with Article 5.5 of the CERL. Member contributions and credited interest are refundable upon termination of membership.

Each year, an actuarial valuation is performed for the purpose of determining the funded ratio of the retirement plan and the employer contributions that are necessary to pay benefits accruing to KCERA members that were not otherwise funded by member contributions or investment earnings. The employer contribution rates are actuarially determined by using the Entry Age Normal Actuarial Cost method. The Plan's employer rates provide for both normal cost and a contribution to amortize any unfunded or overfunded actuarial accrued liabilities.

FAIR VALUATION OF INVESTMENTS

Fair value for investments are derived by various methods as indicated in the following table:

Publicly traded stocks	Most recent exchange closing price. International securities reflect currency exchange rates in effect at June 30, 2016 and 2015.
Short-term investments and bonds	Institutional evaluations or priced at par.
Over the Counter securities	Evaluations based on good faith opinion as to what a buyer in the marketplace would pay for a security.
Commingled funds	Net asset value provided by the investment manager.
Alternative investments	Provided by the fund manager based on the underlying financial statements and performance of the investments.
Private equity real estate investments	Estimated based on the price that would be received to sell an asset in an orderly transaction between marketplace participants at the measurement date. Investments without a public market are valued based on assumptions made and multiple valuation techniques used by the investment manager.

ACTUARIAL ASSUMPTIONS

The total pension liability (TPL) as reported at June 30, 2017 was measured on June 30, 2016 based upon rolling forward the TPL from actuarial valuation as of June 30, 2015. The actuarial assumptions used were based on the results of an experience study for the period July 1, 2010 through June 30, 2013. The following actuarial assumptions were applied to all periods included in the measurement:

Inflation	3.25%
Projected Salary increases	General: 4.25 to 9.25 % and Safety: 4.25% to 11.75%. Varies by service, including inflation
Real Across-the-Board Salary Increase	.50%

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Investment Rate of Return	7.50%, net of pension plan investment expenses, including inflation.
Administrative Expenses	0.90% of payroll allocated to both the employer and member based on the components of the total average contribution rate (before expenses) for the employer and member.
Mortality	For both General and Safety members the RP-2000 Combined Health Mortality Table projected with Scale BB to 2023 for males and females

The Entry Age Normal Actuarial Cost method used in KCERA's annual actuarial valuation has also been applied in measuring the service cost and TPL with one exception. For purposes of measuring the service cost and TPL, KCERA has reflected the same plan provisions used in determining the member's actuarial present value of projected benefits. This is different from the version of this method applied in KCERA's annual funding valuation, where the normal cost and actuarial accrued liability are determined as if the current benefit accrual rate had always been in effect.

The long-term expected rate of return on pension plan investments (7.50%) was determined using a building-block method in which expected future real rates of return (expected returns net of pension plan investment expenses and inflation) are developed for each major asset class. This data is combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap U.S. Equity	19%	5.92%
Small/Mid-Cap U.S. Equity	4%	6.49%
Developed International Equity	18%	6.90%
Emerging Markets Equity	4%	8.34%
Core Bonds	18%	0.73%
High Yield Bonds	4%	2.67%
Emerging Market Debt	4%	4.00%
TIPS	3%	0.35%
Real Estate	5%	4.96%
Commodities	6%	4.35%
Hedge Funds	10%	4.30%
Private Equity	5%	8.10%
	<u>100%</u>	

DISCOUNT RATE

The discount rate used to measure the TPL was 7.50% as of June 30, 2016. The projection of cash flows used to determine the discount rates assumed member contributions would be made at the current contribution rate and that employer contributions would be made at rates equal to the actuarially determined contribution rates.

For this purpose, only employee and employer contributions intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of the measurement year.

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The discount rate assumptions have been developed without taking into consideration any impact of the 50/50 allocation of future excess earnings between the retirement and Supplement Retirement Benefit Reserve (SRBR) asset pools.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the County's proportionate share of the net pension liability calculated using a discount rate of 7.50%, and what the net pension liability would be if it were calculated using a discount rate that is one point lower (6.50%) or one point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Rate 7.50%	1% Increase 8.50%
County's Proportionate Share of the Net Pension Liability	2,892,284	2,191,581	1,611,487

PENSION FUND FIDUCIARY NET POSITION

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

PENSIONS 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 \$2,191,581 for its proportionate share of the net pension liability (NPL). The NPL was measured as of June 30, 2016, and the TPL used to calculate the NPL was determined by an actuarial valuation as of the measurement date. The NPL for each membership class is the TPL minus the Plan's Fiduciary Net Position (Plan's FNP). The TPL for each membership class is obtained from internal valuation results based on the actual participants in each membership class. The Plan's FNP for each membership was estimated by adjusting the valuation value of assets for each membership class by the ratio of the total KCERA Plan's FNP (excluding the SRBR) to total KCERA valuation value of assets. Based on this methodology, any non-valuation reserves are allocated amongst the membership classes based on each membership class' valuation value of assets. At the June 30, 2016 measurement date, the County's proportion was 90.80%, which was a decrease of 0.49% from its proportion measured as of June 30, 2015.

Per the KCERA June 30, 2017 GASB 68 Actuarial Valuation, the County recognized pension expense of \$241,901. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 80,193	
Changes in proportion and differences between County contributions and proportionate share of contributions	1,533	16,569
County contributions subsequent to the measurement date	221,360	
Net difference between projected and actual earnings on retirement plan investments	227,671	
Differences between expected and actual experience in the Total Pension Liability		148,833
	<u>\$ 530,757</u>	<u>\$ 165,402</u>

Deferred outflows of resources and deferred inflows of resources in the previous schedule represent the unamortized portion of changes to NPL to be recognized in future periods in a

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systematic and rational manner. \$221,360 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows:

Year Ended June 30,		
2018	\$	29,993
2019		29,993
2020		55,849
2021		30,207
2022		(2,047)
	\$	<u>143,995</u>

A portion of the County's proportionate share of the deferred outflows of resources, deferred inflows of resources, and NPL is allocated to the Hospital Authority, a discretely presented component unit, and an Investment Trust Fund included in the County's Fiduciary Funds Statement of Net Position. A summary of pension deferred outflows of resources, deferred inflows of resources, and NPL is as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability
Governmental Activities	\$ 449,404	\$ 140,131	\$ 1,820,886
Business-Type Activities	8,953	2,827	38,126
Discretely Presented Component Units	71,753	22,239	329,936
Investment Trust Fiduciary Fund	647	205	2,633
Total	<u>\$ 530,757</u>	<u>\$ 165,402</u>	<u>\$ 2,191,581</u>

XII. POST RETIREMENT HEALTH CARE BENEFITS

Plan Description

In addition to the pension benefits described in Note XI., the County provides post retirement health care benefits in accordance with union contracts and Board orders. Two programs contribute funding for retirees' health insurance. The Retiree Health Premium Supplement Program (RHPS) is a cost-sharing multi-employer defined benefit plan available to employees who: 1) elected to participate or were required to participate, 2) retire on or after July 1, 1990, 3) are between the ages of 50 and 64, and 4) have at least 20 years of continuous County service as a permanent employee. At June 30, 2017, there were approximately 1,073 retirees receiving the supplement. The supplement amount is permanently fixed once determined and, depending on years of service, is equal to 50-100% of the active employee monthly health premium for a single individual at the time of retirement.

The Retiree Health Stipend (RHS) is a cost-sharing multi-employer defined benefit plan available to employees who choose continuous County health coverage upon retirement. At June 30, 2017, there were approximately 2,784 retirees receiving the stipend. The monthly stipend paid on behalf of each retiree is a maximum of \$39.75 for single coverage, \$53.69 for two-party coverage and \$61.50 for family coverage, limited to the cost of the plan selected. Both the RHPS and RHS are included as an internal service fund within these audited financial statements.

During the fiscal year 2015/2016, the County gave a one-time offer to SEIU-represented and Management, Mid-Management, and Confidential employees to opt out of the RHPS. By opting out of the plan: the employee will be ineligible to receive the RHPS supplement upon retirement, including service connected disability retirement; be ineligible to receive the RHS

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upon retirement; upon active retirement from the County, the employee will be eligible to receive an employer contribution to a Health Reimbursement Arrangement in the following manner (a lump sum contribution equivalent to all of the employees RHPSP deductions from payroll period August 11-24, 2012, up to the final pay period that the employee contributed to the RHPSP; Employees retiring at or after age 70 will not receive any contribution); the change will be effective the first biweekly pay period following receipt of the form by County Human Resources-Health Benefits; and the County will no longer deduct 2.12% of the employee's salary for participating in the RHPSP.

Funding Policies

County, Special Districts, and employee contributions fund the RHPSP and County contributions fund all of the RHS. As of the June 30, 2016 actuary report, the RHPSP was paid on the annual required contribution (ARC) basis. During the fiscal year ended June 30, 2013, the County entered into an Other Post-Employment Benefits (OPEB) trust with the Public Agency Retirement Services (PARS) to accumulate resources to fund future benefit payments of the RHPSP and RHS. The employee contribution for the RHPSP is 2.12% of covered payroll for a majority of the employee union contracts. The overall contribution rate is determined to meet the overall rate determined by an independent actuary. The contribution rate is based on the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The following schedule details the Net OPEB Obligation of the plan. The County's portion for both plans totals \$37,272.

	RHPSP	RHS
Annual Required Contribution	\$ 9,183	\$ 2,738
Interest on net OPEB obligation	1,489	325
Adjustment to annual required contribution	<u>(1,655)</u>	<u>(360)</u>
Annual OPEB cost (expense)	9,017	2,703
Contributions made	<u>(10,278)</u>	<u>(287)</u>
Increase (decrease) in net OPEB obligation	(1,261)	2,416
Net OPEB obligation - beginning of year	<u>33,094</u>	<u>7,224</u>
Net OPEB obligation - end of year	<u>\$ 31,833</u>	<u>\$ 9,640</u>

Funded Status and Funding Progress

As of June 30, 2016, the most recent actuarial valuation date, the RHPSP and RHS were funded 58.33% and 5.21%, respectively. The actuarial accrued liability for RHPSP benefits was \$110,247, and the actuarial value of the assets was \$64,304, resulting in an unfunded actuarial accrued liability (UAAL) of \$45,943. The actuarial accrued liability for RHS benefits was \$25,492, and the actuarial value of the assets was \$1,328, resulting in an UAAL of \$24,164. The covered payroll (annual payroll of active employees covered by the plan) was \$506,924 for both plans, and the ratio of the UAAL to the covered payroll was 9.06% for RHPSP and 4.77% for RHS.

In fiscal year 2016-2017, contributions for the RHPSP were \$10,278, \$4,293 of which was from the employers and \$5,785 was from employee contributions. The RHS is funded by employer contributions of approximately \$168 (not in thousands) per active employee per year, which totaled \$287 for the year ended June 30, 2017.

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, annual investment return, mortality, inflation and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARC 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,

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presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

In the June 30, 2016 actuarial valuations for RHPSP and the RHS, the projected unit credit actuarial cost method was used. The amortization period is 20 years closed on a level dollar basis. The actuarial assumptions include a 6.5% investment rate of return, a medical premiums trend rate for the supplement of 6.50% in 2017/2018, grading down 0.25% per year to an ultimate rate of 5.00% and 0.00% for the stipend.

Per the June 30, 2016 actuary report, the RHPSP ARC was \$9,183, or 1.81% of the estimated annual covered payroll, and the RHS ARC was \$2,738, or 0.54% of estimated annual covered payroll. This included the normal cost for the year for current active employees of \$4,707, and \$3,915 for UAAL amortization. The County's contribution to the RHPSP for the fiscal year ended June 30, 2017 was \$9,867. The County's contribution to the RHS for the fiscal year ended June 30, 2017 was \$287.

As of the fiscal year 2012-2013, the County began participating in PARS and is now contributing to the PARS irrevocable trust. See Fiduciary Trust fund statements for current contributions and plan balances.

SCHEDULES OF CONTRIBUTIONS

Retiree Health Premium Supplement Program (RHPSP)

Year Ended June 30,	Annual RHPSP Cost	Percentage	
		of Cost Contributed	Net OPEB Obligation
2015	\$ 10,257	104%	\$ 35,031
2016	10,181	119%	33,094
2017	9,017	114%	31,833

Retiree Health Stipend (RHS)

Year Ended June 30,	Annual RHS Cost	Percentage	
		of Cost Contributed	Net OPEB Obligation
2015	\$ 3,162	44%	\$ 5,339
2016	3,150	40%	7,224
2017	2,703	11%	9,640

XIII. RISK MANAGEMENT

The County is generally self-insured for general liability, unemployment insurance, workers' compensation, professional liability, retiree "under age 65" medical claims and employee medical

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and dental claims. Excess liability insurance is maintained for Automobile and General Liability claims over \$3,000 and up to \$25,000 with aggregate corridor retention of \$2,500.

The Automobile and General Liability policy protects the County and its employees against most legal liabilities arising from automobile liability and contractual liability. Workers' compensation claims are self-insured up to \$1,250 per occurrence.

Excess coverage is maintained for workers' compensation claims up to statutory limits. The County does not self-insure against liability at its seven airports. Airport Liability insurance is maintained. The amount of settlements in each of the past three years has not exceeded the amount of insurance coverage. The liabilities for self-insurance included in the General Liability and Workers' Compensation Internal Service Funds are based upon the results of actuarial studies and include amounts for claims incurred but not reported. The liability for self-insurance included in the Group Health Internal Service Fund is based upon historical trend analysis and includes amounts for claims incurred but not reported (IBNR). The liability for self-insurance included in the Unemployment Compensation Internal Service Fund represents unpaid claims incurred as of June 30, 2017.

The Risk Management Division of the Office of County Counsel determines and administers General Liability and Workers' Compensation requirements of the County. The Risk Management Division also acquires insurance for earthquake, fire, boiler and machinery, crime and honesty, aviation, and other perils. Health and Unemployment self-insurance is administered by the County Administrative Office.

Financial activity of the self-insurance programs is accounted for in separate internal service funds. Internal service funds are maintained for General Liability, Group Health, Retiree Group Health, Unemployment Compensation, and Workers' Compensation.

Retiree claims are paid from the Group Health Internal Service Fund. Changes in the Self-Insurance Fund claims liabilities during the fiscal year ended June 30, 2017 are as follows:

	July 1, 2016	Transfer to Component Unit	Claims & Changes in Estimates	Claims Payments	June 30, 2017	Due Within One Year
General Liability	\$ 43,917	\$	\$ 9,960	\$ 499	\$ 53,378	\$ 397
Group Health	13,486		118,968	120,336	12,118	12,118
Unemployment Compensation	1,229		2,409	2,636	1,002	1,002
Workers' Compensation	83,348	7,748	8,871	10,460	74,011	11,814
Total	\$ 141,980	\$ 7,748	\$ 140,208	\$ 133,931	\$ 140,509	\$ 25,331

	July 1, 2015	Claims & Changes in Estimates	Claims Payments	June 30, 2016
General Liability	\$ 35,757	\$ 8,455	\$ 295	\$ 43,917
Group Health	15,452	126,137	128,103	13,486
Unemployment Compensation	1,142	2,820	2,733	1,229
Workers' Compensation	91,136	4,086	11,874	83,348
Total	\$ 143,487	\$ 141,498	\$ 143,005	\$ 141,980

XIV. COMMITMENTS AND CONTINGENCIES

Federal and State Grant Programs

The County participates in a number of federal and state grant programs, which are subject to audit. Audit requirements for most Federal grants will be met by the completion of the County's

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"Single Audit" as required by Public Law 98-502. For the most part, state grants will be audited by the State in the future. The amount of any disallowed expenditures by grantor agencies, if any, as a result of the audit cannot be determined at this time. The County believes that such disallowance, if any, would not have a material effect on the financial statements.

Mental Health Department Medicare and Medi-Cal Revenues

The County receives Medicare and Medi-Cal payments for certain Mental Health services that are provided directly by the County as well as by contracted providers. Revenues received under these programs are subject to periodic review by Medicare, Medi-Cal and their agents. Periodically, as a result of these outside reviews, revisions to claimed costs and services may be required. As a result of these revisions, the County can be required to return a portion of the revenue received from Medicare and/or Medi-Cal. The timing of such reviews and the amounts of potential repayments are not known, but such potential repayments are not considered material to these financial statements.

Contingent Property Tax Liability

At June 30, 2017, assessment appeals are pending before the County Assessment Appeals Board (AAB). The following is a summary of the estimated contingent tax liability as of June 30, 2017:

	Principal	Interest	Total
Contingent Tax Liability:	\$ 121,371	\$ 8,049	\$ 129,420
Total Pending AAB Matters	\$ 121,371	\$ 8,049	\$ 129,420

The County's share of the estimated contingent tax liability is \$39,821. The County and other agencies accumulate and maintain tax impound reserves for disputed property taxes. As of June 30, 2017, the County had a total of \$5,625 accumulated in its tax reserve in the General Fund. The result is a net liability of \$18,189 for the General Fund and a \$16,007 liability for the Structural Fire fund.

The disputed assessments involved numerous individual cases. A significant portion of assessment appeals are attributable to oil and gas activity. If all cases were settled at one point in time against the County, the County would fund the \$34,196 liability through a combination of future reserves and the abatement of property tax revenue. The effect on the County would be a reduction in appropriations.

Other Litigation

There are various lawsuits and claims against the County, which in the opinion of the County Counsel will be resolved with no material adverse effect upon the County's financial position.

Outstanding Encumbrances

Outstanding encumbrances were allowed to carryover. As of June 30, 2017, the County reported significant encumbrances of \$25,843. These encumbrances included \$18,288 of funds that are already restricted and \$7,555 of funds that are assigned. The following is a list of significant governmental encumbrances by fund:

	General Fund	Behavioral Health and Recovery Services	Roads	Other Governmental Funds
Restricted	\$	\$ 3,452	\$ 1,089	\$ 13,747
Assigned	7,555			

XV. LANDFILLS

Prior to fiscal year 1988-1989, Kern County Solid Waste Management Enterprise Fund was funded entirely by the County General Fund. In fiscal year 1988-1989 the Board approved a solid

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waste management program land use fee on all parcels of real property, but land use fee revenue continued to be supplemented by a contribution from the General Fund. In fiscal year 1992-1993, the County General Fund contribution to the Solid Waste Management Enterprise Fund was eliminated and the department became entirely fee supported. The Board eliminated the land use fee for non-residential property and approved a tipping fee for non-residential waste beginning in fiscal year 1993-1994. All revenues are placed in the Solid Waste Management Enterprise Fund exclusively for waste management.

State Financial Assurance Mechanism regulations require landfill operators to set aside funds, or provide alternative funding mechanisms, to fund the closure expense and post closure maintenance of landfills. In response, the County established a designated reserve account to fund closure expense and a pledge of future revenue to fund post closure maintenance. As of June 30, 2017, the Solid Waste Management Enterprise Fund had a designated cash reserve of \$24,298 for closure expenses. Estimated closure and post closure maintenance costs are based on the most recent preliminary closure and post closure plans approved by the State. State regulations require the County to prepare detailed preliminary closure and post closure plans for each landfill. For closure expense, the engineer's cost estimate includes closure design, construction of final cover, construction of monitoring systems and other related activities. For post closure maintenance expense, the engineer's cost estimate includes monitoring and erosion control. If, at some future date, these closure and post closure plans and cost estimates change (due to changes in inflation, deflation, technology, regulations, etc.), the County is required to make corresponding changes in the estimated total closure costs and post closure maintenance costs. The liabilities for closure and post closure maintenance are recognized based on the percent of the landfill capacity used to date.

The County currently operates seven Class III landfills, three large volume transfer stations, and six small volume transfer stations. All are strategically located throughout the County. These facilities serve the solid waste disposal needs of the County's eleven incorporated cities as well as unincorporated areas.

Estimated closure and post closure liabilities as of June 30, 2017, are \$60,086 and \$53,125, respectively. The County's landfills are listed below, along with their estimated remaining useful lives, total capacity and percentage of capacity used:

Facility Name	Remaining Useful Lives	Capacity in Cubic Yards	Percent Incurred
Arvin ¹	0	N/A	100%
Bena I ¹	0	N/A	100%
Bena II A	27	38,939,952	23%
Boron	33	1,051,895	81%
Buttonwillow ¹	0	N/A	100%
China Grade ¹	0	N/A	100%
Glennville ¹	0	N/A	100%
Kern Valley ¹	0	N/A	100%
Lebec ¹	0	N/A	100%
Lost Hills ¹	0	N/A	100%
McFarland/Delano ¹	0	N/A	100%
Mojave/Rosamond	16	2,515,491	71%
Ridgecrest	32	10,129,557	59%
Shafter/Wasco	42	21,895,179	37%
Taft	59	10,044,765	31%
Tehachapi	6	3,712,022	89%
Total		<u>88,288,861</u>	

¹ Site is closed.

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Under Title 27 of the California Code of Regulations, landfill owners/operators are required to obtain and maintain assurances of financial responsibility to initiate and complete corrective action for all known and reasonably foreseeable releases (RFRs). These requirements first came into effect when California Code of Regulations Article 5 (Title 23, Chapter 15) was revised in 1991. The Solid Waste Management Enterprise Fund has established a groundwater corrective action designated reserve to fund capital costs for each landfill where it is appropriate. In addition, the Solid Waste Management Enterprise Fund has established a pledge of revenue to cover ongoing maintenance and operation of any capital improvements that are constructed.

The current designated reserve account of \$2,000 is expected to satisfy all capital expenditures to implement corrective action at the 16 landfill sites.

Each year a portion of the landfill's estimated closure and post closure liabilities are recognized as an expense and liability based on the capacity used to date. As of June 30, 2017, the landfill closure liability is \$28,510 and the post closure liability is \$35,563 as recorded in the liabilities of the Solid Waste Management Enterprise Fund. These represent the cumulative liabilities to date. The remaining \$31,576 and \$17,562 anticipated closure and post closure liabilities, respectively, will be recognized in future years.

XVI. POLLUTION REMEDIATION

The Solid Waste Management Enterprise Fund has the following pollution remediation liability for the remediation of 25 burn dumps that were either owned or operated by the County prior to 1971. The County intends to follow the guidelines set forth by the California Integrated Waste Management Board's Local Enforcement Agency (LEA) Advisory #56, dated November 4, 1998, to remediate each burn dump. Site Characterization and Environmental Assessments have been conducted for 23 of the 25 burn dumps. Based on the Site Characterization and Environmental Assessments, a remediation plan has been developed for each burn dump. Costs are based on the remediation plan for each site and on our experience with similar sites, which the Solid Waste Management Enterprise Fund has previously remediated. The Solid Waste Management Enterprise Fund does not anticipate any recoveries regarding these burn dumps. The amount accrued at June 30, 2017 was \$6,124.

XVII. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES/ADVANCES FROM OTHERS

Governmental funds report deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. These unavailable revenues are made up of delinquent property taxes, tobacco settlement revenues, housing loan payments, reimbursements, and other long-term receivables. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Of the \$37,850 advances from grantors and third parties for the governmental activities, \$1,928 is within General Fund and comprised of advances to the Public Health Department and the Department of Probation.

The government-wide and proprietary statements of net position also include deferred outflows of resources relating to the unamortized losses on refunding of debt. This deferred charge on refunding resulted from the difference in the carrying value of the refunding debt and its reacquisition price. This amount is deferred and amortized over the remaining life of the new debt.

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For information about the deferred outflows and inflows of resources relating to the deferred pensions, see Note XI. The various components of deferred outflows, deferred inflows, and advances from grantors and third parties reported at June 30, 2017 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Advances From Grantors and Third Parties
Governmental Fund Activities:			
Delinquent Property Taxes Receivable			
General Fund	\$	\$ 4,049	\$
Structural Fire		2,061	
Non-major Governmental Fund		334	
Other Long-term Receivables			
General Fund		3,618	
Behavioral Health & Recovery Services		7,069	
Human Services		6,521	
Non-major Governmental Fund		329	
Deferred Housing Loan Payments			
Community Development		52,335	
Non-major Governmental Fund		16,330	
Deferred Tobacco Revenues			
Kern County Tobacco Funding Corp.	132,611	132,611	
Advanced Funds			
General Fund			1,928
Human Services			35,844
Non-major Governmental Fund			78
Total Governmental Activities	<u>\$ 132,611</u>	<u>\$ 225,257</u>	<u>\$ 37,850</u>
Government-Wide Activities:			
Governmental Activities:			
Deferred Pensions	\$ 449,404	\$ 140,131	\$
Deferred Charge on Refunding			
2011 Refunding COP	74		
2016 Advanced Refunding COP	8,448		
2014 Tobacco Refunding	1,110		
Deferred Housing Loan Payments		1,009	
Advanced Funds			37,850
Total Governmental Activities	<u>459,036</u>	<u>141,140</u>	<u>37,850</u>
Business-Type Activities:			
Deferred Pensions			
Airports	1,113	354	
Waste Management	6,269	1,992	
Non-major Enterprise Funds	1,571	481	
Unearned Revenue			
Waste Management			184
Non-major Enterprise Funds			1,829
Deferred Charge on Refunding			
Airports	52		
Total Business-Type Activities	<u>9,005</u>	<u>2,827</u>	<u>2,013</u>
Total Government-Wide Activities	<u>\$ 468,041</u>	<u>\$ 143,967</u>	<u>\$ 39,863</u>

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XVIII. FUND BALANCES/NET POSITION

A. FUND BALANCE

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note I. G for a description of these categories). Fund balances for all the major and non-major governmental funds as of June 30, 2017, were distributed as follows:

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS
Nonspendable:									
Receivables/Advances	\$ 20,925	\$	\$	\$	\$	\$	\$	\$	\$
Deposits/Revolving Cash	1,445	1			101			5	62
Inventory							876	1,064	
Total Nonspendable Fund Balance	<u>22,370</u>	<u>1</u>			<u>101</u>		<u>876</u>	<u>1,069</u>	<u>62</u>
Restricted for:									
Aging and Adult Services	17								879
Animal Control Programs									22
Apparatus Replacement								659	
Assessor/Recorder Programs	29								4,550
Automated Fingerprint									648
Automated Warrant System									70
Bakersfield Mitigation							1,639		
Capital Improvement - Fire Stations								1,822	
Capital Projects									37,072
Child Support Enforcement									690
Children Services	628								
Comm Corr. Performance Incentive									425
Community Development			1,594						57
CCP Community Recidivism									5,605
CSAs - Health & Sanitation									1,056
CSAs - Public Protection									392
CSAs - Public Ways									4,230
Criminal Justice Facility									1,789
Criminalistics Lab									592
DA Court Ordered Penalties									2,337
Debt Service						9,617			1,904
DHS-Wraparound									6,526
Human Services					8,295				
Disaster Assistance									892
District Attorney Equipment									439
DIVCA Franchise Fee									649
DNA Fund									125
Domestic Violence									137
Emergency Medical Services									1,901
Engineering and Survey Services									67
Environmental Health									752
Fire Activity								674	
Fire Hazard Reduction								475	
Fire Prevention Activities								65	
Fire Truck Replacement								4	

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	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS
Forfeitures									742
IHSS Public Authority									768
Industrial Fire Fighting Vehicle								371	
Juvenile Inmate Welfare									225
Kern County Childrens Fund									948
Library Books									471
Local Public Safety									12,234
Mental Health - Alcohol Abuse									128
Mental Health - Drug Program									14
Mental Health - Prudent Reserve		12,546							
Mental Health Programs		139,197							
Micrographics									2
Off Highway Motor Vehcile License									586
Oildale Revitalization									8
Parks Services									251
Probation Programs	1,203								94
Probation Realignment									950
Project Impact Mitigation									14,515
Public Health Programs									180
Range Improvement									96
Realignment				27,963					
Redemption Systems									1,452
Resource Management Agency									663
Roads - Construction Projects							16,601		
Roads - Maintenance									1,046
Roads - Metro Bakersfield Impact							15,007		
Roads - Rosamond Impact							852		
Roads - Tehachapi Impact									2,328
Rural Crime									461
Shelter Care									184
Sheriff Programs									6,989
Teeter 1%	10,029								
Vital Health									607
Veterans Services									558
Wildlife Resources									5
Workforce Investment Act	9								2,115
Total Restricted Fund Balance	11,915	151,743	1,594	27,963	8,295	9,617	34,099	4,070	122,426
Committed to:									
Abatement Cost									178
Aging and Adult Services									1,130
Building Inspection									17,334
Teeter Buyout	44,488								
Engineering and Survery Services									5,302
Firework Safety & Enforcement								181	
Planning Programs									2,553
Sheriff Programs									50
Total Committed Fund Balance	44,488	-	-	-	-	-	-	181	26,547

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	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS
Assigned to:									
Encumbrances									
General Gov't - Major Maint	7,130								
General Gov't - Capital Proj	5,357								
General Gov't - Other	2,837								
Public Protection - Sheriff	402								
Public Protection - Probation	301								
Public Protection - Other	122								
Health & Sanitation - Health	397								
Board of Trade									323
Capital Projects									2,586
Fire Department Capital								3,480	
Fire Protection Programs								245	
Fire Station Replacement	355								
Human Services	26,453								
Information Technology Services	76								
Infrastructure Replacement	9,183								
Jail Operations	4,675								
Kern Medical Working Capital	38,823								
PILT/TARP	800								
Retirement	12,758								
Safety Retirement	490								
Sheriff Equipment	1,353								
Sheriff	743								
Strategic Work FRC Plan	125								
Tax Litigation	5,625								
WESTARZ	148								
Total Assigned Fund Balance	118,153							3,725	2,909
Unassigned Fund Balance:	91,217								
Total Fund Balances	\$ 288,143	\$ 151,744	\$ 1,594	\$ 27,963	\$ 8,396	\$ 9,617	\$ 34,975	\$ 9,045	\$ 151,944

B. RESTRICTED RESOURCES

Restricted resources represent restrictions imposed on the use of the County's resources by parties outside of the government and by law through constitutional provisions or enabling legislation. The debt service restriction is imposed by the creditors for debt payments. The deposit with other represents required cash reserves as determined by the County's health insurance administrators. The restricted amount in the Internal Service Funds was included with the governmental activities in the government-wide financial statements.

XIX. OTHER INFORMATION

A. DEFERRED COMPENSATION PLAN

The County has made available two deferred compensation plans to its eligible employees under the terms of Section 457 of the Internal Revenue Code. Of the two deferred compensation plans, one covers full-time employees and the other covers part-time, seasonal, and temporary employees. The deferred compensation is not available to employees until termination,

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retirement, death or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the direction of the employees.

The Small Business Job Protection Act of 1996 changed the Internal Revenue Code Section 457 to protect participant assets from the creditors of a bankrupt or financially troubled public jurisdiction. The County has complied with the provisions of this act. As of June 30, 2016, the Deferred Compensation Plans reported a net position of \$447,157 for the full-time employee plan and \$7,854 for the part-time, seasonal, and temporary employee plan, which are not included as part of the County's financial statements. Complete Financial Statements for the Deferred Compensation Plans may be obtained from the office of the Kern County Treasurer Tax Collector located at 1115 Truxtun Avenue, Second Floor, Bakersfield, California 93301.

B. JOINT VENTURES

In accordance with the Joint Exercise of Powers agreement between the Ford City – Taft Heights Sanitation District (the District) and the City of Taft (the City) dated May 29, 1950, and amended March 7, 1966, April 24, 1972, and August 20, 1991, the City acts on its own behalf and on behalf of the District to operate and maintain a Wastewater Treatment Plant. Costs to operate and maintain the facility are apportioned 52% to the City and 48% to the District. The District's investment in the Wastewater Treatment Plant increased by \$172 from \$2,396 to \$2,569 as of their most recent financial statements issued.

The Wastewater Treatment Facility and the result of its operations are reported as a component unit of the City. Audited financial statements for the City, Ford City-Taft Heights Sanitation District Wastewater Treatment Plant may be obtained through the City located at 209 East Kern Street, Taft, California 93268.

C. SECURITIZATION OF TOBACCO SETTLEMENT REVENUES

In November 1998, the Attorney General of 46 states and the four largest U.S. tobacco manufacturers (the OPM) entered into a Master Settlement Agreement (the MSA) in resolution of cigarette smoking-related litigation between the Settling States and the OPMs. On August 5, 1998, the counsel representing the state, various cities and counties in California, and certain other parties entered into a MOU pursuant to which each participant's jurisdiction is entitled to receive a portion of the payments to be made to the State pursuant to the MSA. The members are allowed to sell or otherwise exchange their rights to receive payments under the MSA and the MOU for a cash payment, thereby self-insuring, hedging against or otherwise managing the risk associated with the receipt of such revenue, and assuring the availability of monies to fund the social needs of its population.

