



Comprehensive Annual Financial Report

CAFR



County of Tulare
State of California

For the Fiscal Year
Ended June 30, 2013

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COUNTY OF TULARE STATE OF CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Prepared for the Board of Supervisors by:

**Rita A. Woodard
Tulare County Auditor-Controller**

**Under the Direction of:
Oscar J. Garcia, CPA
Chief of Financial Reporting and Audits**

COUNTY OF TULARE
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013

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Introductory Section



AUDITOR-CONTROLLER/ TREASURER-TAX COLLECTOR



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December 20, 2013

To the Honorable Board of Supervisors and Citizens of Tulare County:

The comprehensive annual financial report for the County of Tulare (the County) for the year ended June 30, 2013, is hereby submitted in accordance with Section 25253 of the Government Code of the State of California (the State). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and changes in financial position of the various funds and component units of the County. All disclosures necessary for an understanding of the County's financial activities have been included. Dollar amounts are expressed in thousands, unless otherwise noted.

This comprehensive annual financial report has been prepared by the Department of the Auditor-Controller in accordance with Generally Accepted Accounting Principles (GAAP), as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy of the data, including all disclosures, rests with the County. To provide a reasonable basis for making these representations, management of the County of Tulare has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County of Tulare's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County of Tulare'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. We believe that the data, as presented, are accurate in all material respects, that they are presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of the various funds, and that all disclosures necessary to enable the reader to gain a full understanding of the County's financial affairs have been included.

The financial reporting entity includes all of the funds of the County of Tulare, as well as its component units, including the Terra Bella Sewer Maintenance District, the Tulare County Flood Control District, the Tulare County Public Facilities Corporation, the Tulare County Public Financing Authority, the Tulare County In-Home Supportive Services Public Authority, and the First 5 Tulare County. Component units are legally separate entities for which the County is financially accountable.

The County provides a full range of services, including police and fire protection; health and sanitation services; social services; construction and maintenance of highways, streets, and infrastructures; recreational activities; and cultural events.

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 of Tulare's MD&A can be found immediately following the report of the independent auditor.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

The County of Tulare is a general law county created by the State Legislature in 1852. The County is located in the San Joaquin Valley. The Sierra Nevada mountain range provides its eastern boundary line. The County ranks seventh among California counties in land area. The County has a population of approximately 455,599 residents, and its County Seat, the City of Visalia, has a population of approximately 126,432.

The County is the number one producer of dairy products in the United States and is the nation's second highest-ranking county with regard to total agriculture and livestock production. The County's total crop acreage is over 1.6 million acres. The climate of the County is such that it produces outstanding citrus crops. Among these crops, oranges are the most prominent; however, the County also ranks third in the State with 5,678 acres devoted to lemons. Thousands of acres of grapes also generate significant revenue. Table grapes grown here are shipped worldwide, while other grapes are processed for wine making and raisins. The County is also famous for its olives, almonds, pistachio nuts, walnuts, plums, peaches and nectarines, which account for hundreds of millions of dollars in farm income each year. California produces 95 percent of the nation's olives, 54 percent of which are grown and packaged in the County. The beef industry is also an important component of the County's economy, as are turkey and hog production. The County's geographical location presents easy access to markets around the world for all commodities produced.

MAJOR INITIATIVES

For the year. The Board of Supervisors' (the Board) commitment to effectively serving the residents of the County of Tulare is demonstrated by the following:

- Sponsored 10 Step Up community events in collaboration with the Tulare County Gang Prevention Task Force in the communities of Goshen, Ivanhoe, Porterville, Tulare and Woodlake. Implemented the second annual Step Up Youth Challenge, a Youth Activities Grant Program that targeted the involvement of junior high schools throughout Tulare County. The program was expanded to include high schools. Nineteen schools participated and \$25 in grants was awarded. Continued the Summer Night Lights Program aimed at curbing violence and other negative activities by keeping selected parks and recreational activities open on designated evenings throughout the summer. The program continued within the communities of Alpaugh, Allensworth, Cutler-Orosi, Dinuba, Farmersville, Porterville, Richgrove, Tulare and Visalia and expanded to include the City of Woodlake.
- Continued the Tulare County Speakers Bureau, which includes a diverse group of local government experts who are prepared to speak on a wide range of topics relating to local government issues. The Tulare County Speakers Bureau served County residents at different meetings contracted through organizations like Rotary Club, Kiwanis Club, Pro Youth Heart, and local high schools.
- Continued undertaking new projects to support improvements at Sequoia Field to facilitate future commercial development.
- Completed the second phase of the Tulare Lake Basin Disadvantaged Community Water Study, which included identifying pilot projects and potential solutions. The study is aimed at developing recommended solutions to water issues facing disadvantaged communities.
- Implemented items related to Measure R, regional projects completed or underway, and the bridge replacement program. Continued the LOOP Bus program, with ridership at over 15,000 and growing.
- Secured State grant funding for the construction of a new South County Detention Facility in Porterville. This project will cost approximately \$65 million, will be completed within five to seven years and will be a state of the art facility to provide additional housing of inmates in the southern portion of the County.
- Completed the first full year under the new Economic Development, Film Commission and Tourism Office reorganization. This reorganization resulted in the facilitation of several solar developments in the southwest portion of the County, increased exposure to movie location scouts, and enhanced tourism services.
- Completed the first 10 months of customer service training for 850 employees with managers and supervisors comprising the majority of the initial program participants.
- Advocated for equitable 2011 Realignment funding through the County Administrative Officer's participation in the California State Association of Counties Data Advisory Committee (the Committee). The Committee recommended key data to be used in the Realignment Allocation Committee's development of the growth revenue allocation formula for fiscal year 2012-2013. Followed up with a letter of opposition when the proposed growth revenue allocation formula perpetuated funding inequities for valley counties.
- Adopted and extended an interim zoning ordinance prohibiting the establishment of new medical marijuana collectives and cooperatives and the expansion of existing legal medical marijuana collectives and cooperatives for an interim period of time in the unincorporated areas of the County of Tulare beginning May 3, 2013, expiring on March 18, 2015.

- In collaboration with the Sheriff's Department and other County departments, the Board initiated a Nuisance Property Abatement program to address chronic nuisance properties. These properties produce excessive amounts of service and/or criminal activity which are negatively impacting communities throughout the County. The goal of the program is to compel property owners and landlords to help mitigate the negative impact the nuisance properties have on the community.
- The County of Tulare will lead the charge to improve its goal for better, healthier lives in Tulare County through its own Health & Wellness Program and by implementing strategies under the California Community Transformation Initiative. In collaboration with the Tulare County Health Advisory Committee, the County has developed plans for Tobacco Free Living, Healthy Eating and Active Living, and Healthy and Safe Physical Environments. It will also collaborate with the Tulare County Mental Health Board and the Health and Human Services Agency to promote mental health awareness.

For the future. The Board continues to prioritize programs to effectively serve the needs of the residents of the County of Tulare, and the following projects are a demonstration of that commitment:

- The Board will continue to join, be a member and actively participate in the various Chambers of Commerce throughout the County in order to continue enhancing community relations.
- Complete the first year of a two year program to provide customer service training to all County employees.
- Advocate for the necessary funding for the County public safety/criminal justice departments and the Superior Court as they implement the requirements of Assembly Bill 109 (AB 109), the 2011 Realignment Legislation, which shifted responsibility for certain offenders and parolees from the State to local public safety and criminal justice departments.
- Enhance enforcement of the Tulare County Ordinance Code pertaining to the cultivation and distribution of marijuana.
- Support the Step Up Youth Activities Grant Program for youth throughout Tulare County. Expand the Step Up Youth Challenge to include 25 schools.
- Expand LOOP Bus service to reach more youth to provide free transportation to free activities helping them connect with mentoring and gang prevention programs.

LONG - TERM FINANCIAL PLANNING

Local assessed property values for fiscal year 2013-2014 increased 2.987 percent above fiscal year 2012-2013; this will increase property tax revenues in the County. The budget was adopted reflecting an increase in property taxes when compared against fiscal year 2012-2013 actual revenues.

Tulare County's Capital Improvement Plan (CIP) is a 10 year plan that identifies capital projects and equipment purchases, provides a planning schedule, and identifies options for financing the plan. For fiscal year 2013-2014, the Capital Projects Fund adopted budget is \$21,755. Significant projects for fiscal year 2013-2014 include the South County Detention Facility at \$3.6 million, the Mental Health/Alcohol and Drug Office Relocation at \$4.3 million, the Emergency Generators for the Visalia Courthouse and Government Plaza of \$2.4 million, the Bob Wiley Detention Facility Boiler Replacement at \$625 and Library Projects of \$340.

FINANCIAL INFORMATION

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse, and to ensure adequate accounting data are compiled to allow for the preparation of basic financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments of management.

As a recipient of United States' Federal Government (Federal), State and local financial assistance, the County is also responsible for maintaining an adequate internal control structure that will ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the County.

As part of the County's single audit, tests were made of the County's internal control structure and of its compliance with applicable laws and regulations relating to Federal awards. Although this testing was not sufficient to support an opinion on the

County's internal control system or its compliance with laws and regulations related to nonmajor Federal awards, the audit for the year ended June 30, 2013, disclosed no material internal control weaknesses or material violations of laws and regulations.

In addition, the County maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors. Activities of the General Fund, special revenue funds, debt service funds, and capital projects fund are included in the annual appropriated budget. The legal level of budgetary control (that is, the level which cannot be exceeded without action by the Board) is the fund level, with the exception of the General Fund in which the legal level of control is the department level. The Administrative Officer may approve transfers of appropriations between expenditure appropriation classifications within the same budget unit.

The County utilizes an automated accounting system (Advantage Financial) maintained on the County's Client Server computers. The system allows the County to restrict each department's expenditures to the amount of the budgeted appropriation. Changes in budget appropriation must be approved by the Board as a transfer from contingency reserve, transfer from another budget unit, or as an appropriation of unanticipated or over realized revenue. Any unencumbered appropriation balances remaining at the end of the fiscal year automatically lapse except by approval of the County Administrative Officer (CAO). The fund balances along with projected revenues become available for appropriation in the following year.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

INDEPENDENT AUDIT

The financial records and transactions of the County and its blended component units for the fiscal year ended June 30, 2013, have been audited by Brown Armstrong Accountancy Corporation and their opinion is included in the Financial Section of this report.

In addition, the County of Tulare is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996, and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to the single audit (including a schedule of expenditures of Federal awards), the independent auditor's reports on internal control and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

AWARDS

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 Tulare for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the seventeenth consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that 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.

ACKNOWLEDGMENT

The preparation of this report was made possible by the dedicated service of the entire staff of the Auditor-Controller's Office, as well as the efforts and input of every department of the County, and by Brown Armstrong Accountancy Corporation for their professional assistance. Each participating member has our sincere appreciation for the contributions made in the preparation of this report. Finally, we would like to thank the Board for its continued efforts in planning and conducting the County's financial operations in a responsible and progressive manner.

Respectfully submitted,



JEAN M. ROUSSEAU
County Administrative Officer



RITA A. WOODARD
Auditor-Controller / Treasurer-Tax Collector

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Tulare California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2012

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



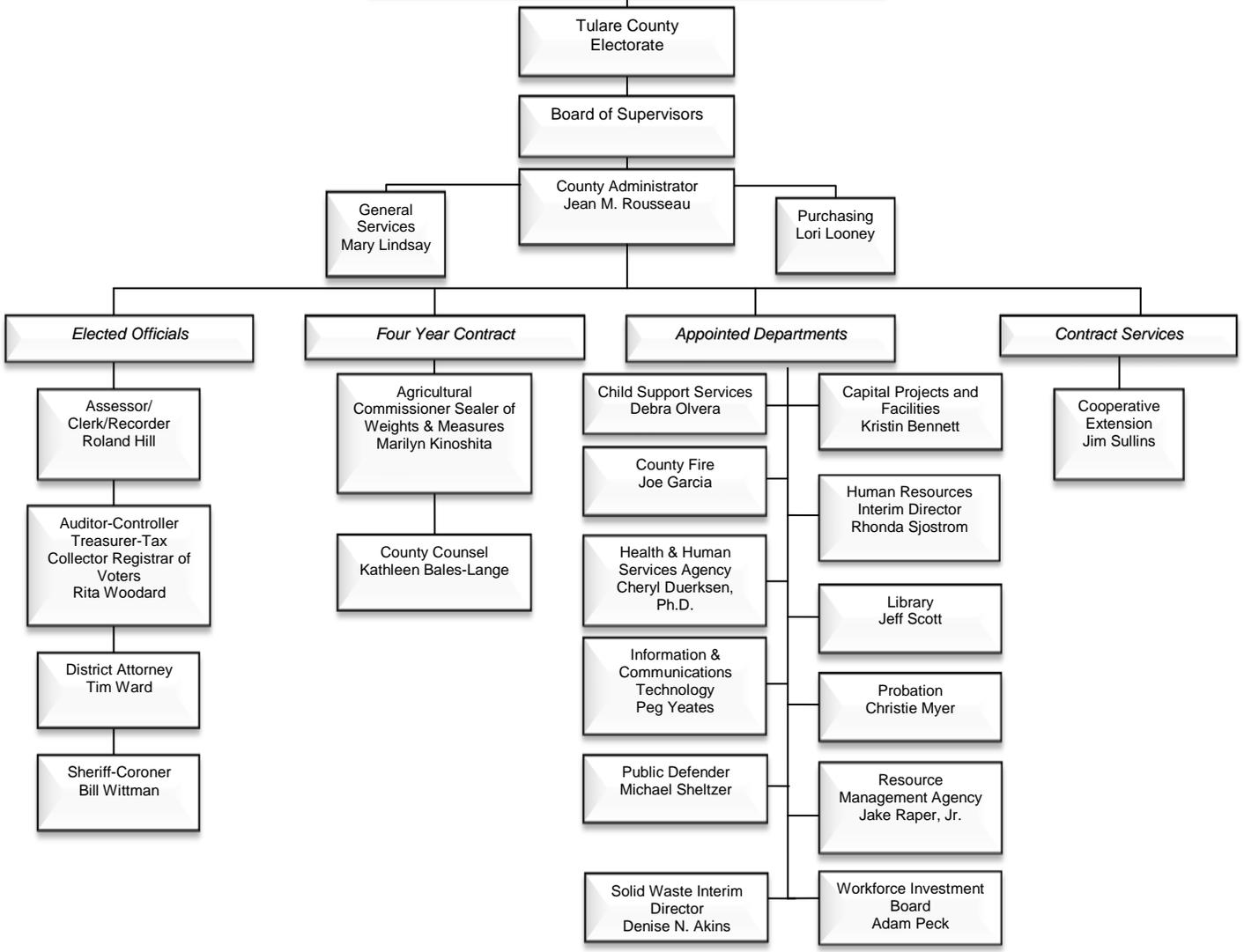
Linda C. Davison

President

Jeffrey R. Emer

Executive Director

COUNTY OF TULARE
ORGANIZATIONAL CHART
 August 2013



COUNTY OF TULARE
List of Elected and Appointed Officials
JUNE 30, 2013

Elected Officials

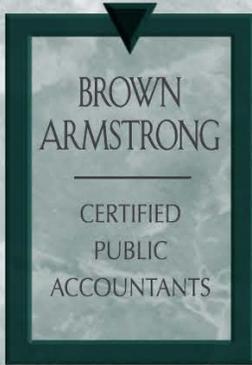
Assessor/Clerk-Recorder	Roland Hill
Auditor-Controller/ Treasurer-Tax Collector/Elections	Rita Woodard
Board of Supervisors District No. 1 – Three Rivers, Exeter	Allen Ishida
Board of Supervisors District No. 2 – Tulare, Alpaugh, Pixley	Pete Vander Poel, Chairman
Board of Supervisors District No. 3 – Visalia	Phillip Cox, Vice Chairman
Board of Supervisors District No. 4 – Dinuba, Goshen, Woodlake	J. Steven Worthley
Board of Supervisors District No. 5 – Porterville, Tule Reservation	Mike Ennis
District Attorney	Timothy Ward
Sheriff-Coroner	Bill Wittman

Appointed Officials

Agricultural Commissioner	Marilyn Kinoshita
Capital Projects	Kristin Bennett
Child Support Services	Debra Olvera
Cooperative Extension	Jim Sullins
County Administrative Office	Jean M. Rousseau
County Counsel	Kathleen Bales-Lange
Fire Protection Services	Joe Garcia
General Services	Mary Lindsay
Grand Jury	Annette Jones
Health & Human Services Agency	Cheryl L. Duerksen, Ph.D.
Human Resources & Development	Rhonda Sjostrom (Interim)
Information Technology	Peg Yeates
Law Library	Anne Bernardo
Library	Jeff Scott
Probation	Christie Myer
Public Defender	Michael Sheltzer
Purchasing	Lori Looney
Resource Management Agency	Jake Raper Jr.
Solid Waste	Denise N. Akins
Workforce Investment	Adam Peck

Financial Section





BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Tulare, California, (the County) as of and for the year ended June 30, 2013, 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 First 5 Tulare County, which represents 100 percent of the assets and revenues of the discretely presented component unit for the fiscal year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the First 5 Tulare County, is based solely on the report of the other auditors.