The County elected to participate in a Joint Powers Agreement made in accordance with Chapter 5 of Division 7 of Title I of the Government Code of the State of California dated as of November 15, 2000, by and among the County of Stanislaus, the County of Merced, and the County of Sonoma to form the Agency. Since then, the County of Marin, the County of Placer, and the County of Fresno were added on May 31, 2002, and the County of Alameda and the County of Los Angeles were added on August 15, 2002 and January 24, 2006, respectively. The Agency is an entity that is separate from each of the member Counties. The debts, liabilities, and obligations of the Agency, including any bonds, do not constitute debts, liabilities or obligation of any of the member Counties.

The Agency has the power to issue bonds secured by the MSA payment of one or more members, the proceeds of which will be used directly or indirectly to purchase all or a portion of the MSA payments.

In furtherance of its objective to ensure and otherwise protect against the risk of a substantial decline in Tobacco Revenue and to assure a source of funds for County programs, the County

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formed the Corporation. The Agency loaned the Corporation proceeds from bonds it had issued on behalf of the County. The County sold to the Corporation all rights, title and interest of the County's Tobacco Revenue pursuant to the terms of an Installment Sale, Self-Insurance and Risk Transfer Agreement between the County and the Corporation. The Corporation has been included as a blended component unit of the County.

The bonds are limited obligations of the Agency payable solely from loan payments made by the Corporation. The Corporation funds the loan payments with the tobacco settlement payment purchased from the County. For the year ended June 30, 2017, \$7,443 of tobacco settlement payments was recorded as Other Revenues in the Kern County Tobacco Funding Corporation debt service fund. The bonds do not constitute a charge against the general credit of the Agency or the County and neither the Agency (except from loan payments by the Corporation) nor the County will be obligated to pay the interest on or principal of these bonds. These bonds do not constitute a legal debt, liability or obligation of the County.

D. TAX ABATEMENTS

The County provides property tax abatements through the California Land Conservation Act of 1965, commonly referred to as the Williamson Act, which includes the Farmland Security Zone (FSZ) program. Under the Williamson Act, the County's Planning and Natural Resources Department enrolls land in Williamson Act and/or FSZ contracts to restrict the uses of agricultural and open space lands to farming and ranching uses in exchange for reduced property tax assessments. The contracts for the Williamson Act and FSZ are for a minimum of 10 years and 20 years, respectively.

Under the provisions of these contracts, land parcels and living improvements are assessed based on the capitalization of income method of the California Revenue and Taxation Code Section 423. For the fiscal year ended June 30, 2017, the County abated property taxes totaling approximately \$11,558 under the Williamson Act.

XX. TRANSFER TO COMPONENT UNIT

On July 1, 2016, the County transferred operations of Kern Medical to the Hospital Authority, a discretely presented component unit. As of the effective transfer date, the net position of assets, deferred outflows of resources, liabilities, and deferred inflows of liabilities transferred amounted to deficit \$282,147. Additionally, the Hospital Authority assumed \$7,748 of workers' compensation liability related to legacy employees hired before July 1, 2016. The total transfer reported by the County to the Hospital Authority was \$289,895.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

XXI. CONDENSED FINANCIAL STATEMENTS OF HOUSING AUTHORITY

As stated in Note I. C., the current audited financial statements for the Housing Authority were unavailable as of the date of this report. The most recent audited financial statements for the fiscal year ended June 30, 2016 is as follows:

Statement of Net Position

Assets and Deferred Outflows of Resources:	
Current assets	\$ 9,615
Restricted Cash	4,748
Capital Assets, Net	50,416
Other Assets	14,351
Deferred Outflows of Resources	1,897
Total Assets and Deferred Outflows of Resources	<u>81,027</u>
Liabilities and Deferred Inflows of Resources:	
Current Liabilities	3,191
Long-term Liabilities	30,247
Deferred Inflows of Resources	2,413
Total Liabilities and Deferred Inflows of Resources	<u>35,851</u>
Net Position:	
Net Investment in Capital Assets	27,617
Restricted	2,512
Unrestricted	15,047
Total Net Position	<u>\$ 45,176</u>

Statement of Activities

Program (Expenses) Revenues:	
Expenses	\$ (42,062)
Program Revenues:	
Charges for Services	8,802
Operating Grants and Contributions	32,547
Capital Grants and Contributions	1,450
Net Program Revenues	<u>737</u>
General Revenues:	
Unrestricted Investment Earnings	447
Change in Net Position	1,184
Net Position, July 1, 2015	43,992
Net Position, June 30, 2016	<u>\$ 45,176</u>

XXII. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 20, 2017, which is the date the financial statements were available to be issued. The following event has occurred that would require disclosure.

A. REFUNDING OF 2011 AIRPORT PRIVATE PLACEMENT LOAN

On August 1, 2017, the County issued the 2017 Refunding Private Placement Loan in the amount of \$5,377 to refund the 2011 Airports Private Placement Loan. The purpose of the refunding was to lower the interest rate from a fixed rate of 3.08% to an average fixed rate of 2.28% and extend the maturity dates from 2023 to 2027.



**REQUIRED
SUPPLEMENTARY
INFORMATION**

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes	\$ 288,415	\$ 288,415	\$ 300,809	\$ 12,394
Licenses, Permits, and Franchises	11,226	11,226	12,343	1,117
Fines, Forfeitures and Penalties	13,719	13,719	12,786	(933)
Revenues from Use of Money and Property	9,587	9,587	9,024	(563)
Aid from Other Governmental Agencies	151,816	151,816	144,493	(7,323)
Charges for Current Services	77,502	77,502	78,861	1,359
Other Revenues	5,461	5,461	6,149	688
Total Revenues	<u>557,726</u>	<u>557,726</u>	<u>564,465</u>	<u>6,739</u>
EXPENDITURES:				
General Government	97,995	155,778	142,229	13,549
Public Protection	416,082	422,366	403,572	18,794
Health and Sanitation	70,671	71,523	64,623	6,900
Public Assistance	15,579	16,012	14,371	1,641
Education	7,973	8,415	7,945	470
Culture and Recreation Services	12,153			
Debt Service - General Fund	14,230	14,210	4,540	9,670
Contingencies and Reserves	12,201	11,024		11,024
Total Expenditures	<u>646,884</u>	<u>699,328</u>	<u>637,280</u>	<u>62,048</u>
Deficiency of Revenues Under Expenditures	<u>(89,158)</u>	<u>(141,602)</u>	<u>(72,815)</u>	<u>68,787</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	194,413	194,413	167,581	(26,832)
Transfers Out	(144,691)	(147,650)	(117,474)	30,176
Inception of Capital Lease			7,338	7,338
Total Other Financing Sources (Uses)	<u>49,722</u>	<u>46,763</u>	<u>57,445</u>	<u>10,682</u>
Net Change in Fund Balance	(39,436)	(94,839)	(15,370)	79,469
Fund Balance, July 1, 2016 (as previously reported)	292,774	292,774	292,774	
Prior Period Adjustments (Modified Accrual Basis of Accounting, p. 32)			1,531	1,531
Fund Balance, June 30, 2017	<u>\$ 253,338</u>	<u>\$ 197,935</u>	<u>\$ 278,935</u>	<u>\$ 81,000</u>

Note: The Fund Balance at July 1, 2016 for Budgetary Basis is recorded on the modified accrual basis of accounting, excluding prior year encumbrances.

Explanation of differences between budgetary expenditures and Generally Accepted Accounting Principles (GAAP) expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 637,280
Differences - Budget to GAAP	
Encumbrances for supplies and services ordered but not received within the recognition period	(16,546)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	7,338
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 628,072</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 BEHAVIORAL HEALTH & RECOVERY SERVICES
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 227	\$ 227	\$ 621	\$ 394
Aid from Other Governmental Agencies	49,447	49,447	41,226	(8,221)
Charges for Current Services	69,462	69,462	61,078	(8,384)
Other Revenues	<u>380</u>	<u>380</u>	<u>613</u>	<u>233</u>
Total Revenues	<u>119,516</u>	<u>119,516</u>	<u>103,538</u>	<u>(15,978)</u>
EXPENDITURES:				
Health and Sanitation	<u>136,453</u>	<u>205,014</u>	<u>166,109</u>	<u>38,905</u>
Total Expenditures	<u>136,453</u>	<u>205,014</u>	<u>166,109</u>	<u>38,905</u>
Deficiency of Revenues Under Expenditures	<u>(16,937)</u>	<u>(85,498)</u>	<u>(62,571)</u>	<u>22,927</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	91,433	91,433	53,606	(37,827)
Transfers Out	<u>(40,219)</u>	<u>(45,434)</u>	<u>(4,697)</u>	<u>40,737</u>
Total Other Financing Sources (Uses)	<u>51,214</u>	<u>45,999</u>	<u>48,909</u>	<u>2,910</u>
Net Change in Fund Balance	34,277	(39,499)	(13,662)	25,837
Fund Balance, July 1, 2016	<u>136,171</u>	<u>136,171</u>	<u>136,171</u>	
Fund Balance, June 30, 2017	<u>\$ 170,448</u>	<u>\$ 96,672</u>	<u>\$ 122,509</u>	<u>\$ 25,837</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 166,109
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(29,235)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 136,874</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 17,999	\$ 17,999	\$ (7)	\$ (7)
Aid from Other Governmental Agencies	493	493	7,521	(10,478)
Other Revenues	<u>493</u>	<u>493</u>	<u>993</u>	<u>500</u>
Total Revenues	<u>18,492</u>	<u>18,492</u>	<u>8,507</u>	<u>(9,985)</u>
EXPENDITURES:				
Public Assistance	<u>16,503</u>	<u>15,482</u>	<u>4,224</u>	<u>11,258</u>
Total Expenditures	<u>16,503</u>	<u>15,482</u>	<u>4,224</u>	<u>11,258</u>
Excess of Revenues Over Expenditures	<u>1,989</u>	<u>3,010</u>	<u>4,283</u>	<u>1,273</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	5	5		(5)
Transfers Out	<u>(1,996)</u>	<u>(3,540)</u>	<u>(3,438)</u>	<u>102</u>
Total Other Financing Sources (Uses)	<u>(1,991)</u>	<u>(3,535)</u>	<u>(3,438)</u>	<u>97</u>
Net Change in Fund Balance	(2)	(525)	845	1,370
Fund Balance, July 1, 2016	<u>744</u>	<u>744</u>	<u>744</u>	
Fund Balance, June 30, 2017	<u>\$ 742</u>	<u>\$ 219</u>	<u>\$ 1,589</u>	<u>\$ 1,370</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 4,224
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(5)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 4,219</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 COUNTY LOCAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 183,448	\$ 183,448	\$ (175)	\$ (175)
Aid from Other Governmental Agencies	<u>183,448</u>	<u>183,448</u>	<u>194,477</u>	<u>11,029</u>
Total Revenues	<u>183,448</u>	<u>183,448</u>	<u>194,302</u>	<u>10,854</u>
EXPENDITURES:				
Public Protection	<u>2,521</u>	<u>2,521</u>	<u>2,071</u>	<u>450</u>
Total Expenditures	<u>2,521</u>	<u>2,521</u>	<u>2,071</u>	<u>450</u>
Excess of Revenues Over Expenditures	<u>180,927</u>	<u>180,927</u>	<u>192,231</u>	<u>11,304</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	2,167	2,167		(2,167)
Transfers Out	<u>(181,113)</u>	<u>(186,743)</u>	<u>(181,317)</u>	<u>5,426</u>
Total Other Financing Sources (Uses)	<u>(178,946)</u>	<u>(184,576)</u>	<u>(181,317)</u>	<u>3,259</u>
Net Change in Fund Balance	1,981	(3,649)	10,914	14,563
Fund Balance, July 1, 2016	17,815	17,815	17,815	
Prior Period Adjustments	<u>(766)</u>	<u>(766)</u>	<u>(766)</u>	
Fund Balance, June 30, 2017	<u>\$ 19,030</u>	<u>\$ 13,400</u>	<u>\$ 27,963</u>	<u>\$ 14,563</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 HUMAN SERVICES
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 36	\$ 36	\$ 71	\$ 35
Aid from Other Governmental Agencies	268,425	268,425	272,205	3,780
Charges for Current Services	183	183	240	57
Other Revenues	<u>2,570</u>	<u>2,570</u>	<u>2,196</u>	<u>(374)</u>
Total Revenues	<u>271,214</u>	<u>271,214</u>	<u>274,712</u>	<u>3,498</u>
EXPENDITURES:				
Public Assistance	<u>430,144</u>	<u>430,925</u>	<u>420,461</u>	<u>10,464</u>
Total Expenditures	<u>430,144</u>	<u>430,925</u>	<u>420,461</u>	<u>10,464</u>
Deficiency of Revenues Under Expenditures	<u>(158,930)</u>	<u>(159,711)</u>	<u>(145,749)</u>	<u>13,962</u>
OTHER FINANCING SOURCES:				
Transfers In	<u>159,004</u>	<u>159,004</u>	<u>152,991</u>	<u>(6,013)</u>
Total Other Financing Sources	<u>159,004</u>	<u>159,004</u>	<u>152,991</u>	<u>(6,013)</u>
Net Change in Fund Balance	74	(707)	7,242	7,949
Fund Balance, July 1, 2016	537	537	537	
Prior Period Adjustments	<u>382</u>	<u>382</u>	<u>382</u>	
Fund Balance, June 30, 2017	<u>\$ 993</u>	<u>\$ 212</u>	<u>\$ 8,161</u>	<u>\$ 7,949</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 420,461
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(235)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 420,226</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULE
ROADS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes	\$ 2,460	\$ 2,460	\$ 2,702	\$ 242
Licenses, Permits and Franchises			2,735	2,735
Revenues from Use of Money and Property	55	55	112	57
Aid from Other Governmental Agencies	36,251	36,251	32,920	(3,331)
Charges for Current Services	3,526	3,526	1,325	(2,201)
Other Revenues	<u>10</u>	<u>10</u>	<u>71</u>	<u>61</u>
Total Revenues	<u>42,302</u>	<u>42,302</u>	<u>39,865</u>	<u>(2,437)</u>
EXPENDITURES:				
Public Ways and Facilities	<u>55,844</u>	<u>66,315</u>	<u>50,927</u>	<u>15,388</u>
Total Expenditures	<u>55,844</u>	<u>66,315</u>	<u>50,927</u>	<u>15,388</u>
Deficiency of Revenues Under Expenditures	<u>(13,542)</u>	<u>(24,013)</u>	<u>(11,062)</u>	<u>12,951</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	6,033	6,033	4,875	(1,158)
Transfers Out	<u>(919)</u>	<u>(902)</u>	<u></u>	<u>902</u>
Total Other Financing Sources (Uses)	<u>5,114</u>	<u>5,131</u>	<u>4,875</u>	<u>(256)</u>
Net Change in Fund Balance	(8,428)	(18,882)	(6,187)	12,695
Fund Balance, July 1, 2016	<u>39,260</u>	<u>39,260</u>	<u>39,260</u>	<u></u>
Fund Balance, June 30, 2017	<u>\$ 30,832</u>	<u>\$ 20,378</u>	<u>\$ 33,073</u>	<u>\$ 12,695</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 50,927
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(1,902)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 49,025</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 STRUCTURAL FIRE
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes	\$ 86,037	\$ 86,037	\$ 90,693	\$ 4,656
Licenses, Permits and Franchises	650	650	835	185
Fines, Forfeitures and Penalties	155	155	100	(55)
Revenues from Use of Money and Property	(82)	(82)	(300)	(218)
Aid from Other Governmental Agencies	4,646	4,646	4,725	79
Charges for Current Services	41,112	41,112	42,173	1,061
Other Revenues	406	406	250	(156)
Total Revenues	<u>132,924</u>	<u>132,924</u>	<u>138,476</u>	<u>5,552</u>
EXPENDITURES:				
Current:				
Public Protection	140,422	156,322	154,257	2,065
Total Expenditures	<u>140,422</u>	<u>156,322</u>	<u>154,257</u>	<u>2,065</u>
Deficiency of Revenues Under Expenditures	<u>(7,498)</u>	<u>(23,398)</u>	<u>(15,781)</u>	<u>7,617</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	17,631	17,631	12,718	(4,913)
Transfers Out	(2,154)	(2,809)	(766)	2,043
Total Other Financing Sources (Uses)	<u>15,477</u>	<u>14,822</u>	<u>11,952</u>	<u>(2,870)</u>
Net Change in Fund Balance	7,979	(8,576)	(3,829)	4,747
Fund Balance, July 1, 2016	12,199	12,199	12,199	
Fund Balance, June 30, 2017	<u>\$ 20,178</u>	<u>\$ 3,623</u>	<u>\$ 8,370</u>	<u>\$ 4,747</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 154,257
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(675)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 153,582</u>

**COUNTY OF KERN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

I. BUDGETARY BASIS OF ACCOUNTING

A. BUDGETARY INFORMATION

In accordance with the provisions of Sections 29000 through 29144 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and legally adopts a budget for the next fiscal year. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, except that such budgets integrate the County's encumbrance system, and, accordingly, they differ from budgets prepared in accounting principles generally accepted in the United States of America in this regard. In addition, capital leases are budgeted for the current annual portion, and, under accounting principles generally accepted in the United States of America, the full amount of the leased asset purchased is required to be recorded as an expenditure in the year purchased.

The major funds for which annual budgets are adopted are presented in the budgetary comparison schedules and include the General Fund, Behavioral Health & Recovery Services, Community Development, County Local Revenue Fund, Human Services, Roads, and Structural Fire. The County also budgets for the following non-major funds: Abatement Cost, Aging & Adult Services, Alcohol Abuse, Alcohol Program, Asset Forfeiture 15% Probation, Automated Co. Warrant System, Automated Fingerprint, Board of Trade Advertising, Building Inspection, CCP Community Recidivism, Child Restraint Loaner, Child Support Services, Comm. Corr. Performance Incentive, County Service Areas, Criminal Justice Facility, Criminalistics Laboratories, DA Court Ordered Penalties, DA/Sheriff/Probation DNA Fund, DA Equipment Automation, DA Federal Forfeitures, DA Local Forfeitures, DHS Wraparound Savings, DIVCA LCL Franchise Fee, Domestic Violence, Drug Program, Emergency Medical Payments, Employers' Training Resource, Environmental Health Services, Health-MAA TCM, IHSS Public Authority, Juvenile Inmate Welfare, Kern County Children's Fund, KNET Asset Forfeitures, Library Books, Local Public Safety, Micrographics, NSP Grant, Oil & Gas Road Maintenance, Oildale Revitalization, Off Hwy. Motor Vehicle License, Parcel Map In-Lieu Fees, Parks & Recreation Donation Fund, Planned Local Drainage, Planned Sewer, Planning Admin. Surcharge, Probation Asset Forfeiture, Probation DJJ Realignment, Probation Federal Asset Forfeiture, Probation Training, Public Health Misc., Range Improvement, Real Estate Fraud, Recorder, Recorder's Electronic Recording, Recorder Modernization, Recorder SSN Truncation, Redemption Systems, RMA-Hazardous Waste Settlements, Rural Crimes Environmental Impact Fee, Shelter Care, Sheriff Cal I.D., Sheriff Civil Automated, Sheriff Civil Subpoena, Sheriff Controlled Substance, Sheriff Drug Abuse Gang Diversion, Sheriff Drug Awareness Program, Sheriff Electronic Monitoring, Sheriff Facility Training, Sheriff Inmate Welfare, Sheriff Judgment Debtor Fee, Sheriff Rural Crime, Sheriff Sidearm Conversion, Sheriff State Asset Forfeitures, Sheriff Training Fund, Sheriff's Volunteer Service Group, Sheriff Work Release, Sterilization, Strong Motion Instrumentation, Tobacco Education Control, Veterans Grant Fund, Vital Health Statistics County Clerk, Vital Health Statistics, Vital Health Statistics Recorder, Wildlife Resources, 7th Standard Road Widening, AB900 Jail Construction, Accumulative Capital Outlay General, and Tobacco Securitization Proceeds.

**COUNTY OF KERN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

I. BUDGETARY BASIS OF ACCOUNTING (CONTINUED)

A. BUDGETARY INFORMATION (CONTINUED)

The County controls expenditures from non-budgeted funds primarily by monitoring cash balances throughout its integrated accounting and warrant writing system. Non-budgeted debt service payments are determined by the terms of bond indentures.

The aggregated County budget is an accumulation of current operating budgets within the budgeted funds operations. The County prepares annual budgets for its Enterprise and Internal Service Fund activities; however, such budgets are not presented since such comparison would make evaluation of the accrual basis of accounting funds unduly complex. All budgetary transactions must be approved by a four-fifths (4/5) vote from the Board.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund, department, and major object level, with more stringent control over capital assets and expenditure transfers and reimbursements for all budgeted funds. The dollar amount limitation effectively lowers the legal level of budgetary control to the object level. Presentation of the Budgetary Comparison Schedules at the legal level is not feasible due to excessive length; therefore, the Budgetary Comparison Schedules have been aggregated by function. The County also prepares a separate Final Budget document at the object level, which is made available to the public by the Auditor-Controller-County Clerk's office.

There were no material excess expenditures over the related appropriations in any object level within any other fund. Final budget amounts, as reported, represent adjusted figures at year-end. The Board must approve transfers of appropriations between departments. The Board must also approve supplemental appropriations necessary and normally financed by unanticipated revenue during the year. Unanticipated revenues of \$23,222 were added to appropriations in the General Fund during the fiscal year.

Depending upon the amount transferred, the Board or the County Administrative Office must approve transfers of appropriations between objects of expenditures within the same budget unit. Final budget amounts reported in the accompanying financial statements are as amended. Any excess of budgetary expenditures and other financing uses over revenues and other financing sources is financed by beginning available fund balances as provided for in the County Budget Act.

Encumbrances, which are commitments related to executory purchases for goods or services, are recorded for budgetary control purposes in the budgeted funds. Encumbrance accounting is utilized to assure effective budgetary control and accountability. Encumbrances outstanding at year-end represent the estimated amount of expenditures ultimately to result if the purchases in process at year-end are completed. Outstanding encumbrances related to purchase orders were allowed to carryover and are reported as reservations of fund balance for subsequent year expenditures. Unused or unencumbered appropriations at year-end close to fund balance.

**COUNTY OF KERN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

I. BUDGETARY BASIS OF ACCOUNTING (CONTINUED)

B. RECONCILIATION OF BUDGETARY BASIS TO GAAP

The annual County budget is prepared, approved and adopted in accordance with provisions of the County Budget Act. In preparing the budget, the County utilizes a basis of accounting which is different from the basis prescribed by generally accepted accounting principles (GAAP).

	Fund Balances (Budgetary Basis)	Basis Differences		Fund Balances (Modified Accrual Basis of Accounting)
		Capital Leases Inception	Outstanding Encumbrances for Budgeted Funds	
General Fund	\$ 278,935	\$ (7,338)	\$ 16,546	\$ 288,143
Behavior Health & Recovery Services	122,509		29,235	151,744
Community Development	1,589		5	1,594
Human Services	8,161		235	8,396
Roads	33,073		1,902	34,975
Structural Fire	8,370		675	9,045
Building Inspection	17,110		230	17,340
CCP Community Recidivism	5,541		64	5,605
Child Support Services	716		22	738
Employers' Training Resource	2,112		3	2,115
Kern County Children's Fund	943		5	948
Recorder	907		38	945
AB900 Jail Construction	(14,001)		14,444	443
Total	<u>\$ 465,965</u>	<u>\$ (7,338)</u>	<u>\$ 63,404</u>	<u>\$ 522,031</u>

**COUNTY OF KERN
KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION - PENSION SCHEDULES
FOR THE YEAR ENDING JUNE 30, 2017 (IN THOUSANDS)**

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last 10 Fiscal Years*

Reporting Date for Employer under GASB 68 as of June 30	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	County's Covered-employee Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered-employee Payroll	Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	91.682%	\$ 1,947,691	\$ 465,506	418.40%	59.59%
2015	91.914%	1,901,916	482,159	394.46%	63.49%
2016	91.290%	2,011,197	477,224	421.44%	62.36%
2017	90.800%	2,191,581	479,889	456.68%	59.82%

Notes to Schedule:

The information presented relates solely to the County and not Kern County Employees' Retirement Association (KCERA) as a whole. This information is intended to provide the reader with the status of the County's participation in KCERA. Additional information is provided in the notes section of this report.

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Last 10 Fiscal Years*

Reporting Date for Employer under GASB 68 as of June 30	Actuarially Determined Contribution	County's Contribution	Contribution Deficiency (Excess)	County's Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
2015	\$ 201,221	\$ 201,221	\$ -	\$ 482,159	41.73%
2016	194,907	194,907	-	477,224	40.84%
2017	198,049	198,049	-	479,889	41.27%

Notes to Schedule:

Valuation Date:	June 30, 2016
Methods and assumptions used to determine contribution rates:	
Actuarial Cost Method	Entry Age Normal
Remaining Amortization Period	19.5 year as of June 30, 2016
Asset Valuation Method	Market value basis, recognized over a five year-period
Inflation	3.25%
Projected Salary Increase	General: 4.25% to 9.25% and Safety: 4.25% to 11.75%, varying by service, including inflation
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation
Retirement Age	General Age: 57, Safety Age: 53
Mortality	RP-2000 Combined Healthy Mortality Table projected with Scale BB to 2023

*GASB Statement No. 68 was implemented as of June 30, 2015. Additional years will be presented as they are available.

**COUNTY OF KERN
OTHER POST-EMPLOYMENT BENEFITS
FOR THE YEAR ENDING JUNE 30, 2017 (IN THOUSANDS)**

SCHEDULES OF FUNDING PROGRESS

Retiree Health Premium Supplement Program (RHPSP)

Statement Date	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a) (c)	Funded Ratio (a/b)	Covered Payroll (d)	UAAL as a Percentage of Covered Payroll (c/d)
6/30/2013	6/30/2012	\$	\$ 132,528	\$ 132,528	0.00%	\$ 490,762	27.00%
6/30/2014	6/30/2012		132,528	132,528	0.00%	490,762	27.00%
6/30/2015	6/30/2014	46,496	108,976	62,480	42.67%	501,431	12.46%
6/30/2016	6/30/2014	46,496	108,976	62,480	42.67%	501,431	12.46%
6/30/2017	6/30/2016	64,304	110,247	45,943	58.33%	506,924	9.06%

Source: Kern County Retiree Health Premium Supplement Program Actuarial Valuation, June 30, 2016

Actuarial valuations are done once every two years.

Retiree Health Stipend (RHS)

Statement Date	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a) (c)	Funded Ratio (a/b)	Covered Payroll (d)	UAAL as a Percentage of Covered Payroll (c/d)
6/30/2013	6/30/2012	\$	\$ 36,525	\$ 36,525	0.00%	\$ 490,762	7.44%
6/30/2014	6/30/2012		36,525	36,525	0.00%	490,762	7.44%
6/30/2015	6/30/2014	221	28,885	28,664	0.77%	501,431	5.72%
6/30/2016	6/30/2014	221	28,885	28,664	0.77%	501,431	5.72%
6/30/2017	6/30/2016	1,328	25,492	24,164	5.21%	506,924	4.77%

Source: Kern County Retiree Health Stipend Actuarial Valuation, June 30, 2016.

Actuarial valuations are done once every two years.

**COUNTY OF KERN
 ACTUARIAL ASSUMPTIONS AND METHODOLOGY
 OTHER POST-EMPLOYMENT BENEFITS
 FOR THE YEAR ENDING JUNE 30, 2017 (IN THOUSANDS)**

**Retiree Health Premium Supplement Program (RHPSP)
 Retiree Health Stipend**

Valuation Date:	June 30, 2016
Investment Return:	6.5%
General Inflation Rate:	Not used in calculating liability
Mortality:	<p><u>Healthy</u>- RP 2000 Combined Healthy Mortality Table projected with Scale BB to 2023 set forward one year for males and females for both General and Safety.</p> <p><u>Disabled</u>- General Members: RP 2000 Combined Healthy Mortality Table projected with Scale BB to 2023 set forward eight years for males and females.</p> <p>Safety Members: RP-2000 Combined Healthy Mortality Table projected with Scale BB to 2023 set forward four years for males and females.</p> <p><u>Beneficiaries</u> - Are assumed to have the same mortality rate as a General Member of the opposite sex who has taken a service (non-disability) retirement.</p>
Medical Plan Premiums (Trend) Stipend:	Actual rate increase for 2016/2017, then 6.50% in 2017/2018 grading down 0.25% per year to an ultimate rate of 5.00%. 0.00% for Stipend.
Actuarial Cost Method:	Projected Unit Credit

Retiree Health Premium Supplement Program (RHPSP) ONLY

Monthly Premium Contributions for Future Retirees: \$441.04 - \$882.07 depending on years of service

Other Factors for Monthly Premium Contributions:

Employees who retire with a minimum of 20 years of continuous service only receive a benefit amount as follows:

	<u>2017</u>
20 years	\$ 441.04
21 years	\$ 529.24
22 years	\$ 617.45
23 years	\$ 705.66
24 years	\$ 793.86
25 years	\$ 882.07

Retiree Health Stipend ONLY

Monthly Premium Contributions for Future Retirees:

Coverage	Stipend
Single-Retiree Only	\$ 39.75
Two-Party (retiree plus dependent)	53.69
Family (retiree plus two or more dependents)	61.50



**OTHER
SUPPLEMENTARY
INFORMATION**



**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND
SCHEDULES**



**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled Cash and Investments	\$ 102,699	\$ 11,342	\$ 139	\$ 114,180
Revolving Fund Cash	62			62
Cash and Investments Deposited with Trustee		36,274	1,796	38,070
Interest Receivable	150	6		156
Taxes Receivable	360			360
Accounts Receivable	329			329
Accrued Revenue	17,768	15,171		32,939
Due from Other Funds	2,881			2,881
Due from Other Agencies	793			793
Housing Loans Receivable	14,944			14,944
Housing Loans Interest Receivable	1,386			1,386
Total Assets	<u>141,372</u>	<u>62,793</u>	<u>1,935</u>	<u>206,100</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 141,372</u>	<u>\$ 62,793</u>	<u>\$ 1,935</u>	<u>\$ 206,100</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 3,539	\$ 4,130	\$ 31	\$ 7,700
Salaries and Employee Benefits Payable	1,855			1,855
Due to Other Funds	8,434	14,005		22,439
Due to Other Agencies	91			91
Advances from Other Funds		5,000		5,000
Advances from Grantors and Third Parties	78			78
Total Liabilities	<u>13,997</u>	<u>23,135</u>	<u>31</u>	<u>37,163</u>
Deferred Inflows of Resources:				
Deferred Housing Loan Payments	16,330			16,330
Unavailable Revenue - Property Taxes	334			334
Unavailable Revenue - Other	329			329
Total Deferred Inflows of Resources	<u>16,993</u>			<u>16,993</u>
Fund Balances:				
Nonspendable	62			62
Restricted	83,450	37,072	1,904	122,426
Committed	26,547			26,547
Assigned	323	2,586		2,909
Total Fund Balances	<u>110,382</u>	<u>39,658</u>	<u>1,904</u>	<u>151,944</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 141,372</u>	<u>\$ 62,793</u>	<u>\$ 1,935</u>	<u>\$ 206,100</u>

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
REVENUES:				
Taxes	\$ 3,264	\$	\$	\$ 3,264
Licenses, Permits and Franchises	9,255			9,255
Fines, Forfeitures and Penalties	8,940			8,940
Revenues from Use of Money and Property	283	225	107	615
Aid from Other Governmental Agencies	126,827	61,053		187,880
Charges for Current Services	20,681			20,681
Other Revenues	6,475		51,364	57,839
Total Revenues	175,725	61,278	51,471	288,474
EXPENDITURES:				
Current:				
General Government	40	72	612	724
Public Protection	33,475			33,475
Public Ways and Facilities	2,750			2,750
Health and Sanitation	11,124			11,124
Public Assistance	35,093			35,093
Culture and Recreation Services	23			23
Capital Outlay		67,549		67,549
Debt Service:				
Principal			21,986	21,986
Interest			35,779	35,779
Cost of Issuance			2,139	2,139
Total Expenditures	82,505	67,621	60,516	210,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	93,220	(6,343)	(9,045)	77,832
OTHER FINANCING SOURCES (USES):				
Transfers In	19,588	6,451	6,966	33,005
Transfers Out	(111,825)	(6,851)		(118,676)
Refunding Certificates of Participation Issued			80,350	80,350
Premium on Issuance			4,512	4,512
Payment for Defeasance of Old Debt			(90,070)	(90,070)
Total Other Financing Sources (Uses)	(92,237)	(400)	1,758	(90,879)
Net Changes in Fund Balances	983	(6,743)	(7,287)	(13,047)
Fund Balances, July 1, 2016 (as previously reported)	109,126	46,401	9,191	164,718
Prior Period Adjustment	273			273
Fund Balances, June 30, 2017	\$ 110,382	\$ 39,658	\$ 1,904	\$ 151,944

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND DESCRIPTIONS

Special revenue funds are revenues derived from specific taxes or other designated revenue sources. Primary revenue sources include taxes; fines, forfeitures and penalties; use of money and property; aid from other governmental agencies; charges for current services; and other revenues. Expenditures are for specific activities that are legally authorized to be financed from the individual funds. These special revenue funds are described below:

Abatement Cost – This fund accounts for the public nuisance abatement work done by the Code Compliance division.