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

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

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

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REGISTERED with the Public Company
Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison information for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, during the year ended June 30, 2013, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which modified the current financial reporting of those elements. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial 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 December 20, 2013, 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 County's internal control over financial reporting and compliance.

Bakersfield, California
December 20, 2013

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

COUNTY OF TULARE
Management's Discussion and Analysis
June 30, 2013 (in thousands)

As management of the County of Tulare (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$1,824,710 (*net position*). Of this amount, \$73,206 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$37,173.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$242,595, an increase of \$13,442 in comparison with the prior year. Approximately 17.8 percent of this amount \$43,168 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$64,378, or approximately 12.1 percent of total General Fund expenditures.
- The County's total outstanding long-term debt decreased by \$7,187 during the current fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the County's Basic Financial Statements. The County's Basic Financial Statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the Basic Financial Statements themselves.

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

The *statement of activities* presents information showing 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 giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include General Government, Public Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, Education, and Culture and Recreation. The business-type activities of the County include Solid Waste, Transit, and many sewer and water operations.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also six legally separate organizations for which the elected officials of the County are financially accountable. Financial information for five of these *blended component units* is combined with the financial information presented for the primary government itself. First 5 Tulare County is a *discretely presented component unit*.

The government-wide financial statements can be found in the Basic Financial Statements section following the Management's Discussion and Analysis of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to

COUNTY OF TULARE
Management's Discussion and Analysis
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ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Tulare County Public Facilities Corporation, and the Tulare County Public Financing Authority, which are considered to be major funds. Data from the other 19 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found following the government-wide financial statements in the Basic Financial Statements section of this report.

Proprietary Funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Solid Waste, Transit, and many sewer and water operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its central services, such as mailroom, print shop, and motor pool and insurance coverage. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for solid waste, which is considered to be a major fund of the County. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic proprietary fund financial statements can be found in the fund financial statements section of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds *are not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The County maintains three different types of fiduciary funds. The *Investment trust funds* are used to account for assets held by the County in a trustee capacity. The *Private-Purpose trust fund* is used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Tulare County Redevelopment Successor Agency (Successor Agency). The *Agency funds* are custodial in nature and do not involve measurement of results of operations.

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The fiduciary fund financial statements can be found in the fund financial statements section of this report.

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

Other Information. In addition to the Basic Financial Statements and accompanying notes, this report also presents *Required Supplementary Information* concerning the County's progress in funding its obligation to provide pension benefits and Other Postemployment Benefits (OPEB) to its employees. Required Supplementary Information can be found immediately following the Notes to the Financial Statements of this report.

The combining and individual fund statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and capital assets used in the operation of governmental funds are presented immediately following the Required Supplementary Information of this report.

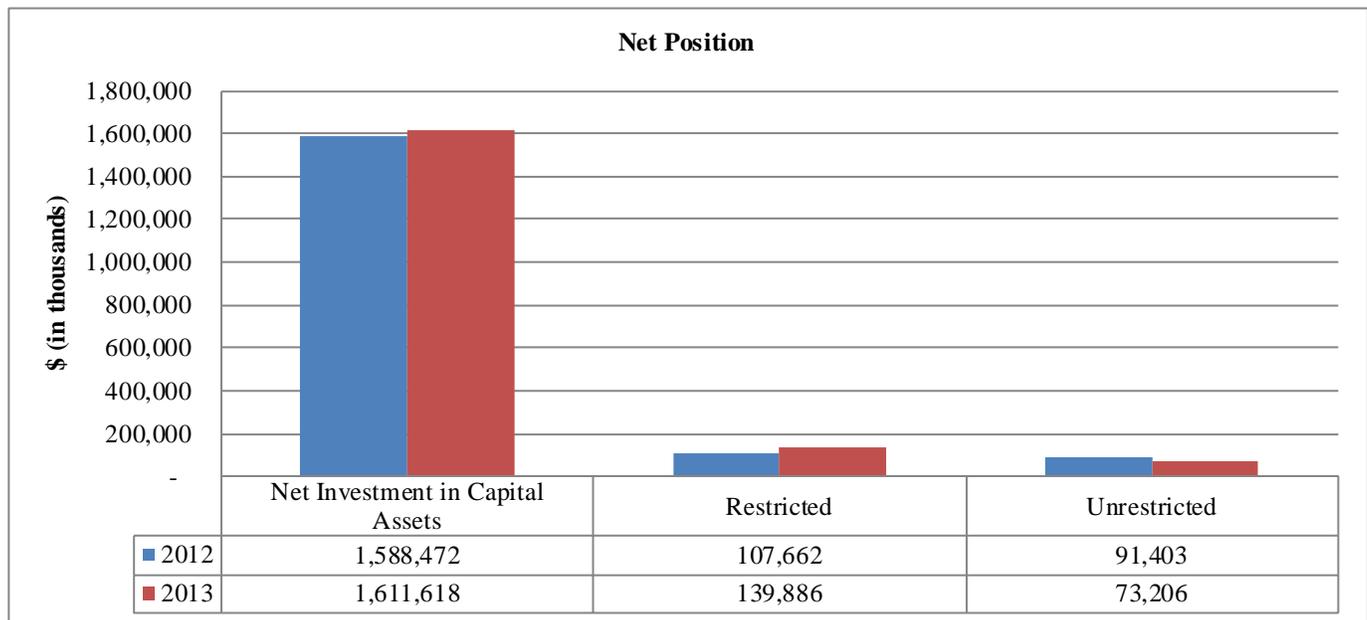
GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$1,824,710 at the close of the most recent fiscal year.

A portion (\$1,611,618) of the County's net position (88.3 percent) for the current year reflects its investment in capital assets (e.g., land, infrastructure, buildings, equipment, and vehicles), less any related, outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (\$139,886) represents resources that are subject to external restrictions on how they may be used (*restricted net position*). The remaining balance of \$73,206 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.



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Key elements of the County's calculation of net position for both governmental activities and business-type activities for the fiscal years ended June 30, 2012 and 2013 are as follows:

Net Position
June 30, 2013 and 2012 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets:						
Current and other assets	\$ 495,028	\$ 467,543	\$ 54,205	\$ 53,997	\$ 549,233	\$ 521,540
Capital assets	1,609,943	1,590,762	28,710	31,117	1,638,653	1,621,879
Total assets	<u>2,104,971</u>	<u>2,058,305</u>	<u>82,915</u>	<u>85,114</u>	<u>2,187,886</u>	<u>2,143,419</u>
Liabilities:						
Long-term liabilities	130,101	136,067	41,536	41,400	171,637	177,467
Other liabilities	190,673	177,433	866	982	191,539	178,415
Total liabilities	<u>320,774</u>	<u>313,500</u>	<u>42,402</u>	<u>42,382</u>	<u>363,176</u>	<u>355,882</u>
Net Position:						
Net investment in capital assets	1,584,261	1,558,744	27,357	29,728	1,611,618	1,588,472
Restricted	134,870	102,657	5,016	5,005	139,886	107,662
Unrestricted	65,066	83,404	8,140	7,999	73,206	91,403
Total net position	<u>\$ 1,784,197</u>	<u>\$ 1,744,805</u>	<u>\$ 40,513</u>	<u>\$ 42,732</u>	<u>\$ 1,824,710</u>	<u>\$ 1,787,537</u>

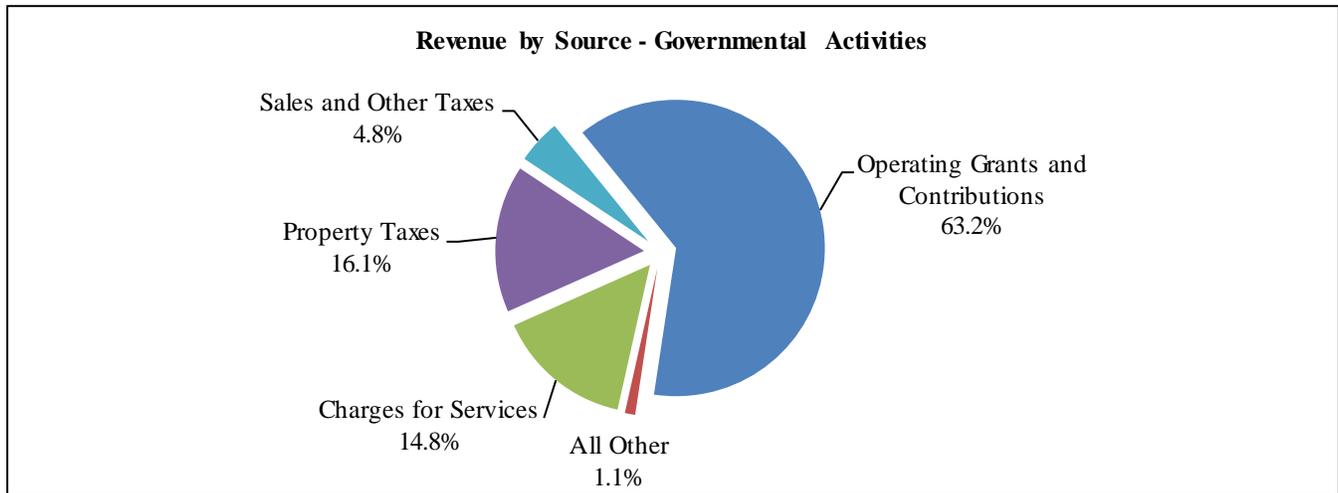
Changes in Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for services	\$ 98,798	\$ 110,192	\$ 9,820	\$ 9,749	\$ 108,618	\$ 119,941
Operating grants and contributions	421,514	419,570	504	2,222	422,018	421,792
Capital grants and contribution	6	-	-	-	6	-
General Revenues:						
Property taxes	107,101	105,604	-	-	107,101	105,604
Sales and other taxes	31,951	23,472	2,328	1,842	34,279	25,314
Other	7,438	8,445	163	859	7,601	9,304
Total revenues	<u>666,808</u>	<u>667,283</u>	<u>12,815</u>	<u>14,672</u>	<u>679,623</u>	<u>681,955</u>
Expenses:						
General government	42,343	42,590	-	-	42,343	42,590
Public protection	190,904	190,402	-	-	190,904	190,402
Public ways and facilities	33,767	38,295	-	-	33,767	38,295
Health and sanitation	124,681	122,305	-	-	124,681	122,305
Public assistance	228,148	224,139	-	-	228,148	224,139
Education	5,112	5,020	-	-	5,112	5,020
Culture and recreation	329	371	-	-	329	371
Unallocated depreciation	520	520	-	-	520	520
Interest expense	1,990	2,259	-	-	1,990	2,259
Solid waste	-	-	10,812	7,365	10,812	7,365
Water/Sewer services	-	-	992	1,070	992	1,070
Transit	-	-	2,813	2,505	2,813	2,505
Other business-type activities	-	-	39	4	39	4
Total expenses	<u>627,794</u>	<u>625,901</u>	<u>14,656</u>	<u>10,944</u>	<u>642,450</u>	<u>636,845</u>
Change in net position before extraordinary items and transfers	<u>39,014</u>	<u>41,382</u>	<u>(1,841)</u>	<u>3,728</u>	<u>37,173</u>	<u>45,110</u>
Extraordinary items	-	(2,658)	-	-	-	(2,658)
Transfers	378	466	(378)	(466)	-	-
Change in net position	<u>39,392</u>	<u>39,190</u>	<u>(2,219)</u>	<u>3,262</u>	<u>37,173</u>	<u>42,452</u>
Net position, July 1	1,744,805	1,708,395	42,732	39,470	1,787,537	1,747,865
Prior period adjustment	-	(2,780)	-	-	-	(2,780)
Net position, June 30	<u>\$ 1,784,197</u>	<u>\$ 1,744,805</u>	<u>\$ 40,513</u>	<u>\$ 42,732</u>	<u>\$ 1,824,710</u>	<u>\$ 1,787,537</u>

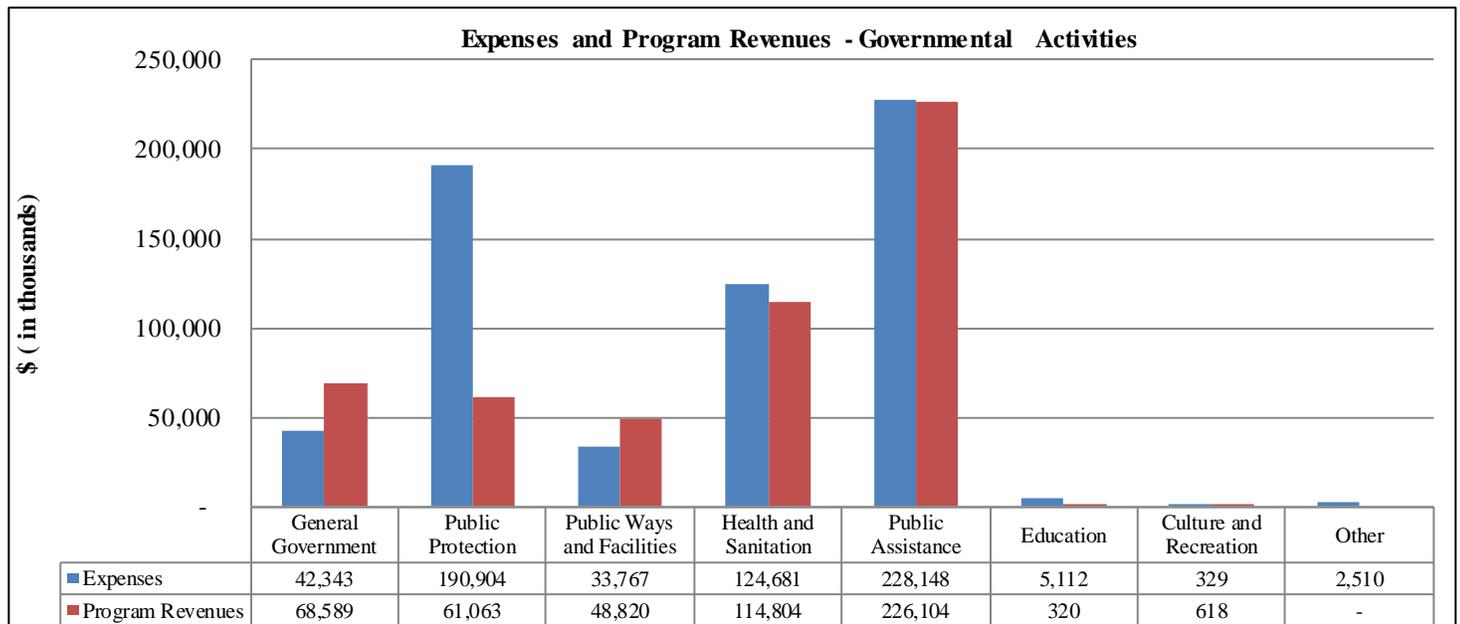
COUNTY OF TULARE
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The County's overall net position increased \$37,173 during the year ended June 30, 2013. The dominant factor was an approximate \$8,965 increase in Sales and Other Taxes.