Aging and Adult Services – This fund accounts for the development and maintenance of Countywide programs to provide social, nutritional, and protective services to seniors and other adults.

Alcohol Abuse – This fund accounts for assessments and is used to fund alcohol abuse education and prevention programs in schools and communities throughout the County.

Alcohol Program – This fund accounts for DUI violation fines and is used to fund alcohol programs and services as well as to upgrade facilities to comply with State and Federal regulations regarding accessibility for handicapped persons.

Asset Forfeiture 15% Probation – This fund was established to account for the County's allocation of asset forfeitures to be used to combat drug abuse and divert gang activity.

Automated County Warrant System – This fund accounts for fines imposed on driving offenses and is used for the development and operation of the automated County warrant system.

Automated Fingerprint – This fund accounts for an assessment on every fine, forfeiture, or penalty collected for criminal offenses and is to be used for maintaining the Cal-ID/Ran system.

Board of Trade Advertising – This fund holds monies received from the sale of advertising by the Board of Trade and is used to pay for related advertising expenses.

Building Inspection – This fund provides for enforcement of State and local regulations governing construction through the issuance of building permits and inspection of new construction in the unincorporated areas of the County.

Community Corrections Partnership (CCP) Community Recidivism – This fund accounts for 2011 realignment allocation for community-based organizations as approved by the Community Correction Partnership.

Child Restraint Loaner – This fund accounts for fines imposed on violators of the Child Passenger Restraint Systems Law and provides a low-cost child passenger restraint purchase and/or loaner program.

Child Support Services – This fund accounts for the initial court actions necessary to establish financial responsibility for the support of minors, and for the enforcement and collection of child support payments from absent parents under the Social Security Act.

Community Correction Performance Incentive – This fund accounts for the County's allocation of money from the State's Corrections Performance Incentives Fund to be used for specified purposes relating to improving local probation supervision practices and capacities.

County Service Areas – This fund accounts for a broad range of services to remote geographical areas as well as rapidly growing communities. These funds are financed principally from property taxes.

Criminal Justice Facility – This fund accounts for surcharges upon fines, forfeitures and penalties to assist in the construction and maintenance of County criminal justice and court facilities.

Criminalistics Laboratories – This fund uses revenues received from a \$50 fine on each conviction for controlled substance offense to defray costs of providing controlled substances analysis in the County.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

District Attorney Court Ordered Penalties – This fund accounts for court-ordered penalties occurring within the County and are for the exclusive use by the District Attorney for the enforcement of consumer protection laws.

District Attorney/Sheriff/Probation DNA Fund – This fund accounts for penalty assessments associated with DNA testing.

District Attorney Equipment Automation – This fund accounts for special grants for the acquisition of equipment for automation of the District Attorney, and specialized equipment for the Crime Laboratory.

District Attorney Federal Forfeitures – This fund accounts for asset forfeiture distributions received through the equitable sharing program with the U.S. Department of Justice when the County's District Attorney's Office either prosecutes a related state criminal action or is responsible for the prosecution of the federal, judicial forfeiture.

District Attorney Local Forfeitures – This fund was established to account for the County's allocation of civil judgments and asset forfeitures.

Department of Human Services (DHS) Wraparound Savings – This fund accounts for the placement and holding of savings of Wraparound monies used to provide specialized intensive "wraparound" services to youth in an effort to achieve positive outcomes.

DIVCA LCL Franchise Fee – This fund accounts for a surcharge on cable providers' franchise fees to be used for audio/visual infrastructure capital equipment purchases.

Domestic Violence – This fund accounts for a surcharge on marriage licenses and is used to finance domestic violence programs.

Drug Program – This fund accounts for fines, penalties and forfeitures and is used to develop, implement, and operate alcohol and drug assessment programs.

Emergency Medical Payments – This fund provides for the coordination of all participants in the emergency medical services system in the County, as authorized under the Health and Safety Code.

Employers' Training Resource (ETR) – This fund administers the Federal Workforce Investment Act and Welfare-to-Work funds received through the Department of Labor, State Employment Development Department, and the Kern County Department of Human Services. ETR accounts for job training and support services for workers of all economic classes.

Environmental Health Services – This fund provides State mandated regulatory oversight, compliance assistance, and enforcement actions relating to health and safety standards for community businesses and activities.

Health-MAA TCM – This fund accounts for the reimbursement of case management services known as Targeted Case Management (TCM) and for administration of the Medi-Cal program known as Medi-Cal Administrative Activities (MAA).

In-Home Supportive Services (IHSS) Public Authority – This fund accounts for supportive services given to aged, blind, or disabled persons, who are unable to perform the services themselves and who cannot safely remain in their homes or abodes of their own choosing unless these services are provided.

Juvenile Inmate Welfare – This fund accounts for revenues generated at Juvenile facilities and are used for enhancing programs within the Juvenile Institutions.

Kern County Children's Fund – This fund accounts for fees from birth certificate requests with the monies used in funding child abuse and neglect prevention and intervention programs.

KNET Asset Forfeitures – The fund accounts for funds received for asset forfeitures from the Kern Narcotics Enforcement Team (KNET).

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

Library Books – This fund holds donations received by the Library for the sole purpose of purchasing materials (books, audiovisual materials, subscriptions, etc.).

Local Public Safety – This fund is used to separately account for proceeds from a half-cent sales tax enacted through the passage of Proposition 172 in November 1993. Proceeds are allocated from this fund to the District Attorney, Public Defender, Sheriff, Probation and Fire.

Micrographics – This fund accounts for the document filing fee used to defray the cost of converting the Recorder's document storage system to micrographics.

NSP Grant – This fund accounts for grant funds from the Housing and Economic Recovery Act of 2008, which are restricted for use in addressing the effects of abandoned and foreclosed properties in Kern County.

Oil & Gas Road Maintenance – This fund is used to collect fees and pay for roadway maintenance and related improvements for impacts caused by oil and gas industry traffic.

Oildale Revitalization – This fund accounts for spending to implement and support the Oildale visioning plan.

Off Highway Motor Vehicle License – This fund supports Off Highway Projects.

Parcel Map In-lieu Fees – This fund accounts for providing park or recreational facilities and improvement of Parks.

Parks and Recreation Donation Fund – This fund holds donations received to be used for park improvement projects.

Planned Local Drainage – This fund accounts for Planned Drainage Areas established in 1976 to finance the construction of storm drain facilities.

Planned Sewer – This fund accounts for sewer facility impact fees charged to building permit applicants to defray the costs of constructing planned drainage and sewer facilities.

Planning Administration Surcharge – This fund collects specified building permit fees applied to new developments to offset costs related to the administration and update of the General Plan and Specific Plans affecting Kern County's growth and development.

Probation Asset Forfeiture – This fund was established to account for the County's allocation of asset forfeitures.

Probation DJJ Realignment – This fund accounts for services given to juveniles that prior to realignment received services from the Division of Juvenile Justice (DJJ).

Probation Federal Asset Forfeiture – This fund was established to account for the County's allocation of Federal asset forfeitures.

Probation Training – This fund accounts for state money received for the development of training, program evaluation, and the research study on validated standards.

Public Health Miscellaneous – This fund accounts for various private donations.

Range Improvement – This fund accounts for grazing fees used to support range improvement costs.

Real Estate Fraud – This fund accounts for recording of real estate instrument fees to fund the deterrence, investigation, and prosecution of real estate fraud crimes.

Recorder – This fund accounts for recording fees used for the operations of the Recorder's office.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

Recorder's Electronic Recording – This fund accounts for recording fees used to maintain the County's system of recorded documents.

Recorder Modernization – This fund accounts for monies collected through a \$1 fee added per recorded document to pay for the County's electronic recording delivery system.

Recorder SSN Truncation – This fund accounts for recording fees used to protect social security numbers on public records.

Redemption Systems – This fund accounts for the requirement under the Revenue and Taxation Code Section 4710.

RMA-Hazardous Waste Settlements – This fund accounts for monies to be used only for the enforcement of laws pertaining to Hazardous Waste Control.

Rural Crimes Environmental Impact Fee – This fund accounts for fees collected from permits to be used to supplement general funds allocated to staffing the Rural Crimes Unit, for the prevention and investigation of rural crimes.

Shelter Care – This fund accounts for donations received for the purchase of emergency items, arts and crafts supplies, and entertainment and recreation for the benefit of the children at the Jamison Center.

Sheriff Cal I.D. – This fund accounts for monies collected through a \$1 fee added to all vehicle registrations to the County with the cost of purchase and replacement of automated fingerprint equipment.

Sheriff Civil Automated – This fund allocates a portion of fees obtained from the service of Civil Process for the exclusive use of the Sheriff's Civil Division for implementation, maintenance, and purchase of auxiliary equipment for automated systems.

Sheriff Civil Subpoena – This fund is used to account for funds that cover the expense of County employees obligated by subpoena to attend civil action. Funding is provided by parties requesting subpoenas.

Sheriff Controlled Substance – This fund holds monies forfeited to the Sheriff to reimburse the Sheriff's department for expenditures made or incurred in connection with forfeiture proceedings and criminal convictions.

Sheriff Drug Abuse Gang Diversion – This fund is used to support programs designed to combat drug abuse and divert gang activity.

Sheriff Drug Awareness Program – This fund accounts for donations received for the sole purpose of benefiting the drug awareness efforts of the Sheriff's department.

Sheriff Electronic Monitoring – This fund is used to collect administrative and registration fees in accordance with Penal Code section 1208.2(b)(1). The fees collected would be used for the Electronic Monitoring Program.

Sheriff Facility Training – This fund accounts for the training and recruitment of Sheriff personnel in order to adhere to the California Penal Code.

Sheriff Inmate Welfare – This fund accounts for monies derived from the commissary sales and telephone charges at the County Jail. Funds are used for the welfare and benefit of inmates housed in the County Jail.

Sheriff Judgment Debtor Fee – This fund collects processing fees for disbursements of certain monies to supplement the cost of purchase and maintenance of the Sheriff's vehicles and equipment.

Sheriff Rural Crime – This fund holds grant money to be used by the rural crime investigation program to reduce losses caused by criminal activity in the agricultural, oil, and livestock industries.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

Sheriff Sidearm Conversion – This fund accounts for the deposit of monies generated from the sale of firearms to fund departmental transition to a standardized departmental sidearm.

Sheriff State Asset Forfeitures – This fund holds revenues received from assets seized during arrests.

Sheriff Training Fund – This fund accounts for the deposit of monies generated from a contract with Cerro Coso Community College for Law Enforcement training.

Sheriff's Volunteer Service Group – This fund accounts for donations received for the purchase of equipment and supplies for the Search and Rescue Team.

Sheriff Work Release – This fund collects the revenues from the Work Release Program, which promotes successful reintegration of law violators into society and reduce jail overcrowding.

Sterilization – This fund holds 10% of all natural and altered dog license fees collected annually to be utilized to fund the Low-Cost Spay/Neuter Program.

Strong Motion Instrumentation – This fund receives revenue through fees charged on permits, and is used for the purpose of promoting seismic education and awareness as part of a State mandate.

Tobacco Education Control – This fund accounts for deposits of prospective payments toward the Tobacco Education Program per State AB99.

Veterans Grant Fund – This fund is used to account for grant and donation revenue received by the Veterans Department.

Vital Health Statistics County Clerk – This fund collects a \$1 fee for each certified copy of a birth, death, or marriage certificate, and reimburses the County Clerk for allowable budget expenditures.

Vital Health Statistics – This fund collects a \$1 fee for each certified copy of a birth, death, or marriage certificate, and reimburses the Health Department for allowable budget expenditures.

Vital Health Statistics Recorder – This fund collects a \$1 fee for each certified copy of a birth, death, or marriage certificate and reimburses the Recorder for allowable budget expenditures.

Wildlife Resources – This fund accounts for funds received from the State to fund projects recommended by the Parks and Recreations Commission.

Other Special Revenue Funds – These funds account for revenues received for various activities and programs including: County-wide Crime Prevention, Disaster Assistance, High Intensity Drug Trafficking Areas (HIDTA) – State Asset Forfeiture, Juvenile Justice Facility, Parks Timber Harvest Fund, Project Impact Mitigation, Public Improvement Districts, Tehachapi Transportation Impact Fee Core, and Tehachapi Transportation Impact Fee Non-Core.

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

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	<u>TOTAL</u>	<u>ABATEMENT COST</u>	<u>AGING & ADULT SERVICES</u>	<u>ALCOHOL ABUSE</u>	<u>ALCOHOL PROGRAM</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 102,699	\$ 178	\$ 16	\$ 55	\$ 57
Revolving Fund Cash	62		4		
Interest Receivable	150				
Taxes Receivable	360				
Accounts Receivable	329				
Accrued Revenue	17,768		2,487		
Due from Other Funds	2,881		461		
Due from Other Agencies	793			7	9
Housing Loans Receivable	14,944				
Housing Loans Interest Receivable	1,386				
Total Assets	<u>141,372</u>	<u>178</u>	<u>2,968</u>	<u>62</u>	<u>66</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 141,372</u>	<u>\$ 178</u>	<u>\$ 2,968</u>	<u>\$ 62</u>	<u>\$ 66</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 3,539	\$	\$ 127	\$	\$
Salaries and Employee Benefits Payable	1,855		560		
Due to Other Funds	8,434		238		
Due to Other Agencies	91				
Advances from Grantors and Third Parties	78		30		
Total Liabilities	<u>13,997</u>		<u>955</u>		
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	16,330				
Unavailable Revenue - Property Taxes	334				
Unavailable Revenue - Other	329				
Total Deferred Inflows of Resources	<u>16,993</u>				
Fund Balances:					
Nonspendable	62		4		
Restricted	83,450		879	62	66
Committed	26,547	178	1,130		
Assigned	323				
Total Fund Balances	<u>110,382</u>	<u>178</u>	<u>2,013</u>	<u>62</u>	<u>66</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 141,372</u>	<u>\$ 178</u>	<u>\$ 2,968</u>	<u>\$ 62</u>	<u>\$ 66</u>

<u>ASSET FORFEITURE 15% PROBATION</u>	<u>AUTOMATED CO. WARRANT SYSTEM</u>	<u>AUTOMATED FINGERPRINT</u>	<u>BOARD OF TRADE ADVERTISING</u>	<u>BUILDING INSPECTION</u>	
\$ 10	\$ 66	\$ 627	\$ 323	\$ 17,209	ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
				6	Assets:
				53	Pooled Cash and Investments
				329	Revolving Fund Cash
				108	Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
	4	21			Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>10</u>	<u>70</u>	<u>648</u>	<u>323</u>	<u>17,705</u>	Total Assets
<u>\$ 10</u>	<u>\$ 70</u>	<u>\$ 648</u>	<u>\$ 323</u>	<u>\$ 17,705</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$ 36	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
				<u>36</u>	Total Liabilities
					Deferred Inflows of Resources:
				329	Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
				<u>329</u>	Total Deferred Inflows of Resources
				6	Fund Balances:
					Nonspendable
					Restricted
				17,334	Committed
					Assigned
10	70	648			Total Fund Balances
			<u>323</u>	<u>17,340</u>	
<u>10</u>	<u>70</u>	<u>648</u>	<u>323</u>	<u>17,340</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 10</u>	<u>\$ 70</u>	<u>\$ 648</u>	<u>\$ 323</u>	<u>\$ 17,705</u>	

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

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	<u>CCP COMMUNITY RECIDIVISM</u>	<u>CHILD RESTRAINT LOANER</u>	<u>CHILD SUPPORT SERVICES</u>	<u>COMM CORR PERFORMANCE INCENTIVE</u>	<u>COUNTY SERVICE AREAS</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 5,693	\$ 45	\$ 1,176	\$ 425	\$ 5,876
Revolving Fund Cash			48		
Interest Receivable					
Taxes Receivable					360
Accounts Receivable					
Accrued Revenue			482		
Due from Other Funds	134				
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>5,827</u>	<u>45</u>	<u>1,706</u>	<u>425</u>	<u>6,236</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 5,827</u>	<u>\$ 45</u>	<u>\$ 1,706</u>	<u>\$ 425</u>	<u>\$ 6,236</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 222	\$	\$ 94	\$	\$ 119
Salaries and Employee Benefits Payable			874		
Due to Other Funds					14
Due to Other Agencies					91
Advances from Grantors and Third Parties					
Total Liabilities	<u>222</u>	<u></u>	<u>968</u>	<u></u>	<u>224</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					334
Unavailable Revenue - Other					
Total Deferred Inflows of Resources	<u></u>	<u></u>	<u></u>	<u></u>	<u>334</u>
Fund Balances:					
Nonspendable			48		
Restricted	5,605	45	690	425	5,678
Committed					
Assigned					
Total Fund Balances	<u>5,605</u>	<u>45</u>	<u>738</u>	<u>425</u>	<u>5,678</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,827</u>	<u>\$ 45</u>	<u>\$ 1,706</u>	<u>\$ 425</u>	<u>\$ 6,236</u>

CRIMINAL JUSTICE FACILITY	CRIMINALISTICS LABORATORIES	DA COURT ORDERED PENALTIES	DA/SHERIFF PROBATION/DNA FUND	DA EQUIPMENT AUTOMATION	
\$ 1,577	\$ 592	\$ 2,337	\$ 90	\$ 439	
212			35		
<u>1,789</u>	<u>592</u>	<u>2,337</u>	<u>125</u>	<u>439</u>	
<u>\$ 1,789</u>	<u>\$ 592</u>	<u>\$ 2,337</u>	<u>\$ 125</u>	<u>\$ 439</u>	
					ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
					Total Assets
					Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
					Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
1,789	592	2,337	125	439	Total Fund Balances
<u>1,789</u>	<u>592</u>	<u>2,337</u>	<u>125</u>	<u>439</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 1,789</u>	<u>\$ 592</u>	<u>\$ 2,337</u>	<u>\$ 125</u>	<u>\$ 439</u>	

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

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	<u>DA FEDERAL FORFEITURE</u>	<u>DA LOCAL FORFEITURES</u>	<u>DHS WRAPAROUND SAVINGS</u>	<u>DIVCA LCL FRANCHISE FEE</u>	<u>DOMESTIC VIOLENCE</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 226	\$ 42	\$ 6,532	\$ 649	\$ 134
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					3
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>226</u>	<u>42</u>	<u>6,532</u>	<u>649</u>	<u>137</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 226</u>	<u>\$ 42</u>	<u>\$ 6,532</u>	<u>\$ 649</u>	<u>\$ 137</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$	\$ 6	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities			<u>6</u>		
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Unavailable Revenue - Other					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	226	42	6,526	649	137
Committed					
Assigned					
Total Fund Balances	<u>226</u>	<u>42</u>	<u>6,526</u>	<u>649</u>	<u>137</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 226</u>	<u>\$ 42</u>	<u>\$ 6,532</u>	<u>\$ 649</u>	<u>\$ 137</u>

DRUG PROGRAM	EMERGENCY MEDICAL PAYMENTS	EMPLOYERS' TRAINING RESOURCE	ENVIRONMENTAL HEALTH SERVICES	HEALTH-MAA TCM	
\$ 13	\$ 1,809	\$ 1,986	\$ 1,092	\$ 120	ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
	7				Assets:
		1,829			Pooled Cash and Investments
		64			Revolving Fund Cash
1	226				Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>14</u>	<u>2,042</u>	<u>3,879</u>	<u>1,092</u>	<u>120</u>	Total Assets
\$ <u>14</u>	\$ <u>2,042</u>	\$ <u>3,879</u>	\$ <u>1,092</u>	\$ <u>120</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$ 141	\$ 1,085	\$ 18	\$	Liabilities:
		679	314		Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
			8		Advances from Grantors and Third Parties
	<u>141</u>	<u>1,764</u>	<u>340</u>		Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
					Total Deferred Inflows of Resources
					Fund Balances:
14	1,901	2,115	752	120	Nonspendable
					Restricted
					Committed
					Assigned
<u>14</u>	<u>1,901</u>	<u>2,115</u>	<u>752</u>	<u>120</u>	Total Fund Balances
\$ <u>14</u>	\$ <u>2,042</u>	\$ <u>3,879</u>	\$ <u>1,092</u>	\$ <u>120</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

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	<u>IHSS PUBLIC AUTHORITY</u>	<u>JUVENILE INMATE WELFARE</u>	<u>KERN COUNTY CHILDREN'S FUND</u>	<u>KNET ASSET FORFEITURE</u>	<u>LIBRARY BOOKS</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 813	\$ 225	\$ 948	\$ 282	\$ 471
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable					
Accrued Revenue	140				
Due from Other Funds	1,459				
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>2,412</u>	<u>225</u>	<u>948</u>	<u>282</u>	<u>471</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,412</u>	<u>\$ 225</u>	<u>\$ 948</u>	<u>\$ 282</u>	<u>\$ 471</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,644	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities	<u>1,644</u>				
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Unavailable Revenue - Other					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	768	225	948	282	471
Committed					
Assigned					
Total Fund Balances	<u>768</u>	<u>225</u>	<u>948</u>	<u>282</u>	<u>471</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,412</u>	<u>\$ 225</u>	<u>\$ 948</u>	<u>\$ 282</u>	<u>\$ 471</u>

LOCAL PUBLIC SAFETY	MICROGRAPHICS	NSP GRANT	OIL & GAS ROAD MAINTENANCE	OILDALE REVITALIZATION	
\$ 6,920	\$ 2	\$ 57	\$ 1,046	\$ 8	
12,817					
		14,944			
		1,386			
<u>19,737</u>	<u>2</u>	<u>16,387</u>	<u>1,046</u>	<u>8</u>	
<u>\$ 19,737</u>	<u>\$ 2</u>	<u>\$ 16,387</u>	<u>\$ 1,046</u>	<u>\$ 8</u>	
					ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
					Total Assets
					Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
7,503					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
<u>7,503</u>					Total Liabilities
		16,330			Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
		<u>16,330</u>			Total Deferred Inflows of Resources
12,234	2	57	1,046	8	Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
<u>12,234</u>	<u>2</u>	<u>57</u>	<u>1,046</u>	<u>8</u>	Total Fund Balances
<u>\$ 19,737</u>	<u>\$ 2</u>	<u>\$ 16,387</u>	<u>\$ 1,046</u>	<u>\$ 8</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

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	<u>OFF HWY MOTOR VEH LICENSE</u>	<u>PARCEL MAP IN-LIEU FEES</u>	<u>PARKS & RECREATION DONATION FUND</u>	<u>PLANNED LOCAL DRAINAGE</u>	<u>PLANNED SEWER</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 586	\$ 170	\$ 43	\$ 1,221	\$ 4,074
Revolving Fund Cash					
Interest Receivable					7
Taxes Receivable					
Accounts Receivable					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>586</u>	<u>170</u>	<u>43</u>	<u>1,221</u>	<u>4,081</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 586</u>	<u>\$ 170</u>	<u>\$ 43</u>	<u>\$ 1,221</u>	<u>\$ 4,081</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities					
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Unavailable Revenue - Other					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	586	170	43		
Committed				1,221	4,081
Assigned					
Total Fund Balances	<u>586</u>	<u>170</u>	<u>43</u>	<u>1,221</u>	<u>4,081</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 586</u>	<u>\$ 170</u>	<u>\$ 43</u>	<u>\$ 1,221</u>	<u>\$ 4,081</u>

PLANNING ADMIN SURCHARGE	PROBATION ASSET FORFEITURE	PROBATION DJJ REALIGNMENT	PROBATION FEDERAL ASSET FORFEITURE	PROBATION TRAINING	
\$ 2,545	\$ 66	\$ 300	\$ 69	\$ 85	ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
8		8			Assets:
		642			Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>2,553</u>	<u>66</u>	<u>950</u>	<u>69</u>	<u>85</u>	Total Assets
<u>\$ 2,553</u>	<u>\$ 66</u>	<u>\$ 950</u>	<u>\$ 69</u>	<u>\$ 85</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
					Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
2,553	66	950	69	85	Total Fund Balances
<u>2,553</u>	<u>66</u>	<u>950</u>	<u>69</u>	<u>85</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 2,553</u>	<u>\$ 66</u>	<u>\$ 950</u>	<u>\$ 69</u>	<u>\$ 85</u>	

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

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	<u>PUBLIC HEALTH MISC</u>	<u>RANGE IMPROVEMENT</u>	<u>REAL ESTATE FRAUD</u>	<u>RECORDER</u>	<u>RECORDER'S ELECTRONIC RECORDING</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 15	\$ 96	\$ 613	\$ 1,041	\$ 57
Revolving Fund Cash				4	
Interest Receivable					
Taxes Receivable					
Accounts Receivable					
Accrued Revenue				9	1
Due from Other Funds				13	
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>15</u>	<u>96</u>	<u>613</u>	<u>1,067</u>	<u>58</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 15</u>	<u>\$ 96</u>	<u>\$ 613</u>	<u>\$ 1,067</u>	<u>\$ 58</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$	\$	\$ 15	\$ 26
Salaries and Employee Benefits Payable				107	
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities				<u>122</u>	<u>26</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Unavailable Revenue - Other					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable				4	
Restricted	15	96	613	941	32
Committed					
Assigned					
Total Fund Balances	<u>15</u>	<u>96</u>	<u>613</u>	<u>945</u>	<u>32</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 15</u>	<u>\$ 96</u>	<u>\$ 613</u>	<u>\$ 1,067</u>	<u>\$ 58</u>

<u>RECORDER MODERNIZATION</u>	<u>RECORDER SSN-TRUNCATION</u>	<u>REDEMPTION SYSTEMS</u>	<u>RMA-HAZARDOUS WASTE SETTLEMENTS</u>	<u>RURAL CRIMES ENVIRONMENTAL IMPACT FEE</u>	
\$ 2,358	\$ 328	\$ 1,452	\$ 663	\$ 461	ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
3					Assets:
275					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>2,636</u>	<u>328</u>	<u>1,452</u>	<u>663</u>	<u>461</u>	Total Assets
<u>\$ 2,636</u>	<u>\$ 328</u>	<u>\$ 1,452</u>	<u>\$ 663</u>	<u>\$ 461</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
					Total Deferred Inflows of Resources
2,636	328	1,452	663	461	Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
<u>2,636</u>	<u>328</u>	<u>1,452</u>	<u>663</u>	<u>461</u>	Total Fund Balances
<u>\$ 2,636</u>	<u>\$ 328</u>	<u>\$ 1,452</u>	<u>\$ 663</u>	<u>\$ 461</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

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	SHELTER CARE	SHERIFF CAL I.D.	SHERIFF CIVIL AUTOMATED	SHERIFF CIVIL SUBPOENA	SHERIFF CONTROLLED SUBSTANCE
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 184	\$ 1,791	\$ 1,078	\$ 20	\$ 41
Revolving Fund Cash					
Interest Receivable		7			
Taxes Receivable					
Accounts Receivable					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>184</u>	<u>1,798</u>	<u>1,078</u>	<u>20</u>	<u>41</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 184</u>	<u>\$ 1,798</u>	<u>\$ 1,078</u>	<u>\$ 20</u>	<u>\$ 41</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities					
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Unavailable Revenue - Other					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	184	1,798	1,078	20	41
Committed					
Assigned					
Total Fund Balances	<u>184</u>	<u>1,798</u>	<u>1,078</u>	<u>20</u>	<u>41</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 184</u>	<u>\$ 1,798</u>	<u>\$ 1,078</u>	<u>\$ 20</u>	<u>\$ 41</u>

SHERIFF DRUG ABUSE GANG DIVERSION	SHERIFF DRUG AWARENESS PROGRAM	SHERIFF ELECTRONIC MONITORING	SHERIFF FACILITY TRAINING	SHERIFF INMATE WELFARE	
\$ 193	\$ 806	\$ 90	\$ 69	\$ 2,035	
				9	
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>193</u>	<u>806</u>	<u>90</u>	<u>69</u>	<u>2,044</u>	Total Assets
<u>\$ 193</u>	<u>\$ 806</u>	<u>\$ 90</u>	<u>\$ 69</u>	<u>\$ 2,044</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
					Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
193	799 7	90	69	2,044	Total Fund Balances
<u>193</u>	<u>806</u>	<u>90</u>	<u>69</u>	<u>2,044</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 193</u>	<u>\$ 806</u>	<u>\$ 90</u>	<u>\$ 69</u>	<u>\$ 2,044</u>	

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

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	<u>SHERIFF JUDGMENT DEBTOR FEE</u>	<u>SHERIFF RURAL CRIME</u>	<u>SHERIFF SIDEARM CONVERSION</u>	<u>SHERIFF STATE ASSET FORFEITURE</u>	<u>SHERIFF TRAINING FUND</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 588	\$ 15	\$ 43	\$ 13	\$ 24
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>588</u>	<u>15</u>	<u>43</u>	<u>13</u>	<u>24</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 588</u>	<u>\$ 15</u>	<u>\$ 43</u>	<u>\$ 13</u>	<u>\$ 24</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities					
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Unavailable Revenue - Other					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	588	15		13	24
Committed			43		
Assigned					
Total Fund Balances	<u>588</u>	<u>15</u>	<u>43</u>	<u>13</u>	<u>24</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 588</u>	<u>\$ 15</u>	<u>\$ 43</u>	<u>\$ 13</u>	<u>\$ 24</u>

SHERIFF'S VOLUNTEER SERVICE GROUP	SHERIFF WORK RELEASE	STERILIZATION	STRONG MOTION INSTRUMENTATION	TOBACCO EDUCATION CONTROL	
\$ 110	\$ 96	\$ 22	\$ 73	\$ 40	
<u>110</u>	<u>96</u>	<u>22</u>	<u>73</u>	<u>40</u>	
<u>\$ 110</u>	<u>\$ 96</u>	<u>\$ 22</u>	<u>\$ 73</u>	<u>\$ 40</u>	
					ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
					Total Assets
					Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$	\$	\$	\$	6	\$
					Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Unavailable Revenue - Other
					Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
110	96	22	67		
<u>110</u>	<u>96</u>	<u>22</u>	<u>67</u>		
					Total Fund Balances
					Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 110</u>	<u>\$ 96</u>	<u>\$ 22</u>	<u>\$ 73</u>	<u>\$ 40</u>	

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

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	<u>VETERANS GRANT FUND</u>	<u>VITAL HEALTH STATISTICS COUNTY CLERK</u>	<u>VITAL HEALTH STATISTICS</u>	<u>VITAL HEALTH STATISTICS RECORDER</u>	<u>WILDLIFE RESOURCES</u>	<u>OTHER SPECIAL REVENUE</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Pooled Cash and Investments	\$ 558	\$ 3	\$ 92	\$ 512	\$ 5	\$ 17,789
Revolving Fund Cash						
Interest Receivable						51
Taxes Receivable						
Accounts Receivable						
Accrued Revenue						
Due from Other Funds						
Due from Other Agencies						
Housing Loans Receivable						
Housing Loans Interest Receivable						
Total Assets	<u>558</u>	<u>3</u>	<u>92</u>	<u>512</u>	<u>5</u>	<u>17,840</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 558</u>	<u>\$ 3</u>	<u>\$ 92</u>	<u>\$ 512</u>	<u>\$ 5</u>	<u>\$ 17,840</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable						
Due to Other Funds						
Due to Other Agencies						
Advances from Grantors and Third Parties						
Total Liabilities						
Deferred Inflows of Resources:						
Deferred Housing Loan Payments						
Unavailable Revenue - Property Taxes						
Unavailable Revenue - Other						
Total Deferred Inflows of Resources						
Fund Balances:						
Nonspendable						
Restricted	558	3	92	512	5	17,840
Committed						
Assigned						
Total Fund Balances	<u>558</u>	<u>3</u>	<u>92</u>	<u>512</u>	<u>5</u>	<u>17,840</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 558</u>	<u>\$ 3</u>	<u>\$ 92</u>	<u>\$ 512</u>	<u>\$ 5</u>	<u>\$ 17,840</u>