Governmental activities. Governmental activities increased the County's net position by \$39,392 to \$1,784,197 for the year ended June 30, 2013. Sales and Other Taxes revenue increased by \$8,479, and Public Ways and Facilities expenses decreased by \$4,528. Also, due to contractions in the economy, the County has responded by cutting back on all other general expenses, which is why the reverse effect is realized on total net position. Key elements of revenues in governmental activities for the year ended June 30, 2013, are as follows:

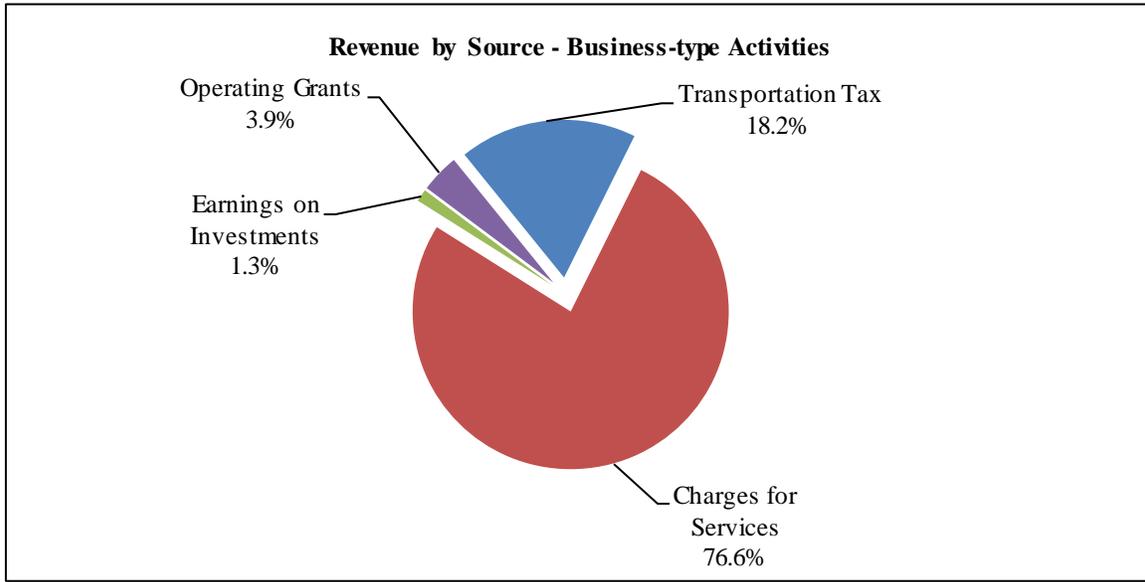


Whereas most governmental activities require some general revenues to cover costs in excess of program revenues, the largest segment of uncovered costs are in the area of public protection. A comparison of expenses and program revenues for governmental activities for the fiscal year ended June 30, 2013, is as follows:

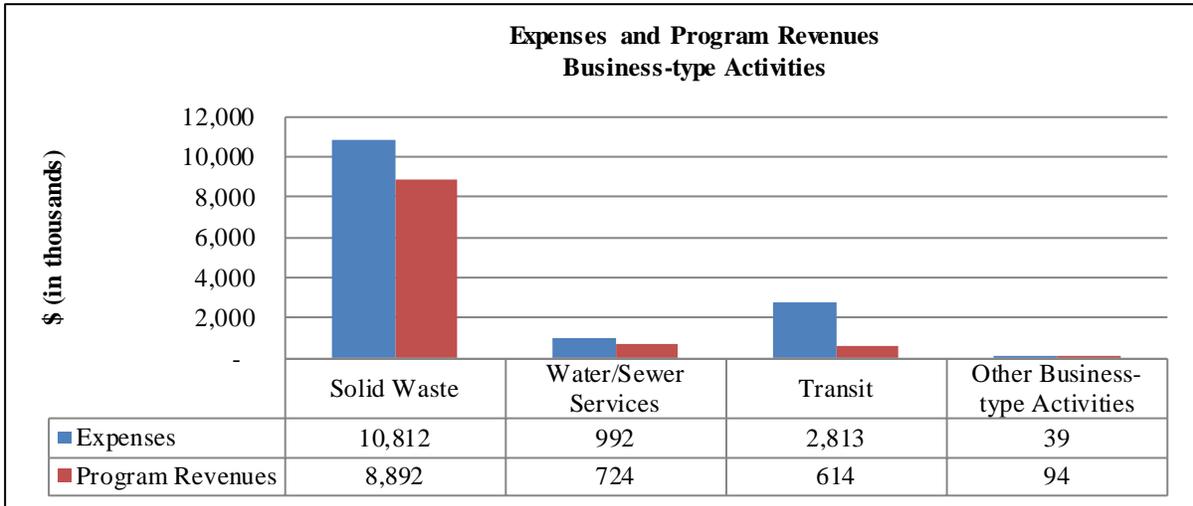


Business-type activities. The net position of business-type activities decreased by 5.2 percent, or \$2,219, to \$40,513, which indicates these activities did not generate revenues sufficient to cover the cost of operations. Contributing factors are decreases in Operating Grants and Contributions of \$1,718 and an increase in Solid Waste expenses of \$3,447. The largest source of business-type revenue continues to be Charges for Services, which represents 76.6 percent of all business-type activities revenue.

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Total fee revenues for Solid Waste, which represents 87.3 percent of Charges for Services for business-type activities, represent a smaller percentage of revenues compared with the prior year – continuing a 9-year trend. Solid Waste continues to have a disparity between expenses of \$10,812 and fee revenue of \$8,568, which is primarily due to an unchanging fee structure and steadily rising expenses. A comparison of expenses and program revenues for business-type activities for the fiscal year ended June 30, 2013, is as follows:



COUNTY OF TULARE
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FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Board of Supervisors (the Board).

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$242,595, an increase of \$13,442 in comparison with the prior year. Approximately 17.8 percent of the total fund balances, or \$43,168, constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is either *nonspendable, restricted, committed, or assigned fund balance* to indicate that it is 1) not in spendable form (\$4,269), 2) restricted for particular purposes (\$166,407), 3) committed for particular purposes (\$7,668), or 4) assigned for particular purposes (\$21,083).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$62,710 while total fund balance reached \$96,485. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 11.8 percent of total General Fund expenditures, while total fund balance represents 18.1 percent of that same amount.

Spending from the General Fund increased by \$23,239, or 4.6 percent. Contributing factors include a 42.8 percent, or \$10,003, increase in General Governmental spending, mainly due to the County paying Property Tax Apportionment Fees (PTAF) to the eight incorporated cities within the County. There was a 0.4 percent, or \$612 increase in spending for Public Protection primarily due to an increase in Sheriff's salaries. There also was a \$4,123, or 3.5 percent increase in Health and Sanitation due to medical services provided and an increase in workers' compensation. Public Assistance spending increased by \$8,465, or 4.1 percent due to receiving additional State Aid funds that were passed on to aid recipients.

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

Total net position of all proprietary funds was \$59,615, with \$40,513 of that in enterprise funds and 75 percent, or \$30,371 of the enterprise funds' net position in Solid Waste. Unrestricted net position of Solid Waste at the end of the fiscal year amounted to \$3,380, which is a reduction in net position for Solid Waste of \$2,208, or 6.8 percent of the prior year net position. Other factors concerning the finances of this fund have already been addressed in the discussion of the County of Tulare's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. The total change between the original budget and the final amended budget was an increase of \$301, or 1.57 percent. Primarily these changes were not significant. The most notable change was a decrease of \$7,076 in the general government function.

Final budget compared to actual results. The variance between the final and actual revenue resulted in a decrease of \$44,858. The most significant differences between estimated revenues and actual revenues were as follows:

<u>Revenues source</u>	<u>Estimated revenues</u>	<u>Actual revenues</u>	<u>Difference</u>
Taxes and special assessments	\$ 103,928	\$ 112,489	8,561
Intergovernmental revenues	357,942	307,698	(50,244)
Charges for services	70,284	60,552	(9,732)
Other revenues	5,678	10,209	4,531

- Taxes and special assessments revenue was higher than anticipated due to an increase in assessed property values as well as the redistribution of excess Redevelopment Agency (RDA) funds.

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- Intergovernmental revenues were less than expected due to the State's realignment of the Mental Health Managed Care program and Early Periodic Screening, Diagnosis, and Treatment (EPSDT) program as well as the elimination of the vehicle license fee.
- Charges for services revenue declined due to a delay in payment from the State for Medi-Cal and Healthy Families claims.
- Other revenues increased primarily due to a fluctuation in Health and Human Services caseloads and repayments.

The variance between the final budget and actual expenditures resulted in \$69,336 of unspent appropriations. The most significant differences are as follows:

- Public protection expenditures decreased by \$13,958 due to unfilled positions in the Probation, District Attorney, and Sheriff departments.
- Health and sanitation expenditures decreased by \$28,568 due to fewer clients and unfilled positions.
- Public assistance expenditures decreased by \$19,687 due to fewer client services offered in Health and Public Health programs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The County's investment in capital assets for its governmental and business-type activities at current year-end amounts to \$1,638,653 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and vehicles, and some construction in progress and infrastructure in progress. The total increase in capital assets for the current fiscal year was approximately 1 percent.

Capital Assets
(net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 911,450	\$ 910,114	\$ 6,726	\$ 6,728	\$ 918,176	\$ 916,842
Infrastructure	404,271	415,260	-	-	404,271	415,260
Buildings and improvements	133,066	136,962	17,153	14,585	150,219	151,547
Equipment and vehicles	21,176	23,779	4,831	5,650	26,007	29,429
Construction in progress	744	454	-	4,154	744	4,608
Infrastructure in progress	139,236	104,193	-	-	139,236	104,193
Total	\$ 1,609,943	\$ 1,590,762	\$ 28,710	\$ 31,117	\$ 1,638,653	\$ 1,621,879

Major capital asset events during the current fiscal year included the following:

- Completed the Civic Center Secure Parking Lot located by the Visalia Courthouse \$179.
- Purchased land for the South County Detention Facility for \$1,730.
- Purchased Infrastructure equipment, such as tractors, for a total of \$528.
- Purchased vehicles for public safety departments at a cost of \$2,349.

Additional information on the County's capital assets can be found in Note 4E of this report.

Long-term debt. At the end of the current fiscal year, the County had total outstanding debt of \$65,225. Of this amount, 27.1 percent (\$17,696) comprises debt for Certificates of Participation (COPs) issued by the Tulare County Public Facilities Corporation for the acquisition or construction of major capital facilities. Another 58.6 percent (\$38,197) is the outstanding balance of Variable Rate Demand Bonds issued by the Tulare County Public Financing Authority to provide financing for future acquisition and construction of major capital facilities. The remaining balance is for several capital leases and loans used for new equipment and vehicles used in the general operations of the County.

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Outstanding Debt
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Loans	\$ 9,332	\$ 10,544	\$ -	\$ -	\$ 9,332	\$ 10,544
Capital Leases	-	654	-	-	-	654
Variable Rate Demand Bonds	38,190	39,005	7	7	38,197	39,012
Certificates of Participation	16,350	20,820	1,346	1,382	17,696	22,202
Total	<u>\$ 63,872</u>	<u>\$ 71,023</u>	<u>\$ 1,353</u>	<u>\$ 1,389</u>	<u>\$ 65,225</u>	<u>\$ 72,412</u>

The overall decrease of current fiscal year outstanding debt of the County over the prior fiscal year is \$7,187 (9.9 percent). The largest reductions occurred with payments of \$4,506 against the COPs and \$1,212 paid on Loans.

The County maintains a long-term credit rating of A1 Issuer (General Obligation equivalent) by Moody's Investors Service.

Constitutional Amendment XIII A, passed by a vote of the people and effective July 1, 1978, prohibits the County from raising ad valorem property taxes above 1 percent of full cash value. Thus, the legal debt margin (\$346,886) is 1.25 percent of assessed valuation (\$27,750,919). As of June 30, 2013, the County had no tax supported general obligation bonded debt outstanding.

Additional information on the County's long-term debt can be found in Note 4K of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors currently affect the County and were considered in developing the 2013-2014 fiscal year budget:

- The County's economy has begun to stabilize since the downward spiral in fiscal year 2008-2009, which was due to the decline in the housing market and the closing of additional local retail businesses that reduced sales taxes and increased unemployment. The County's current unemployment rate of 12.8 percent is improving, showing a decrease of 2.4 percent from June 2012. The County's assessed valuation continues to remain virtually flat (decreased less than 1 percent) for the second consecutive fiscal year. The State's budget problems are still a concern to local governments.
- The Governor's fiscal year 2012-2013 State budget closes the shortfall gap to \$15.7 billion and rebuilds nearly a \$1 billion reserve. Necessary steps are still needed to bring the State Budget into balance and make progress in addressing the State's long-term structural budget deficit problem. The State is pushing more authority and burden to local governments, coupled with deep spending reductions. Although the State faces budget risk and pressures, we are seeing a more stable financial footing compared to years past. The Budget Act closes an estimated budget gap with a combination of expenditure reductions, improved revenue outlook, and other solutions. These reductions include:
 - Reforms CalWORKs by establishing a 2-year time limit for parents who are not meeting Federal work requirements.
 - Merges the delivery of services for those who are eligible for both Medi-Cal and Medicare to reduce cost and improve the coordination of services.
 - Eliminates the Healthy Families Program and transitions children to Medi-Cal to build a unified and simpler system that provides health care at a lower cost.
 - Restructures funding for trial courts and makes funding for the Judiciary more transparent. The State assumed funding responsibility for trial courts in 1997. The State budget alters the funding structure for trial courts consistent with the goals of the reform legislation.
- The County is beginning to stabilize overall and is moving forward cautiously. The County has negotiated MOUs (Memorandums of Understanding) lifting the furlough and catching up salary steps and merits. The County's general revenue, sometimes referred to as discretionary revenue, has increased. Property tax and sales tax have slightly increased.

COUNTY OF TULARE
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Budgetary reductions and spending cuts by the State are still a concern for the County, which will impact and lower local County services.

The County's fiscal year 2013-2014 budget addresses these and other concerns. It has a \$21,641 unreserved fund balance in the General Fund appropriated for spending.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Auditor-Controller's Office, 221 S. Mooney Blvd., Suite 101-E, Visalia, CA 93291. The Comprehensive Annual Financial Report of the County of Tulare for the fiscal year ended June 30, 2013, can also be found at the County's website: www.co.tulare.ca.us/government/auditor/finrpt.

Basic Financial Statements

COUNTY OF TULARE
Statement of Net Position
June 30, 2013 (in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business- type Activities	Total	First 5 Tulare County
ASSETS				
Cash in banks	\$ 87	\$ 254	\$ 341	\$ 133
Investment in treasury pool	329,948	7,608	337,556	8,333
Investments	8,860	-	8,860	-
Cash on hand	1	39	40	-
Imprest cash	599	3	602	-
Receivable (net of allowance for uncollectibles)				
Accounts	24,336	1,868	26,204	1,049
Taxes	3,704	-	3,704	-
Internal balances	559	(559)	-	-
Deposits with others	-	-	-	4
Due from other governments	40,263	57	40,320	17
Prepaid items	4,063	-	4,063	34
Notes receivable	21,537	-	21,537	-
Inventories	406	-	406	-
Lease payments receivable, net of interest	479	-	479	-
Restricted assets	60,031	44,935	104,966	-
Bond issuance costs, net	155	-	155	-
Capital assets, not being depreciated/amortized	1,051,430	6,726	1,058,156	-
Capital assets, net of accumulated depreciation/amortization	558,513	21,984	580,497	1
Total assets	<u>2,104,971</u>	<u>82,915</u>	<u>2,187,886</u>	<u>9,571</u>
LIABILITIES				
Accounts payable	30,394	728	31,122	1,283
Cash overdraft	327	-	327	-
Due to other governments	27,385	-	27,385	-
Deposits from others	302	8	310	-
Salaries and benefits payable	9,967	116	10,083	12
Interest payable	475	14	489	-
Unearned revenue	67,890	-	67,890	-
Tax and revenue anticipation notes	53,933	-	53,933	-
Total current liabilities	<u>190,673</u>	<u>866</u>	<u>191,539</u>	<u>1,295</u>
Noncurrent liabilities - Due within one year:				
Liability claims payable	6,070	-	6,070	-
Compensated absences	1,574	44	1,618	-
Loans payable	1,264	-	1,264	-
Bonds payable	815	-	815	-
COPs payable	4,825	36	4,861	-
Noncurrent liabilities - Due in more than one year:				
Liability claims payable	23,777	-	23,777	-
Net OPEB obligation	10,667	-	10,667	-
Compensated absences	19,141	204	19,345	18
Closure/post closure costs payable	-	39,935	39,935	-
Accrued remediation costs	5,000	-	5,000	-
Loans payable	8,068	-	8,068	-
Bonds payable	37,375	7	37,382	-
COPs payable	11,525	1,310	12,835	-
Total noncurrent liabilities	<u>130,101</u>	<u>41,536</u>	<u>171,637</u>	<u>18</u>
Total liabilities	<u>320,774</u>	<u>42,402</u>	<u>363,176</u>	<u>1,313</u>

Continued

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

COUNTY OF TULARE
Statement of Net Position (continued)
June 30, 2013 (in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	First 5 Tulare County
NET POSITION				
Net investment in capital assets	1,584,261	27,357	1,611,618	1
Restricted for:				
Capital projects	5,000	-	5,000	-
Debt service	30,276	-	30,276	-
Roads projects	18,670	-	18,670	-
Low & moderate income housing	(53)	-	(53)	-
Public protection	14,186	-	14,186	-
Education	2,041	-	2,041	-
Health and sanitation	32,154	-	32,154	-
Public assistance	7,607	-	7,607	-
Landfill ground water contingencies	-	5,016	5,016	-
Other purposes	24,989	-	24,989	-
Unrestricted	65,066	8,140	73,206	8,257
Total net position	<u>\$ 1,784,197</u>	<u>\$ 40,513</u>	<u>\$ 1,824,710</u>	<u>\$ 8,258</u>
				Concluded

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

COUNTY OF TULARE
Statement of Activities
For the Year Ended June 30, 2013 (in thousands)

Functions / Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	First 5 Tulare County
Governmental activities:								
General government	\$ 42,343	\$ 24,259	\$ 44,330	\$ -	\$ 26,246	\$ -	\$ 26,246	\$ -
Public protection	190,904	21,683	39,374	6	(129,841)	-	(129,841)	-
Public ways and facilities	33,767	5,083	43,737	-	15,053	-	15,053	-
Health and sanitation	124,681	40,554	74,250	-	(9,877)	-	(9,877)	-
Public assistance	228,148	6,717	219,387	-	(2,044)	-	(2,044)	-
Education	5,112	210	110	-	(4,792)	-	(4,792)	-
Culture and recreation	329	292	326	-	289	-	289	-
Unallocated depreciation	520	-	-	-	(520)	-	(520)	-
Interest expense	1,990	-	-	-	(1,990)	-	(1,990)	-
Total governmental activities	627,794	98,798	421,514	6	(107,476)	-	(107,476)	-
Business-type activities:								
Solid waste	10,812	8,568	324	-	-	(1,920)	(1,920)	-
Water/Sewer services	992	724	-	-	-	(268)	(268)	-
Transit	2,813	434	180	-	-	(2,199)	(2,199)	-
Other business-type activities	39	94	-	-	-	55	55	-
Total business-type activities	14,656	9,820	504	-	-	(4,332)	(4,332)	-
Total primary government	\$ 642,450	\$ 108,618	\$ 422,018	\$ 6	(107,476)	(4,332)	(111,808)	-
Component unit:								
First 5 Tulare County	\$ 5,316	\$ -	\$ 5,764	\$ -				448
Total component unit	\$ 5,316	\$ -	\$ 5,764	\$ -				448

General revenues:						
Taxes:						
Property taxes, Levied for general purposes			94,373	-	94,373	-
Property taxes, Levied for flood control			497	-	497	-
Property taxes, Levied for fire protection			8,357	-	8,357	-
Property taxes, Levied for library			3,874	-	3,874	-
Sales and other taxes			31,951	2,328	34,279	-
Grants and contributions not restricted to specific programs						
Earnings on investments			1,307	163	1,470	22
Tobacco settlement revenues			5,923	-	5,923	-
Gain on disposal of capital assets			208	-	208	-
Transfers			378	(378)	-	-
Total general revenues and transfers			146,868	2,113	148,981	22
Change in net position			39,392	(2,219)	37,173	470
Net position, July 1			1,744,805	42,732	1,787,537	7,788
Net position, June 30			\$ 1,784,197	\$ 40,513	\$ 1,824,710	\$ 8,258

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

COUNTY OF TULARE
Governmental Funds
Balance Sheet
June 30, 2013 (in thousands)

	General Fund	Public Facilities Corporation	Public Financing Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash in banks	\$ 87	\$ -	\$ -	\$ -	\$ 87
Investment in treasury pool	217,167	90	-	64,661	281,918
Investments	-	5,794	3,066	-	8,860
Cash on hand	1	-	-	-	1
Imprest cash	98	-	-	1	99
Receivables, net					
Accounts	1,983	-	25	22,201	24,209
Taxes	3,704	-	-	-	3,704
Due from other funds	706	-	-	125	831
Due from other governments	37,947	-	-	2,316	40,263
Prepaid items	3,244	-	-	619	3,863
Advances to other funds	1,275	-	-	-	1,275
Notes receivable	-	-	-	21,537	21,537
Inventories	-	-	-	406	406
Lease payments receivable, net of interest	-	-	-	479	479
Restricted assets	-	-	55,031	5,000	60,031
Total assets	<u>\$ 266,212</u>	<u>\$ 5,884</u>	<u>\$ 58,122</u>	<u>\$ 117,345</u>	<u>\$ 447,563</u>
LIABILITIES					
Accounts payable	\$ 22,109	\$ -	\$ -	\$ 6,410	\$ 28,519
Cash overdraft	-	-	-	327	327
Due to other funds	125	-	-	929	1,054
Due to other governments	27,030	64	-	291	27,385
Deposits from others	302	-	-	-	302
Salaries and benefits payable	8,271	-	-	1,155	9,426
Deferred revenue	56,413	-	-	25,615	82,028
Advances from other funds	1,544	-	-	450	1,994
Tax revenue anticipation notes payable	53,933	-	-	-	53,933
Total liabilities	<u>169,727</u>	<u>64</u>	<u>-</u>	<u>35,177</u>	<u>204,968</u>
FUND BALANCES					
Nonspendable	3,244	-	-	1,025	4,269
Restricted	28,863	5,820	54,622	77,102	166,407
Committed	1,668	-	-	6,000	7,668
Assigned	-	-	3,500	17,583	21,083
Unassigned	62,710	-	-	(19,542)	43,168
Total fund balances	<u>96,485</u>	<u>5,820</u>	<u>58,122</u>	<u>82,168</u>	<u>242,595</u>
Total liabilities and fund balances	<u>\$ 266,212</u>	<u>\$ 5,884</u>	<u>\$ 58,122</u>	<u>\$ 117,345</u>	<u>\$ 447,563</u>

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

COUNTY OF TULARE
Governmental Funds
Reconciliation of the Balance Sheet
June 30, 2013 (in thousands)

Total fund balances for governmental funds	\$	242,595
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Those assets, including those reported in Internal Service Funds, consist of:		
Land	\$	911,450
Buildings and improvements, net of \$73,686 accumulated depreciation		133,066
Equipment and vehicles, net of \$55,570 accumulated depreciation		21,176
Infrastructure, net of \$255,105 accumulated depreciation		404,271
Construction in progress		744
Infrastructure in progress		139,236
Total capital assets		1,609,943
The future revenue resulting from a direct financing lease between the County (as lessor) and the City of Dinuba for the Courthouse/Police Station is categorized as deferred for the fund statements, but is recognized for the government-wide statements.		
		942
Neighborhood Stabilization Program's future program revenues meet the revenue recognition for the government-wide statement, but not for the fund statements.		
		233
The future revenue resulting from the delay in reimbursements from the State for mandated programs (SB-90) is categorized as deferred for fund statements because the funds will not be available for more than one year.		
		5,307
Tobacco Settlement revenue, delinquent property tax penalties, and delinquent code violation fines are categorized as deferred for fund statements because the revenues will not be available to liquidate liabilities of the current period. However, the revenue is recognized for the government-wide statements.		
		7,596
Ag. Commissioner deferred revenue from farmer fees; revenues were already recognized in government-wide statements in prior year.		
		62
Long-term liabilities applicable to the County's governmental funds are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net position. Balances, including those reported in Internal Service Funds, at June 30 are:		
Accrued interest on debt	\$	(475)
Loans payable		(9,332)
Bonds payable		(38,190)
COPs payable		(16,350)
Claims payable		(29,847)
Accrued remediation cost		(5,000)
Net OPEB obligation		(10,667)
Compensated absences		(20,715)
Total long-term liabilities		(130,576)
Issuance costs related to long-term debt are reported as current costs in the fund financial statements. In the government-wide financial statements issuance costs are deferred and amortized over the life of the debt. The unamortized amount is:		
Original issuance costs	\$	213
Amount amortized to date		(58)
		155
The pension assets resulting from contributions in excess of the Annual Required Contribution in fiscal year ended June 30, 1997 are not financial resources and therefore are not reported in the funds.		
Internal service funds are used by the County to charge the costs of various central services to individual funds. The assets (except capital assets included above) and liabilities (except long-term liabilities included above) of the internal service funds are included in governmental activities in the statement of net position.		
		47,940
Total net position of governmental activities	\$	1,784,197

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

COUNTY OF TULARE
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013 (in thousands)

	General Fund	Public Facilities Corporation	Public Financing Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes and special assessments	\$ 112,489	\$ -	\$ -	\$ 26,563	\$ 139,052
Licenses and permits	9,170	-	-	21	9,191
Fines, forfeitures and penalties	7,633	-	-	2,731	10,364
Interest, rents and concessions	1,073	45	680	1,278	3,076
Intergovernmental revenues	307,698	2	-	116,513	424,213
Charges for services	60,552	-	-	4,737	65,289
Other revenues	10,209	-	-	8,044	18,253
Total revenues	<u>508,824</u>	<u>47</u>	<u>680</u>	<u>159,887</u>	<u>669,438</u>
EXPENDITURES					
Current:					
General government	33,376	-	-	9,462	42,838
Public protection	156,201	-	-	28,205	184,406
Public ways and facilities	-	-	-	19,164	19,164
Health and sanitation	121,013	-	-	1,102	122,115
Public assistance	217,018	-	-	9,424	226,442
Education	1,009	-	-	3,866	4,875
Debt service:					
Principal retirement	-	4,487	815	1,213	6,515
Interest and fiscal charges	422	960	265	434	2,081
Capital outlay	3,719	-	-	42,287	46,006
Total expenditures	<u>532,758</u>	<u>5,447</u>	<u>1,080</u>	<u>115,157</u>	<u>654,442</u>
Excess (deficiency) of revenues					
over (under) expenditures	<u>(23,934)</u>	<u>(5,400)</u>	<u>(400)</u>	<u>44,730</u>	<u>14,996</u>
OTHER FINANCING SOURCES (USES)					
Sale of general capital assets	208	-	-	-	208
Transfers in	62,153	4,992	5,923	31,728	104,796
Transfers (out)	(30,690)	-	(3,000)	(72,868)	(106,558)
Total other financing sources (uses)	<u>31,671</u>	<u>4,992</u>	<u>2,923</u>	<u>(41,140)</u>	<u>(1,554)</u>
Net change in fund balances	7,737	(408)	2,523	3,590	13,442
Fund balances, July 1	88,748	6,228	55,599	78,578	229,153
Fund balances, June 30	<u>\$ 96,485</u>	<u>\$ 5,820</u>	<u>\$ 58,122</u>	<u>\$ 82,168</u>	<u>\$ 242,595</u>

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

COUNTY OF TULARE
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013 (in thousands)

Net change in fund balances - total governmental funds	\$	13,442
The change in net position reported for governmental activities in the statement of activities is different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense differs from capital outlay expenditures in the current period.</p>		
Capital outlay expenditures	\$	46,006
Depreciation expense		(24,368)
Combined adjustment		21,638
<p>Governmental funds report proceeds or losses from the sale of capital assets as revenues when received. However, in the statement of activities, proceeds of the sale must be offset by the book value of the asset sold (or otherwise disposed of) to determine a gain or loss on disposition. This is the book value of the capital assets sold in the current period.</p>		
		(1,580)
<p>Governmental funds report the future resources as the result of a direct financing lease between the County (as lessor) and the City of Dinuba for the Courthouse/Police Station as deferred revenue until received. However, for the government-wide statements, the revenue was recognized upon the signing of the direct financing lease agreement. Therefore, subsequent receipt of previously recognized revenue is not recognized in the government-wide statements.</p>		
		(359)
<p>Governmental funds report the future resources as the result of delayed collection of reimbursements from the State for mandated programs (SB-90) as deferred revenue because the delay will exceed one year. However, for government-wide statements, the revenue is recognized when earned.</p>		
		47
<p>Neighborhood Stabilization Program's future program revenues meet the revenue recognition for the government-wide statement, but not for the fund statements.</p>		
		233
<p>To account for the Property Tax Administration Fee (PTAF) expense that the County incurred based on the LA County Court decision for past tax administration cost.</p>		
		4,216
<p>Tobacco Settlement revenue, delinquent property tax penalties, and delinquent code violation fines are categorized as deferred for fund statements because the revenues will not be available to liquidate liabilities of the current period. However, for government-wide statements, the revenue is recognized when earned.</p>		
		(2,667)
<p>Current year collections of previously delayed reimbursements for Ag. Commissioner programs are reported as current year revenue for governmental funds. However, for government-wide statements, current year collections cannot be recognized a second time.</p>		
		(138)
<p>Governmental funds report the principal portion of debt service payments as expenditures. However, repayment of principal reduces long-term liabilities on the statement of net position and has no effect on the statement of activities.</p>		
		6,497
<p>Issuance costs related to long-term debt are reported as current costs in the fund financial statements. In the government-wide financial statements, issuance costs are deferred and amortized over the life of the debt. The current portion of the original costs are expensed for government-wide statements.</p>		
Amortized to date	\$	(58)
Portion previously expensed		49
		(9)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities; however, which is presented on the accrual basis of accounting, expenses and liabilities are reported when amounts are due and payable. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes for the current period.</p>		
Compensated absences	\$	102
Amortization of pension assets		(367)
Amortization of net OPEB obligation		(2,898)
Accrued interest on debt		117
Combined adjustment		(3,046)
<p>Internal service funds are used by the County to charge the costs of various insurance coverage and central services to individual funds. The net cost of internal service funds is reported with the governmental funds.</p>		
		1,118
Changes in net position	\$	<u><u>39,392</u></u>