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	TOTAL	ABATEMENT COST	AGING & ADULT SERVICES	ALCOHOL ABUSE	ALCOHOL PROGRAM
REVENUES:					
Taxes	\$ 3,264	\$ 121	\$	\$	\$
Licenses, Permits and Franchises	9,255				
Fines, Forfeitures and Penalties	8,940	25		77	98
Revenues from Use of Money and Property	283		46	1	
Aid from Other Governmental Agencies	126,827		10,803		
Charges for Current Services	20,681		1,933		
Other Revenues	6,475		278		
	<u>175,725</u>	<u>146</u>	<u>13,060</u>	<u>78</u>	<u>98</u>
Total Revenues					
EXPENDITURES:					
General Government	40				
Public Protection	33,475				
Public Ways and Facilities	2,750				
Health and Sanitation	11,124				
Public Assistance	35,093		16,031		
Culture and Recreation Services	23				
	<u>82,505</u>		<u>16,031</u>		
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>93,220</u>	<u>146</u>	<u>(2,971)</u>	<u>78</u>	<u>98</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	19,588		3,064		
Transfers Out	(111,825)	(60)		(157)	(130)
	<u>(92,237)</u>	<u>(60)</u>	<u>3,064</u>	<u>(157)</u>	<u>(130)</u>
Total Other Financing Sources (Uses)					
Net Changes in Fund Balances	983	86	93	(79)	(32)
Fund Balances, July 1, 2016 (as previously reported)	109,126	92	1,772	141	98
Prior Period Adjustment	273		148		
Fund Balances, June 30, 2017	<u>\$ 110,382</u>	<u>\$ 178</u>	<u>\$ 2,013</u>	<u>\$ 62</u>	<u>\$ 66</u>

ASSET FORFEITURE 15% PROBATION	AUTOMATED CO. WARRANT SYSTEM	AUTOMATED FINGERPRINT	BOARD OF TRADE ADVERTISING	BUILDING INSPECTION	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
	37	228		4,669	Licenses, Permits and Franchises
		4	3	89	Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
				48	Aid from Other Governmental Agencies
			40		Charges for Current Services
					Other Revenues
	37	232	43	4,806	Total Revenues
					EXPENDITURES:
					General Government
				6,278	Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
				6,278	Total Expenditures
	37	232	43	(1,472)	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
					Transfers In
					Transfers Out
					Total Other Financing Sources (Uses)
	37	232	43	(1,472)	Net Changes in Fund Balances
10	33	416	280	18,812	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
\$ 10	\$ 70	\$ 648	\$ 323	\$ 17,340	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	CCP COMMUNITY RECIDIVISM	CHILD RESTRAINT LOANER	CHILD SUPPORT SERVICES	COMM CORR PERFORMANCE INCENTIVE	COUNTY SERVICE AREAS
REVENUES:					
Taxes	\$	\$	\$	\$	\$ 3,143
Licenses, Permits and Franchises					54
Fines, Forfeitures and Penalties					61
Revenues from Use of Money and Property	(36)		9	4	
Aid from Other Governmental Agencies	200		21,549		
Charges for Current Services		23	10		
Other Revenues			2		4
Total Revenues	<u>164</u>	<u>23</u>	<u>21,570</u>	<u>4</u>	<u>3,262</u>
EXPENDITURES:					
General Government					
Public Protection	1,951		21,551		32
Public Ways and Facilities					2,750
Health and Sanitation					766
Public Assistance					
Culture and Recreation Services					
Total Expenditures	<u>1,951</u>		<u>21,551</u>		<u>3,548</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,787)</u>	<u>23</u>	<u>19</u>	<u>4</u>	<u>(286)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	1,512				75
Transfers Out	(19)	(45)			(118)
Total Other Financing Sources (Uses)	<u>1,493</u>	<u>(45)</u>			<u>(43)</u>
Net Changes in Fund Balances	(294)	(22)	19	4	(329)
Fund Balances, July 1, 2016 (as previously reported)	5,899	67	719	421	6,007
Prior Period Adjustment					
Fund Balances, June 30, 2017	<u>\$ 5,605</u>	<u>\$ 45</u>	<u>\$ 738</u>	<u>\$ 425</u>	<u>\$ 5,678</u>

CRIMINAL JUSTICE FACILITY	CRIMINALISTICS LABORATORIES	DA COURT ORDERED PENALTIES	DA/SHERIFF PROBATION/DNA FUND	DA EQUIPMENT AUTOMATION	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
2,345	254	1,529	385	5	Licenses, Permits and Franchises
(12)		(18)			Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>2,333</u>	<u>254</u>	<u>1,511</u>	<u>385</u>	<u>5</u>	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
<u>2,333</u>	<u>254</u>	<u>1,511</u>	<u>385</u>	<u>5</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
					Transfers In
(2,229)		(500)	(450)		Transfers Out
<u>(2,229)</u>		<u>(500)</u>	<u>(450)</u>		Total Other Financing Sources (Uses)
104	254	1,011	(65)	5	Net Changes in Fund Balances
1,685	338	1,326	190	434	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
<u>\$ 1,789</u>	<u>\$ 592</u>	<u>\$ 2,337</u>	<u>\$ 125</u>	<u>\$ 439</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	DA FEDERAL FORFEITURES	DA LOCAL FORFEITURES	DHS WRAPAROUND SAVINGS	DIVCA LCL FRANCHISE FEE	DOMESTIC VIOLENCE
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises				321	121
Fines, Forfeitures and Penalties		14			50
Revenues from Use of Money and Property	2	1	(43)	5	
Aid from Other Governmental Agencies					
Charges for Current Services					
Other Revenues			1,915		
Total Revenues	<u>2</u>	<u>15</u>	<u>1,872</u>	<u>326</u>	<u>171</u>
EXPENDITURES:					
General Government				40	
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance			133		
Culture and Recreation Services					
Total Expenditures			<u>133</u>	<u>40</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2</u>	<u>15</u>	<u>1,739</u>	<u>286</u>	<u>171</u>
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out			(833)	(118)	(150)
Total Other Financing Sources (Uses)			<u>(833)</u>	<u>(118)</u>	<u>(150)</u>
Net Changes in Fund Balances	2	15	906	168	21
Fund Balances, July 1, 2016 (as previously reported)	224	27	5,620	481	116
Prior Period Adjustment					
Fund Balances, June 30, 2017	<u>\$ 226</u>	<u>\$ 42</u>	<u>\$ 6,526</u>	<u>\$ 649</u>	<u>\$ 137</u>

DRUG PROGRAM	EMERGENCY MEDICAL PAYMENTS	EMPLOYERS' TRAINING RESOURCE	ENVIRONMENTAL HEALTH SERVICES	HEALTH-MAA TCM	
\$	\$	\$	\$	\$	REVENUES:
			3,842		Taxes
16	2,582		106		Licenses, Permits and Franchises
1	14	6	20	2	Fines, Forfeitures and Penalties
		13,443	217		Revenues from Use of Money and Property
		6,604	3,923		Aid from Other Governmental Agencies
	1	348	132		Charges for Current Services
					Other Revenues
<u>17</u>	<u>2,597</u>	<u>20,401</u>	<u>8,240</u>	<u>2</u>	Total Revenues
					EXPENDITURES:
	2,253	9,834	8,105		General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
	<u>2,253</u>	<u>9,834</u>	<u>8,105</u>		Total Expenditures
<u>17</u>	<u>344</u>	<u>10,567</u>	<u>135</u>	<u>2</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
		858	515		OTHER FINANCING SOURCES (USES):
(71)	(493)	(11,639)		(32)	Transfers In
					Transfers Out
<u>(71)</u>	<u>(493)</u>	<u>(10,781)</u>	<u>515</u>	<u>(32)</u>	Total Other Financing Sources (Uses)
(54)	(149)	(214)	650	(30)	Net Changes in Fund Balances
68	2,050	2,329	102	150	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
<u>\$ 14</u>	<u>\$ 1,901</u>	<u>\$ 2,115</u>	<u>\$ 752</u>	<u>\$ 120</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	IHSS PUBLIC AUTHORITY	JUVENILE INMATE WELFARE	KERN COUNTY CHILDREN'S FUND	KNET ASSET FORFEITURES	LIBRARY BOOKS
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties				10	
Revenues from Use of Money and Property	(2)	21	1	3	5
Aid from Other Governmental Agencies	560		40		
Charges for Current Services			153		
Other Revenues					160
Total Revenues	<u>558</u>	<u>21</u>	<u>194</u>	<u>13</u>	<u>165</u>
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance	8,969		119		
Culture and Recreation Services					
Total Expenditures	<u>8,969</u>		<u>119</u>		
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,411)</u>	<u>21</u>	<u>75</u>	<u>13</u>	<u>165</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	8,336				
Transfers Out		(30)			(175)
Total Other Financing Sources (Uses)	<u>8,336</u>	<u>(30)</u>			<u>(175)</u>
Net Changes in Fund Balances	(75)	(9)	75	13	(10)
Fund Balances, July 1, 2016 (as previously reported)	718	234	873	269	481
Prior Period Adjustment	125				
Fund Balances, June 30, 2017	<u>\$ 768</u>	<u>\$ 225</u>	<u>\$ 948</u>	<u>\$ 282</u>	<u>\$ 471</u>

LOCAL PUBLIC SAFETY	MICROGRAPHICS	NSP GRANT	OIL & GAS ROAD MAINTENANCE	OILDALE REVITALIZATION	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
(53)			(8)		Licenses, Permits and Franchises
78,534		(5)	955		Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>78,481</u>		<u>(5)</u>	<u>947</u>		Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
<u>78,481</u>		<u>(5)</u>	<u>947</u>		Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
(78,734)	(53)				Transfers In
					Transfers Out
<u>(78,734)</u>	<u>(53)</u>				Total Other Financing Sources (Uses)
(253)	(53)	(5)	947		Net Changes in Fund Balances
12,487	55	62	99	8	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
<u>\$ 12,234</u>	<u>\$ 2</u>	<u>\$ 57</u>	<u>\$ 1,046</u>	<u>\$ 8</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	OFF HWY MOTOR VEH LICENSE	PARCEL MAP IN-LIEU FEES	PARKS & RECREATION DONATION FUND	PLANNED LOCAL DRAINAGE	PLANNED SEWER
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises				4	
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property		2		5	14
Aid from Other Governmental Agencies	132				
Charges for Current Services		9			44
Other Revenues			5		
Total Revenues	<u>132</u>	<u>11</u>	<u>5</u>	<u>9</u>	<u>58</u>
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services		19	4		
Total Expenditures		<u>19</u>	<u>4</u>		
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>132</u>	<u>(8)</u>	<u>1</u>	<u>9</u>	<u>58</u>
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out	(62)	(35)			
Total Other Financing Sources (Uses)	<u>(62)</u>	<u>(35)</u>			
Net Changes in Fund Balances	70	(43)	1	9	58
Fund Balances, July 1, 2016 (as previously reported)	516	213	42	1,212	4,023
Prior Period Adjustment					
Fund Balances, June 30, 2017	<u>\$ 586</u>	<u>\$ 170</u>	<u>\$ 43</u>	<u>\$ 1,221</u>	<u>\$ 4,081</u>

PLANNING ADMIN SURCHARGE	PROBATION ASSET FORFEITURE	PROBATION DJJ REALIGNMENT	PROBATION FEDERAL ASSET FORFEITURE	PROBATION TRAINING	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
					Licenses, Permits and Franchises
					Fines, Forfeitures and Penalties
11	2				Revenues from Use of Money and Property
	1	27	1		Aid from Other Governmental Agencies
819				335	Charges for Current Services
					Other Revenues
<u>830</u>	<u>3</u>	<u>27</u>	<u>6</u>	<u>335</u>	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
<u>830</u>	<u>3</u>	<u>27</u>	<u>6</u>	<u>335</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
		3,766			Transfers In
(426)	(10)	(4,441)		(250)	Transfers Out
<u>(426)</u>	<u>(10)</u>	<u>(675)</u>		<u>(250)</u>	Total Other Financing Sources (Uses)
404	(7)	(648)	6	85	Net Changes in Fund Balances
2,149	73	1,598	63		Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
<u>\$ 2,553</u>	<u>\$ 66</u>	<u>\$ 950</u>	<u>\$ 69</u>	<u>\$ 85</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	PUBLIC HEALTH MISC	RANGE IMPROVEMENT	REAL ESTATE FRAUD	RECORDER	RECORDER'S ELECTRONIC RECORDING
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises				4	
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property		1	10	2	1
Aid from Other Governmental Agencies		9			
Charges for Current Services	1		1,033	2,375	174
Other Revenues				2	
Total Revenues	<u>1</u>	<u>10</u>	<u>1,043</u>	<u>2,383</u>	<u>175</u>
EXPENDITURES:					
General Government					
Public Protection		7	150	3,375	99
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services					
Total Expenditures		<u>7</u>	<u>150</u>	<u>3,375</u>	<u>99</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1</u>	<u>3</u>	<u>893</u>	<u>(992)</u>	<u>76</u>
OTHER FINANCING SOURCES (USES):					
Transfers In				1,057	
Transfers Out	(7)		(954)		(143)
Total Other Financing Sources (Uses)	<u>(7)</u>		<u>(954)</u>	<u>1,057</u>	<u>(143)</u>
Net Changes in Fund Balances	(6)	3	(61)	65	(67)
Fund Balances, July 1, 2016 (as previously reported)	21	93	674	880	99
Prior Period Adjustment					
Fund Balances, June 30, 2017	<u>\$ 15</u>	<u>\$ 96</u>	<u>\$ 613</u>	<u>\$ 945</u>	<u>\$ 32</u>

RECORDER MODERNIZATION	RECORDER SSN-TRUNCATION	REDEMPTION SYSTEMS	RMA-HAZARDOUS WASTE SETTLEMENTS	RURAL CRIMES ENVIRONMENTAL IMPACT FEE	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
		193	107		Licenses, Permits and Franchises
(18)		(11)			Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
836				878	Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>818</u>		<u>182</u>	<u>107</u>	<u>878</u>	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
<u>818</u>		<u>182</u>	<u>107</u>	<u>878</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
(453)	(7)	(365)	(306)	(550)	Transfers In
					Transfers Out
<u>(453)</u>	<u>(7)</u>	<u>(365)</u>	<u>(306)</u>	<u>(550)</u>	Total Other Financing Sources (Uses)
365	(7)	(183)	(199)	328	Net Changes in Fund Balances
2,271	335	1,635	862	133	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
<u>\$ 2,636</u>	<u>\$ 328</u>	<u>\$ 1,452</u>	<u>\$ 663</u>	<u>\$ 461</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	SHELTER CARE	SHERIFF CAL I.D.	SHERIFF CIVIL AUTOMATED	SHERIFF CIVIL SUBPOENA	SHERIFF CONTROLLED SUBSTANCE
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties		734			37
Revenues from Use of Money and Property		12	1		3
Aid from Other Governmental Agencies					
Charges for Current Services			210		
Other Revenues				10	
Total Revenues		746	211	10	40
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance	7				
Culture and Recreation Services					
Total Expenditures	7				
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7)	746	211	10	40
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out		(1,437)	(17)		(536)
Total Other Financing Sources (Uses)		(1,437)	(17)		(536)
Net Changes in Fund Balances	(7)	(691)	194	10	(496)
Fund Balances, July 1, 2016 (as previously reported)	191	2,489	884	10	537
Prior Period Adjustment					
Fund Balances, June 30, 2017	\$ 184	\$ 1,798	\$ 1,078	\$ 20	\$ 41

SHERIFF DRUG ABUSE GANG DIVERSION	SHERIFF DRUG AWARENESS PROGRAM	SHERIFF ELECTRONIC MONITORING	SHERIFF FACILITY TRAINING	SHERIFF INMATE WELFARE	
\$	\$	\$	\$	\$	REVENUES:
	48				Taxes
1	1	1		19	Licenses, Permits and Franchises
		38	214		Fines, Forfeitures and Penalties
				2,847	Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
1	49	39	214	2,866	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
1	49	39	214	2,866	Excess (Deficiency) of Revenues Over (Under) Expenditures
1					OTHER FINANCING SOURCES (USES):
	(10)		(231)	(3,900)	Transfers In
					Transfers Out
1	(10)		(231)	(3,900)	Total Other Financing Sources (Uses)
2	39	39	(17)	(1,034)	Net Changes in Fund Balances
191	767	51	86	3,078	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
\$ 193	\$ 806	\$ 90	\$ 69	\$ 2,044	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	SHERIFF JUDGMENT DEBTOR FEE	SHERIFF RURAL CRIME	SHERIFF SIDEARM CONVERSION	SHERIFF STATE ASSET FORFEITURE	SHERIFF TRAINING FUND
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property			1		
Aid from Other Governmental Agencies					
Charges for Current Services	245				
Other Revenues		1	4		108
Total Revenues	245	1	5		108
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services					
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	245	1	5		108
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out	(387)		(5)	(407)	(105)
Total Other Financing Sources (Uses)	(387)		(5)	(407)	(105)
Net Changes in Fund Balances	(142)	1		(407)	3
Fund Balances, July 1, 2016 (as previously reported)	730	14	43	420	21
Prior Period Adjustment					
Fund Balances, June 30, 2017	\$ 588	\$ 15	\$ 43	\$ 13	\$ 24

SHERIFF'S VOLUNTEER SERVICE GROUP	SHERIFF WORK RELEASE	STERILIZATION	STRONG MOTION INSTRUMENTATION	TOBACCO EDUCATION CONTROL	
\$	\$	\$	\$	\$	REVENUES:
		33	17		Taxes
	1			(1)	Licenses, Permits and Franchises
				112	Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>9</u>	<u>455</u>				Total Revenues
<u>9</u>	<u>456</u>	<u>33</u>	<u>17</u>	<u>111</u>	
			23		EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
			<u>23</u>		Total Expenditures
<u>9</u>	<u>456</u>	<u>33</u>	<u>(6)</u>	<u>111</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
					Transfers In
					Transfers Out
<u>(10)</u>	<u>(400)</u>	<u>(40)</u>		<u>(158)</u>	Total Other Financing Sources (Uses)
<u>(10)</u>	<u>(400)</u>	<u>(40)</u>		<u>(158)</u>	
(1)	56	(7)	(6)	(47)	Net Changes in Fund Balances
111	40	29	73	47	Fund Balances, July 1, 2016 (as previously reported)
					Prior Period Adjustment
<u>\$ 110</u>	<u>\$ 96</u>	<u>\$ 22</u>	<u>\$ 67</u>	<u>\$</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

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	VETERANS GRANT FUND	VITAL HEALTH STATISTICS COUNTY CLERK	VITAL HEALTH STATISTICS	VITAL HEALTH STATISTICS RECORDER	WILDLIFE RESOURCES	OTHER SPECIAL REVENUE
REVENUES:						
Taxes	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises						241
Fines, Forfeitures and Penalties					5	2
Revenues from Use of Money and Property						67
Aid from Other Governmental Agencies						898
Charges for Current Services		3	73	80		
Other Revenues	154					
Total Revenues	154	3	73	80	5	1,208
EXPENDITURES:						
General Government						
Public Protection					9	
Public Ways and Facilities						
Health and Sanitation						
Public Assistance						
Culture and Recreation Services						
Total Expenditures					9	
Excess (Deficiency) of Revenues Over (Under) Expenditures	154	3	73	80	(4)	1,208
OTHER FINANCING SOURCES (USES):						
Transfers In	404					
Transfers Out		(2)	(72)	(57)	(6)	
Total Other Financing Sources (Uses)	404	(2)	(72)	(57)	(6)	
Net Changes in Fund Balances	558	1	1	23	(10)	1,208
Fund Balances, July 1, 2016 (as previously reported)		2	91	489	15	16,632
Prior Period Adjustment						
Fund Balances, June 30, 2017	\$ 558	\$ 3	\$ 92	\$ 512	\$ 5	\$ 17,840

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	ABATEMENT COST			AGING AND ADULT SERVICES			ALCOHOL ABUSE			ALCOHOL PROGRAM		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$ 30	\$ 121	\$ 91	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties		25	25									
Revenues from Use of Money and Property				22	46	24	65	77	12	85	98	13
Aid from Other Governmental Agencies				10,622	10,803	181		1	1			
Charges for Current Services				1,781	1,933	152						
Other Revenues				269	278	9						
Total Revenues	30	146	116	12,694	13,060	366	65	78	13	85	98	13
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance				16,554	16,031	523						
Culture and Recreation Services												
Total Expenditures				16,554	16,031	523						
Excess (Deficiency) of Revenues Over (Under) Expenditures	30	146	116	(3,860)	(2,971)	889	65	78	13	85	98	13
OTHER FINANCING SOURCES (USES):												
Transfers In				3,064	3,064							
Transfers Out	(60)	(60)					(157)	(157)		(130)	(130)	
Total Other Financing Sources (Uses)	(60)	(60)		3,064	3,064		(157)	(157)		(130)	(130)	
Net Changes in Fund Balances	(30)	86	116	(796)	93	889	(92)	(79)	13	(45)	(32)	13
Fund Balances, July 1, 2016	92	92		1,772	1,772		141	141		98	98	
Prior Period Adjustment					148	148						
Fund Balances, June 30, 2017	\$ 62	\$ 178	\$ 116	\$ 976	\$ 2,013	\$ 1,037	\$ 49	\$ 62	\$ 13	\$ 53	\$ 66	\$ 13

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>ASSET FORFEITURE 15% PROBATION</u>			<u>AUTOMATED CO. WARRANT SYSTEM</u>			<u>AUTOMATED FINGERPRINT</u>			<u>BOARD OF TRADE ADVERTISING</u>		
	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties				40	37	(3)	200	228	28			
Revenues from Use of Money and Property							2	4	2			
Aid from Other Governmental Agencies										1	3	2
Charges for Current Services												
Other Revenues												
Total Revenues				<u>40</u>	<u>37</u>	<u>(3)</u>	<u>202</u>	<u>232</u>	<u>30</u>	<u>91</u>	<u>40</u>	<u>(51)</u>
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures				<u>40</u>	<u>37</u>	<u>(3)</u>	<u>202</u>	<u>232</u>	<u>30</u>	<u>92</u>	<u>43</u>	<u>(49)</u>
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out		(5)	5	(40)		40	(280)		280	(84)		84
Total Other Financing Sources (Uses)		<u>(5)</u>	<u>5</u>	<u>(40)</u>		<u>40</u>	<u>(280)</u>		<u>280</u>	<u>(84)</u>		<u>84</u>
Net Changes in Fund Balances		(5)	5		37	37	(78)	232	310	8	43	35
Fund Balances, July 1, 2016	<u>10</u>	<u>10</u>		<u>33</u>	<u>33</u>		<u>416</u>	<u>416</u>		<u>280</u>	<u>280</u>	
Fund Balances, June 30, 2017	\$ <u>5</u>	\$ <u>10</u>	\$ <u>5</u>	\$ <u>33</u>	\$ <u>70</u>	\$ <u>37</u>	\$ <u>338</u>	\$ <u>648</u>	\$ <u>310</u>	\$ <u>288</u>	\$ <u>323</u>	\$ <u>35</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>BUILDING INSPECTION</u>			<u>CCP COMMUNITY RECIDIVISM</u>			<u>CHILD RESTRAINT LOANER</u>			<u>CHILD SUPPORT SERVICES</u>		
	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:												
Taxes	\$ 5,404	\$ 4,669	\$ (735)	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	100	89	(11)		(36)	(36)				8	9	1
Aid from Other Governmental Agencies				6	200	194				22,259	21,549	(710)
Charges for Current Services	3	48	45				44	23	(21)	12	10	(2)
Other Revenues	6		(6)							1	2	1
Total Revenues	5,513	4,806	(707)	6	164	158	44	23	(21)	22,280	21,570	(710)
EXPENDITURES:												
General Government												
Public Protection	8,491	6,508	1,983	7,169	2,015	5,154				22,281	21,573	708
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	8,491	6,508	1,983	7,169	2,015	5,154				22,281	21,573	708
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,978)</u>	<u>(1,702)</u>	<u>1,276</u>	<u>(7,163)</u>	<u>(1,851)</u>	<u>5,312</u>	<u>44</u>	<u>23</u>	<u>(21)</u>	<u>(1)</u>	<u>(3)</u>	<u>(2)</u>
OTHER FINANCING SOURCES (USES):												
Transfers In				1,512	1,512							
Transfers Out				(19)	(19)		(66)	(45)	21			
Total Other Financing Sources (Uses)				1,493	1,493		(66)	(45)	21			
Net Changes in Fund Balances	(2,978)	(1,702)	1,276	(5,670)	(358)	5,312	(22)	(22)		(1)	(3)	(2)
Fund Balances, July 1, 2016	18,812	18,812		5,899	5,899		67	67		719	719	
Fund Balances, June 30, 2017	\$ <u>15,834</u>	\$ <u>17,110</u>	\$ <u>1,276</u>	\$ <u>229</u>	\$ <u>5,541</u>	\$ <u>5,312</u>	\$ <u>45</u>	\$ <u>45</u>	\$ <u>(21)</u>	\$ <u>718</u>	\$ <u>716</u>	\$ <u>(2)</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	COMMUNITY CORR PERFORMANCE INCENTIVE			COUNTY SERVICE AREAS			CRIMINAL JUSTICE FACILITY			CRIMINALISTICS LABORATORIES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$ 2,928	\$ 3,143	\$ 215	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties					54	54	2,614	2,345	(269)	100	254	154
Revenues from Use of Money and Property	3	4	1	101	61	(40)		(12)	(12)			
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues				110	4	(106)						
Total Revenues	3	4	1	3,139	3,262	123	2,614	2,333	(281)	100	254	154
EXPENDITURES:												
General Government												
Public Protection				102	32	70						
Public Ways and Facilities				3,787	2,750	1,037						
Health and Sanitation				999	766	233						
Public Assistance												
Culture and Recreation Services												
Total Expenditures				4,888	3,548	1,340						
Excess (Deficiency) of Revenues Over (Under) Expenditures	3	4	1	(1,749)	(286)	1,463	2,614	2,333	(281)	100	254	154
OTHER FINANCING SOURCES (USES):												
Transfers In				75	75							
Transfers Out				(223)	(118)	105	(2,600)	(2,229)	371	(100)		100
Total Other Financing Sources (Uses)				(148)	(43)	105	(2,600)	(2,229)	371	(100)		100
Net Changes in Fund Balances	3	4	1	(1,897)	(329)	1,568	14	104	90		254	254
Fund Balances, July 1, 2016	421	421		6,007	6,007		1,685	1,685		338	338	
Fund Balances, June 30, 2017	\$ 424	\$ 425	\$ 1	\$ 4,110	\$ 5,678	\$ 1,568	\$ 1,699	\$ 1,789	\$ 90	\$ 338	\$ 592	\$ 254

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	DA COURT ORDERED PENALTIES			DA/SHERIFF/PROBATION DNA FUND			DA EQUIPMENT AUTOMATION			DA FEDERAL FORFEITURES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	1,000	1,529	529	360	385	25				2		(2)
Revenues from Use of Money and Property		(18)	(18)				1	5	4		2	2
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues												
Total Revenues	1,000	1,511	511	360	385	25	1	5	4	2	2	
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,511	511	360	385	25	1	5	4	2	2	
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(750)	(500)	250	(450)	(450)		(73)		73			
Total Other Financing Sources (Uses)	(750)	(500)	250	(450)	(450)		(73)		73			
Net Changes in Fund Balances	250	1,011	761	(90)	(65)	25	(72)	5	77	2	2	
Fund Balances, July 1, 2016	1,326	1,326		190	190		434	434		224	224	
Fund Balances, June 30, 2017	\$ 1,576	\$ 2,337	\$ 761	\$ 100	\$ 125	\$ 25	\$ 362	\$ 439	\$ 77	\$ 226	\$ 226	\$

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	DA LOCAL FORFEITURES			DHS WRAPAROUND SAVINGS			DIVCA LCL FRANCHISE FEE			DOMESTIC VIOLENCE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$		\$	\$		\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises							352	321	(31)	105	121	16
Fines, Forfeitures and Penalties	180	14	(166)							45	50	5
Revenues from Use of Money and Property		1	1		(43)	(43)	3	5	2			
Aid from Other Governmental Agencies												
Charges for Current Services				1,095	1,915	820						
Other Revenues												
Total Revenues	180	15	(165)	1,095	1,872	777	355	326	(29)	150	171	21
EXPENDITURES:												
General Government							136	40	96			
Public Protection												
Public Ways and Facilities												
Health and Sanitation				196	133	63						
Public Assistance												
Culture and Recreation Services												
Total Expenditures				196	133	63	136	40	96			
Excess (Deficiency) of Revenues Over (Under) Expenditures	180	15	(165)	899	1,739	840	219	286	67	150	171	21
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(50)		50	(2,447)	(833)	1,614	(324)	(118)	206	(150)	(150)	
Total Other Financing Sources (Uses)	(50)		50	(2,447)	(833)	1,614	(324)	(118)	206	(150)	(150)	
Net Changes in Fund Balances	130	15	(115)	(1,548)	906	2,454	(105)	168	273		21	21
Fund Balances, July 1, 2016	27	27		5,620	5,620		481	481		116	116	
Fund Balances, June 30, 2017	157	42	(115)	4,072	6,526	2,454	376	649	273	116	137	21

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>DRUG PROGRAM</u>			<u>EMERGENCY MEDICAL PAYMENTS</u>			<u>EMPLOYERS' TRAINING RESOURCE</u>			<u>ENVIRONMENTAL HEALTH SERVICES</u>		
	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises										3,639	3,842	203
Fines, Forfeitures and Penalties	17	16	(1)	2,596	2,582	(14)				40	106	66
Revenues from Use of Money and Property		1	1	27	14	(13)	12	6	(6)		20	20
Aid from Other Governmental Agencies							16,697	13,443	(3,254)	244	217	(27)
Charges for Current Services							6,610	6,604	(6)	4,065	3,923	(142)
Other Revenues					1	1	304	348	44	104	132	28
Total Revenues	<u>17</u>	<u>17</u>		<u>2,623</u>	<u>2,597</u>	<u>(26)</u>	<u>23,623</u>	<u>20,401</u>	<u>(3,222)</u>	<u>8,092</u>	<u>8,240</u>	<u>148</u>
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation				2,121	2,253	(132)				8,541	8,105	436
Public Assistance							11,975	9,837	2,138			
Culture and Recreation Services												
Total Expenditures				<u>2,121</u>	<u>2,253</u>	<u>(132)</u>	<u>11,975</u>	<u>9,837</u>	<u>2,138</u>	<u>8,541</u>	<u>8,105</u>	<u>436</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17</u>	<u>17</u>		<u>502</u>	<u>344</u>	<u>(158)</u>	<u>11,648</u>	<u>10,564</u>	<u>(1,084)</u>	<u>(449)</u>	<u>135</u>	<u>584</u>
OTHER FINANCING SOURCES (USES):												
Transfers In							868	858	(10)	515	515	
Transfers Out	(71)	(71)		(499)	(493)	6	(13,349)	(11,639)	1,710			
Total Other Financing Sources (Uses)	<u>(71)</u>	<u>(71)</u>		<u>(499)</u>	<u>(493)</u>	<u>6</u>	<u>(12,481)</u>	<u>(10,781)</u>	<u>1,700</u>	<u>515</u>	<u>515</u>	
Net Changes in Fund Balances	(54)	(54)		3	(149)	(152)	(833)	(217)	616	66	650	584
Fund Balances, July 1, 2016	<u>68</u>	<u>68</u>		<u>2,050</u>	<u>2,050</u>		<u>2,329</u>	<u>2,329</u>		<u>102</u>	<u>102</u>	
Fund Balances, June 30, 2017	<u>\$ 14</u>	<u>\$ 14</u>	<u>\$</u>	<u>\$ 2,053</u>	<u>\$ 1,901</u>	<u>\$ (152)</u>	<u>\$ 1,496</u>	<u>\$ 2,112</u>	<u>\$ 616</u>	<u>\$ 168</u>	<u>\$ 752</u>	<u>\$ 584</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	HEALTH-MAA TCM			IHSS PUBLIC AUTHORITY			JUVENILE INMATE WELFARE			KERN COUNTY CHILDREN'S FUND		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property		2	2	3	(2)	(5)	18	21	3	2	1	(1)
Aid from Other Governmental Agencies	14		(14)	539	560	21				41	40	(1)
Charges for Current Services										149	153	4
Other Revenues												
Total Revenues	<u>14</u>	<u>2</u>	<u>(12)</u>	<u>542</u>	<u>558</u>	<u>16</u>	<u>18</u>	<u>21</u>	<u>3</u>	<u>192</u>	<u>194</u>	<u>2</u>
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance				8,977	8,969	8				358	124	234
Culture and Recreation Services												
Total Expenditures				<u>8,977</u>	<u>8,969</u>	<u>8</u>				<u>358</u>	<u>124</u>	<u>234</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14</u>	<u>2</u>	<u>(12)</u>	<u>(8,435)</u>	<u>(8,411)</u>	<u>24</u>	<u>18</u>	<u>21</u>	<u>3</u>	<u>(166)</u>	<u>70</u>	<u>236</u>
OTHER FINANCING SOURCES (USES):												
Transfers In				8,336	8,336							
Transfers Out	(32)	(32)					(30)	(30)				
Total Other Financing Sources (Uses)	<u>(32)</u>	<u>(32)</u>		<u>8,336</u>	<u>8,336</u>		<u>(30)</u>	<u>(30)</u>				
Net Changes in Fund Balances	(18)	(30)	(12)	(99)	(75)	24	(12)	(9)	3	(166)	70	236
Fund Balances, July 1, 2016	150	150		718	718		234	234		873	873	
Prior Period Adjustment					125	125						
Fund Balances, June 30, 2017	<u>\$ 132</u>	<u>\$ 120</u>	<u>\$ (12)</u>	<u>\$ 619</u>	<u>\$ 768</u>	<u>\$ 149</u>	<u>\$ 222</u>	<u>\$ 225</u>	<u>\$ 3</u>	<u>\$ 707</u>	<u>\$ 943</u>	<u>\$ 236</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>KNET ASSET FORFEITURES</u>			<u>LIBRARY BOOKS</u>			<u>LOCAL PUBLIC SAFETY</u>			<u>MICROGRAPHICS</u>		
	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	20	10	(10)									
Revenues from Use of Money and Property	2	3	1	2	5	3						
Aid from Other Governmental Agencies							76,054	78,534	(53)			(53)
Charges for Current Services									2,480			
Other Revenues				85	160	75						
Total Revenues	<u>22</u>	<u>13</u>	<u>(9)</u>	<u>87</u>	<u>165</u>	<u>78</u>	<u>76,054</u>	<u>78,481</u>	<u>2,427</u>			
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>22</u>	<u>13</u>	<u>(9)</u>	<u>87</u>	<u>165</u>	<u>78</u>	<u>76,054</u>	<u>78,481</u>	<u>2,427</u>			
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out				(175)	(175)		(78,734)	(78,734)		(54)	(53)	1
Total Other Financing Sources (Uses)				<u>(175)</u>	<u>(175)</u>		<u>(78,734)</u>	<u>(78,734)</u>		<u>(54)</u>	<u>(53)</u>	<u>1</u>
Net Changes in Fund Balances	22	13	(9)	(88)	(10)	78	(2,680)	(253)	2,427	(54)	(53)	1
Fund Balances, July 1, 2016	269	269		481	481		12,487	12,487		55	55	
Fund Balances, June 30, 2017	<u>\$ 291</u>	<u>\$ 282</u>	<u>\$ (9)</u>	<u>\$ 393</u>	<u>\$ 471</u>	<u>\$ 78</u>	<u>\$ 9,807</u>	<u>\$ 12,234</u>	<u>\$ 2,427</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 1</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>NSP GRANT</u>			<u>OIL & GAS ROAD MAINTENANCE</u>			<u>OILDALE REVITALIZATION</u>			<u>OFF HWY MOTOR VEHICLE LICENSE</u>		
	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property					(8)	(8)						
Aid from Other Governmental Agencies		(5)	(5)							133	132	(1)
Charges for Current Services				150	955	805						
Other Revenues												
Total Revenues		(5)	(5)	150	947	797				133	132	(1)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities							8		8			
Health and Sanitation												
Public Assistance	56											
Culture and Recreation Services												
Total Expenditures	56						8		8			
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56)	(5)	51	150	947	797	(8)		8	133	132	(1)
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(6)		6	(249)		249				(106)	(62)	44
Total Other Financing Sources (Uses)	(6)		6	(249)		249				(106)	(62)	44
Net Changes in Fund Balances	(62)	(5)	57	(99)	947	1,046	(8)		8	27	70	43
Fund Balances, July 1, 2016	62	62		99	99		8	8		516	516	
Fund Balances, June 30, 2017	\$	\$ 57	\$ 57	\$	\$ 1,046	\$ 1,046	\$	\$ 8	\$ 8	\$ 543	\$ 586	\$ 43

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	PARCEL MAP IN-LIEU FEES			PARKS & RECREATION DONATION FUND			PLANNED LOCAL DRAINAGE			PLANNED SEWER		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises								4	4			
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	1	2	1				9	5	(4)	30	14	(16)
Aid from Other Governmental Agencies												
Charges for Current Services		9	9							25	44	19
Other Revenues					5	5						
Total Revenues	<u>1</u>	<u>11</u>	<u>10</u>	<u></u>	<u>5</u>	<u>5</u>	<u>9</u>	<u>9</u>	<u></u>	<u>55</u>	<u>58</u>	<u>3</u>
EXPENDITURES:												
General Government							3		3	48		48
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services	81	19	62	8	4	4						
Total Expenditures	<u>81</u>	<u>19</u>	<u>62</u>	<u>8</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u></u>	<u>3</u>	<u>48</u>	<u></u>	<u>48</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(80)</u>	<u>(8)</u>	<u>72</u>	<u>(8)</u>	<u>1</u>	<u>9</u>	<u>6</u>	<u>9</u>	<u>3</u>	<u>7</u>	<u>58</u>	<u>51</u>
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(35)	(35)										
Total Other Financing Sources (Uses)	<u>(35)</u>	<u>(35)</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Net Changes in Fund Balances	(115)	(43)	72	(8)	1	9	6	9	3	7	58	51
Fund Balances, July 1, 2016	213	213		42	42		1,212	1,212		4,023	4,023	
Fund Balances, June 30, 2017	<u>\$ 98</u>	<u>\$ 170</u>	<u>\$ 72</u>	<u>\$ 34</u>	<u>\$ 43</u>	<u>\$ 9</u>	<u>\$ 1,218</u>	<u>\$ 1,221</u>	<u>\$ 3</u>	<u>\$ 4,030</u>	<u>\$ 4,081</u>	<u>\$ 51</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	PLANNING ADMIN. SURCHARGE			PROBATION ASSET FORFEITURE			PROBATION DJJ REALIGNMENT			PROBATION FEDERAL ASSET FORFEITURE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises											3	3
Fines, Forfeitures and Penalties					2	2					2	(13)
Revenues from Use of Money and Property	11	11			1	1	15	27	12	15	1	1
Aid from Other Governmental Agencies												
Charges for Current Services	500	819	319									
Other Revenues												
Total Revenues	<u>511</u>	<u>830</u>	<u>319</u>		<u>3</u>	<u>3</u>	<u>15</u>	<u>27</u>	<u>12</u>	<u>15</u>	<u>6</u>	<u>(9)</u>
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>511</u>	<u>830</u>	<u>319</u>		<u>3</u>	<u>3</u>	<u>15</u>	<u>27</u>	<u>12</u>	<u>15</u>	<u>6</u>	<u>(9)</u>
OTHER FINANCING SOURCES (USES):												
Transfers In							4,245	3,766	(479)			
Transfers Out	(1,802)	(426)	1,376	(10)	(10)		(4,756)	(4,441)	315	(20)		20
Total Other Financing Sources (Uses)	<u>(1,802)</u>	<u>(426)</u>	<u>1,376</u>	<u>(10)</u>	<u>(10)</u>		<u>(511)</u>	<u>(675)</u>	<u>(164)</u>	<u>(20)</u>		<u>20</u>
Net Changes in Fund Balances	(1,291)	404	1,695	(10)	(7)	3	(496)	(648)	(152)	(5)	6	11
Fund Balances, July 1, 2016	<u>2,149</u>	<u>2,149</u>		<u>73</u>	<u>73</u>		<u>1,598</u>	<u>1,598</u>		<u>63</u>	<u>63</u>	
Fund Balances, June 30, 2017	<u>\$ 858</u>	<u>\$ 2,553</u>	<u>\$ 1,695</u>	<u>\$ 63</u>	<u>\$ 66</u>	<u>\$ 3</u>	<u>\$ 1,102</u>	<u>\$ 950</u>	<u>\$ (152)</u>	<u>\$ 58</u>	<u>\$ 69</u>	<u>\$ 11</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>PROBATION TRAINING</u>			<u>PUBLIC HEALTH MISC.</u>			<u>RANGE IMPROVEMENT</u>			<u>REAL ESTATE FRAUD</u>		
	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property												
Aid from Other Governmental Agencies	351	335	(16)	10	1	(10)	1	1	2	5	10	5
Charges for Current Services				2		(1)	7	9		923	1,033	110
Other Revenues												
Total Revenues	<u>351</u>	<u>335</u>	<u>(16)</u>	<u>12</u>	<u>1</u>	<u>(11)</u>	<u>8</u>	<u>10</u>	<u>2</u>	<u>928</u>	<u>1,043</u>	<u>115</u>
EXPENDITURES:												
General Government												
Public Protection							8	7	1	150	150	
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures							<u>8</u>	<u>7</u>	<u>1</u>	<u>150</u>	<u>150</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>351</u>	<u>335</u>	<u>(16)</u>	<u>12</u>	<u>1</u>	<u>(11)</u>		<u>3</u>	<u>3</u>	<u>778</u>	<u>893</u>	<u>115</u>
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(253)	(250)	3	(10)	(7)	3				(954)	(954)	
Total Other Financing Sources (Uses)	<u>(253)</u>	<u>(250)</u>	<u>3</u>	<u>(10)</u>	<u>(7)</u>	<u>3</u>				<u>(954)</u>	<u>(954)</u>	
Net Changes in Fund Balances	98	85	(13)	2	(6)	(8)		3	3	(176)	(61)	115
Fund Balances, July 1, 2016				21	21		93	93		674	674	
Fund Balances, June 30, 2017	<u>\$ 98</u>	<u>\$ 85</u>	<u>\$ (13)</u>	<u>\$ 23</u>	<u>\$ 15</u>	<u>\$ (8)</u>	<u>\$ 93</u>	<u>\$ 96</u>	<u>\$ 3</u>	<u>\$ 498</u>	<u>\$ 613</u>	<u>\$ 115</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	RECORDER			RECORDER'S ELECTRONIC RECORDING			RECORDER MODERNIZATION			RECORDER SSN TRUNCATION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$ 4	\$ 4	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	5	2	(3)	1	1			(18)	(18)			
Aid from Other Governmental Agencies												
Charges for Current Services	2,315	2,375	60	170	174	4	785	836	51			
Other Revenues	1	2	1									
Total Revenues	2,325	2,383	58	171	175	4	785	818	33			
EXPENDITURES:												
General Government												
Public Protection	4,790	3,413	1,377	105	99	6						
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	4,790	3,413	1,377	105	99	6						
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,465)	(1,030)	1,435	66	76	10	785	818	33			
OTHER FINANCING SOURCES (USES):												
Transfers In	1,589	1,057	(532)				25	(25)				
Transfers Out				(159)	(143)	16	(1,023)	(453)	570	(10)	(7)	3
Total Other Financing Sources (Uses)	1,589	1,057	(532)	(159)	(143)	16	(998)	(453)	545	(10)	(7)	3
Net Changes in Fund Balances	(876)	27	903	(93)	(67)	26	(213)	365	578	(10)	(7)	3
Fund Balances, July 1, 2016	880	880		99	99		2,271	2,271		335	335	
Fund Balances, June 30, 2017	\$ 4	\$ 907	\$ 903	\$ 6	\$ 32	\$ 26	\$ 2,058	\$ 2,636	\$ 578	\$ 325	\$ 328	\$ 3

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	REDEMPTION SYSTEMS			RMA-HAZARDOUS WASTE SETTLEMENTS			RURAL CRIMES ENVIRONMENTAL IMPACT FEE			SHELTER CARE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	876	193	(683)	85	107	22						
Revenues from Use of Money and Property		(11)	(11)									
Aid from Other Governmental Agencies							417	878	461			
Charges for Current Services												
Other Revenues												
Total Revenues	876	182	(694)	85	107	22	417	878	461			
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance										100	7	93
Culture and Recreation Services												
Total Expenditures										100	7	93
Excess (Deficiency) of Revenues Over (Under) Expenditures	876	182	(694)	85	107	22	417	878	461	(100)	(7)	93
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(876)	(365)	511	(306)	(306)		(550)	(550)				
Total Other Financing Sources (Uses)	(876)	(365)	511	(306)	(306)		(550)	(550)				
Net Changes in Fund Balances		(183)	(183)	(221)	(199)	22	(133)	328	461	(100)	(7)	93
Fund Balances, July 1, 2016	1,635	1,635		862	862		133	133		191	191	
Fund Balances, June 30, 2017	\$ 1,635	\$ 1,452	\$ (183)	\$ 641	\$ 663	\$ 22	\$	\$ 461	\$ 461	\$ 91	\$ 184	\$ 93

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	SHERIFF CAL I.D.			SHERIFF CIVIL AUTOMATED			SHERIFF CIVIL SUBPOENA			SHERIFF CONTROLLED SUBSTANCE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	705	734	29							200	37	(163)
Revenues from Use of Money and Property	20	12	(8)	5	1	(4)				3	3	
Aid from Other Governmental Agencies												
Charges for Current Services				170	210	40						
Other Revenues							10	10				
Total Revenues	725	746	21	175	211	36	10	10		203	40	(163)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	725	746	21	175	211	36	10	10		203	40	(163)
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(1,990)	(1,437)	553	(27)	(17)	10				(536)	(536)	
Total Other Financing Sources (Uses)	(1,990)	(1,437)	553	(27)	(17)	10				(536)	(536)	
Net Changes in Fund Balances	(1,265)	(691)	574	148	194	46	10	10		(333)	(496)	(163)
Fund Balances, July 1, 2016	2,489	2,489		884	884		10	10		537	537	
Fund Balances, June 30, 2017	\$ 1,224	\$ 1,798	\$ 574	\$ 1,032	\$ 1,078	\$ 46	\$ 20	\$ 20	\$	\$ 204	\$ 41	\$ (163)

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	SHERIFF DRUG ABUSE GANG DIVERSION			SHERIFF DRUG AWARENESS PROGRAM			SHERIFF ELECTRONIC MONITORING			SHERIFF FACILITY TRAINING		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties				40	48	8						
Revenues from Use of Money and Property	1	1		4	1	(3)		1	1			
Aid from Other Governmental Agencies											240	(26)
Charges for Current Services							45	38	(7)			
Other Revenues												
Total Revenues	1	1		44	49	5	45	39	(6)	240	214	(26)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	1	1		44	49	5	45	39	(6)	240	214	(26)
OTHER FINANCING SOURCES (USES):												
Transfers In	10	1	(9)									
Transfers Out				(61)	(10)	51				(240)	(231)	9
Total Other Financing Sources (Uses)	10	1	(9)	(61)	(10)	51				(240)	(231)	9
Net Changes in Fund Balances	11	2	(9)	(17)	39	56	45	39	(6)		(17)	(17)
Fund Balances, July 1, 2016	191	191		767	767		51	51		86	86	
Fund Balances, June 30, 2017	\$ 202	\$ 193	\$ (9)	\$ 750	\$ 806	\$ 56	\$ 96	\$ 90	\$ (6)	\$ 86	\$ 69	\$ (17)

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	SHERIFF INMATE WELFARE			SHERIFF JUDGMENT DEBTOR FEE			SHERIFF RURAL CRIME			SHERIFF SIDEARM CONVERSION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	21	19	(2)								1	1
Aid from Other Governmental Agencies												
Charges for Current Services				180	245	65						
Other Revenues	2,000	2,847	847				10	1	(9)	5	4	(1)
Total Revenues	2,021	2,866	845	180	245	65	10	1	(9)	5	5	
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,021	2,866	845	180	245	65	10	1	(9)	5	5	
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(4,408)	(3,900)	508	(390)	(387)	3				(5)	(5)	
Total Other Financing Sources (Uses)	(4,408)	(3,900)	508	(390)	(387)	3				(5)	(5)	
Net Changes in Fund Balances	(2,387)	(1,034)	1,353	(210)	(142)	68	10	1	(9)			
Fund Balances, July 1, 2016	3,078	3,078		730	730		14	14		43	43	
Fund Balances, June 30, 2017	\$ 691	\$ 2,044	\$ 1,353	\$ 520	\$ 588	\$ 68	\$ 24	\$ 15	\$ (9)	\$ 43	\$ 43	\$

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	SHERIFF STATE ASSET FORFEITURES			SHERIFF TRAINING FUND			SHERIFF'S VOLUNTEER SERVICE GROUP			SHERIFF WORK RELEASE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	100		(100)									
Revenues from Use of Money and Property										1		1
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues												
Total Revenues	<u>100</u>	<u></u>	<u>(100)</u>	<u>100</u>	<u>108</u>	<u>8</u>	<u>9</u>	<u>9</u>	<u></u>	<u>400</u>	<u>455</u>	<u>55</u>
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>100</u>	<u></u>	<u>(100)</u>	<u>100</u>	<u>108</u>	<u>8</u>	<u>9</u>	<u>9</u>	<u></u>	<u>400</u>	<u>456</u>	<u>56</u>
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(468)	(407)	61	(105)	(105)		(15)	(10)	5	(400)	(400)	
Total Other Financing Sources (Uses)	<u>(468)</u>	<u>(407)</u>	<u>61</u>	<u>(105)</u>	<u>(105)</u>	<u></u>	<u>(15)</u>	<u>(10)</u>	<u>5</u>	<u>(400)</u>	<u>(400)</u>	<u></u>
Net Changes in Fund Balances	(368)	(407)	(39)	(5)	3	8	(6)	(1)	5		56	56
Fund Balances, July 1, 2016	<u>420</u>	<u>420</u>	<u></u>	<u>21</u>	<u>21</u>	<u></u>	<u>111</u>	<u>111</u>	<u></u>	<u>40</u>	<u>40</u>	<u></u>
Fund Balances, June 30, 2017	<u>\$ 52</u>	<u>\$ 13</u>	<u>\$ (39)</u>	<u>\$ 16</u>	<u>\$ 24</u>	<u>\$ 8</u>	<u>\$ 105</u>	<u>\$ 110</u>	<u>\$ 5</u>	<u>\$ 40</u>	<u>\$ 96</u>	<u>\$ 56</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	STERILIZATION			STRONG MOTION INSTRUMENTATION			TOBACCO EDUCATION CONTROL			VETERANS GRANT FUND		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$ 30	\$ 33	\$ 3	\$ 45	\$ 17	\$ (28)	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property								(1)	(1)			
Aid from Other Governmental Agencies							150	112	(38)			
Charges for Current Services												
Other Revenues										155	154	(1)
Total Revenues	<u>30</u>	<u>33</u>	<u>3</u>	<u>45</u>	<u>17</u>	<u>(28)</u>	<u>150</u>	<u>111</u>	<u>(39)</u>	<u>155</u>	<u>154</u>	<u>(1)</u>
EXPENDITURES:												
General Government												
Public Protection				61	23	38						
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures				<u>61</u>	<u>23</u>	<u>38</u>						
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30</u>	<u>33</u>	<u>3</u>	<u>(16)</u>	<u>(6)</u>	<u>10</u>	<u>150</u>	<u>111</u>	<u>(39)</u>	<u>155</u>	<u>154</u>	<u>(1)</u>
OTHER FINANCING SOURCES (USES):												
Transfers In										403	404	1
Transfers Out	(40)	(40)					(166)	(158)	8	(129)		129
Total Other Financing Sources (Uses)	<u>(40)</u>	<u>(40)</u>					<u>(166)</u>	<u>(158)</u>	<u>8</u>	<u>274</u>	<u>404</u>	<u>130</u>
Net Changes in Fund Balances	(10)	(7)	3	(16)	(6)	10	(16)	(47)	(31)	429	558	129
Fund Balances, July 1, 2016	<u>29</u>	<u>29</u>		<u>73</u>	<u>73</u>		<u>47</u>	<u>47</u>				
Fund Balances, June 30, 2017	<u>\$ 19</u>	<u>\$ 22</u>	<u>\$ 3</u>	<u>\$ 57</u>	<u>\$ 67</u>	<u>\$ 10</u>	<u>\$ 31</u>	<u>\$ (31)</u>		<u>\$ 429</u>	<u>\$ 558</u>	<u>\$ 129</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	VITAL HEALTH STATISTICS COUNTY CLERK			VITAL HEALTH STATISTICS			VITAL HEALTH STATISTICS RECORDER			WILDLIFE RESOURCES			OTHER SPECIAL REVENUE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:															
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises														241	241
Fines, Forfeitures and Penalties										5	5		2	2	
Revenues from Use of Money and Property													67	67	
Aid from Other Governmental Agencies													898	898	
Charges for Current Services	2	3	1	72	73	1	94	80	(14)						
Other Revenues															
Total Revenues	<u>2</u>	<u>3</u>	<u>1</u>	<u>72</u>	<u>73</u>	<u>1</u>	<u>94</u>	<u>80</u>	<u>(14)</u>	<u>5</u>	<u>5</u>			<u>1,208</u>	<u>1,208</u>
EXPENDITURES:															
General Government															
Public Protection										12	9	3			
Public Ways and Facilities															
Health and Sanitation															
Public Assistance															
Culture and Recreation Services															
Total Expenditures										<u>12</u>	<u>9</u>	<u>3</u>			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2</u>	<u>3</u>	<u>1</u>	<u>72</u>	<u>73</u>	<u>1</u>	<u>94</u>	<u>80</u>	<u>(14)</u>	<u>(7)</u>	<u>(4)</u>	<u>3</u>		<u>1,208</u>	<u>1,208</u>
OTHER FINANCING SOURCES (USES):															
Transfers In															
Transfers Out	(3)	(2)	1	(73)	(72)	1	(82)	(57)	25	(6)	(6)				
Total Other Financing Sources (Uses)	<u>(3)</u>	<u>(2)</u>	<u>1</u>	<u>(73)</u>	<u>(72)</u>	<u>1</u>	<u>(82)</u>	<u>(57)</u>	<u>25</u>	<u>(6)</u>	<u>(6)</u>				
Net Changes in Fund Balances	(1)	1	2	(1)	1	2	12	23	11	(13)	(10)	3		1,208	1,208
Fund Balances, July 1, 2016	<u>2</u>	<u>2</u>		<u>91</u>	<u>91</u>		<u>489</u>	<u>489</u>		<u>15</u>	<u>15</u>		<u>16,632</u>	<u>16,632</u>	
Fund Balances, June 30, 2017	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 90</u>	<u>\$ 92</u>	<u>\$ 2</u>	<u>\$ 501</u>	<u>\$ 512</u>	<u>\$ 11</u>	<u>\$ 2</u>	<u>\$ 5</u>	<u>\$ 3</u>	<u>\$ 16,632</u>	<u>\$ 17,840</u>	<u>\$ 1,208</u>

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS DESCRIPTIONS

The capital projects funds serve as depositories for revenues received from the sale of real property and such other revenue as designated by the Board of Supervisors. The Board of Supervisors generally appropriates these funds for capital outlay.

2009 Capital Projects – This fund accounts for the proceeds of the 2009 Certificates of Participation for the completion of various transportation and facility projects. Local transportation projects include, but are not limited to, reconstructions, curbs, gutters and sidewalks, overlays, and widening. Facility projects include two replacement fire stations as well as a replacement Information Technology Systems/Emergency Medical Services facility.

7th Standard Road Widening – This fund accounts for the proceeds from the State of California, the Federal government, and the 2009 Certificates of Participation for the widening of 7th Standard Road from Coffee Road to Santa Fe Way and for an over crossing of the railroad tracks at Santa Fe Way.

AB900 Jail Construction – This fund accounts for the grant proceeds from the State of California as well as the required matching funds for the construction of a new jail facility.

Accumulated Capital Outlay – General and Accumulated Capital Outlay – Fire – These funds provide the funding of lease payments, consisting of both interest and principal, on the Certificates of Participation issued by the County to finance the construction of various County facilities. These funds have been re-classified as Capital Projects funds as they are no longer making debt service payments.

Tobacco Securitization Proceeds – This fund accounts for the sale of rights to future tobacco settlement payments. The proceeds from the sale have been used to finance certain capital projects and to set up an endowment fund.

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

Page 1 of 1

	<u>TOTAL</u>	<u>2009 CAPITAL PROJECTS</u>	<u>7TH STANDARD ROAD WIDENING</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Pooled Cash and Investments	\$ 11,342	\$ 2	\$ 329
Cash and Investments Deposited with Trustee	36,274		
Interest Receivable	6		
Accrued Revenue	15,171		
Total Assets	<u>62,793</u>	<u>2</u>	<u>329</u>
OTHER FINANCING SOURCES (Uses):	\$ <u>62,793</u>	\$ <u>2</u>	\$ <u>329</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 4,130	\$	\$
Due To Other Funds	14,005		
Advances from Other Funds	5,000		
Total Liabilities	<u>23,135</u>		
Fund Balances:			
Restricted	37,072	2	329
Assigned	2,586		
Total Fund Balances	<u>39,658</u>	<u>2</u>	<u>329</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ <u>62,793</u>	\$ <u>2</u>	\$ <u>329</u>

AB900 JAIL CONSTRUCTION	ACCUMULATED CAPITAL OUTLAY FIRE	ACCUMULATED CAPITAL OUTLAY GENERAL	TOBACCO SECURITIZATION PROCEEDS
\$ 8,407	\$ 280	\$ 2,300	\$ 24
		6	36,274
<u>15,171</u>			
<u>23,578</u>	<u>280</u>	<u>2,306</u>	<u>36,298</u>
\$ <u><u>23,578</u></u>	\$ <u><u>280</u></u>	\$ <u><u>2,306</u></u>	\$ <u><u>36,298</u></u>
\$ 4,130	\$	\$	\$
14,005			
5,000			
<u>23,135</u>			
443			36,298
	<u>280</u>	<u>2,306</u>	
<u>443</u>	<u>280</u>	<u>2,306</u>	<u>36,298</u>
\$ <u><u>23,578</u></u>	\$ <u><u>280</u></u>	\$ <u><u>2,306</u></u>	\$ <u><u>36,298</u></u>

**ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES**

Assets:
 Pooled Cash and Investments
 Cash and Investments Deposited with Trustee
 Interest Receivable
 Accrued Revenue
 Total Assets

Total Assets and Deferred Outflows of Resources

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND FUND BALANCES**

Liabilities:
 Accounts Payable
 Due To Other Funds
 Advances from Other Funds
 Total Liabilities

Fund Balances:
 Restricted
 Assigned

Total Fund Balances

Total Liabilities, Deferred Inflows of
Resources, and Fund Balances

**COUNTY OF KERN
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

Page 1 of 1

	<u>TOTAL</u>	<u>2009 CAPITAL PROJECTS</u>	<u>7TH STANDARD ROAD WIDENING</u>
REVENUES:			
Revenues From Use of Money and Property	\$ 225	\$ 2	\$ 8
Aid From Other Governmental Agencies	<u>61,053</u>		
Total Revenues	<u>61,278</u>	<u>2</u>	<u>8</u>
EXPENDITURES:			
General Government	72		
Capital Outlay	<u>67,549</u>		553
Total Expenditures	<u>67,621</u>		<u>553</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,343)</u>	<u>2</u>	<u>(545)</u>
OTHER FINANCING SOURCES (Uses):			
Transfers In	6,451		
Transfers Out	<u>(6,851)</u>		
Total Other Financing Sources (Uses)	<u>(400)</u>		
Net Change in Fund Balances	(6,743)	2	(545)
Fund Balances, July 1, 2016	<u>46,401</u>		<u>874</u>
Fund Balances, June 30, 2017	<u>\$ 39,658</u>	<u>\$ 2</u>	<u>\$ 329</u>

<u>AB900 JAIL CONSTRUCTION</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>	
\$ (65)	\$ 3	\$ 11	\$ 266	REVENUES:
<u>61,053</u>				Revenues From Use of Money and Property
				Aid From Other Governmental Agencies
<u>60,988</u>	<u>3</u>	<u>11</u>	<u>266</u>	Total Revenues
			72	EXPENDITURES:
<u>66,996</u>				General Government
				Capital Outlay
<u>66,996</u>			<u>72</u>	Total Expenditures
<u>(6,008)</u>	<u>3</u>	<u>11</u>	<u>194</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
6,451				OTHER FINANCING SOURCES (Uses):
			<u>(6,851)</u>	Transfers In
				Transfers Out
<u>6,451</u>			<u>(6,851)</u>	Total Other Financing Sources (Uses)
443	3	11	(6,657)	Net Change in Fund Balances
	<u>277</u>	<u>2,295</u>	<u>42,955</u>	Fund Balances, July 1, 2016
\$ <u>443</u>	\$ <u>280</u>	\$ <u>2,306</u>	\$ <u>36,298</u>	Fund Balances, June 30, 2017

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

2009 CAPITAL PROJECTS

	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ _____	\$ _____ 2	\$ _____ 2
Total Revenues	_____	_____ 2	_____ 2
OTHER FINANCING SOURCES (Uses):			
Net Change in Fund Balance		_____ 2	_____ 2
Fund Balance, July 1, 2016	_____	_____	_____
Fund Balance, June 30, 2017	\$ _____	\$ _____ 2	\$ _____ 2

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

7TH STANDARD ROAD WIDENING

	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$	\$ 8	\$ 8
Aid From Other Governmental Agencies	25,029		(25,029)
Other Revenues	2,262		(2,262)
Total Revenues	<u>27,291</u>	<u>8</u>	<u>(27,283)</u>
EXPENDITURES:			
Capital Outlay	<u>42,317</u>	<u>553</u>	<u>41,764</u>
Total Expenditures	<u>42,317</u>	<u>553</u>	<u>41,764</u>
Excess of Revenues Over Expenditures	<u>(15,026)</u>	<u>(545)</u>	<u>14,481</u>
OTHER FINANCING SOURCES			
Transfers In	<u>14,826</u>		<u>(14,826)</u>
Total Other Financing Sources	<u>14,826</u>		<u>(14,826)</u>
Net Change in Fund Balance	(200)	(545)	(345)
Fund Balance, July 1, 2016	<u>874</u>	<u>874</u>	
Fund Balance, June 30, 2017	<u>\$ 674</u>	<u>\$ 329</u>	<u>\$ (345)</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	AB900 JAIL CONSTRUCTION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ 100,000	\$ (65)	\$ (65)
Aid From Other Governmental Agencies	<u>100,000</u>	<u>61,053</u>	<u>(38,947)</u>
Total Revenues	<u>100,000</u>	<u>60,988</u>	<u>(39,012)</u>
EXPENDITURES:			
Capital Outlay	<u>127,031</u>	<u>81,440</u>	<u>45,591</u>
Total Expenditures	<u>127,031</u>	<u>81,440</u>	<u>45,591</u>
Deficiency of Revenues Under Expenditures	<u>(27,031)</u>	<u>(20,452)</u>	<u>6,579</u>
OTHER FINANCING SOURCES			
Transfers In	<u>27,031</u>	<u>6,451</u>	<u>(20,580)</u>
Total Other Financing Sources	<u>27,031</u>	<u>6,451</u>	<u>(20,580)</u>
Net Change in Fund Balance		(14,001)	(14,001)
Fund Balance, July 1, 2016	<u> </u>	<u> </u>	<u> </u>
Fund Balance (Deficit), June 30, 2017	<u>\$ </u>	<u>\$ (14,001)</u>	<u>\$ (14,001)</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

ACCUMULATED CAPITAL OUTLAY FIRE

	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ _____	\$ _____ 3	\$ _____ 3
Total Revenues	_____	_____ 3	_____ 3
Excess of Revenues Over Expenditures	_____	_____ 3	_____ 3
Net Change in Fund Balance	_____	_____ 3	_____ 3
Fund Balance, July 1, 2016	_____ 277	_____ 277	_____
Fund Balance, June 30, 2017	\$ _____ 277	\$ _____ 280	\$ _____ 3

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	ACCUMULATED CAPITAL OUTLAY GENERAL		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ _____	\$ _____ 11	\$ _____ 11
Total Revenues	_____	_____ 11	_____ 11
Excess of Revenues Over Expenditures		_____ 11	_____ 11
OTHER FINANCING SOURCES (USES)			
Transfers In	4,191		(4,191)
Transfers Out	(4,191)		4,191
Total Other Financing Sources (Uses)	_____	_____	_____
Net Change in Fund Balance		_____ 11	_____ 11
Fund Balance, July 1, 2016	_____ 2,295	_____ 2,295	_____
Fund Balance, June 30, 2017	\$ _____ 2,295	\$ _____ 2,306	\$ _____ 11

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

TOBACCO SECURITIZATION PROCEEDS

	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ 400	\$ 266	\$ (134)
Aid From Other Governmental Agencies	25,981		(25,981)
Total Revenues	<u>26,381</u>	<u>266</u>	<u>(26,115)</u>
EXPENDITURES:			
General Government		72	(72)
Total Expenditures		<u>72</u>	<u>(72)</u>
Excess of Revenues Over Expenditures	<u>26,381</u>	<u>194</u>	<u>(26,187)</u>
OTHER FINANCING SOURCES (Uses):			
OTHER FINANCING USES:			
Transfers Out	<u>(27,981)</u>	<u>(6,851)</u>	<u>21,130</u>
Total Other Financing Uses	<u>(27,981)</u>	<u>(6,851)</u>	<u>21,130</u>
Net Change in Fund Balance	(1,600)	(6,657)	(5,057)
Fund Balance, July 1, 2016	<u>42,955</u>	<u>42,955</u>	
Fund Balance, June 30, 2017	<u>\$ 41,355</u>	<u>\$ 36,298</u>	<u>\$ (5,057)</u>

NON-MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS DESCRIPTIONS

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

Kern Asset Leasing Corporation – This is a nonprofit entity that holds the capital assets constructed through the Certificates of Participation Program. Equipment and construction costs related to proprietary funds are recorded within each appropriate enterprise fund, and any cash related to the Certificates of Participation is designated as deposits with trustee.