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

COUNTY OF TULARE

General Fund

**Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Year Ended June 30, 2013 (in thousands)**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes and special assessments	\$ 103,928	\$ 103,928	\$ 112,489	8,561
Licenses and permits	9,684	9,684	9,170	(514)
Fines, forfeitures and penalties	4,898	4,916	7,633	2,717
Interest, rents and concessions	1,250	1,250	1,073	(177)
Intergovernmental revenues	355,159	357,942	307,698	(50,244)
Charges for services	73,068	70,284	60,552	(9,732)
Other revenues	5,492	5,678	10,209	4,531
Total revenues	553,479	553,682	508,824	(44,858)
EXPENDITURES				
Current:				
General government	44,562	37,486	33,376	4,110
Public protection	169,324	170,159	156,201	13,958
Health and sanitation	149,345	149,581	121,013	28,568
Public assistance	235,709	236,705	217,018	19,687
Education	1,097	1,120	1,009	111
Debt service:				
Interest and fiscal charges	250	410	422	(12)
Capital outlay	4,536	6,633	3,719	2,914
Total expenditures	604,823	602,094	532,758	69,336
Excess (deficiency) of revenues over (under) expenditures				
	(51,344)	(48,412)	(23,934)	24,478
OTHER FINANCING SOURCES (USES)				
Sale of general capital assets	150	150	208	58
Transfers in	64,471	68,548	62,153	(6,395)
Transfers (out)	(32,399)	(39,709)	(30,690)	9,019
Total other financing sources (uses)	32,222	28,989	31,671	2,682
Net change in fund balance	(19,122)	(19,423)	7,737	27,160
Fund balance, July 1	88,748	88,748	88,748	-
Fund balance, June 30	\$ 69,626	\$ 69,325	\$ 96,485	\$ 27,160

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

COUNTY OF TULARE
Proprietary Funds
Statement of Net Position
June 30, 2013 (in thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
ASSETS				
Current assets:				
Cash in banks	\$ 249	\$ 5	\$ 254	\$ -
Investment in treasury pool	2,460	5,148	7,608	48,030
Cash on hand	39	-	39	-
Imprest cash	3	-	3	500
Accounts receivable, net	1,074	794	1,868	127
Prepaid items	-	-	-	200
Due from other funds	298	-	298	-
Due from other governments	-	57	57	-
Total current assets	<u>4,123</u>	<u>6,004</u>	<u>10,127</u>	<u>48,857</u>
Noncurrent assets:				
Advances to other funds	-	-	-	1,544
Restricted assets	44,935	-	44,935	-
Capital assets:				
Land	6,116	610	6,726	-
Buildings and improvements, net	12,931	4,222	17,153	-
Equipment and vehicles, net	2,944	1,887	4,831	2,414
Total capital assets	<u>21,991</u>	<u>6,719</u>	<u>28,710</u>	<u>2,414</u>
Total noncurrent assets	<u>66,926</u>	<u>6,719</u>	<u>73,645</u>	<u>3,958</u>
Total assets	<u>71,049</u>	<u>12,723</u>	<u>83,772</u>	<u>52,815</u>
LIABILITIES				
Current liabilities:				
Accounts payable	394	334	728	1,875
Due to other funds	8	24	32	43
Deposits from others	-	8	8	-
Salaries and benefits payable	111	5	116	541
Interest payable	-	14	14	-
Compensated absences payable	44	-	44	37
Deferred revenue	-	-	-	2
Claims payable	-	-	-	6,070
COP payable	-	36	36	-
Total current liabilities	<u>557</u>	<u>421</u>	<u>978</u>	<u>8,568</u>
Noncurrent liabilities:				
Compensated absences payable	186	18	204	1,368
Advances from other funds	-	825	825	-
Closure/post closure costs payable	39,935	-	39,935	-
Claims payable	-	-	-	23,777
Bonds payable	-	7	7	-
COP payable	-	1,310	1,310	-
Total noncurrent liabilities	<u>40,121</u>	<u>2,160</u>	<u>42,281</u>	<u>25,145</u>
Total liabilities	<u>40,678</u>	<u>2,581</u>	<u>43,259</u>	<u>33,713</u>
NET POSITION				
Net investment in capital assets	21,991	5,366	27,357	2,414
Restricted for:				
Landfill ground water contingencies	5,000	16	5,016	-
Unrestricted	3,380	4,760	8,140	16,688
Total net position	<u>\$ 30,371</u>	<u>\$ 10,142</u>	<u>\$ 40,513</u>	<u>\$ 19,102</u>

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

COUNTY OF TULARE
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2013 (in thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Operating revenues:				
Charges for services	\$ 8,501	\$ 1,200	\$ 9,701	\$ 46,752
Interest, rents and concessions	26	3	29	-
Other revenues	41	49	90	3,570
Total operating revenues	8,568	1,252	9,820	50,322
Operating expenses:				
Salaries and benefits	2,727	145	2,872	14,687
Services and supplies	5,037	2,941	7,978	26,750
Insurance premiums paid	-	-	-	4,787
Landfill closure and post closure costs	1,029	-	1,029	-
Depreciation	2,019	644	2,663	556
Claims incurred	-	-	-	4,807
Total operating expenses	10,812	3,730	14,542	51,587
Operating income (loss)	(2,244)	(2,478)	(4,722)	(1,265)
Nonoperating revenues (expenses):				
Intergovernmental revenues	324	180	504	36
Taxes and special assessments	-	2,328	2,328	-
Investment earnings	93	70	163	46
Interest expense	-	(114)	(114)	(8)
Total nonoperating revenues (expenses)	417	2,464	2,881	74
Income (loss) before contributions and transfers	(1,827)	(14)	(1,841)	(1,191)
Capital contributions				
Capital contributions	-	-	-	169
Transfers in	-	3	3	2,300
Transfers (out)	(381)	-	(381)	(160)
Change in net position	(2,208)	(11)	(2,219)	1,118
Net position, July 1	32,579	10,153	42,732	17,984
Net position, June 30	\$ 30,371	\$ 10,142	\$ 40,513	\$ 19,102

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

COUNTY OF TULARE
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2013 (in thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 8,460	\$ 1,071	\$ 9,531	\$ 1,306
Receipts from interfund services provided	(244)	29	(215)	45,735
Receipts from rents and concessions	26	3	29	-
Other revenues	41	49	90	3,570
Payments to employees	(2,835)	(138)	(2,973)	(14,500)
Payments to suppliers	(3,077)	(2,475)	(5,552)	(26,120)
Payments for interfund services used	(2,068)	(392)	(2,460)	(5,277)
Payments for claims	-	-	-	(6,579)
Net cash provided by (used for) operating activities	303	(1,853)	(1,550)	(1,865)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Subsidy from intergovernmental entities	324	180	504	36
Receipts from taxes and assessments	-	2,328	2,328	-
Transfers to/from other funds	(381)	3	(378)	2,140
Advance from other funds	-	45	45	-
Advance to other funds	-	-	-	(924)
Net cash (used for) noncapital financing activities	(57)	2,556	2,499	1,252
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Sales (purchases) of capital assets	(139)	(117)	(256)	(79)
Principal paid on capital debt	-	(36)	(36)	(85)
Interest paid on capital debt	-	(59)	(59)	-
Net cash provided by (used for) capital and related financing activities	(139)	(212)	(351)	(164)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	93	15	108	38
Net cash provided by investing activities	93	15	108	38
Net increase (decrease) in cash and cash equivalents	200	506	706	(739)
Cash and cash equivalents, July 1	47,486	4,647	52,133	49,269
Cash and cash equivalents, June 30	\$ 47,686	\$ 5,153	\$ 52,839	\$ 48,530

Continued

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

COUNTY OF TULARE
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2013 (in thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Displayed as:				
Cash in banks	\$ 249	\$ 5	\$ 254	\$ -
Investment in treasury pool	47,395	5,148	52,543	48,030
Cash on hand	39	-	39	-
Imprest cash	3	-	3	500
Total cash displayed	<u>\$ 47,686</u>	<u>\$ 5,153</u>	<u>\$ 52,839</u>	<u>\$ 48,530</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	<u>\$ (2,244)</u>	<u>\$ (2,478)</u>	<u>\$ (4,722)</u>	<u>\$ (1,265)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Landfill closure and post closure costs	1,029	-	1,029	-
Depreciation expense	2,019	644	2,663	556
(Increase) decrease in accounts receivable	10	(124)	(114)	37
(Increase) decrease in due from other funds	(298)	-	(298)	331
(Increase) decrease in due to other funds	3	24	27	24
(Increase) decrease in prepaid items	-	-	-	(175)
Increase (decrease) in accounts payable	(108)	74	(34)	315
Increase (decrease) in deferred revenue	-	-	-	(103)
benefits payable and compensated absences	(108)	7	(101)	187
Increase (decrease) in claims payable	-	-	-	(1,772)
Total adjustments	<u>2,547</u>	<u>625</u>	<u>3,172</u>	<u>(600)</u>
Net cash provided by (used for) operating activities	<u>\$ 303</u>	<u>\$ (1,853)</u>	<u>\$ (1,550)</u>	<u>\$ (1,865)</u>
Schedule of non-cash capital and related finance activities:				
Contributions of capital assets	\$ -	\$ -	\$ -	\$ -

Concluded

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

COUNTY OF TULARE
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2013 (in thousands)

	Investment Trust Funds	Private-Purpose Trust Funds	Agency Funds
ASSETS			
Current assets:			
Cash in bank	\$ -	\$ -	\$ 3,786
Investment in treasury pool	544,563	1,947	34,443
Accounts receivable, net	667	-	1,948
Prepaid items	48	-	1,947
Deposits with others	-	118	-
Due from other governments	441	-	44
Noncurrent assets:			
Capital assets:			
Infrastructure	-	2,662	-
Equipment and vehicles, net	-	178	-
Total capital assets (net of accumulated depreciation)	-	2,840	-
Total assets	<u>545,719</u>	<u>4,905</u>	<u>\$ 42,168</u>
LIABILITIES			
Accounts payable	6,484	17	\$ 12,031
Due to other governments	2,425	-	8,081
Note payable	21,640	5,764	-
Agency obligations	1,013	-	22,056
Total liabilities	<u>31,562</u>	<u>5,781</u>	<u>\$ 42,168</u>
NET POSITION			
Net position held in trust for pension benefits and other purposes	<u>\$ 514,157</u>	<u>\$ (876)</u>	

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

COUNTY OF TULARE
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2013 (in thousands)

	Investment Trust Funds	Private-Purpose Trust Funds
ADDITIONS		
Contributions to pooled investments	\$ 4,252,289	\$ 1,105
Investment income	1,242	(4)
Total additions	<u>4,253,531</u>	<u>1,101</u>
DEDUCTIONS		
Distributions from pooled investments	4,223,005	4,529
Total deductions	<u>4,223,005</u>	<u>4,529</u>
Change in net position	30,526	(3,428)
Net position, July 1	<u>483,631</u>	<u>2,552</u>
Net position, June 30	<u>\$ 514,157</u>	<u>\$ (876)</u>

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

Notes to Basic Financial Statements



COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

I. Summary of Significant Accounting Policies

A. THE FINANCIAL REPORTING ENTITY

The County of Tulare (the County) is a general law political subdivision of the State of California (the State) and as such can exercise the powers specified by the Constitution and laws of the State of California. An elected five member Board of Supervisors (the Board) governs the County. As required by generally accepted accounting principles, the accompanying financial statements present the County and its component units.

Component Units Component units are legally separate organizations for which the elected officials of the County are either financially accountable or for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the County's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

In conformity with generally accepted accounting principles, the financial statements of six component units have been included and combined with financial data of the County. Five component units have an integral relationship with and serve as an extension of the County. Using the criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, management has determined that each entity is presented as a blended component unit due to the composition of each governing board and the control of the day-to-day activities through the budget process. One component unit is presented discretely.

Blended Component Units The Terra Bella Sewer Maintenance District, the Tulare County Flood Control District, the Tulare County Public Facilities Corporation, the Tulare County Public Financing Authority, and the Tulare County In-Home Supportive Services Public Authority are entities legally separate from the County of Tulare. For financial reporting purposes, these entities are considered component units and their individual financial information is presented as part of the County's operations. The blended component units discussed herein have a June 30 year-end.

1. *Terra Bella Sewer Maintenance District* Terra Bella Sewer Maintenance District (TBSMD) is an entity legally separate from the County. However, the Tulare County Board of Supervisors serves as the governing Board of TBSMD and has control over the day-to-day operations of TBSMD through budget approvals. For financial reporting purposes, the TBSMD is reported as if it were part of the County's operations. The TBSMD is operated by the County's Resource Management Agency and its Engineering Division. The purpose of the TBSMD is to develop, expand, and maintain the TBSMD Wastewater Treatment and Disposal facility. This component unit's financial information is included as an enterprise fund.
2. *Tulare County Flood Control District* The members of the governing board of the Tulare County Flood Control District (TCFCD), an entity legally separate from the County of Tulare, are members of County's Board of Supervisors and have control over the day-to-day operations of TCFCD through budget approvals. For financial reporting purposes, the TCFCD is reported as if it were part of the County's operations. The TCFCD's primary responsibility is to provide flood control related services to the residents of Tulare County. The component unit's financial information is included as a special revenue fund accounting for reimbursement for flood control related services and projects within the County.
3. *Tulare County Public Facilities Corporation* The board members of the Tulare County Public Facilities Corporation (TCPFC), a nonprofit public benefit corporation, which is legally separate from the County of Tulare, are appointees of the County's Board of Supervisors that can impose its will upon TCPFC by its authority to remove TCPFC Board members. For financial reporting purposes, the TCPFC is reported as if it were part of the County's operations as it serves to assist the County by acquiring equipment and facilities financed by the proceeds of borrowings. The equipment and facilities are then leased to the County. This component unit's financial information is included as a major governmental fund.
4. *Tulare County Public Financing Authority* The Tulare County Public Financing Authority (TCPFA), which is legally separate from the County of Tulare, was established through a Joint Exercise of Powers Agreement between the County of Tulare and the Tulare County Redevelopment Agency. The Tulare County Board of Supervisors serves as the governing Board of the TCPFA. For financial reporting purposes, TCPFA is reported as if it were part of the County's operations as it serves to assist the County of Tulare through borrowings, which are used for the acquisition and

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

construction of public capital improvements and the repair and maintenance thereof. Lease payments to TCPFA are payable through the County. This component unit's financial information is included as a major governmental fund.

5. *Tulare County In-Home Supportive Services Public Authority* The Tulare County In-Home Supportive Services Public Authority (TCIHSSPA), which is legally separate from the County of Tulare, was established according to the provisions of Welfare and Institutions Code Section 12301.6 to serve as the employer of record of providers of in-home supportive services for purposes of the Meyers-Milias-Brown Act. The Tulare County Board of Supervisors serves as the governing Board of TCIHSSPA and has control over the day-to-day operations of TCIHSSPA through budget approvals, and the hiring or dismissal of management. For financial reporting purposes, TCIHSSPA is reported as if it were part of the County's operations. The component unit's financial information is included as a special revenue fund.

Discretely Presented Component Unit The members of the governing board of the First 5 Tulare County (F5TC), an entity legally separate from the County of Tulare, are appointees of the County's Board of Supervisors, that can impose its will upon F5TC through the approval of the F5TC's annual budget, by its authority to remove F5TC Board members, and the hiring or dismissal of management. F5TC was created by Tulare County Ordinance No. 3217 on December 8, 1998. The purpose of the F5TC is to develop, promote, and implement local early childhood development programs administered by the California Children and Families First Commission. For financial reporting purposes, the F5TC is discretely presented because the resources of F5TC are not used to support County operations. Complete audited financial statements for First 5 Tulare County are available at the County of Tulare Auditor-Controller's Office, 221 S. Mooney Boulevard, Room 101-E, Visalia, California 93291.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Some functions include expenses that are, in essence, indirect expenses of other functions resulting from charges among funds or programs for centralized services. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than program revenues and include, by definition, all locally imposed taxes.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

1. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum numbers of funds are maintained consistent with legal and managerial requirements. The basis of accounting determines when transactions and economic events are reflected in financial statements. Measurement focus identifies which transactions and events should be recorded.

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

The County of Tulare legally adopts an annual budget for the General Fund and all of its Special Revenue Funds, Debt Service Funds, and its Capital Projects Fund. Component units Terra Bella Sewer Maintenance District, Tulare County Flood Control District, and the Tulare County In-Home Supportive Services Public Authority each adopt an annual budget. Tulare County Public Facilities Corporation and Tulare County Public Financing Authority do not adopt budgets.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers expenditure-driven grant revenues available if they are collected within one year. All other revenues are considered available if they are collected within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments which are recognized when the obligations are due and payable.

Property taxes, franchise taxes, licenses, interest, and special assessments are susceptible to accrual. Property tax revenues recognized are only those levied for the current fiscal year that have been collected or expect to be collected within sixty days after fiscal year-end. Sales taxes collected and held by the State at year-end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the “susceptible to accrual” criteria are met. Expenditure-driven grant revenues are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and reimbursement is expected within one year.

The County reports the following major individual governmental funds:

The *General Fund* is the County’s primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Public Facilities Corporation* accounts for the activities of the TCPFC that assists the County of Tulare by acquiring equipment and facilities financed from the proceeds of borrowing. Such equipment and facilities are leased to the County.

The *Public Financing Authority* accounts for the activities of the TCPFA, which assists the County of Tulare through borrowings, which are used for construction, acquisition, and/or maintenance of capital assets.

Additionally, the County reports the following governmental fund types:

The *Special Revenue Funds* account for revenue sources that are legally restricted to expenditures for specific purposes (not including private purpose funds or major capital projects).

The *Debt Service Funds* account for the servicing of general long-term debt not being financed by proprietary or permanent funds.

The *Capital Projects Fund* accounts for all major maintenance, improvements, acquisition, or construction of capital assets not being financed by proprietary or permanent funds.

Proprietary Funds are accounted for on the economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The County reports the Solid Waste Fund as its only major individual proprietary fund.

The *Solid Waste Fund* is an enterprise fund that is used to account for the operation, maintenance, and development of various landfill and disposal sites for solid waste, and to prepare for future closure and post closure expenses.

Additionally, the County reports the following proprietary fund types:

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

The *Enterprise Funds* are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The activity is financed with debt secured solely by a pledge of net revenues of the activity, or laws or regulations require that the cost of providing services be recovered through fees and charges.

The *Internal Service Funds* are used to account for operations that provide mailroom, motor pool, print shop, utilities, custodial and maintenance, data processing, telecommunications, and insurance services to other funds, departments, or agencies of the County and its component units, or to other governments, on a cost-reimbursement basis. An internal service fund operates in a manner similar to an enterprise fund, but is used when the reporting government itself is the predominant participant in the fund.

Fiduciary Funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the County under the terms of a formal trust agreement.

The County reports the following fiduciary fund types:

The *Investment Trust Funds* are used to account for assets held for external investment pool participants, such as schools and local special districts, and do present changes in financial position. Investment Trust Funds are accounted for on the economic resources measurement focus and use the accrual basis of accounting.

The *Private –Purpose Trust Fund* is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefits and other governments. This fund reports the assets, liabilities, and activities of the Tulare County Redevelopment Successor Agency (Successor Agency).

The *Agency Funds* are custodial in nature and do not present changes in financial position or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for individuals, private organizations, or other governments.

2. Financial Statement Presentation

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements in order to remove the “doubling-up” effect of internal service activities, reciprocal interfund activity, and nonreciprocal interfund activity.

Proprietary funds distinguish operating revenues and expenses from nonoperation items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Solid Waste, Transit, Terra Bella Sewer Maintenance District, Assessment Districts, County Service Area #1, and County Service Area #2 enterprise funds and the County’s internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperation revenues and expenses.

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

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

D. IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

- **Governmental Accounting Standards Board Statement No. 60**

Accounting and Financial Reporting for Service Concession Arrangements. Addresses accounting and financial reporting issues related to public-private and public-public partnerships. The statement is effective for periods beginning after December 15, 2011. The County implemented this change for the fiscal year ended June 30, 2012.

- **Governmental Accounting Standards Board Statement No. 61**

The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34. Modifies a number of provisions with regard to reporting of component units within a financial reporting entity. The statement is effective for periods beginning after June 15, 2012. The County implemented this change for the fiscal year ended June 30, 2013.

- **Governmental Accounting Standards Board Statement No. 62**

Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements. Incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. The statement is effective for periods beginning after December 15, 2011. However, as the statement codifies what is in current practice, there is no net effect on the Company's accounting or financial reporting upon the statement's implementation.

- **Governmental Accounting Standards Board Statement No. 63**

Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. Modifies current financial reporting of those elements. The largest change was the replacement of the Statement of Net (Plan if retirement entity) Assets with a Statement of Net (Plan) Position and a Statement of Changes in Net Position instead of the prior Statement of Changes in (Plan) Net Assets upon implementation for periods beginning after December 15, 2011. The County implemented this change for the fiscal year ended June 30, 2013.

- **Governmental Accounting Standards Board Statement No. 64**

Derivative Instruments: Application of Hedge Accounting Termination Provisions. Amends current accounting and financial reporting related to terminations of swap agreements due to default or other termination events. In certain instances where swap counterparties or credit support providers are replaced, hedge accounting may continue, rather than cease. The provisions of GASB Statement No. 64 are effective for financial statements beginning after June 15, 2011. The County implemented this change for the fiscal year ended June 30, 2012.

- **Governmental Accounting Standards Board Statement No. 65**

Items Previously Reported as Assets and Liabilities. Establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of GASB Statement No. 65 are effective for financial statements beginning after December 15, 2012. The County has not fully judged the effect of the implementation of GASB Statement No. 65 as of the date of the basic financial statements. The County will implement this change for the fiscal year ended June 30, 2014.

- **Governmental Accounting Standards Board Statement No. 66**

Items Technical Corrections- 2012- an amendment of GASB Statements No. 10 and No. 62. Improves accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of GASB Statements No. 54 and No. 62. The provisions of GASB Statement No. 66 are effective for financial

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

statements beginning after December 15, 2012. The County has not fully judged the effect of the implementation of GASB Statement No. 66 as of the date of the basic financial statements. The County will implement this change for the fiscal year ended June 30, 2014.

- **Governmental Accounting Standards Board Statement No. 67**

Financial Reporting for Pension Plans- an amendment of GASB Statement No. 25. Establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement – determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. The provisions of GASB Statement No. 67 are effective for financial statements beginning after June 15, 2013. The County has not fully judged the effect of the implementation of GASB Statement No. 67 as of the date of the basic financial statements. The County will implement this change for the fiscal year ended June 30, 2014.

- **Governmental Accounting Standards Board Statement No. 68**

Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No. 27. Establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement – determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. The provisions of GASB Statement No. 68 are effective for financial statements beginning after June 15, 2014. The County has not fully judged the effect of the implementation of GASB Statement No. 68 as of the date of the basic financial statements. The County will implement this change for the fiscal year ended June 30, 2015.

Additional standards were released by GASB during the year:

- **Governmental Accounting Standards Board Statement No. 69**

Government Combinations and Disposals of Government Operations. The provisions of GASB Statement No. 69 are effective for financial statements beginning after December 15, 2013. The County has not fully judged the effect of the implementation of GASB Statement No. 69 as of the date of the basic financial statements. The County will implement this change for the fiscal year ended June 30, 2015.

- **Governmental Accounting Standards Board Statement No. 70**

Accounting and Financial Reporting for Nonexchange Financial Guarantees. The provisions of GASB Statement No. 70 are effective for financial statements beginning after June 15, 2013. The County has not fully judged the effect of the implementation of GASB Statement No. 70 as of the date of the basic financial statements. The County will implement this change for the fiscal year ended June 30, 2014.

E. ASSETS, LIABILITIES, AND EQUITY

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in Treasury pool, and other short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County and its component units to invest in obligations of the U.S. Treasury, Federal agencies, municipal securities, commercial paper, corporate notes and bonds, repurchase agreements, certificates of deposit, and the State Treasurer's Investment Pool.

The County Treasurer's Office administers a pooled investment program for the County and for certain special purpose authorities including school districts. As of June 30, 2013, the special purpose authorities' cash and pooled investments were approximately 63.6 percent of the County Treasurer's Office pooled investment portfolio.

Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, require governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet / statement of net position and recognize the corresponding change in the fair value of investments in the year in which the change occurred. The fair value of pooled

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

investments is determined quarterly and is based on current market prices received from the County's securities custodian. The Local Agency Investment Fund (LAIF) is required to invest in accordance with State statutes. No investments are reported at amortized cost.

The value of the deposits of the County's pooled investment program is equal to the dollars deposited in the program, plus increases and less decreases (unrealized gains and losses) required to record investments at their fair market value as of June 30, 2013. The dollars deposited in the program have been increased by \$1,266 to reflect the increase in the fair value of the Investment in the Treasury Pool at June 30, 2013.

In addition, investments outside the Investment Pool were adjusted to fair market value as of June 30, 2013 resulting in an increase of \$360.

2. Receivables and Payables

Transactions between funds that are representative of noncurrent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Advances to / from other County funds." All other outstanding balances between funds are reported as "Due to / from other County funds." Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable financial resources.

All trade and property taxes receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible accounts.

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions, including the schools and special districts within the County. The Board levies property taxes as of September 1 for property values assessed on July 1. Secured property tax payments are due in two equal installments.

The first property tax installment is due November 1 and delinquent with penalties after December 10 and the second property tax installment is due on February 1 and delinquent with penalties after April 10. Secured property taxes become a lien on the property on January 1.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid after August 31. Property taxes are accounted for in the Unapportioned Tax Resources Fund, an agency fund, until apportionment and disbursement to taxing jurisdictions. Fiscal year ended June 30, 1994, the County adopted the alternative method of secured property tax apportionment available under the Revenue and Taxation Code of the State of California (also known as the "Teeter Plan") whereby secured property taxes were distributed to participating taxing entities (including the County and related Component Units) on the basis of the tax levy, including any uncollected amounts at fiscal year-end. The County, as administrator, benefited from future collections of penalties and interest on delinquent taxes. Transactions of the Teeter Plan (including outstanding debt borrowed for the annual Teeter buyout) were accounted for in the General Fund. Taxes receivable are recorded as of the date levied. The County opted out of the Teeter Plan June 30, 2009.

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Codes and Revenue and Taxation Codes.

3. Inventories, Prepaid Items, and Deferred Charges

Governmental fund type inventories not held for resale are valued at cost using the first-in / first-out (FIFO) method. The costs of most governmental fund type inventories are recorded as expenditures when purchased rather than when consumed except for the Roads Fund, which uses the consumption method. Inventories held for governmental activities are recorded using the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are regularly recurring costs of operations recorded as prepaid items (e.g., prepaid rent and prepaid employee retirement contributions).

The costs associated with debt issuance are reported as an expenditure of the period in which they are incurred in governmental funds. However, such deferred charges are not reported as an expense of the period in which they are

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

incurred in governmental or business-type activities, but instead are reported as an adjustment to income throughout the period during which the related debt is outstanding.

4. Restricted Assets

Resources that will not be used in current operations that are restricted for acquisition or construction of noncurrent assets, or that are restricted for liquidation of long-term debt beyond the next year are restricted assets.

5. Capital Assets

Capital assets include land, land improvements, buildings and improvements, equipment, vehicles, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (e.g., land easements and computer software). They are reported in the applicable governmental or business-type activities columns in the government-wide financial statements at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset not capitalized. The capitalization thresholds are \$5 for equipment and vehicles, and \$100 for land improvements, buildings improvements, infrastructure, and computer software. Land and buildings are capitalized regardless of cost.

All capital asset additions are reported in the fiscal year in which the asset is acquired, except for infrastructure assets which use a business cycle extending from May to April, with all additions of the business cycle being reported in the fiscal year in which April is included. In the case of donations, capital assets are valued at their estimated fair value at the date of donation.

Capital assets of the County, as well as the component units, are depreciated using the straight-line method and the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20-50
Infrastructure roadway:	
Pavement	10-40
Bridges	50
Pipe crossings	30
Traffic control devices	25
Signs	10
Sewer/water systems	7-20
Landfill site improvements	15
Vehicles / heavy equipment	3-20
Office equipment	3-16

Depreciation expense related to infrastructure assets is calculated by applying an annual depreciation rate to the cost of the grouping of subsystems. Depreciation expense in all other categories of capital assets is calculated on an item-by-item basis.

Capital outlay is recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County's capitalization threshold is met. Interest incurred during the construction phase of the capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Amortization of assets acquired under capital leases is included in depreciation and amortization.

6. Compensated Absences

Employees are granted vacations and sick leave and are permitted to accumulate earned but unused vacation and sick leave benefits. The portion relating to the proprietary funds is expensed as salaries in the year earned. The benefit amounts relating to governmental funds, which will be paid from future resources, are recorded in the government-wide financial statements. Benefit amounts due and payable at year-end are recorded in the governmental funds as part of salaries and benefits payable. In the event of separation of employment or death, an employee, or the employee's estate, is compensated for 100 percent of accumulated vacation at the employee's current payroll rate.

COUNTY OF TULARE
Notes to the Financial Statements
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Most covered employees (eligible for overtime compensation) receive either compensatory time off (CTO) in lieu of overtime or paid overtime. An employee earns CTO hours in lieu of paid overtime until a certain CTO balance is reached; thereafter, an employee receives paid overtime for overtime hours worked. In the event of separation of employment or death, an employee, or the employee's estate, is compensated for 100 percent of their accumulated CTO hours at the employee's current payroll rate.

Employees are granted vacations and sick leave and are permitted to accumulate earned but unused vacation and sick leave benefits. The portion related to the proprietary funds is expensed as salaries in the year earned. The benefit amounts relating to governmental funds, which will be paid from future resources, are recorded in the governmental-wide financial statements. Benefit amounts due and payable at year-end are recorded in the governmental funds as part of salaries and benefits payable.

Employees in Bargaining Units 2, 5, 8, 12, 13, 14, 15, 16 & 22 who leave County service by retirement after ten years of service may convert 20 percent of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 converted hours.

Employees in Bargaining Unit 23 who leave County service by retirement after ten years of service may convert 20 percent of their unused sick leave credits to cash at their current payroll rate up to a maximum of 350 converted hours.

Employees in Bargaining Units 1, 3, 4, 6 & 7 who leave County service by retirement after ten years of service may convert 20 percent of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 converted hours. Employees in these same Units leaving County service in good standing, other than by retirement, after ten years of service may convert 20 percent of their unused sick leave credits to cash at their current payroll rate up to a maximum of 20 converted hours.

Employees in Units 9, 10, 11, 19, 20, 21, 40 & 45 who leave County service by retirement after ten years of service may convert 20 percent of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 converted hours. Employees in these same Units leaving County service in good standing, other than by retirement, after five years of service may convert 20 percent of their unused sick leave credits to cash at their current payroll rate up to a maximum of 40 converted hours.