Pension Obligation Bond Trustee – This fund administers the debt service payments related to the County's Pension Obligation Bonds.

Public Services Financing Authority – This fund administers the debt service payments related to the Lease Revenue Refunding Bonds.

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR DEBT SERVICE FUNDS
 JUNE 30, 2017 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled Cash and Investments	\$ 139	\$	\$	\$ 139
Cash and Investments Deposited with Trustee	<u>1,796</u>	<u>673</u>	<u>221</u>	<u>902</u>
Total Assets	<u>1,935</u>	<u>673</u>	<u>221</u>	<u>1,041</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,935</u>	<u>\$ 673</u>	<u>\$ 221</u>	<u>\$ 1,041</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	<u>\$ 31</u>	<u>\$</u>	<u>\$</u>	<u>\$ 31</u>
Total Liabilities	<u>31</u>	<u></u>	<u></u>	<u>31</u>
Fund Balances:				
Restricted	<u>1,904</u>	<u>673</u>	<u>221</u>	<u>1,010</u>
Total Fund Balances	<u>1,904</u>	<u>673</u>	<u>221</u>	<u>1,010</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,935</u>	<u>\$ 673</u>	<u>\$ 221</u>	<u>\$ 1,041</u>

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 107	\$ 112	\$ 1	\$ (6)
Other Revenues	51,364		49,894	1,470
Total Revenues	<u>51,471</u>	<u>112</u>	<u>49,895</u>	<u>1,464</u>
EXPENDITURES:				
General Government	612			612
Debt Service:				
Principal	21,986	3,483	18,093	410
Interest	35,779	3,483	31,801	495
Cost of Issuance	2,139	2,139		
Total Expenditures	<u>60,516</u>	<u>9,105</u>	<u>49,894</u>	<u>1,517</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,045)</u>	<u>(8,993)</u>	<u>1</u>	<u>(53)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	6,966	6,966		
Refunding Certificates of Participation Issued	80,350	80,350		
Premium on Issuance	4,512	4,512		
Payment for Defeasance of Old Debt	(90,070)	(90,070)		
Total Other Financing Sources	<u>1,758</u>	<u>1,758</u>		
Net Changes in Fund Balances	(7,287)	(7,235)	1	(53)
Fund Balances, July 1, 2016	<u>9,191</u>	<u>7,908</u>	<u>220</u>	<u>1,063</u>
Fund Balances, June 30, 2017	<u>\$ 1,904</u>	<u>\$ 673</u>	<u>\$ 221</u>	<u>\$ 1,010</u>



**NON-MAJOR
ENTERPRISE FUNDS**

NON-MAJOR ENTERPRISE FUNDS

FUNDS DESCRIPTIONS

Enterprise funds are used to account for operations: (a) that are financed and operated in a similar manner to a private business (where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges) or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

County Sanitation Districts - These funds consist of two sanitation districts, Kern Sanitation Authority and Ford City-Taft Heights Sanitation District. These funds are administered by the Public Works Department, which is responsible for the planning, design, construction, operations, and maintenance of the County's sanitation districts.

Golf Courses - This fund is used to finance new capital improvements and replace existing capital improvements as necessary. Revenues are generated primarily from a percentage of user fees collected by the lessee.

Public Transportation - This fund is administered by the Public Works Department and provides for the planning, development and management of public transportation for intercity routes and unincorporated areas of Kern County.

Universal Collection - This fund is administered by the Public Works Department and segregates the revenues and expenses related to hauling of residential waste from the universal collection area that encompasses the more densely populated unincorporated areas of metropolitan Bakersfield, South Taft, Lost Hills, Rosamond and South Shafter.

**COUNTY OF KERN
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
ASSETS					
Current Assets:					
Pooled Cash and Investments	\$ 16,759	\$ 12,232	\$ 1,465	\$ 1,560	\$ 1,502
Interest Receivable	42	29		7	6
Accounts Receivable - Net	227	119		108	
Accrued Revenue	1,799			1,799	
Due from Other Funds	36	36			
Total Current Assets	<u>18,863</u>	<u>12,416</u>	<u>1,465</u>	<u>3,474</u>	<u>1,508</u>
Non-Current Assets:					
Cash and Investments Deposited with Trustee					
Taxes Receivable	1,712	553			1,159
Investment in Joint Venture	2,569	2,569			
Capital Assets:					
Non-Depreciable:					
Land	668	603	65		
Construction in Progress	83	4		79	
Depreciable:					
Structures and Improvements	16,672	9,330	6,483	859	
Equipment	19,767	1,585		18,182	
Intangible Assets	246	48		198	
Infrastructure	10,949	10,949			
Accumulated Depreciation and Amortization	(24,681)	(12,264)	(3,371)	(9,046)	
Total Non-Current Assets	<u>27,985</u>	<u>13,377</u>	<u>3,177</u>	<u>10,272</u>	<u>1,159</u>
Total Assets	<u>46,848</u>	<u>25,793</u>	<u>4,642</u>	<u>13,746</u>	<u>2,667</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Pensions	1,571	933		638	
Total Deferred Outflows of Resources	<u>1,571</u>	<u>933</u>		<u>638</u>	
LIABILITIES					
Current Liabilities:					
Accounts Payable	1,314	640		674	
Salaries and Employee Benefits Payable	106	106			
Due to Other Funds	247			247	
Current Portion of Long-Term Debt	49	38		11	
Interest Payable - Current	73	56		17	
Compensated Absences - Current	195	106		89	
Advances from Grantors and Third Parties	1,829	147		1,682	
Total Current Liabilities	<u>3,813</u>	<u>1,093</u>		<u>2,720</u>	
Non-Current Liabilities:					
Compensated Absences Payable	64	35		29	
Long-Term Debt - Pension Obligation Bonds	500	384		116	
Interest Payable - Pension Obligation Bonds	315	241		74	
Other Post-Employment Benefits (OPEB) Obligation	127	86		41	
Net Pension Liability	4,410	3,659		751	
Total Non-Current Liabilities	<u>5,416</u>	<u>4,405</u>		<u>1,011</u>	
Total Liabilities	<u>9,229</u>	<u>5,498</u>		<u>3,731</u>	
DEFERRED INFLOWS OF RESOURCES					
Deferred Pensions	481	286		195	
Total Deferred Inflows of Resources	<u>481</u>	<u>286</u>		<u>195</u>	
NET POSITION					
Net Investment in Capital Assets	23,704	10,255	3,177	10,272	
Unrestricted	15,005	10,687	1,465	186	2,667
Total Net Position	<u>\$ 38,709</u>	<u>\$ 20,942</u>	<u>\$ 4,642</u>	<u>\$ 10,458</u>	<u>\$ 2,667</u>

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
OPERATING REVENUES:					
Charges for Current Services	\$ 19,579	\$ 5,128	\$ 190	\$ 1,139	\$ 13,122
Revenues from Use of Property	142	90		46	6
Other Operating Revenues	37	37			
Total Operating Revenues	19,758	5,255	190	1,185	13,128
OPERATING EXPENSES:					
Salaries and Employee Benefits	1,964	1,964			
Services and Supplies	24,310	1,833	69	9,124	13,284
Other Charges	41	15		8	18
Depreciation and Amortization	1,881	436	148	1,297	
Total Operating Expenses	28,196	4,248	217	10,429	13,302
Operating Income (Loss)	(8,438)	1,007	(27)	(9,244)	(174)
NON-OPERATING REVENUES (EXPENSES):					
Taxes and Assessments	6,268			6,268	
Fines, Forfeitures and Penalties	287	74			213
Licenses, Permits and Franchises	1	1			
Interest on Bank Deposits and Investments	63	31	3	34	(5)
Aid from Other Governmental Agencies	1,228			1,228	
Interest Expense	(55)	(42)		(13)	
Loss on Disposal of Capital Assets	(99)			(99)	
Total Non-Operating Revenues, Net	7,693	64	3	7,418	208
Income (Loss) before Contributions	(745)	1,071	(24)	(1,826)	34
Capital Contributions	2,344			2,344	
Changes in Net Position	1,599	1,071	(24)	518	34
Net Position, July 1, 2016 (as previously reported)	36,668	19,462	4,666	9,907	2,633
Prior Period Adjustment	442	409		33	
Net Position, June 30, 2017	\$ 38,709	\$ 20,942	\$ 4,642	\$ 10,458	\$ 2,667

COUNTY OF KERN
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)

	TOTAL	COUNTY SANITATION DISTRICTS	GOLF COURSES	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received for Current Services	\$ 19,420	\$ 5,062	\$ 191	\$ 1,032	\$ 13,135
Cash Received for Use of Property	142	90		46	6
Cash Received for Other Operations	38	38			
Cash Paid for Salaries and Benefits	(2,066)	(2,066)			
Cash Paid for Services and Supplies	(18,883)	(610)	(70)	(5,007)	(13,196)
Cash Paid for Interfund Services and Supplies	(5,005)	(1,228)		(3,689)	(88)
Cash Paid for Other Charges	(41)	(14)		(9)	(18)
Net Cash Provided (Used) by Operating Activities	<u>(6,395)</u>	<u>1,272</u>	<u>121</u>	<u>(7,627)</u>	<u>(161)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Cash Received for Other Non-Operations					
Cash Received for Taxes and Special Assessments	6,268			6,268	
Cash Received as Fines, Forfeitures, and Penalties	286	74			212
Cash Received for Licenses, Permits & Franchises	1	1			
Aid from Other Governmental Agencies	1,911			1,911	
Payment of Long-Term Debt - Pension Obligation Bonds	(46)	(35)		(11)	
Interest Paid on Pension Obligation Bonds	(82)	(63)		(19)	
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>8,338</u>	<u>(23)</u>		<u>8,149</u>	<u>212</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital Contributions	545			545	
Acquisition or Construction of Capital Assets	(2,795)	(566)		(2,229)	
Net Cash Used by Capital and Related Financing Activities	<u>(2,250)</u>	<u>(566)</u>		<u>(1,684)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on Bank Deposits and Investments	47	22	3	33	(11)
Net Cash Provided(Used) by Investing Activities	<u>47</u>	<u>22</u>	<u>3</u>	<u>33</u>	<u>(11)</u>
Net Increase(Decrease) in Cash and Investments	(260)	705	124	(1,129)	40
Cash and Investments, July 1, 2016	17,019	11,527	1,341	2,689	1,462
Cash and Investments, June 30, 2017	<u>\$ 16,759</u>	<u>\$ 12,232</u>	<u>\$ 1,465</u>	<u>\$ 1,560</u>	<u>\$ 1,502</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (8,438)	\$ 1,007	\$ (27)	\$ (9,244)	\$ (174)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	1,881	436	148	1,297	
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(223)	(115)		(108)	
(Increase) Decrease in Accrued Revenue	86	86			
(Increase) Decrease in Taxes Receivable	11	(2)			13
(Increase) Decrease in Due from Other Funds	(36)	(36)			
(Increase) Decrease in Deferred Pensions Outflow	(715)	(367)		(348)	
(Increase) Decrease in Investment in Joint Venture	(172)	(172)			
Increase (Decrease) in Accounts Payable	193	3		190	
Increase (Decrease) in Salaries & Benefits Payable	15	15			
Increase (Decrease) in Due to Other Funds	219	(7)		226	
Increase (Decrease) in Deferred Pensions Inflow	269	106		163	
Increase (Decrease) in Compensated Absences Payable	1	(3)		4	
Increase (Decrease) in Advances from Grantors and Third Parties					
Increase (Decrease) in Other Post-Employment Benefits (OPEB) Obligation	25	30		(5)	
Increase (Decrease) in Net Pension Liability	489	291		198	
Total Adjustments	<u>2,043</u>	<u>265</u>	<u>148</u>	<u>1,617</u>	<u>13</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (6,395)</u>	<u>\$ 1,272</u>	<u>\$ 121</u>	<u>\$ (7,627)</u>	<u>\$ (161)</u>



INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS DESCRIPTIONS

Internal service funds account for services furnished to other County departments and are financed primarily by charges for such services. Because the internal service funds are separated from the regular County operations, they are free to employ commercial accounting techniques and are often used in situations where a more accurate determination of costs is desired.

General Liability - This fund provides for the funding, administration, and operation of a self-insured system to meet the County's legal liability for damages to persons and/or property arising out of the County's general and automotive activities.

General Services - Garage - This fund provides funding for the purchase and maintenance service for vehicles assigned operationally to County departments, excluding those departments that maintain and operate their own vehicle fleets (Parks, Fire, Roads, Airports, and Sheriffs Lerdo Facility).

Group Health - This fund provides for the funding, administration, and operation of the County employees' health and dental insurance plans. This fund is administered by the County Administrative Office and is financed through charges to the operating departments and special districts enrolled in the program.

Public Works – This fund provides administrative activities for the Roads, Public Transit, Waste Management, Engineering, Surveying and Permit Services, Code Compliance, and Building Inspection budget units.

Retiree Group Health - This fund provides for the County's contributions to the Retired Employees Health Insurance and the Retiree Premium Support Program.

Unemployment Compensation - This fund provides for the funding, administration, and operation of the Unemployment Compensation Program to meet the County's obligation of providing unemployment benefits to former employees eligible under State law.

Workers' Compensation - This fund provides for the funding, administration, and operation of the self-insured system to meet the County's statutory obligation to compensate its employees for work related injuries and illnesses.

**COUNTY OF KERN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
ASSETS				
Current Assets:				
Pooled Cash and Investments	\$ 80,099	\$ 18,705	\$ 5,198	\$ 34,931
Interest Receivable	238	60	16	95
Accrued Revenue	2,759			2,030
Due from Other Funds	247			
Inventory- Materials and Supplies	398		110	
Total Current Assets	<u>83,741</u>	<u>18,765</u>	<u>5,324</u>	<u>37,056</u>
Non-Current Assets:				
Deposits with Others	1,519			1,519
Equipment	11,938		11,858	
Intangible Assets	37		37	
Accumulated Depreciation and Amortization	(6,613)		(6,602)	
Total Non-Current Assets	<u>6,881</u>		<u>5,293</u>	<u>1,519</u>
Total Assets	<u>90,622</u>	<u>18,765</u>	<u>10,617</u>	<u>38,575</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pensions	703		703	
Total Deferred Outflows of Resources	<u>703</u>		<u>703</u>	
LIABILITIES				
Current Liabilities:				
Accounts Payable	458		110	50
Salaries and Employee Benefits Payable	2,259		49	
Due to Other Funds	716			
Long-Term Debt -Current	27		27	
Interest Payable - Current	67		67	
Compensated Absences - Current	41		41	
Liability for Self-Insurance - Current	25,331	397		12,118
Total Current Liabilities	<u>28,899</u>	<u>397</u>	<u>294</u>	<u>12,168</u>
Non-Current Liabilities				
Compensated Absences Payable	22		22	
Liability for Self-Insurance - Long-Term	115,178	52,981		
Long-Term Debt - Pension Obligation Bonds	209		209	
Interest Payable - Long-Term - Pension Obligation Bonds	253		253	
OPEB Obligation	11		11	
Net Pension Liability	3,689		3,689	
Total Non-Current Liabilities	<u>119,362</u>	<u>52,981</u>	<u>4,184</u>	
Total Liabilities	<u>148,261</u>	<u>53,378</u>	<u>4,478</u>	<u>12,168</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pensions	263		263	
Total Deferred Inflows of Resources	<u>263</u>		<u>263</u>	
NET POSITION				
Net Investment in Capital Assets	5,362		5,293	
Restricted:				
Deposits	1,519			1,519
Inventory	398		110	
Unrestricted (Deficit)	(64,478)	(34,613)	1,176	24,888
Total Net Position	<u>\$ (57,199)</u>	<u>\$ (34,613)</u>	<u>\$ 6,579</u>	<u>\$ 26,407</u>

<u>PUBLIC WORKS</u>	<u>RETIREE GROUP HEALTH</u>	<u>UNEMPLOYMENT COMPENSATION</u>	<u>WORKERS' COMPENSATION</u>	
\$ 5,023	\$ 3,238	\$ 2,157	\$ 10,847	ASSETS
13	7	8	39	Current Assets:
309			420	Pooled Cash and Investments
247				Interest Receivable
288				Accrued Revenue
				Due from Other Funds
				Inventory- Materials and Supplies
<u>5,880</u>	<u>3,245</u>	<u>2,165</u>	<u>11,306</u>	Total Current Assets
				Non-Current Assets:
80				Deposits with Others
(11)				Equipment
69				Intangible Assets
				Accumulated Depreciation and Amortization
<u>5,949</u>	<u>3,245</u>	<u>2,165</u>	<u>11,306</u>	Total Non-Current Assets
				Total Assets
				DEFERRED OUTFLOWS OF RESOURCES
				Deferred Pensions
				Total Deferred Outflows of Resources
				LIABILITIES
				Current Liabilities:
298				Accounts Payable
2,210				Salaries and Employee Benefits Payable
716				Due to Other Funds
				Long-Term Debt -Current
				Interest Payable - Current
				Compensated Absences - Current
		1,002	11,814	Liability for Self-Insurance - Current
<u>3,224</u>		<u>1,002</u>	<u>11,814</u>	Total Current Liabilities
				Non-Current Liabilities
			62,197	Compensated Absences Payable
				Liability for Self-Insurance - Long-Term
				Long-Term Debt - Pension Obligation Bonds
				Interest Payable - Long-Term - Pension Obligation Bonds
				OPEB Obligation
				Net Pension Liability
			<u>62,197</u>	Total Non-Current Liabilities
<u>3,224</u>		<u>1,002</u>	<u>74,011</u>	Total Liabilities
				DEFERRED INFLOWS OF RESOURCES
				Deferred Pensions
				Total Deferred Inflows of Resources
				NET POSITION
69				Net Investment in Capital Assets
				Restricted:
288				Deposits
2,368	3,245	1,163	(62,705)	Inventory
				Unrestricted (Deficit)
\$ <u>2,725</u>	\$ <u>3,245</u>	\$ <u>1,163</u>	\$ <u>(62,705)</u>	Total Net Position

COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)

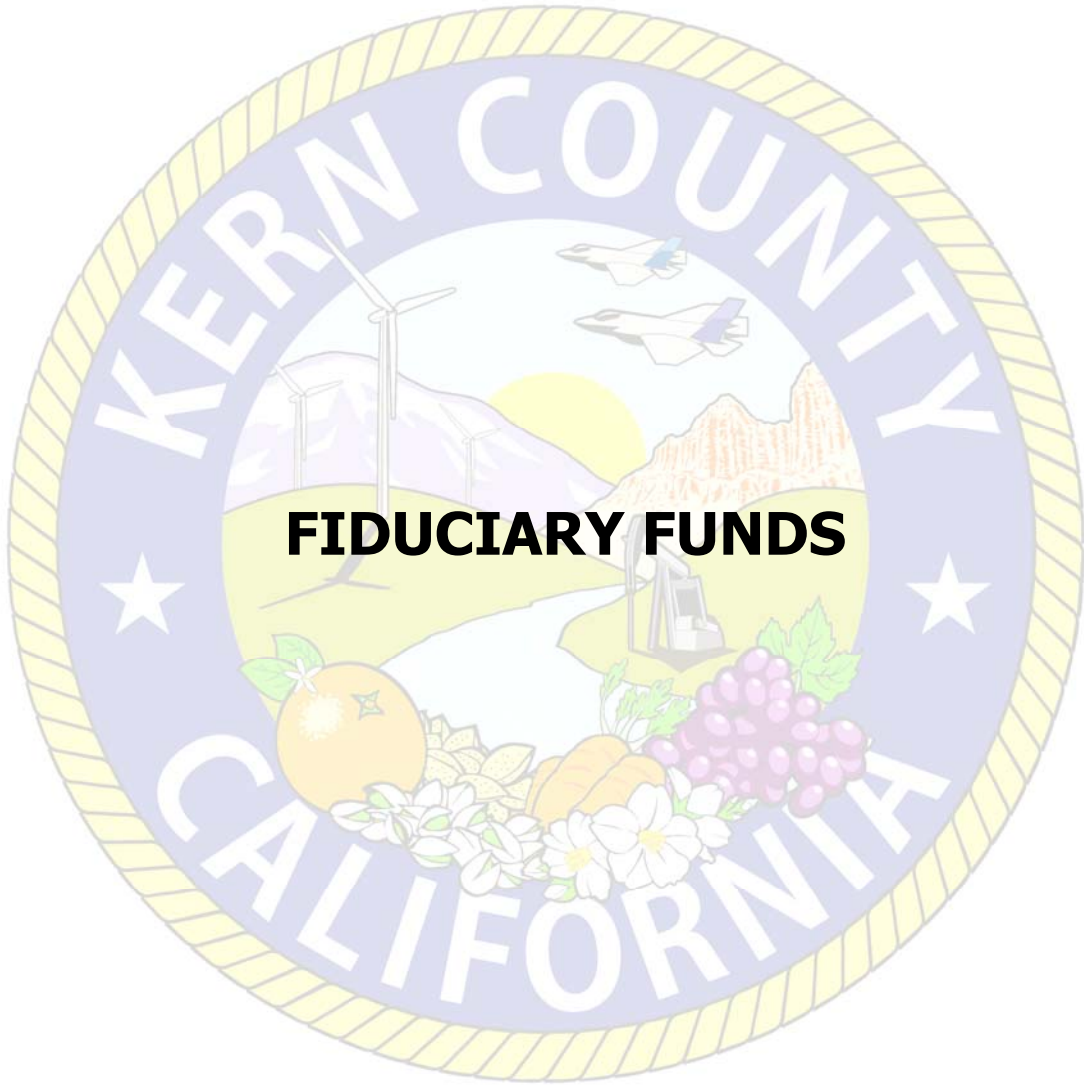
	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
OPERATING REVENUES:				
Charges for Current Services	\$ 244,797	\$ 12,976	\$ 3,475	\$ 150,986
Other Operating Revenues	648			
Total Operating Revenues	<u>245,445</u>	<u>12,976</u>	<u>3,475</u>	<u>150,986</u>
OPERATING EXPENSES:				
Salaries and Employee Benefits	52,764		1,054	
Services and Supplies	26,927	5,905	1,030	7,315
Claims Incurred	141,091	9,960		119,850
Other Charges	8,357	5,855	184	374
Depreciation and Amortization Expense	911		901	
Total Operating Expenses	<u>230,050</u>	<u>21,720</u>	<u>3,169</u>	<u>127,539</u>
Operating Income (Loss)	<u>15,395</u>	<u>(8,744)</u>	<u>306</u>	<u>23,447</u>
NON-OPERATING REVENUES (EXPENSES):				
Interest on Bank Deposits and Investments	200	81	21	10
Other Revenues	362	11	349	
Interest Expense	(36)		(36)	
Loss on Disposal of Capital Assets	(132)		(132)	
Total Non-Operating Revenues, Net	<u>394</u>	<u>92</u>	<u>202</u>	<u>10</u>
Income (Loss) before Contributions, Transfers, and Special Item	<u>15,789</u>	<u>(8,652)</u>	<u>508</u>	<u>23,457</u>
Capital Contributions	164		164	
Transfers In	5,264			
Transfers Out	(4,000)			
Special Item - Transfer to Component Unit (Note XX)	7,748			
Change in Net Position	24,965	(8,652)	672	23,457
Net Position, July 1, 2016 (as previously reported)	<u>(82,505)</u>	<u>(25,961)</u>	<u>5,566</u>	<u>2,950</u>
Prior Period Adjustment	341		341	
Net Position, June 30, 2017	<u>\$ (57,199)</u>	<u>\$ (34,613)</u>	<u>\$ 6,579</u>	<u>\$ 26,407</u>

PUBLIC WORKS	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS' COMPENSATION	
\$ 49,033	\$ 9,092	\$ 3,004	\$ 16,231	OPERATING REVENUES:
	63		585	Charges for Current Services
				Other Operating Revenues
<u>49,033</u>	<u>9,155</u>	<u>3,004</u>	<u>16,816</u>	Total Operating Revenues
				OPERATING EXPENSES:
42,835	8,875			Salaries and Employee Benefits
7,765	196	14	4,702	Services and Supplies
		2,409	8,872	Claims Incurred
		4	1,940	Other Charges
<u>10</u>				Depreciation and Amortization Expense
<u>50,610</u>	<u>9,071</u>	<u>2,427</u>	<u>15,514</u>	Total Operating Expenses
<u>(1,577)</u>	<u>84</u>	<u>577</u>	<u>1,302</u>	Operating Income (Loss)
				NON-OPERATING REVENUES (EXPENSES):
3	2	8	75	Interest on Bank Deposits and Investments
2				Other Revenues
				Interest Expense
				Loss on Disposal of Capital Assets
<u>5</u>	<u>2</u>	<u>8</u>	<u>75</u>	Total Non-Operating Revenues, Net
<u>(1,572)</u>	<u>86</u>	<u>585</u>	<u>1,377</u>	Income (Loss) before Contributions, Transfers, and Special Item
				Capital Contributions
5,264				Transfers In
(4,000)				Transfers Out
			7,748	Special Item - Transfer to Component Unit (Note XX)
<u>(308)</u>	<u>86</u>	<u>585</u>	<u>9,125</u>	Change in Net Position
<u>3,033</u>	<u>3,159</u>	<u>578</u>	<u>(71,830)</u>	Net Position, July 1, 2016 (as previously reported)
				Prior Period Adjustment
<u>\$ 2,725</u>	<u>\$ 3,245</u>	<u>\$ 1,163</u>	<u>\$ (62,705)</u>	Net Position, June 30, 2017

**COUNTY OF KERN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received for Current Services	\$ 222,562	\$ 12,961	\$ 3,448	\$ 130,009
Cash Received for Interfund Services Provided	19,034	15	27	17,597
Cash Received for Other Operations	650			
Cash Received on Deposit with Others	259			259
Cash Paid for Salaries and Benefits	(52,561)		(965)	
Cash Paid for Services and Supplies	(28,493)	(5,905)	(973)	(9,659)
Cash Paid for Reported Claims	(131,477)	(499)		(117,826)
Cash Paid for Other Charges	(8,357)	(5,855)	(184)	(374)
Net Cash Provided (Used) by Operating Activities	<u>21,617</u>	<u>717</u>	<u>1,353</u>	<u>20,006</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Cash Received from Other Funds	5,264			
Cash Received for Other Non-Operations	359	11	348	
Cash Paid to Other Funds	(4,000)			
Payment of Long-Term Debt - Pension Obligation Bonds	(26)		(26)	
Interest Paid on Pension Obligation Bonds	(66)		(66)	
Net Cash Provided by Non-Capital Financing Activities	<u>1,531</u>	<u>11</u>	<u>256</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from Sale of Capital Assets	80		80	
Acquisition or Construction of Capital Assets	(1,188)		(1,141)	
Net Cash Used by Capital and Related Financing Activities	<u>(1,108)</u>		<u>(1,061)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Bank Deposits and Investments	86	60	14	(52)
Net Increase (Decrease) in Cash and Investments	22,126	788	562	19,954
Beginning Cash and Investments at July 1, 2016	57,973	17,917	4,636	14,977
Ending Cash and Investments at June 30, 2017	<u>\$ 80,099</u>	<u>\$ 18,705</u>	<u>\$ 5,198</u>	<u>\$ 34,931</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 15,395	\$ (8,744)	\$ 306	\$ 23,447
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	911		901	
Changes in Assets and Liabilities:				
(Increase) Decrease in Inventory	(65)		1	
(Increase) Decrease in Accrued Revenue	(347)			12
(Increase) Decrease in Due from Others	483			
(Increase) Decrease in Deferred Pensions Outflow	(86)		(86)	
(Increase) Decrease in Deposits with Others	259			259
Increase (Decrease) in Accounts Payable	(2,168)		56	(2,344)
Increase (Decrease) in Due to Others	668			
Increase (Decrease) in Salaries & Benefits Payable	18		(97)	
Increase (Decrease) in Deferred Pensions Inflow	51		51	
Increase (Decrease) in Compensated Absences Payable	(1)		(1)	
Increase (Decrease) in Provision for Liability Claims	6,277	9,461		(1,368)
Increase (Decrease) in Other Post-Employment Benefits Obligation	2		2	
Increase (Decrease) in Net Pension Liability	220		220	
Total Adjustments	<u>6,222</u>	<u>9,461</u>	<u>1,047</u>	<u>(3,441)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 21,617</u>	<u>\$ 717</u>	<u>\$ 1,353</u>	<u>\$ 20,006</u>
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Capital Contributions	\$ 164		\$ 164	
Total Non-cash Investing, Capital, and Financing Activities	<u>\$ 164</u>		<u>\$ 164</u>	

	PUBLIC WORKS	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS' COMPENSATION	
					CASH FLOWS FROM OPERATING ACTIVITIES:
\$	49,212	\$ 8,120	\$ 2,591	\$ 16,221	Cash Received for Current Services
	2	972	413	10	Cash Received for Interfund Services Provided
		63		585	Cash Received for Other Operations
	(42,721)	(8,875)			Cash Received on Deposit with Others
	(6,962)	(244)	(14)	(4,736)	Cash Paid for Salaries and Benefits
			(2,636)	(10,516)	Cash Paid for Services and Supplies
			(4)	(1,940)	Cash Paid for Reported Claims
					Cash Paid for Other Charges
	<u>(469)</u>	<u>36</u>	<u>350</u>	<u>(376)</u>	Net Cash Provided (Used) by Operating Activities
					CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:
	5,264				Cash Received from Other Funds
	(4,000)				Cash Received for Other Non-Operations
					Cash Paid to Other Funds
					Payment of Long-Term Debt - Pension Obligation Bonds
					Interest Paid on Pension Obligation Bonds
	<u>1,264</u>				Net Cash Provided by Non-Capital Financing Activities
					CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:
	(47)				Proceeds from Sale of Capital Assets
					Acquisition or Construction of Capital Assets
	<u>(47)</u>				Net Cash Used by Capital and Related Financing Activities
				64	
	748	36	350	(312)	Net Increase (Decrease) in Cash and Investments
	<u>4,275</u>	<u>3,202</u>	<u>1,807</u>	<u>11,159</u>	Beginning Cash and Investments at July 1, 2016
\$	<u>5,023</u>	<u>3,238</u>	<u>2,157</u>	<u>10,847</u>	Ending Cash and Investments at June 30, 2017
					RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:
\$	<u>(1,577)</u>	<u>84</u>	<u>577</u>	<u>1,302</u>	Operating Income (Loss)
					Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:
	10				Depreciation
	(66)				Changes in Assets and Liabilities:
	(303)			(56)	(Increase) Decrease in Inventory
	483				(Increase) Decrease in Accrued Revenue
					(Increase) Decrease in Due from Others
					(Increase) Decrease in Deferred Pensions Outflow
	153			(33)	(Increase) Decrease in Deposits with Others
	716	(48)			Increase (Decrease) in Accounts Payable
	115				Increase (Decrease) in Due to Others
					Increase (Decrease) in Salaries & Benefits Payable
					Increase (Decrease) in Deferred Pensions Inflow
			(227)	(1,589)	Increase (Decrease) in Compensated Absences Payable
					Increase (Decrease) in Provision for Liability Claims
					Increase (Decrease) in Other Post-Employment Benefits Obligation
					Increase (Decrease) in Net Pension Liability
	<u>1,108</u>	<u>(48)</u>	<u>(227)</u>	<u>(1,678)</u>	Total Adjustments
\$	<u>(469)</u>	<u>36</u>	<u>350</u>	<u>(376)</u>	Net Cash Provided (Used) by Operating Activities
					NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:
\$					Capital Contributions
\$					Total Non-cash Investing, Capital, and Financing Activities