The County's sick leave buy-back program is suspended for all employees. The program allowed employees to be compensated on the first pay date in December for a portion of their unused sick leave based on their years of service and usage in the prior twelve months. Employees with three to five years' service could have converted up to 40 hours of sick leave. Employees with over five years could have converted up to 60 hours. The amount available for conversion was reduced by the number of sick leave hours used in the twelve month period ending the 1st of October, just prior to the December pay out. It is undetermined when and if this program will be reinstated.

7. Short-term Borrowing (Tax and Revenue Anticipation Notes Payable)

Each fiscal year, the County issues Tax and Revenue Anticipation Notes to provide money to meet the General Fund's current year expenditures and to discharge its obligations and indebtedness. The principal of the notes and the interest thereon will be paid from pledged property taxes and other revenues the County expects to receive during the fiscal year. The County issued a Tax and Revenue Anticipation Note for the year ended June 30, 2013.

8. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are

COUNTY OF TULARE
Notes to the Financial Statements
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reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Fund Balance Policies

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned 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 spendable in form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – amounts with constraints placed on their use that 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 determined by formal action of the County's highest level of decision-making authority (the Board) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned fund balance – amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds. The Board, by board resolution, delegates the authority to assign fund balances to the Chief Administrative Officer (CAO).

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 (ordinances and resolutions are considered of equal authority with respect to fund balance). This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

10. Fund Balance Flow Assumptions

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.

11. Use of Estimates

The preparation of the basic financial statements is in conformity with generally accepted accounting principles (GAAP). GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

II. Reconciliation of Government-Wide and Fund Financial Statements

A reconciliation of the total fund balances for governmental funds to the total net position of governmental activities has been prepared as part of the basic financial statements, including explanations of differences on page 27.

A reconciliation of the total net change in fund balances for governmental funds to the total changes in net position of governmental activities has been prepared as part of the basic financial statements including explanations of differences on page 29.

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Notes to the Financial Statements
June 30, 2013 (in thousands)

III. Stewardship, Compliance, and Accountability

A. BUDGETARY INFORMATION

In accordance with the provision of Sections 29000 through 29132, inclusive, of the Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and adopts a final budget on or before October 2 for each fiscal year. Until the adoption of this final balanced budget, operations are governed by a proposed budget approved by the Board.

A balanced operating budget is adopted each fiscal year for the County's General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund. A balanced operating budget is adopted each fiscal year for the Tulare County Flood Control District, and the Tulare County In-Home Supportive Services Public Authority (blended component units), which are governed by the Board of Supervisors and of which the Auditor-Controller is the ex-officio Finance Officer. The Tulare County Public Financing Authority and the Tulare County Public Facilities Corporation do not adopt a budget.

A spending plan is adopted each fiscal year for the County's Enterprise Funds and Internal Service Funds, as well as the Terra Bella Sewer Maintenance District (blended component unit), which is governed by the Board and of which the Auditor-Controller is the ex-officio Finance Officer.

Public hearings are conducted on the proposed adopted budget and spending plans to review all appropriations and the sources of financing. Because the adopted budget for governmental fund types must be balanced, any shortfall in revenue requires an equal reduction in appropriations. All appropriations lapse at year-end.

All governmental fund type budgets and the spending plans for proprietary fund types are adopted on the modified accrual basis of accounting. County department heads, with the approval of the County Administrative Officer, may make transfers of appropriations within a department without the approval of the Board. Amendments or transfers between departments within the General Fund are approved by the Board. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must be approved by the Board. The legal level of budgetary control is the fund level, with the exception of the General Fund in which the legal level of budgetary control is the department level. Budgeted amounts are reported both as originally adopted and as amended.

The Board made several supplemental budgetary appropriations throughout the fiscal year, including additional appropriations for new programs, additional positions, and unanticipated obligations. For the fiscal year ended June 30, 2013, appropriations in the General Fund were decreased by \$2,729.

B. INDIVIDUAL FUND DEFICITS

Deficit Fund Balances – Governmental Fund Type

Nonmajor Special Revenue Funds:	
Redevelopment Successor Agency Housing	\$53
HOME Program	\$29

The Redevelopment Successor Agency Housing Fund and the HOME Program Fund deficit are because of a timing difference between expenditures and State reimbursements.

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year, ended June 30, 2013, expenditures did not exceed appropriations in funds at the legal level of control.

IV. Detailed Notes on All Funds

A. CASH AND INVESTMENTS

As provided by Government Code Section 53600, the cash balances of substantially all County funds and participating County schools and agencies are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities. Interest earned on the pooled funds is apportioned quarterly based on the average daily balance of each participating

COUNTY OF TULARE
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fund. Certain funds that have deposits in the County's pooled investment program do not receive the interest earnings on their deposits. The earnings on the investments related to those funds are assigned to the County's General Fund, as permitted by Government Code. "Investments" in the governmental funds' balance sheet (Exhibit 3) represent the investment of assets associated with the Tulare County Public Facilities Corporation (TCPFC) and the Tulare County Public Financing Authority (TCPFA), which are not invested by the County Treasurer but are held by fiscal agents.

Cash Deposits As of June 30, 2013, the County's bank deposits had a carrying amount of \$131,183 and the balance per the financial institutions totaled \$131,396. Of the balance in the financial institutions, \$2,131 was covered by the Federal Deposit Insurance Corporation (FDIC), \$128,835 was collateralized, and \$430 remained unsecured. The California Government Code requires California banks and savings and loan associations to secure the County's deposits by pledging government securities or first trust deed mortgage notes. The market value of the pledged government securities and first trust deed mortgage notes must be a least 110 percent and 150 percent of the County's deposits, respectively. The collateral is held by the pledging financial institution's trust department or its agent and is considered to be held in the County's name.

Investments The pool's cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer. The objectives of the policy are, in order of priority: preservation of capital, liquidity, and yield. The Treasurer reports on a monthly basis to the County Board. Additionally, there is an Oversight Committee established under California Code Section 27130 to Section 27137 comprised of Tulare County Officials, representatives from various pool participants, and members of the public, whose function is to monitor compliance with the County's Investment Policy. Investments made outside the County Treasury are invested pursuant to governing bond covenants or California Government Code provisions.

The County's Investment Policy, in compliance with California Government Code Section 53601 and Section 53635, authorizes the Treasurer to invest in the following:

- (A) Obligations issued by the County of Tulare
- (B) Obligations of the U.S. Treasury
- (C) Obligations of the State of California and municipalities
- (D) Obligations of Federal Agencies or U.S. Government-sponsored enterprises
- (E) Bankers Acceptances eligible for purchase by the Federal Reserve System
- (F) Commercial Paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record
- (G) Negotiable Certificates of Deposit
- (H) Medium-Term Corporate Notes rated "A" or better
- (I) Mutual Funds
- (J) Repurchase and Reverse Repurchase Agreements
- (K) Local Agency Investment Fund (LAIF)

Custodial Credit Risk – Investments For an investment, this is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Treasury has limited its custodial credit risk on investments by having all investments in the name of the County. In accordance with the Governmental Accounting Standards Board Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, the County's investments have been classified into the following three categories of custodial credit risk:

- (1) Insured or registered securities held by the County or its agent in the County's name.
- (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
- (3) Uninsured and unregistered, with securities held by the counterparty, or by the counterparty's trust department or agent, but not in the County's name.

As of June 30, 2013, the entire portfolio is under category (1) except for Money Market Funds, which do not fall under any of the above categories of credit risk as the investment in these funds are not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk This is the risk that fluctuations in interest rates will adversely affect the fair value of an investment. The Treasury mitigates this risk by investing in longer-term securities only with funds that are not needed for current cash flow purposes.

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Credit Risk and Concentration of Credit Risk Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment with a single issuer. The Treasury mitigates these risks by holding a diversified portfolio of high quality investments and limits the percentage of the total investments to the type of investment and to any one issuer by type of allowable investment instrument. State law also limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The NRSRO's used by the County are listed in the County's investment policy and are Standard & Poor's, and Moody's. Securities that are fully guaranteed as to payment by an agency, or government sponsored enterprise of the US Government were rated AA by national recognized statistical-rating organizations. As of June 30, 2013 the County invested in primarily high quality investments as shown below:

Credit Ratings	
AAA	9%
A-1 (short-term rating)	6%
AA	65%
A	13%
SP-1+	2%
Not Rated**	5%
Total	100%

Standard & Poor's Ratings [includes all ratings in this category (e.g., A-, A, A+)].

** The portion of the portfolio that is not rated represent the \$50,000 deposited in LAIF, the State of California Investment Fund.

The County's investments as of June 30, 2013, are as follows:

	Carrying Value	Reported Amount/Fair Value	Weighted Average Maturity (days)	Stated Interest Rate	Maturity Range
U.S. Treasury Obligations	\$ 169,899	\$ 170,218	1,076	0.250% - 5.125%	01/31/2015 - 02/28/2018
Federal Agency Obligations	297,227	297,048	1,029	0.300% - 4.750%	08/01/2013 - 05/21/2018
Corporate Notes/Bonds	235,889	237,403	844	0.323% - 5.900%	08/01/2013 - 06/24/2018
Municipal Obligations	27,209	27,141	361	0.966% - 5.750%	08/31/2013 - 05/15/2017
Commercial Paper	21,536	21,533	100	0.200% - 0.230%	07/01/2013 - 12/16/2013
Negotiable Time Deposits	39,999	39,972	495	0.353% - 0.600%	03/18/2014 - 04/29/2015
	791,759	793,315			
Other Investments:					
Money Market Funds	17,581	17,581			
LAIF Managed Pool	50,000	50,014			
Other Managed Pool	50,166	50,166			
Total Other Investments	117,747	117,761			
Total Investments	\$ 909,506	\$ 911,076			

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The County held investments in excess of 5 percent of the total year-end investments for the following issuers:

Issuer	Amount	Percentage
United States Treasury	\$ 170,218	18.9%
Federal National Mortgage Association	124,306	13.8%
Federal Home Loan Mortgage Corporation	74,641	8.3%
California Local Agency Investment Fund	50,166	5.6%
Local Agency Investment Fund	50,014	5.5%
Federal Home Loan Bank	49,744	5.5%
Total	<u>\$ 519,089</u>	<u>57.6%</u>

California Local Agency Investment Fund (LAIF) The State Treasurer’s Local Agency Investment Fund (LAIF) is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without penalty or loss of interest. The value of the County’s shares in LAIF that may be withdrawn is determined on an amortized cost basis, which may be different from the fair value of the County’s position in the pool. As of June 30, 2013, the County’s investment in LAIF is \$50,014. The total amount recorded by all public agencies in LAIF at that date was \$21,212,246. Of that amount, 98.04 percent is invested in non-derivative financial products and 1.96 percent of the portfolio is invested in Medium-term and Short-term Structured notes and Asset-backed securities.

Repurchase Agreements Repurchase agreements are contracts in which a broker/dealer sells securities to the Investment Pool with an agreement to repurchase those securities for a fixed price at an agreed-upon date. Government Code requires that California public entities that utilize repurchase agreements collateralize the investments that underlay the repurchase agreements with amounts that exceed cost. The market value of the securities underlying the repurchase agreements must be valued at 102 percent or greater. The Pool’s Investment Policy reflects this requirement. As of June 30, 2013, the County had no outstanding repurchase agreements.

Treasury Pool Income and Participant Withdrawals Treasury Pool investments are accounted for in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires governmental entities to report certain investments at fair market value in the balance sheet and the statement of net position and recognize the corresponding change in value of investments in the year in which the change occurred. The value of the participant’s shares in the pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair market value of the participant’s position in the Pool. The fair market value fluctuates with interest rates, and increasing rates could cause the value to decline below original cost; however, County management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the County from having to sell investments below original cost for that purpose.

For the year ended June 30, 2013, the Treasury Pool investment income was comprised of the following:

Investment Income	Amount
Interest and Dividends	\$ 9,818
Net (Decrease) in the Fair Value	(6,603)
Less: Investment Expenses	(1,492)
Total Treasury Pool Income	<u>\$ 1,723</u>

The net decrease in the fair market value of investments during fiscal year 2012-2013 was \$6,603. This amount takes into account all changes in fair value (including sales resulting in a net gain of \$2,975) that occurred during the year. The net fair value adjustment on investments held as of June 30, 2013 was a decrease of \$9,578.

COUNTY OF TULARE
Notes to the Financial Statements
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Summary of Cash and Investments Balances Following is a reconciliation of the County's cash and investment balances to the balance sheets/statements of net position for the Governmental, Enterprise, Internal Service, Fiduciary Funds, and the discretely presented component unit as of June 30, 2013:

	Governmental Funds	Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total	Component Unit - First 5 Tulare County
Cash in Banks	\$ 87	\$ 254	\$ -	\$ 3,786	4,127	\$ 133
Investment in Treasury Pool	281,918	7,608	48,030	580,953	918,509	8,333
Restricted Investments in Pool	5,000	44,935	-	-	49,935	-
Investments	8,860	-	-	-	8,860	-
Restricted Investments	55,031	-	-	-	55,031	-
Imprest Cash	99	3	500	-	602	-
Deposits with Others	-	-	-	118	118	4
Cash on Hand	1	39	-	-	40	-
Cash Overdraft	(327)	-	-	-	(327)	-
	<u>\$ 350,669</u>	<u>\$ 52,839</u>	<u>\$ 48,530</u>	<u>\$ 584,857</u>	<u>\$ 1,036,895</u>	<u>\$ 8,470</u>

Summary of total cash investments is as follows:

	Investment in Treasury Pool	Other	Total
Cash and Bank Deposits	\$ 126,458	\$ 5,024	\$ 131,482
Cash in Transit	(73)	-	(73)
Interest Receivable	3,283	57	3,340
Investments	847,040	63,834	910,874
Due to Pool Participants	(258)	-	(258)
Total	<u>\$ 976,450</u>	<u>\$ 68,915</u>	<u>\$ 1,045,365</u>

The following represents a condensed statement of net position and changes in net position for the Treasury Pool as of June 30, 2013:

<u>Statement of Net Position</u>	
Net position held in trust for all pool participants	<u>\$ 976,450</u>
Equity of internal pool participants	\$ 355,010
Equity of external pool participants	621,440
Total Equity	<u>\$ 976,450</u>
<u>Statement of Changes in Net Position</u>	
Net position as of July 1	\$ 915,994
Net Additions/Withdrawals by Pool Participants	57,241
Net (Increase) in the Investment Fair Value:	
Realized Gains/Losses from Sales	2,975
Market Value Gain on Investments Held at Year-end	(9,578)
Interest and Dividends Earned	9,818
Net Position as of June 30,	<u>\$ 976,450</u>

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

B. RECEIVABLES

Receivables as of the fiscal year-end for the County's individual major funds and for nonmajor and Internal Service funds (ISF) are as follows:

	General	TCPFA	Solid Waste	Nonmajor Governmental	ISF	Nonmajor Enterprise	Total
Receivables:							
Accounts	\$ 1,983	\$ 25	\$ 1,074	\$ 22,201	\$ 127	\$ 794	\$ 26,204
Property taxes	3,704	-	-	-	-	-	3,704
Lease payments	-	-	-	479	-	-	479
Notes	-	-	-	21,537	-	-	21,537
Due from other governments	37,947	-	-	2,316	-	57	40,320
Total Receivables	<u>\$ 43,634</u>	<u>\$ 25</u>	<u>\$ 1,074</u>	<u>\$ 46,533</u>	<u>\$ 127</u>	<u>\$ 851</u>	<u>\$ 92,244</u>

C. RESTRICTED ASSETS

Restricted assets in the governmental funds include \$55,031 in the Tulare County Public Financing Authority for future debt service and \$5,000 in a capital projects fund for the future cleanup of toxic ground at the Harmon Field airstrip. Restricted assets in the business-type funds include \$44,935 in the Solid Waste fund for future closure/post closure expenses for disposal sites and landfill groundwater contingencies.