FIDICIARY FUNDS DESCRIPTIONS

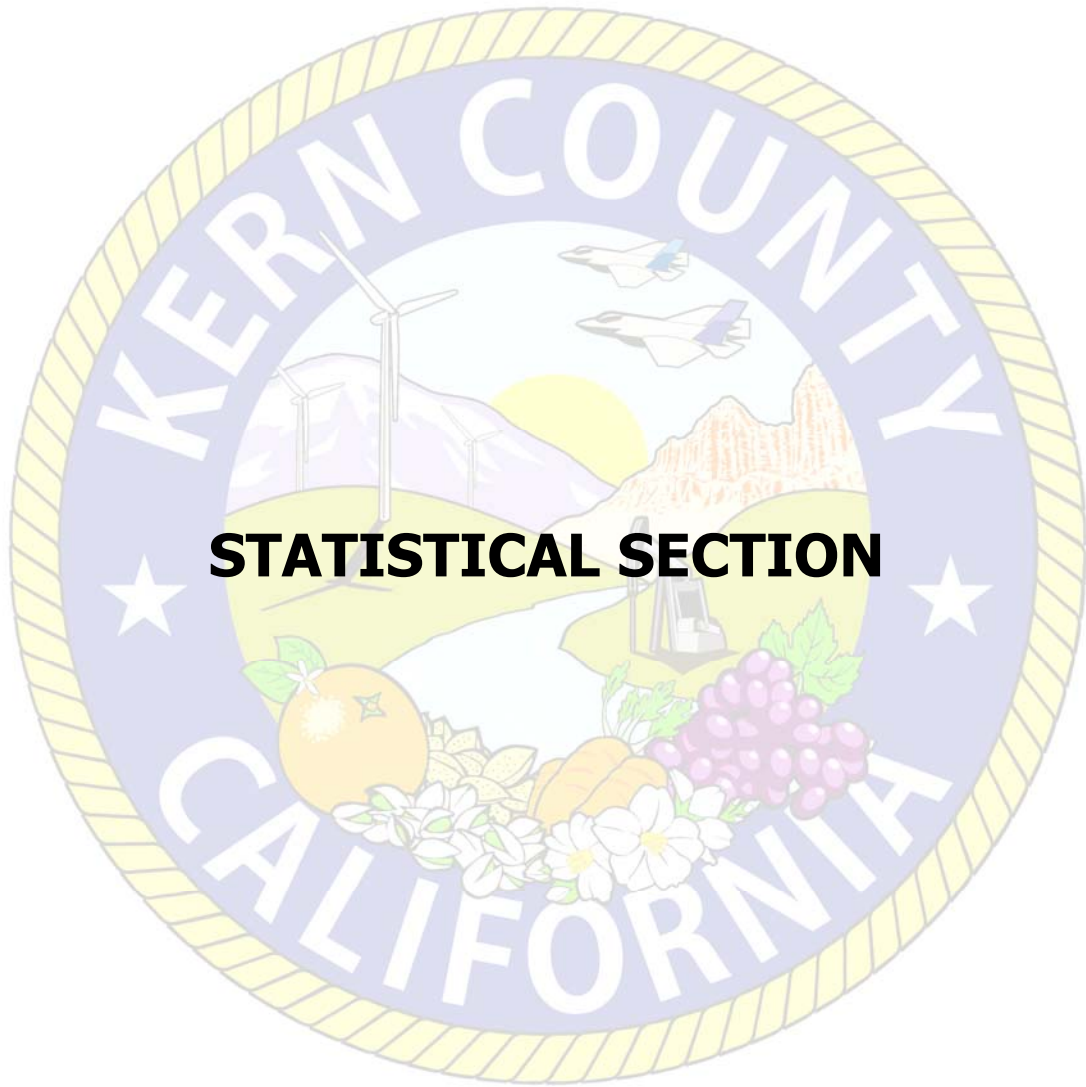
Agency Funds – Agency funds are funds under the control of individual County officers who use them for the deposit of various types of receipts and to accumulate resources for specific purposes. Unapportioned funds are used for recording the collection and distribution of property taxes and interest on bank deposits. Disbursements are made from these funds by warrants issued by the Auditor-Controller-County Clerk upon the requisition of the responsible officer.

**COUNTY OF KERN
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>BALANCE</u> <u>JUNE 30, 2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2017</u>
TOTAL AGENCY FUNDS				
ASSETS				
Pooled Cash and Investments	\$ 249,565	\$ 6,125,466	\$ 6,085,228	\$ 289,803
Investments				
Interest Receivable	423	635	380	678
Taxes Receivable	57,619	1,274,261	1,271,353	60,527
Due from Other Agencies	15,164	10,307	15,515	9,956
Total Assets	<u>\$ 322,771</u>	<u>\$ 7,410,669</u>	<u>\$ 7,372,476</u>	<u>\$ 360,964</u>
LIABILITIES				
Accounts Payable	\$	\$ 1,564	\$ 1,564	\$
Warrants Payable	8,038	3,064,275	3,060,030	12,283
Interest Payable	1,375	1,707	1,915	1,167
Due to Other Agencies	313,038	3,061,856	3,027,700	347,194
Unapportioned Installment Redemptions	320			320
Total Liabilities	<u>\$ 322,771</u>	<u>\$ 6,129,402</u>	<u>\$ 6,091,209</u>	<u>\$ 360,964</u>
CLEARING FUNDS				
ASSETS				
Pooled Cash and Investments	\$ 3,305	\$ 1,028,664	\$ 1,029,402	\$ 2,567
Investments				
Due from Other Agencies	28	16	34	10
Total Assets	<u>\$ 3,333</u>	<u>\$ 1,028,680</u>	<u>\$ 1,029,436</u>	<u>\$ 2,577</u>
LIABILITIES				
Warrants Payable	\$	\$ 1,564	\$ 1,564	\$
Due to Other Agencies	3,333	1,012,772	1,013,528	2,577
Total Liabilities	<u>\$ 3,333</u>	<u>\$ 1,014,336</u>	<u>\$ 1,015,092</u>	<u>\$ 2,577</u>
WARRANT CLEARANCE FUNDS				
ASSETS				
Pooled Cash and Investments	\$ 8,038	\$ 3,064,298	\$ 3,060,053	\$ 12,283
Total Assets	<u>\$ 8,038</u>	<u>\$ 3,064,298</u>	<u>\$ 3,060,053</u>	<u>\$ 12,283</u>
LIABILITIES				
Warrants Payable	\$ 8,038	\$ 3,064,275	\$ 3,060,030	\$ 12,283
Total Liabilities	<u>\$ 8,038</u>	<u>\$ 3,064,275</u>	<u>\$ 3,060,030</u>	<u>\$ 12,283</u>

**COUNTY OF KERN
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 (IN THOUSANDS)**

	<u>BALANCE</u> <u>JUNE 30, 2016</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2017</u>
STATE FUNDS				
ASSETS				
Pooled Cash and Investments	\$ 5,293	\$ 38,255	\$ 38,411	\$ 5,137
Interest Receivable		5		5
Total Assets	<u>\$ 5,293</u>	<u>\$ 38,260</u>	<u>\$ 38,411</u>	<u>\$ 5,142</u>
LIABILITIES				
Due to Other Agencies	\$ 5,293	\$ 35,945	\$ 36,096	\$ 5,142
Total Liabilities	<u>\$ 5,293</u>	<u>\$ 35,945</u>	<u>\$ 36,096</u>	<u>\$ 5,142</u>
OTHER FUNDS				
ASSETS				
Pooled Cash and Investments	\$ 214,157	\$ 691,382	\$ 654,603	\$ 250,936
Interest Receivable	224	364	185	403
Due from Other Agencies	15,132	10,291	15,481	9,942
Total Assets	<u>\$ 229,513</u>	<u>\$ 702,037</u>	<u>\$ 670,269</u>	<u>\$ 261,281</u>
LIABILITIES				
Due to Other Agencies	\$ 229,513	\$ 694,588	\$ 662,820	\$ 261,281
Total Liabilities	<u>\$ 229,513</u>	<u>\$ 694,588</u>	<u>\$ 662,820</u>	<u>\$ 261,281</u>
UNAPPORTIONED FUNDS				
ASSETS				
Pooled Cash and Investments	\$ 18,772	\$ 1,302,867	\$ 1,302,759	\$ 18,880
Interest Receivable	199	266	195	270
Taxes Receivable	57,619	1,274,261	1,271,353	60,527
Due from Other Agencies	4			4
Total Assets	<u>\$ 76,594</u>	<u>\$ 2,577,394</u>	<u>\$ 2,574,307</u>	<u>\$ 79,681</u>
LIABILITIES				
Interest Payable	\$ 1,375	\$ 1,707	\$ 1,915	\$ 1,167
Due to Other Agencies	74,899	1,318,551	1,315,256	78,194
Unapportioned Installment Redemptions	320			320
Total Liabilities	<u>\$ 76,594</u>	<u>\$ 1,320,258</u>	<u>\$ 1,317,171</u>	<u>\$ 79,681</u>



STATISTICAL SECTION

CONTENTS

Financial Trends

The financial trend schedules contain trend information to assist the reader in understanding how the County's financial performance and well-being have changed over time and to help the reader follow the direction the County's economic condition is heading. These schedules also provide information to assist the user in comprehending how spending priorities and funding sources have changed from year to year.

Revenue Capacity

The revenue capacity schedules contain information to help the reader assess the factors affecting the County's ability to generate its most significant revenue source, property taxes. The schedules have information to help the user assess the tax burden on the taxpayers. Information is provided to help the user evaluate whether the County is disproportionately dependent on a single taxpayer.

Debt Capacity

The debt capacity schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. Information is provided to give users an idea of the burden of debt on the taxpayers, both the direct burden and the portion of debt issued by other governmental entities for which the County's taxpayers are responsible.

Demographic and Economic Information

The demographic and economic information schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

The operating information schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. The schedules provide information to give the user a sense of the size of the County, the types of services it provides, the volume of these services and the non-financial resources used to provide those services.

Sources: Unless otherwise noted, the information in the statistical schedules is derived from the Comprehensive Annual Financial Reports (CAFR) for the relevant years.

COUNTY OF KERN
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (IN THOUSANDS)
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2008	2009	2010	2011	2012
Governmental Activities:					
Net Investment in Capital Assets	\$ 508,638	\$ 473,897	\$ 1,542,559	\$ 1,646,543	\$ 1,672,915
Restricted	13,975	230,225	229,285	319,828	335,190
Unrestricted (Deficit)	(62,710)	(198,015)	(122,364)	(267,332)	(266,157)
Total Governmental Activities Net Position	<u>\$ 459,903</u>	<u>\$ 506,107</u>	<u>\$ 1,649,480</u>	<u>\$ 1,699,039</u>	<u>\$ 1,741,948</u>
Business-type Activities:					
Net Investment in Capital Assets	\$ 146,013	\$ 154,030	\$ 160,640	\$ 172,883	\$ 170,984
Restricted	5,646	4,904	4,240	3,037	2,022
Unrestricted (Deficit)	(85,454)	(70,079)	(44,226)	(54,506)	(96,878)
Total Business-type Activities Net Position	<u>\$ 66,205</u>	<u>\$ 88,855</u>	<u>\$ 120,654</u>	<u>\$ 121,414</u>	<u>\$ 76,128</u>
Primary Government:					
Net Investment in Capital Assets	\$ 654,651	\$ 627,927	\$ 1,703,199	\$ 1,819,426	\$ 1,843,899
Restricted	19,621	235,129	233,525	322,865	337,212
Unrestricted (Deficit)	(148,164)	(268,094)	(166,590)	(321,838)	(363,035)
Total Primary Government Net Position	<u>\$ 526,108</u>	<u>\$ 594,962</u>	<u>\$ 1,770,134</u>	<u>\$ 1,820,453</u>	<u>\$ 1,818,076</u>

Fiscal Year					
2013	2014	2015	2016	2017	
\$ 1,711,461	\$ 1,726,834	\$ 1,750,564	\$ 1,770,797	\$ 1,840,822	Governmental Activities:
363,662	347,207	375,293	381,142	397,190	Net Investment in Capital Assets
(262,932)	(294,565)	(1,805,642)	(1,708,445)	(1,713,301)	Restricted
<u>\$ 1,812,191</u>	<u>\$ 1,779,476</u>	<u>\$ 320,215</u>	<u>\$ 443,494</u>	<u>\$ 524,711</u>	Unrestricted (Deficit)
					Total Governmental Activities Net Position
					Business-type Activities:
\$ 166,895	\$ 180,025	\$ 198,605	\$ 204,567	\$ 184,012	Net Investment in Capital Assets
15,671	15,231	10,601	8,567		Restricted
(125,371)	(114,309)	(450,784)	(405,360)	(27,323)	Unrestricted (Deficit)
<u>\$ 57,195</u>	<u>\$ 80,947</u>	<u>\$ (241,578)</u>	<u>\$ (192,226)</u>	<u>\$ 156,689</u>	Total Business-type Activities Net Position
					Primary Government:
\$ 1,878,356	\$ 1,906,859	\$ 1,949,169	\$ 1,975,364	\$ 2,024,834	Net Investment in Capital Assets
379,333	362,438	385,894	389,709	397,190	Restricted
(388,303)	(408,874)	(2,256,426)	(2,113,805)	(1,740,624)	Unrestricted (Deficit)
<u>\$ 1,869,386</u>	<u>\$ 1,860,423</u>	<u>\$ 78,637</u>	<u>\$ 251,268</u>	<u>\$ 681,400</u>	Total Primary Government Net Position

COUNTY OF KERN
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (IN THOUSANDS)
 (ACCRUAL BASIS OF ACCOUNTING)

Page 1 of 2

	Fiscal Year				
	2008	2009	2010	2011	2012
Governmental Activities:					
Expenses:					
General Government	\$ 95,918	\$ 52,916	\$ 92,049	\$ 110,846	\$ 93,530
Public Protection	480,002	487,167	449,054	491,209	516,877
Public Ways and Facilities	50,878	44,648	60,510	10,594	63,955
Health and Sanitation	149,023	151,741	143,156	144,971	154,322
Public Assistance	400,263	411,388	421,154	422,059	396,670
Education	10,159	9,372	8,436	9,093	1,984
Culture and Recreation Services	15,256	14,440	12,747	13,521	14,690
Interest on Short and Long-term Debt	42,412	44,354	42,013	40,717	42,670
Total Expenses	<u>1,243,911</u>	<u>1,216,026</u>	<u>1,229,119</u>	<u>1,243,010</u>	<u>1,284,698</u>
Program Revenues:					
Charges for Services:					
General Government	59,209	62,485	65,670	64,151	58,153
Public Protection	97,856	97,993	93,839	99,898	90,771
Health and Sanitation	54,205	53,702	40,064	41,944	46,539
Other	18,340	17,095	13,451	16,034	13,472
Operating Grants and Contributions	679,220	656,815	724,772	683,830	688,523
Capital Grants and Contributions	9,478	22,800	19,123	31,685	20,560
Total Program Revenues	<u>918,308</u>	<u>910,890</u>	<u>956,919</u>	<u>937,542</u>	<u>918,018</u>
Total Governmental Activities, Net Program Expenses	<u>(325,603)</u>	<u>(305,136)</u>	<u>(272,200)</u>	<u>(305,468)</u>	<u>(366,680)</u>
General Revenues:					
Taxes:					
Property Taxes	244,636	227,163	226,528	241,326	256,744
Vehicle License Taxes ^a	86,828	91,737	85,897	90,382	92,660
Aircraft Taxes	227	232	201	142	85
Sales and Use Taxes	39,618	40,502	33,414	36,997	57,915
Transient Occupancy Tax	1,506	1,676	1,346	1,658	1,732
Special Assessments	3,141	3,093	3,375	3,484	2,888
Transfer Taxes	3,166	2,407	2,423	3,817	2,556
Other Taxes	1,385	856	711	1,189	1,318
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	28,043	25,681	18,976	13,980	18,338
Miscellaneous	6,428	9,802	14,260	3,668	7,591
Special Items	3,112			(2,406)	
Transfers	(49,304)	(51,809)	(32,591)	(33,921)	(37,681)
Total General Revenues and Transfers	<u>368,786</u>	<u>351,340</u>	<u>354,540</u>	<u>360,316</u>	<u>404,146</u>
Total Governmental Activities Change in Net Position	<u>\$ 43,183</u>	<u>\$ 46,204</u>	<u>\$ 82,340</u>	<u>\$ 54,848</u>	<u>\$ 37,466</u>

Notes:

^a Due to a change in the State's method of distribution, beginning in fiscal year 04-05, vehicle license fees are reported separately as vehicle license taxes. In prior years, they were reported under operating grants and contributions.

Fiscal Year					
2013	2014	2015	2016	2017	
					Governmental Activities:
					Expenses:
\$ 94,901	\$ 85,816	\$ 92,981	\$ 86,975	\$ 108,559	General Government
547,416	558,228	593,634	631,913	597,476	Public Protection
69,153	122,567	63,111	48,945	60,666	Public Ways and Facilities
156,302	157,183	146,941	165,023	206,660	Health and Sanitation
391,318	411,182	425,161	466,599	466,736	Public Assistance
8,153	8,600	8,229	8,874	8,403	Education
14,319	14,565	13,604	11,586	777	Culture and Recreation Services
41,161	37,679	37,914	46,805	35,566	Interest on Short and Long-term Debt
<u>1,322,723</u>	<u>1,395,820</u>	<u>1,381,575</u>	<u>1,466,720</u>	<u>1,484,843</u>	Total Expenses
					Program Revenues:
					Charges for Services:
58,620	58,908	65,900	63,550	65,439	General Government
84,355	106,151	93,559	99,788	104,186	Public Protection
45,590	39,080	61,195	67,699	78,007	Health and Sanitation
16,790	23,222	23,441	22,382	21,248	Other
741,506	703,323	724,439	762,670	814,087	Operating Grants and Contributions
18,936	44,419	47,657	53,269	87,051	Capital Grants and Contributions
<u>965,797</u>	<u>975,103</u>	<u>1,016,191</u>	<u>1,069,358</u>	<u>1,170,018</u>	Total Program Revenues
<u>(356,926)</u>	<u>(420,717)</u>	<u>(365,384)</u>	<u>(397,362)</u>	<u>(314,825)</u>	Total Governmental Activities, Net Program Expenses
					General Revenues:
					Taxes:
271,564	270,406	270,191	265,638	248,903	Property Taxes
99,756	101,645	107,308	96,965	93,082	Vehicle License Taxes ^a
151	113	120	256	271	Aircraft Taxes
55,718	52,240	58,683	45,554	44,699	Sales and Use Taxes
1,845	1,772	2,721	2,437	2,403	Transient Occupancy Tax
2,807	2,717	2,710	3,022	3,265	Special Assessments
2,961	2,942	3,183	3,888	3,607	Transfer Taxes
1,435	1,440	1,664	1,444	1,544	Other Taxes
					Grants and Contributions not Restricted to Specific Programs:
16,870	17,307	12,785	29,511	10,514	Unrestricted Investment Earnings
22,356	3,369	11,822	9,372	8,519	Miscellaneous
				7,748	Special Items
<u>(37,735)</u>	<u>(65,949)</u>	<u>(42,916)</u>	<u>(33,407)</u>	<u>(328)</u>	Transfers
<u>437,728</u>	<u>388,002</u>	<u>428,271</u>	<u>424,680</u>	<u>424,227</u>	Total General Revenues and Transfers
<u>\$ 80,802</u>	<u>\$ (32,715)</u>	<u>\$ 62,887</u>	<u>\$ 27,318</u>	<u>\$ 109,402</u>	Total Governmental Activities Change in Net Position

COUNTY OF KERN
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (IN THOUSANDS)
 (ACCRUAL BASIS OF ACCOUNTING)

Page 2 of 2

	Fiscal Year				
	2008	2009	2010	2011	2012
Business-type Activities:					
Expenses:					
Airports	\$ 8,408	\$ 7,626	\$ 7,301	\$ 7,111	\$ 7,089
County Sanitation Districts	3,378	3,319	3,593	3,820	3,620
Golf Courses	4,083	412	302	231	391
Kern Medical	266,490	259,558	255,248	279,515	287,972
Public Transportation	6,759	6,787	6,892	7,109	8,319
Universal Collection	9,314	9,797	10,203	10,418	10,573
Waste Management	35,119	35,115	31,869	32,208	31,404
Total Expenses	<u>333,551</u>	<u>322,614</u>	<u>315,408</u>	<u>340,412</u>	<u>349,368</u>
Revenues:					
Charges for Services:					
Airports	4,140	3,785	3,610	3,789	4,136
County Sanitation Districts	4,301	3,696	4,008	4,011	4,007
Golf Courses	4,863	421	468	458	492
Kern Medical	199,666	222,054	206,106	182,959	118,038
Public Transportation	5,236	5,134	5,211	5,719	6,634
Universal Collection	9,644	9,610	10,815	10,656	10,806
Waste Management	34,212	32,885	34,635	34,123	36,137
Operating Grants and Contributions	15,666	6,109	34,579	63,175	78,973
Capital Grants and Contributions		2,131	4,300	3,490	3,811
Total Revenues	<u>277,728</u>	<u>285,825</u>	<u>303,732</u>	<u>308,380</u>	<u>263,034</u>
Total Business-type Activities, Net Program Expenses	<u>(55,823)</u>	<u>(36,789)</u>	<u>(11,676)</u>	<u>(32,032)</u>	<u>(86,334)</u>
General Revenues:					
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	3,556	3,062	1,386	865	598
Miscellaneous	3,570	4,568	426	6,844	2,770
Gain (Loss) on Sale of Capital Assets	374			(38)	
Special Item - Transfer of Operations					
Transfers	49,304	51,809	32,591	33,921	37,681
Total General Revenues and Transfers	<u>56,804</u>	<u>59,439</u>	<u>34,403</u>	<u>41,592</u>	<u>41,049</u>
Total Business-type Activities Change in Net Position	<u>\$ 981</u>	<u>\$ 22,650</u>	<u>\$ 22,727</u>	<u>\$ 9,560</u>	<u>\$ (45,285)</u>
Total Primary Government Change in Net Position	<u>\$ 44,164</u>	<u>\$ 68,854</u>	<u>\$ 105,067</u>	<u>\$ 64,408</u>	<u>\$ (7,819)</u>

Fiscal Year					
2013	2014	2015	2016	2017	
					Business-type Activities:
					Expenses:
\$ 8,330	\$ 7,312	\$ 8,255	\$ 7,040	\$ 7,320	Airports
3,707	4,248	3,807	4,156	4,255	County Sanitation Districts
779	456	509	216	217	Golf Courses
302,694	297,570	281,624	311,695		Kern Medical
8,367	8,817	9,099	10,101	10,621	Public Transportation
10,867	12,800	12,862	13,132	13,305	Universal Collection
32,080	30,385	33,352	32,138	37,626	Waste Management
<u>366,824</u>	<u>361,588</u>	<u>349,508</u>	<u>378,478</u>	<u>73,344</u>	Total Expenses
					Revenues:
					Charges for Services:
4,095	4,395	4,066	4,027	4,198	Airports
4,081	4,162	4,368	4,827	5,330	County Sanitation Districts
474	462	282	199	190	Golf Courses
114,264	134,888	183,547	185,544		Kern Medical
5,896	6,677	6,929	6,779	7,453	Public Transportation
9,817	12,922	12,963	13,291	13,341	Universal Collection
38,787	39,892	40,661	40,568	42,710	Waste Management
112,218	99,819	83,151	135,960	2,974	Operating Grants and Contributions
16,316	15,267	8,120	5,720	25,291	Capital Grants and Contributions
<u>305,948</u>	<u>318,484</u>	<u>344,087</u>	<u>396,915</u>	<u>101,487</u>	Total Revenues
<u>(60,876)</u>	<u>(43,104)</u>	<u>(5,421)</u>	<u>18,437</u>	<u>28,143</u>	Total Business-type Activities, Net Program Expenses
					General Revenues:
					Grants and Contributions not Restricted to Specific Programs:
181	907	634	1,401	432	Unrestricted Investment Earnings
					Miscellaneous
					Gain (Loss) on Sale of Capital Assets
				282,147	Special Item - Transfer of Operations
37,735	65,949	42,916	33,407	328	Transfers
<u>37,916</u>	<u>66,856</u>	<u>43,550</u>	<u>34,808</u>	<u>282,907</u>	Total General Revenues and Transfers
<u>\$ (22,960)</u>	<u>\$ 23,752</u>	<u>\$ 38,129</u>	<u>\$ 53,245</u>	<u>\$ 311,050</u>	Total Business-type Activities Change in Net Position
<u>\$ 57,842</u>	<u>\$ (8,963)</u>	<u>\$ 101,016</u>	<u>\$ 80,563</u>	<u>\$ 420,452</u>	Total Primary Government Change in Net Position

COUNTY OF KERN
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (IN THOUSANDS)
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2008	2009	2010	2011 ¹	2012
General Fund Balances:					
Reserved	\$ 87,876	\$ 64,283	\$ 27,536	\$	\$
Unreserved	63,759	80,008	112,674		
Nonspendable				37,768	21,357
Restricted				2,553	7,806
Committed				56	
Assigned				34,838	75,828
Unassigned				76,778	100,220
Total General Fund Balances	<u>\$ 151,635</u>	<u>\$ 144,291</u>	<u>\$ 140,210</u>	<u>\$ 151,993</u>	<u>\$ 205,211</u>
All Other Governmental Fund Balances:					
Reserved	\$ 74,362	\$ 207,722	\$ 184,907	\$	\$
Unreserved, reported in:					
Special Revenue Funds	50,494	71,212	148,114		
Capital Projects Funds	98,835	24,129	2,721		
Debt Service					
Nonspendable				7,969	9,349
Restricted				304,849	291,862
Committed				22,381	17,000
Assigned				5,113	19,970
Unassigned					(169)
Total All Other Governmental Fund Balances	<u>\$ 223,691</u>	<u>\$ 303,063</u>	<u>\$ 335,742</u>	<u>\$ 340,312</u>	<u>\$ 338,012</u>

¹ GASB Statement No. 54 was implemented as of June 30, 2011.

Fiscal Year					
2013	2014	2015	2016	2017	
\$	\$	\$	\$	\$	General Fund Balances:
					Reserved
					Unreserved
34,005	42,785	18,088	22,035	22,370	Nonspendable
9,557	9,718	10,867	11,471	11,915	Restricted
130	16		37,301	44,488	Committed
106,528	100,909	156,780	147,459	118,153	Assigned
99,865	72,898	115,098	74,508	91,217	Unassigned
<u>\$ 250,085</u>	<u>\$ 226,326</u>	<u>\$ 300,833</u>	<u>\$ 292,774</u>	<u>\$ 288,143</u>	Total General Fund Balances
\$	\$	\$	\$	\$	All Other Governmental Fund Balances:
					Reserved
					Unreserved, reported in:
					Special Revenue Funds
					Capital Projects Funds
					Debt Service
7,415	3,515	3,645	2,511	2,109	Nonspendable
307,781	298,854	333,275	339,633	359,807	Restricted
18,474	21,602	26,075	27,981	26,728	Committed
30,039	23,239	18,709	11,020	6,634	Assigned
(48)		(20,744)			Unassigned
<u>\$ 363,661</u>	<u>\$ 347,210</u>	<u>\$ 360,960</u>	<u>\$ 381,145</u>	<u>\$ 395,278</u>	Total All Other Governmental Fund Balances

COUNTY OF KERN
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (IN THOUSANDS)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2008	2009	2010	2011	2012
REVENUES:					
Taxes	\$ 377,096	\$ 378,753	\$ 345,287	\$ 378,742	\$ 415,273
Licenses, Permits and Franchises	15,598	15,438	15,937	19,857	24,706
Fines, Forfeitures and Penalties	25,662	26,859	25,653	25,466	23,255
Revenues from Use of Money and Property	26,283	23,562	17,506	13,159	17,774
Aid from Other Governmental Agencies	687,017	676,572	741,615	714,023	711,018
Charges for Current Services	172,837	175,442	161,995	165,271	150,515
Other Revenues	48,235	49,309	50,344	49,423	48,614
Total Revenues	1,352,728	1,345,935	1,358,337	1,365,941	1,391,155
EXPENDITURES:					
General Government	106,020	106,683	95,160	93,808	96,661
Public Protection	490,835	494,087	471,037	483,341	497,464
Health and Sanitation	150,612	154,796	146,496	144,240	153,265
Public Assistance	401,952	416,377	426,193	420,716	393,863
Education	10,224	9,945	9,185	8,625	7,740
Culture and Recreation Services	15,558	14,051	13,184	11,858	11,813
Public Ways and Facilities	63,124	51,609	53,974	53,841	53,615
Capital Outlay	4,650	42,755	34,921	45,088	29,331
Debt Service:					
Principal	13,613	16,674	18,684	21,177	27,094
Interest	33,824	30,533	30,794	29,024	31,359
Cost of Issuance		3,020	7	406	
Total Expenditures	1,290,412	1,340,530	1,299,635	1,312,124	1,302,205
Excess (Deficiency) of Revenues Over (Under) Expenditures	62,316	5,405	58,702	53,817	88,950
Other Financing Sources (Uses):					
Transfers In	159,309	219,293	232,934	240,134	292,399
Transfers Out	(208,355)	(270,997)	(265,526)	(273,465)	(329,495)
Bonds Issued				4,337	
Refunding Bonds Issued		50,000		17,840	
Premium on Bond Issuance				(103)	
Payment to Refunded Bonds Escrow Agent		(50,000)		(19,038)	
Proceeds from Long-term Debt					
Inception of Capital Leases	3,337	22,823	2,882	627	3,920
Proceeds from Issuance of Certificates of Participation		95,410			
Discount on Certificates of Participation		(1,195)			
Total Other Financing Sources (Uses)	(45,709)	65,334	(29,710)	(29,668)	(33,176)
SPECIAL ITEMS					
Return Excess Contribution				(2,710)	
Residual Equity Transfer				304	
Total Special Items				(2,406)	
Net Changes in Fund Balances (Deficits)	\$ 16,607	\$ 70,739	\$ 28,992	\$ 24,149	\$ 55,774
Debt Service as a Percentage of Non-Capital Expenditures	3.86%	3.76%	3.94%	4.11%	4.72%

Fiscal Year					
2013	2014	2015	2016	2017	
\$ 443,342	\$ 425,124	\$ 473,579	\$ 418,682	\$ 397,468	REVENUES:
23,363	37,957	25,642	26,807	25,168	Taxes
24,865	23,574	22,983	21,211	21,826	Licenses, Permits and Franchises
16,130	16,777	12,343	28,876	10,314	Fines, Forfeitures and Penalties
739,574	768,169	763,446	807,542	885,447	Revenues from Use of Money and Property
145,223	152,546	180,449	188,698	204,358	Aid from Other Governmental Agencies
51,301	55,802	67,715	69,955	75,554	Charges for Current Services
1,443,798	1,479,949	1,546,157	1,561,771	1,620,135	Other Revenues
					Total Revenues
					EXPENDITURES:
98,654	109,822	108,827	119,021	127,674	General Government
538,082	575,008	575,159	597,620	591,876	Public Protection
156,409	114,488	152,244	164,076	51,775	Health and Sanitation
396,036	437,019	435,492	466,352	212,621	Public Assistance
7,744	12,391	7,919	8,034	473,512	Education
12,379	17,324	11,911	11,852	7,945	Culture and Recreation Services
54,147	69,496	50,682	45,376	23	Public Ways and Facilities
16,010	59,887	22,708	31,266	74,887	Capital Outlay
					Debt Service:
35,731	36,241	123,466	24,546	26,289	Principal
28,458	24,155	21,612	52,725	43,850	Interest
		1,371		2,139	Cost of Issuance
1,343,650	1,455,831	1,511,391	1,520,868	1,612,591	Total Expenditures
100,148	24,118	34,766	40,903	7,544	Excess (Deficiency) of Revenues Over (Under) Expenditures
					Other Financing Sources (Uses):
357,551	408,858	416,587	448,059	424,776	Transfers In
(394,551)	(475,807)	(459,503)	(487,883)	(426,368)	Transfers Out
		95,860			Bonds Issued
		6,840		4,512	Refunding Bonds Issued
				(90,070)	Premium on Bond Issuance
					Payment to Refunded Bonds Escrow Agent
7,375	2,150	15	106	7,338	Proceeds from Long-term Debt
				80,350	Inception of Capital Leases
					Proceeds from Issuance of Certificates of Participation
					Discount on Certificates of Participation
(29,625)	(64,799)	59,799	(39,718)	538	Total Other Financing Sources (Uses)
					SPECIAL ITEMS
					Return Excess Contribution
					Residual Equity Transfer
					Total Special Items
\$ 70,523	\$ (40,681)	\$ 94,565	\$ 1,185	\$ 8,082	Net Changes in Fund Balances (Deficits)
4.86%	4.31%	9.96%	5.32%	4.55%	Debt Service as a Percentage of Non-Capital Expenditures

**COUNTY OF KERN
 ASSESSED VALUE OF TAXABLE PROPERTY AND ACTUAL VALUE OF PROPERTY (UNAUDITED)
 LAST TEN FISCAL YEARS (IN THOUSANDS)**

Fiscal Year	Secured ^a	Unsecured ^b	Unitary ^c	Exempt ^d	Total Taxable Assessed Value ^e	Total Direct Tax Rate
2007 - 08	\$ 75,364,238	\$ 2,691,326	\$ 1,601,891	\$ (733,495)	\$ 78,923,960	1.00000%
2008 - 09	79,874,728	2,750,161	1,727,191	(750,448)	83,601,632	1.00000%
2009 - 10	77,907,802	2,972,208	1,709,625	(766,760)	81,822,876	1.00000%
2010 - 11	77,939,499	3,097,293	1,750,730	(773,994)	82,013,529	1.00000%
2011 - 12	79,892,194	3,023,565	1,880,462	(769,539)	84,026,683	1.00000%
2012 - 13	85,881,074	3,155,489	1,880,462	(759,161)	90,157,864	1.00000%
2013 - 14	87,753,748	3,252,933	1,997,051	(739,715)	92,264,018	1.00000%
2014 - 15	93,210,470	3,397,078	1,899,707	(726,775)	97,780,480	1.00000%
2015 - 16	84,427,685	3,495,892	2,068,574	(748,489)	89,243,662	1.00000%
2016 - 17	80,574,940	3,356,283	2,235,440	(735,112)	85,431,551	1.00000%

Notes:

^a Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines.

^b Unsecured property is generally personal property including machinery, equipment, office tools and supplies.

^c Unitary properties are railroads and utilities crossing the County and are assessed by the State Board of Equalization.

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

^e Due to 1978 passage of the property tax initiative Proposition 13 (Prop 13), the County does not track the estimated actual value of all County properties. Under Prop 13, property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the Consumer Price Index on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date of purchase. Additionally, Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter-approved bonds and special assessments.

Source: Auditor-Controller-County Clerk, County of Kern

COUNTY OF KERN
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

	Fiscal Year				
	2008	2009	2010	2011	2012
County of Kern					
Total County Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
Range of Overlapping Rates					
Total City Rate					
City of Bakersfield	N/A	N/A	N/A	N/A	N/A
Total School District Rate	.00064% to .09683%	0% to .10913%	0% to .05657%	0% to .08854%	0% to .084810%
Total Special District Rate	.00279% to .31250%	0% to .15321%	.00304% to .31250%	.00290% to .07049%	.004433% to .121990%

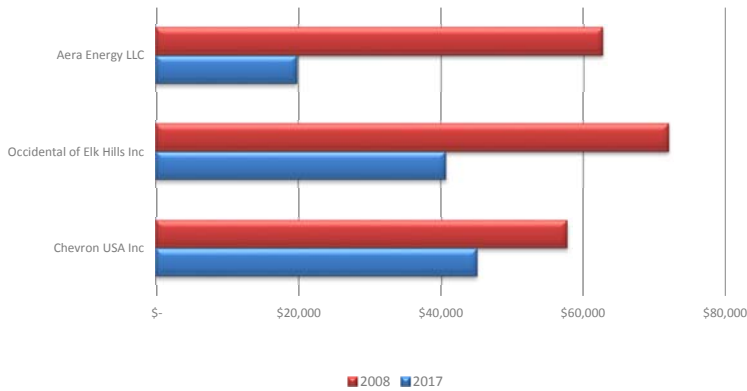
Source: Auditor-Controller-County Clerk, County of Kern

Fiscal Year					
2013	2014	2015	2016	2017	
1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	County of Kern Total County Rate
N/A	N/A	N/A	N/A	N/A	Range of Overlapping Rates Total City Rate
0% to .151517%	.01067% to .004545%	0% to .063958%	0% to .065744%	0% to .068085%	City of Bakersfield
.003285% to .070490%	.011248% to .016354%	0% to .070490%	0% to .070490%	0% to .070490%	Total School District Rate
					Total Special District Rate

**COUNTY OF KERN
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO (IN THOUSANDS)**

TAXPAYER	2017				2008			
	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
Chevron USA Inc	\$ 4,039,880	1	\$ 45,004	4.73%	\$ 5,399,371	3	\$ 57,601	6.84%
Occidental of Elk Hills Inc	3,613,068	2	40,766	4.23%	6,777,080	1	71,996	8.59%
Aera Energy LLC	1,863,524	3	19,821	2.18%	6,064,854	2	62,629	7.68%
Pacific Gas & Electric Co	956,386	4	13,565	1.12%	521,478	5	6,705	0.66%
Southern California Edison Co	818,093	5	11,604	0.96%				
Berry Petroleum Company LLC	755,820	6	8,781	0.88%	514,897	6	5,494	0.65%
Freeport Mcmoran Oil & Gas LLC	699,923	7	7,738	0.82%				
Paramount Farms International LLC	509,824	8	5,465	0.60%				
Paramount Land Company LLC	418,528	9	4,976	0.49%				
WM Bolthouse Farms Inc	404,348	10	4,524	0.47%				
Plains Exploration & Product Co					845,074	4	8,784	1.07%
La Paloma Generating Trust LTD					483,600	7	5,012	0.61%
Pastoria Energy Facility LLC					386,400	8	4,317	0.49%
Seneca Resources Corp					402,732	9	4,208	0.51%
US Borax Inc					385,667	10	4,160	0.49%
Total	\$ 14,079,394		\$ 162,244	16.48%	\$ 21,781,153		\$ 230,906	27.60%

Principal Taxpayers



Source: The principal property taxpayers for June 30, 2008 were obtained from the "2007-2008 Tax Rates and Assessed Valuations Report." The 2017 information was obtained from the "2016-2017 Tax Rates and Assessed Valuations Report."

**COUNTY OF KERN
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (IN THOUSANDS)**

	Fiscal Year				
	2008^a	2009^a	2010^a	2011^a	2012^a
Original Levy	\$ 1,067,044	\$ 1,091,610	\$ 1,039,467	\$ 1,095,026	\$ 1,109,525
Adjustments to Original Levy	4,812	(4,995)	(28)	6,250	17,931
Taxes Levied	1,071,856	1,086,615	1,039,439	1,101,276	1,127,456
Collected within the Fiscal Year of the Levy: ^b					
Amount	\$ 1,008,928	\$ 1,038,395	\$ 994,181	\$ 1,066,441	\$ 1,099,267
Percentage of Adjusted Levy	94.13%	95.56%	95.65%	96.84%	97.50%
Collections in subsequent years	29,238	42,409	34,057	29,153	23,278
Total Collections to Date:					
Amount	\$ 1,038,165	\$ 1,080,803	\$ 1,028,238	\$ 1,095,593	\$ 1,122,544
Percentage of Adjusted Levy	96.86%	99.47%	98.92%	99.48%	99.56%

Notes:

^a Denotes Secured, Unsecured and Supplemental Property Taxes.

^b The above amounts do not include any penalties collected or any penalties due with delinquency amount.

Source: Auditor-Controller-County Clerk, County of Kern

Fiscal Year						
	2013^a	2014^a	2015^a	2016^a	2017^a	
\$	1,181,437	\$ 1,228,246	\$ 1,300,154	\$ 1,232,638	\$ 1,230,570	Original Levy
	7,100	9,424	(7,384)	1,695	2,844	Adjustments to Original Levy
	1,188,537	1,237,670	1,292,770	1,234,333	1,233,414	Taxes Levied
Collected within the Fiscal Year of the Levy: ^b						
\$	1,163,336	\$ 1,211,804	\$ 1,265,444	\$ 1,206,061	\$ 1,202,759	Amount
	97.88%	97.91%	97.89%	97.71%	97.51%	Percentage of Adjusted Levy
	22,263	22,917	19,671	19,418	18,050	Collections in subsequent years
Total Collections to Date:						
\$	1,185,599	\$ 1,234,721	\$ 1,285,115	\$ 1,225,478	\$ 1,220,809	Amount
	99.75%	99.76%	99.41%	99.28%	98.98%	Percentage of Adjusted Levy

**COUNTY OF KERN
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (IN THOUSANDS, EXCEPT PER CAPITA)**

	Fiscal Year				
	2008	2009	2010	2011	2012
Governmental Activities:					
Capital Leases	\$ 3,820	\$ 20,192	\$ 17,516	\$ 12,921	\$ 12,669
Certificates of Participation	11,520	106,000	105,020	102,387	99,354
Bonds Payable	101,056	98,632	96,258	110,041	107,041
Loans Payable	7,608	12,887	10,876	10,120	6,345
Pension Obligation Bonds	398,117	386,402	371,959	354,510	333,314
Total Governmental Activities	<u>522,121</u>	<u>624,113</u>	<u>601,629</u>	<u>589,979</u>	<u>558,723</u>
Business-type Activities:					
Capital Leases		2,495	4,996	4,231	11,582
Loans Payable			640	576	512
Certificates of Participation	40,760	36,230	33,305	29,166	16,402
Pension Obligation Bonds	63,179	61,125	58,608	55,580	52,379
Total Business-type Activities	<u>103,939</u>	<u>99,850</u>	<u>97,549</u>	<u>89,553</u>	<u>80,875</u>
Total Primary Government	<u>\$ 626,060</u>	<u>\$ 723,963</u>	<u>\$ 699,178</u>	<u>\$ 679,532</u>	<u>\$ 639,598</u>
Percentage of Personal Income ^a	2.57%	3.00%	2.71%	2.46%	2.17%
Per Capita Outstanding Debt ^c	\$ 765	\$ 872	\$ 831	\$ 799	\$ 747
General Bonded Debt	\$	\$	\$	\$	\$
General Bonded Debt Ratio ^b	0.00%	0.00%	0.00%	0.00%	0.00%
Per Capita General Bonded Debt ^c	\$	\$	\$	\$	\$

Notes:

^a Refer to the "Demographic and Economic Statistics" for the personal income figures.

^b Refer to the "Assessed Value of Taxable Property and Actual Value of Property" for taxable property used in this ratio.

^c Refer to the "Demographic and Economic Statistics" for the population figures. This ratio is calculated using the population for the latest calendar year for each corresponding fiscal year.

Source: Auditor-Controller-County Clerk, County of Kern

Fiscal Year						
2013	2014	2015	2016	2017		
\$ 14,704	\$ 12,798	\$ 8,552	\$ 5,005	\$ 8,400		Governmental Activities:
96,168	93,001	89,732	86,346	86,188		Capital Leases
98,687	95,289	113,432	108,986	104,403		Certificates of Participation
5,266	5,266	4,922	4,568	4,205		Bonds Payable
308,871	280,342	247,301	231,266	213,851		Loans Payable
523,696	486,696	463,939	436,171	417,047		Pension Obligation Bonds
						Total Governmental Activities
						Business-type Activities:
9,545	8,044	750	2,453			Capital Leases
448	384	6,930	6,126	5,302		Loans Payable
14,512	11,894	9,172	6,339			Certificates of Participation
48,075	43,060	37,256	34,682	3,473		Pension Obligation Bonds
72,580	63,382	54,108	49,600	8,775		Total Business-type Activities
<u>\$ 596,276</u>	<u>\$ 550,078</u>	<u>\$ 518,047</u>	<u>\$ 485,771</u>	<u>\$ 425,822</u>		Total Primary Government
1.97%	1.72%	1.57%	1.46%	1.24%		Percentage of Personal Income ^a
\$ 689	\$ 629	\$ 587	\$ 548	\$ 480		Per Capita Outstanding Debt ^c
\$	\$	\$	\$	\$		General Bonded Debt
0.00%	0.00%	0.00%	0.00%	0.00%		General Bonded Debt Ratio ^b
\$	\$	\$	\$	\$		Per Capita General Bonded Debt ^c

**COUNTY OF KERN
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2017 (IN THOUSANDS)**

2016 - 2017 Assessed Value (includes unitary utility valuation)	<u>\$ 85,996,965</u>	
	Debt 06/30/17	Percentage Applicable ^d
Overlapping Tax and Assessment Debt		
Kern Community College Safety, Repair and Improvement District	\$ 126,008	0.92127
Kern Community College Safety, Repair and Improvement District No. 1	36,835	91.572
Antelope Valley Joint Community College District and West Kern Community College District	56,427	6.007 & 100.
Mojave Unified School District School Facilities Improvement Districts No. 1 and No. 2	35,896	100
Southern Kern Unified School District	53,069	100
Other Unified School Districts	75,793	91.684-100.
Kern High School District	272,126	100
Other Union High School District	65,433	0.011-100.
Bakersfield School District	96,177	100
Delano Union School District	33,105	100
Fruitvale School District	18,306	100
Norris School District	26,747	100
Panama-Buena Vista School District	65,615	100
Taft School District	27,565	100
Other School Districts	198,850	64.897-100.
Water Districts	575	100
Tehachapi Valley Healthcare District	60,770	100
Bear Valley Community Services District, I.D. No. 2	745	100
Buttonwillow Recreation and Park District	4,290	100
Community Facilities Districts	204,760	100
1915 Act Bonds (Estimated)	67,053	100
Total Overlapping Tax and Assessment Debt	<u>1,526,145</u>	
Overlapping General Fund Debt		
Kern County Board of Education Certificates of Participation	38,215	100
Community College District Certificates of Participation and Other Post-Employment Benefit Bonds	116,603	Various
Unified School District General Fund Obligations	26,546	Various
Kern High School District Lease Revenue Notes	123,845	100
School District General Fund Obligations	93,297	100
City of Arvin General Fund Obligations	4,830	100
City of Bakersfield General Fund Obligations	13,785	100
City of Delano Certificates of Participation	20,990	100
City of Ridgecrest General Fund Obligations	5,440	100
Tehachapi Valley Recreation and Park General Fund Obligations	573	100
Total Overlapping General Fund Debt	<u>444,124</u>	
Total Overlapping Debt	<u>1,970,269</u>	
Direct General Fund Debt^e		
Kern County General Fund Obligations	203,196 ^{a,c}	
Kern County Pension Obligations	<u>213,851</u>	
Total Direct General Fund Debt	417,047	
Overlapping Tax Increment Debt	85,289	
Total Direct and Overlapping Debt	<u>\$ 2,472,605 ^b</u>	

Ratios to 2016 - 2017 Assessed Valuation:
Total Overlapping Tax and Assessment Debt 1.77%

Ratios to Adjusted Assessed Valuation:
Combined Direct Debt (\$417,047) 0.48%
Combined Total Debt 2.88%

Notes:

- ^a Excludes issue to be sold.
- ^b Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
- ^c Includes Kern Public Services Financing Authority Lease Revenue Bonds Refunding Series 2010.
- ^d Percentage of overlapping agency's assessed valuation located within the boundaries of the County.
- ^e Direct General Fund Debt values have been updated for activity between the completion date of the TRAN and fiscal year-end.

Source: California Municipal Statistics, Inc.

**COUNTY OF KERN
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2017**

Legislation does not mandate a debt limit for County of Kern.

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

	Fiscal Year				
	2008	2009	2010	2011	2012
Population ^a	818,327	830,137	841,682	849,949	856,576
Personal Income (in Thousands) ^b	\$ 24,341,047	\$ 24,119,047	\$ 25,843,995	\$ 27,622,917	\$ 29,480,121
Per Capita Personal Income ^b	\$ 29,745	\$ 29,054	\$ 30,705	\$ 32,499	\$ 34,416
Unemployment Rate County of Kern ^c	9.3%	14.0%	15.2%	14.9%	13.3%
School Enrollment ^d	174,289	174,135	174,106	173,740	175,480

Notes:

^a 2016 estimate from the California Department of Finance as of January 1. All other year's data from the U.S. Census Bureau midyear population estimates.

^b U.S. Department of Commerce, Bureau of Economic Analysis. 2017 information not available at time of issuance; estimate based on average change of previous three years.

^c State of California - Employment Development Department, Labor Market Information

^d Educational Demographics Unit, California Department of Education

Fiscal Year					
2013	2014	2015	2016	2017	
865,787	874,190	882,176	886,507	895,112	Population ^a
\$ 30,336,210	\$ 32,059,138	\$ 32,953,453	\$ 33,368,619	\$ 34,379,422	Personal Income (in Thousands) ^b
\$ 35,039	\$ 36,673	\$ 37,355	\$ 37,641	\$ 38,408	Per Capita Personal Income ^b
11.9%	10.3%	10.4%	10.8%	9.5%	Unemployment Rate County of Kern ^c
178,671	179,680	180,304	181,393	185,236	School Enrollment ^d

**COUNTY OF KERN
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

June 30, 2017

EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
Edwards Air Force Base	10,000+	1	2.88%	Federal Government - National Security
China Lake Naval Air Weapons Center	7,000	2	1.85%	Federal Government - National Security
County of Kern	6,442	3	2.01%	County Government
Grimmway	1,000 - 4,999	4	.43% - 1.44%	Agriculture
Dignity Health	1,000 - 4,999	5	.43% - 1.44%	Health Care
WM Bolthouse Farms	1,000 - 4,999	6	.43% - 1.44%	Agriculture
San Joaquin Community Hospital	1,000 - 4,999	7	.43% - 1.44%	Health Care
Sun World	1,000 - 4,999	8	.43% - 1.44%	Agriculture
Chevron	1,000 - 4,999	9	.43% - 1.44%	Oil & Gas
City of Bakersfield	1,000 - 4,999	10	.43% - 1.44%	Local Government

Note: Employment data is only available with estimates.

June 30, 2008

EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
Kern County Public Schools	27,000	1	9.36%	Education
Edwards Air Force Base	11,285	2	3.91%	Federal Government - National Security
San Joaquin Community Hospital	11,000	3	3.81%	Hospital
County of Kern	8,480	4	2.94%	County Government
Grimmway	6,300	5	2.18%	Agriculture
China Lake Naval Air Weapons Center	6,192	6	2.15%	Federal Government - National Security
Giumarra Vineyards	4,000	7	1.39%	Agriculture
Esparza Enterprises	3,600	8	1.25%	Agriculture Labor
Catholic Healthcare West	2,952	9	1.02%	Health Care
William Bolthouse Farms, Inc.	2,350	10	0.81%	Agriculture
Total	83,159		28.82%	

Sources:

2016 Kern County Market Overview & Investor Directory - Kern Economic Development Corporation

State of California - Employment Development Department, Labor Market Information

Data for 2008 was obtained from the June 30, 2008 CAFR.

**COUNTY OF KERN
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function / Program	FULL-TIME EQUIVALENT EMPLOYEES AS OF JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government:										
Assessor	90	97	104	102	95	97	98	93	98	95
Information Technology	56	55	59	50	49	49	46	41	45	42
County Counsel	48	47	49	45	44	43	45	47	47	42
Other ^a	456	418	415	337	350	343	366	354	337	373
Public Protection:										
District Attorney	200	235	250	214	214	214	236	240	244	228
Public Defender	96	92	92	86	84	87	94	87	92	87
Sheriff - Coroner	1,154	1,212	1,283	1,102	1,136	1,210	1,199	1,182	1,173	1,141
Probation	534	531	518	478	483	514	532	521	559	528
Fire Department	603	567	634	544	558	597	622	605	599	589
Other ^a	458	397	429	381	380	385	380	381	329	323
Public Ways & Facilities:										
Roads	187	178	204	176	173	180	188	181		
Health and Sanitation:										
Public Health	288	283	272	229	233	228	195	183	175	180
Behavioral Health & Recovery	469	457	433	395	400	444	440	450	517	606
Other	181	178	175	146	142	111	112	99	126	95
Public Assistance:										
Human Services	1,451	1,418	1,431	1,196	1,201	1,358	1,457	1,518	1,515	1,510
Other	235	231	211	186	173	173	183	183	190	194
Education:										
Library	140	138	66	56	54	50	52	47	50	46
Other	6	6	6	4	3	4	4	4	4	4
Culture & Recreation Services										
Airports	119	109	94	86	83	78	74	69	69	
Kern Medical ^b	19	20	20	15	17	17	19	21	22	21
Public Transportation ^a	1,554	1,582	1,603	1,382	1,393	1,326	1,274	1,273	1,276	
Public Works ^a	3	3	4	4	3	3	4	4	348	338
Waste Management ^a	133	121	116	109	106	110	112	114		
Total Full-Time Employees	8,480	8,375	8,468	7,323	7,374	7,621	7,732	7,697	7,815	6,442

Note:

^aIn 2016, the Internal Service Fund - Public Works was created. The employees from Roads, Public Transportation, Waste Management, Engineering, Surveying and Permit Services, Building Inspection, and Code Compliance departments were consolidated into this new fund. In 2017 the Parks was absorbed into the Other category above.

^b Kern Medical transferred operations on July 1, 2016 to a new special district (Hospital Authority)

Source: County Administrative Office - Human Resources Department

**COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

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Function / Program	Fiscal Year				
	2008	2009	2010	2011	2012
Governmental Activities:					
General Government					
Assessor - Recorder					
Recorded documents	260,106	202,396	195,597	194,072	191,495
County Counsel					
Litigated & administrative hearings	8,308	8,347	9,092	9,660	10,444
Attorneys	30	30	28	27	27
Attorneys per capita	0.000370	0.000036	0.000033	0.000032	0.000032
Human Resources					
Applications received	32,244	17,332	8,150	18,386	16,199
County Clerk - Elections					
Marriage licenses	4,620	3,732	4,084	4,268	4,501
Fictitious business names	7,046	5,844	6,411	6,339	6,343
Public Protection					
District Attorney					
Misdemeanors cases filed	36,771	36,910	33,504	32,320	29,636
Felony cases filed	6,592	6,955	6,555	6,891	7,285
Felony information filed	1,762	1,601	1,502	1,533	1,789
Felony cases with juries	176	151	142	143	167
Public Defender					
Public defense cases accepted/received	38,352	39,235	34,296	36,984	34,893
Public defense cases opened	21,480	21,532	19,903	20,236	19,636
Public defense cases closed	33,280	34,193	31,627	32,073	31,180
Public defense cases closed within 12 months	33,280	34,193	31,627	32,073	31,180
Sheriff - Coroner					
Dispatched calls for service	277,073	279,544	295,374	272,247	203,914
Violent crimes:	4,007	4,620	4,871	4,722	4,538
Homicide	22	34	40	28	25
Forcible rape	104	117	100	107	98
Robbery	391	482	498	378	415
Aggravated assault	3,490	3,987	4,233	4,209	1,389
Property crimes	4,056	5,097	5,117	10,065	10,907
Total larceny - theft	5,321	5,690	5,146	5,246	5,534
Bookings	22,864,	21,930	20,596	19,814	16,806
Fingerprints	7,906	6,672	5,944	5,671	5,957
Fire Department					
Total incident calls	39,151	39,166	38,001	38,001	40,640
Fire calls	3,509	3,167	2,845	3,087	3,333
Overpressure, Ruptures, Explosion	N/A	167	360	194	236
Other type of incidents	N/A	395	491	448	635
EMS / rescue calls	23,305	23,405	22,672	22,650	23,079
Hazardous condition calls	1,961	1,884	1,717	1,834	1,711
Public service calls	1,643	1,803	1,820	1,786	1,859
False calls	1,771	1,681	1,604	1,465	1,606

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

^a Information was updated from prior year report.

Fiscal Year					Function / Program
2013	2014	2015	2016	2017	
					Governmental Activities:
					General Government
					Assessor - Recorder
235,424	188,908	191,660	199,972	206,612	Recorded documents
					County Counsel
9,804	6,667	9,241	7,882	8,585	Litigated & administrative hearings
29	28	29	30	26	Attorneys
0.000034	0.000032	0.000033	0.000034	0.000029	Attorneys per capita
					Human Resources
21,977	22,688	26,520	38,118	29,935	Applications received
					County Clerk - Elections
4,716	4,805	4,700	4,792	4,940	Marriage licenses
7,149	5,937	5,873	6,511	6,630	Fictitious business names
					Public Protection
					District Attorney
28,275	31,604	22,671	27,361	25,220	Misdemeanors cases filed
8,916	8,938	17,923	5,795	5,869	Felony cases filed
2,016	2,373	1,966	1,819	1,726	Felony information filed
149	160	210	189	204	Felony cases with juries
					Public Defender
40,827	44,880	46,166	46,853	39,479	Public defense cases accepted/received
21,994	21,725	20,984	20,530	21,102	Public defense cases opened
36,721	35,830	37,937	41,978	36,366	Public defense cases closed
36,721	35,830	37,937	41,978	36,366	Public defense cases closed within 12 months
					Sheriff - Coroner
224,588	317,487	293,448	257,425	261,829	Dispatched calls for service
2,273	1,626	2,005	1,858	1,731	Violent crimes:
21	28	35	42	37	Homicide
88	102	116	174	170	Forcible rape
495	335	354	405	422	Robbery
1,669	1,161	1,500	1,237	1,102	Aggravated assault
11,472	9,806	4,783	6,628	6,636	Property crimes
5,305	3,411	4,521	3,484	3,257	Total larceny - theft
19,486	18,430	14,730	14,749	16,372	Bookings
4,983	5,949	6,315	7,426	7,797	Fingerprints
					Fire Department
42,281	42,770	45,363	48,585	50,262	Total incident calls
2,918	2,711	2,596	3,000	3,360	Fire calls
186	173	126	119	58	Overpressure, Ruptures, Explosion
736	543	499	751	1,401	Other type of incidents
24,356	24,371	25,882	26,317	26,033	EMS / rescue calls
1,726	1,776	1,772	1,678	1,486	Hazardous condition calls
2,004	2,089	2,129	2,692	2,849	Public service calls
1,646	1,739	1,982	2,082	2,093	False calls

**COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

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Function / Program	Fiscal Year				
	2008	2009	2010	2011	2012
Building Inspection					
Building permits issued	8,375	7,047	N/A	3,839	6,018
Animal Services					
Received calls for response	21,724	25,445	24,519	29,781	21,766
Animals impounded	N/A	N/A	31,660	30,350	31,433
Animals redeemed	1,621	1,474	1,452	1,267	1,276
Animals adopted	3,485	3,681	3,160	2,683	2,695
Animals euthanized	18,984	20,067	18,594	19,103	20,062
Public Ways & Facilities					
Roads					
Maintained road lanes (in miles)	6,656	6,660	6,802	6,647	6,647
Health and Sanitation					
Mental Health Services					
Unique clients served	22,547	25,765	19,575	20,225	24,030
Unique clients served with outpatient services	18,471	17,591	18,521	20,167	23,979
Unique clients served with intensive services	4,076	8,174	1,054	1,323	660
Public Assistance					
Aging & Adult Services					
Senior Nutrition participation:					
Congregate senior participants	4,500	4,096	3,740	3,637	3,267
Congregate meals	187,208	180,285	165,437	163,373	156,213
Home delivered senior participants	2,065	1,897	1,763	1,652	1,624
Home delivered meals	263,405	256,517	235,505	228,407	223,608
Human Services					
Children Admitted to the Jamison Center:					
Protective Custody/New Intakes	2,537	2,663	2,468	2,308	2,202
Change of Placement	2,358	2,501	2,257	2,127	1,981
Children released from the Jamison Center	179	162	211	181	221
Average day stay in the Jamison Center	2,549	2,498	2,263	2,155	1,968
Admissions - Breakdown by Age:	3	3	4	4	4
Newborn - 5 years	997	1,054	978	943	847
6 - 12 years	688	646	560	519	507
13 - 18 years	835	799	709	661	627
Over 18	1	2	10	4	
Culture and Recreation Services & Education					
Parks & Recreation					
Annual Boat Permits	5,645	N/A	2,233	3,305	4,375
Day Use Boat Fees	19,177	N/A	16,354	9,570	17,092
Business-type Activities:					
Waste Management					
Landfill capacity in cubic yards	99,371,429	98,996,451	109,631,108	95,027,021	95,375,858

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

Fiscal Year					Function / Program
2013	2014	2015	2016	2017	
7,134	7,758	9,005	9,172	9,028	Building Inspection Building permits issued
22,219	19,529	20,258	19,443	19,290	Animal Services Received calls for response
29,200	18,406	16,521	17,551	17,444	Animals impounded
1,217	717	742	796	912	Animals redeemed
3,691	3,774	3,228	5,097	5,394	Animals adopted
20,428	8,302	7,211	5,893	4,882	Animals euthanized
					Public Ways & Facilities
					Roads Maintained road lanes (in miles)
6,663	6,664	6,673	6,663	6,638	
					Health and Sanitation
					Mental Health Services Unique clients served
24,551	24,207	26,113	27,729	28,356	Unique clients served with outpatient services
24,482	24,099	26,036	27,652	28,356	Unique clients served with intensive services
1,443	1,349	1,398	1,537	1,393	
					Public Assistance
					Aging & Adult Services Senior Nutrition participation:
3,351	3,218	3,228	3,010	2,767	Congregate senior participants
150,076	144,274	145,762	141,851	134,465	Congregate meals
1,695	1,715	1,614	1,572	1,522	Home delivered senior participants
233,272	231,831	232,157	212,853	208,147	Home delivered meals
					Human Services Children Admitted to the Jamison Center:
1,445	1,538	1,579	1,839	1,687	Protective Custody/New Intakes
1,320	1,418	1,463	1,634	1,492	Change of Placement
125	120	116	205	195	Children released from the Jamison Center
1,303	629	724	807	1,492	Average day stay in the Jamison Center
4	4	4	5	3	Admissions - Breakdown by Age:
585	685	689	719	657	Newborn - 5 years
296	358	417	475	436	6 - 12 years
438	377	357	440	399	13 - 18 years
			-	-	Over 18
					Culture and Recreation Services & Education
					Parks & Recreation Annual Boat Permits
3,080	1,680	1,618	1,591	2,699	Day Use Boat Fees
14,579	11,742	10,895	10,409	12,358	
					Business-type Activities:
					Waste Management Landfill capacity in cubic yards
95,375,858	94,962,970	88,239,785	88,288,861	88,288,861	

**COUNTY OF KERN
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function / Program	Fiscal Year										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Education											
Public Library											
Main Library	1	1	1	1	1	1	1	1	1	1	
Branches	25	25	25	25	25	25	25	23	23	23	
Law Library	1	1	1	1	1	1	1	1	1	1	
Parks and Land Use											
Number of Neighborhood Parks	40	40	40	40	40	40	40	40	40	40	
Number of Regional Parks	8	7	8	8	8	8	8	8	8	8	
County Golf Courses	3	3	3	3	3	3	3	3	3	3	
Public Works											
Miles of County Roads	6,656	6,660	6,802	6,648	6,647	6,663	6,664	6,673	6,663	6,638	
Public Safety											
Number of Sheriff Stations	14	16	15	15	15	15	15	15	15	15	
Number of Fire Stations	46	46	46	46	46	46	46	47	47	47	
Airports											
Number of Runways	8	8	8	8	8	8	8	8	8	8	

Source: Departments of the County of Kern