D. DEFERRED REVENUE

Deferred revenue consists of two categories of revenue including 1) resources received before their use is permitted (unearned) or 2) amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met, in that the amounts are measurable, but not available within the current period or soon enough thereafter to pay liabilities of the current period (unavailable).

	Unearned	Unavailable
General Fund	\$ 45,369	\$ 11,044
Nonmajor Governmental Funds	22,519	3,096
Proprietary Funds	2	-
Total Unavailable/Unearned Revenue	<u>\$ 67,890</u>	<u>\$ 14,140</u>

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Notes to the Financial Statements
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E. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013, was as follows:

<u>Capital Assets - Primary Government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Current Period Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
<i>Capital assets, not being depreciated:</i>					
Land	\$ 910,114	\$ 2,313	\$ (966)	\$ (11)	\$ 911,450
Construction in Progress	454	740	(237)	(213)	744
Infrastructure in Progress	104,193	35,041	-	2	139,236
Total capital assets, not being depreciated	<u>1,014,761</u>	<u>38,094</u>	<u>(1,203)</u>	<u>(222)</u>	<u>1,051,430</u>
<i>Capital assets, being depreciated:</i>					
Infrastructure	657,165	2,631	(605)	185	659,376
Buildings and Improvements	206,515	237	-	-	206,752
Equipment /Vehicles	74,400	5,636	(3,302)	12	76,746
Total capital assets being depreciated	<u>938,080</u>	<u>8,504</u>	<u>(3,907)</u>	<u>197</u>	<u>942,874</u>
<i>Less accumulated depreciation for:</i>					
Infrastructure	(241,905)	(13,258)	70	(12)	(255,105)
Buildings and Improvements	(69,553)	(4,139)	-	6	(73,686)
Equipment /Vehicles	(50,621)	(7,527)	4,426	(1,848)	(55,570)
Total accumulated depreciation	<u>(362,079)</u>	<u>(24,924)</u>	<u>4,496</u>	<u>(1,854)</u>	<u>(384,361)</u>
Total capital assets, being depreciated, net	<u>576,001</u>	<u>(16,420)</u>	<u>589</u>	<u>(1,657)</u>	<u>558,513</u>
Governmental activities capital assets, net:	<u>\$ 1,590,762</u>	<u>\$ 21,674</u>	<u>\$ (614)</u>	<u>\$ (1,879)</u>	<u>\$ 1,609,943</u>
Business-type activities:					
<i>Capital assets, not being depreciated:</i>					
Land	\$ 6,728	\$ -	\$ -	\$ (2)	\$ 6,726
Construction in Progress	4,154	-	(4,154)	-	-
Total capital assets, not being depreciated	<u>10,882</u>	<u>-</u>	<u>(4,154)</u>	<u>(2)</u>	<u>6,726</u>
<i>Capital assets, being depreciated:</i>					
Buildings and Improvements	27,346	4,154	-	1	31,501
Equipment /Vehicles	14,757	258	(387)	3	14,631
Total capital assets being depreciated	<u>42,103</u>	<u>4,412</u>	<u>(387)</u>	<u>4</u>	<u>46,132</u>
<i>Less accumulated depreciation for:</i>					
Buildings and Improvements	(12,761)	(1,585)	-	(2)	(14,348)
Equipment /Vehicles	(9,107)	(1,078)	387	(2)	(9,800)
Total accumulated depreciation	<u>(21,868)</u>	<u>(2,663)</u>	<u>387</u>	<u>(4)</u>	<u>(24,148)</u>
Total capital assets, being depreciated, net	<u>20,235</u>	<u>1,749</u>	<u>-</u>	<u>-</u>	<u>21,984</u>
Business-type activities capital assets, net:	<u>\$ 31,117</u>	<u>\$ 1,749</u>	<u>\$ (4,154)</u>	<u>\$ (2)</u>	<u>\$ 28,710</u>

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,265
Public protection	4,785
Public ways and facilities	14,482
Health and sanitation	2,241
Public assistance	1,079
Education	249
Culture and recreation	312
Unallocated depreciation expense	511
Total depreciation expense - governmental activities	<u>\$ 24,924</u>
Business-type activities:	
Solid Waste	\$ 2,019
Nonmajor enterprise funds	644
Total depreciation expense - business-type activities	<u>\$ 2,663</u>

The County has active construction and other projects as of June 30, 2013, including the new Orosi Sheriff's Substation, remodeling of the Downtown Annex, landfill site improvements, construction of the Ivanhoe Community Center, rehabilitation of the airport, improvements to Fire Station #1, and various infrastructure projects.

At fiscal year-end, the County's commitments with contractors are as follows:

	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Governmental Funds		
Fire Station #1	\$ 221	\$ -
HHSa Porterville MHSA Facility	20	531
Emergency Generators	46	2,355
South County Detention Facility	380	3,620
Farm Labor & Ag Museum 2nd Floor Buildout	7	81
Alta Vista Book Dispensary	34	31
Strathmore Library Remodel	6	219
BWDF Boiler Replacement Project	30	595
Roads:		
Environmental review of existing roads	43,539	-
Turnouts	205	-
Shoulder Stabilization	660	-
Other Improvements	80,065	-
Repair or Replace bridge	14,767	-
Total Governmental Funds	<u>139,980</u>	<u>7,432</u>
Total Construction in Progress	<u>\$ 139,980</u>	<u>\$ 7,432</u>

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

F. INTERFUND RECEIVABLES AND PAYABLES

Advances to / from other County funds

Advances to / from other funds are representative of noncurrent lending / borrowing arrangements outstanding at the end of the fiscal year. Amounts due from Agency funds to governmental funds will not be returned to the County until such time as the program is discontinued or concluded. Amounts due to Agency funds by nonmajor Community Service Area (CSA) enterprise funds will be paid off by small assessments to utility users over the life of the water / sewer systems.

The composition of advances to / from other funds balances as of June 30, 2013, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental IHSSPA	\$ 450
	Nonmajor Enterprise	825
	Sub-total	<u>1,275</u>
Internal Service Fund	General	1,544
	Total	<u><u>\$ 2,819</u></u>

Due to / from other County funds

Due to / from other County funds represents current outstanding balances between funds at the end of the fiscal reporting period. The County's computerized general ledger only allows for the transfer of cash between funds until mid-July following the end of the fiscal year. Therefore, the recording of interfund activity which occurred during the fiscal year, but which is entered into the system after mid-July, results in an interfund payable / receivable.

The composition of due to / from other County fund balances as of June 30, 2013, is as follows:

<u>Due To / From Other Funds</u>		
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 655
	Internal Service	43
	Solid Waste	8
	Sub-total	<u>706</u>
Nonmajor Governmental	General	125
	Sub-total	<u>125</u>
Solid Waste	Nonmajor Governmental	274
	Nonmajor Enterprise	24
	Sub-total	<u>298</u>
	Total	<u><u>\$ 1,129</u></u>

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

G. TRANSFERS

Transfers to / from other County funds for the fiscal year ended June 30, 2013, consist of transfers for normal operations, including the accumulation of debt service payments, and support of other funds resources.

The schedule of transfers to / from other County funds for the fiscal year ended June 30, 2013, is as follows:

Transfers From:	Transfers To:						
	General	TCPFC	TCPFA	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	Total Transfers
General	\$ -	\$ -	\$ -	\$ 28,387	\$ 3	\$ 2,300	\$ 30,690
TCPFA	-	-	-	3,000	-	-	3,000
Nonmajor Governmental	61,773	4,992	5,923	180	-	-	72,868
Solid Waste	380	-	-	1	-	-	381
Internal Service	-	-	-	160	-	-	160
Total transfers	\$ 62,153	\$ 4,992	\$ 5,923	\$ 31,728	\$ 3	\$ 2,300	\$ 107,099

H. ARBITRAGE

The Tax Reform Act of 1986 instituted certain arbitrage regulations and restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage rebate requirements stipulate, in general, that the excess of earnings from the investment of tax-exempt bond proceeds over related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The County has evaluated each outstanding debt obligation that is subject to the arbitrage rebate requirements and deferred interest income for future payment on two of the County's Bond issues.

I. LEASES

Operating Leases (County as Lessor) The County has entered into long-term operating lease agreements leasing land and buildings to others. Leased assets represent a cost of \$2,007 with \$1,600 of accumulated depreciation for a net carrying amount of \$407. The revenues realized for the fiscal year ended June 30, 2013, were \$1,533. The minimum future rentals for noncancellable operating leases are as follows:

Future Rentals	
Year Ending June 30,	Amount
2014	\$ 567
2015	347
2016	343
2017	338
2018	336
2019-2022	838
Total	\$ 2,769

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

Operating Leases (County as Lessee) The County has commitments under long-term operating lease agreements for facilities used in operations. These lease agreements provide for cancellation in the event the board of the respective entity does not appropriate funding in subsequent fiscal years. The expenses for the fiscal year ended June 30, 2013, were \$7,242. The future minimum lease payments for these leases are as follows:

Operating Leases	
Year Ending June 30,	Amount
2014	\$ 5,946
2015	4,913
2016	2,715
2017	722
2018	374
2019-2023	664
2024-2028	12
Total	\$ 15,346

In addition to real property leases, the County has also entered into long-term leases for personal property, the majority of which is leased by Roads, Solid Waste, the District Attorney’s Office, and the General Services division of the Resource Management Agency. Most of these leases also provide for cancellation in the event that the Board does not appropriate funding, and are subject to annual adjustments based upon negotiations. Total rent and lease expense for these operating leases for the fiscal year ended June 30, 2013, was approximately \$155.

Direct Financing Lease The County has entered into a lease agreement as lessor for the lease purchase of the Dinuba Courthouse / Police Station by the City of Dinuba in March 1997. This lease agreement qualifies as a direct financing lease for accounting purposes and, therefore, has been recorded as lease payments receivable with no allowance for uncollectible payments and net of interest. The net investment in this direct financing lease as of June 30, 2013, is \$479. Minimum lease payments receivable for each of the three succeeding fiscal years are as follows:

Direct Financing Lease Receivable		
Year Ending June 30,	Principal	Interest
2014	\$ 183	\$ 26
2015	194	15
2016	102	3
Total	\$ 479	\$ 44

J. SHORT-TERM DEBT

Tax and Revenue Anticipation Notes This fiscal year the County issued Tax and Revenue Anticipation Notes (TRANs) to provide financing of seasonal cash flow requirements for the General Fund's current year expenditures and to discharge its obligations and indebtedness during this period. The principal of the notes and the interest thereon will be paid from pledged property taxes and revenues the County expects to receive during the fiscal year.

Short-term debt activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Tax and Revenue Anticipation Notes	\$ 45,562	\$ 53,933	\$ (45,562)	\$ 53,933

K. LONG-TERM DEBT

Certificates of Participation The Tulare County Public Facilities Corporation issues Certificates of Participation (COPs) to provide funds for the acquisition, construction, and repair and maintenance of major capital facilities. COPs have been issued for both governmental and proprietary activities. These COPs are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, COPs have been issued to refund earlier certificates with higher interest rates.

COUNTY OF TULARE
Notes to the Financial Statements
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COPs are obligations of the County's component units. However, the County is indirectly obligated under lease agreements it has signed with its component units. The County's obligation is limited to including in its annual budget, lease payments called for in the lease agreements. These COPs generally are issued as 20 to 40-year certificates with increasing amounts of principal maturing each year.

Certificates of Participation currently outstanding are as follows:

Outstanding Certificate of Participation			
Date Issued	Purpose of Debt	Interest Rates	Amount
October 8, 1998	Governmental activities - Refunding	3.35% - 5.00%	\$ 16,350
September 2, 1993	Business-type activities	5.00%	435
February 23, 1994	Business-type activities	5.00%	63
August 16, 1994	Business-type activities	4.50%	46
September 14, 1994	Business-type activities	4.50%	37
May 28, 1996	Business-type activities	4.50%	765
		Subtotal	1,346
		Total	\$ 17,696

Annual debt service requirements to maturity for COPs are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2014	\$ 4,825	\$ 697	\$ 36	\$ 64
2015	5,065	450	37	62
2016	6,460	162	37	60
2017	-	-	43	58
2018	-	-	45	57
2019-2023	-	-	250	249
2024-2028	-	-	307	186
2029-2033	-	-	397	107
2034-2037	-	-	194	20
Total	\$ 16,350	\$ 1,309	\$ 1,346	\$ 863

Variable Rate Demand Bonds On December 17, 1999, the Tulare County Public Financing Authority (TCPFA) issued Variable Rate Demand Bonds of \$45,000 with a variable rate not to exceed 12 percent. Each fiscal year up to \$3,000 will be transferred to the County to provide financing for the acquisition and construction of public capital assets and repair and maintenance costs related thereto. A lease agreement in which the County is leasing four existing buildings to TCPFA was used as security for the bonds. On December 1, 2006, these bonds were refunded with private placement Tobacco Settlement Asset Backed Bonds of \$42,360, which will mature on August 1, 2034.

The variable rate shall be the rate of interest per annum, determined by the Remarketing Agent, to be the lowest rate which in its judgment, on the basis of prevailing financial market conditions, is necessary as of the date such rate becomes effective to remarket the bonds in a secondary market transaction at the price equal to par, but no greater than the Maximum Rate.

These bonds are treated as a long-term liability in accordance with GAAP as the County entered into a take-out agreement before the financial statements were issued. The take-out agreement does not expire within one year of the fiscal period end. Neither the take-out agreement itself nor the obligations issued pursuant to the agreement are cancelable by the lender within one year of the fiscal period end, and the lender is expected to be financially capable of honoring the take-out agreement.

These bonds are the obligation of the County's component unit. However, the County is obligated under the leaseback agreement it has signed with its component unit. The County's obligation is limited to including in its annual budget the lease payments called for in this leaseback agreement payable from a pledge of the County's share of the Tobacco Master Settlement Agreement. These bonds were issued with a final maturity date of August 1, 2034.

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

Annual debt service requirements to maturity for the bonds are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 815	\$ 2,251
2015	915	2,197
2016	915	2,142
2017	1,010	2,082
2018	1,110	2,017
2019-2023	6,535	8,976
2024-2028	8,880	6,628
2029-2033	12,095	3,446
2034-2035	5,915	242
Total	<u>\$ 38,190</u>	<u>\$ 29,981</u>

Loans Payable In September 2002, the County borrowed \$10,920 at 4.49 percent for energy improvement projects. This loan extends to November 2017. In 2006, an additional loan of \$7,084 was taken at 3.9 percent to fund energy improvement projects. This loan extends to September 2022.

The debt payment schedule for the following fiscal years ending June 30 is as follows:

<u>Year Ending June 30,</u>	<u>Loans Payable</u>	
	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 1,264	\$ 383
2015	1,319	328
2016	1,375	271
2017	1,435	212
2018	1,497	150
2019-2023	2,442	212
Total	<u>\$ 9,332</u>	<u>\$ 1,556</u>

Prior Year Defeasance of Debt In prior years, the County defeased certain Certificates of Participation (COPs) by placing the proceeds of new COPs in an irrevocable trust to provide for all future debt service payments on the old COPs. Accordingly, the trust account assets and the liability for the defeased COPs are not included in the County's financial statements. At June 30, 2013, there are no longer any bonds outstanding considered to be defeased.

Other Payables El Rancho Sewer District, which is part of County Service Area #1, issued revenue bonds during the fiscal year ended June 30, 1988. Farmers Home Administration purchased the bonds. The proceeds of the bonds were used for a sewer construction project. The original bonds payable of \$11 have a current principal balance of \$7 and bear interest at 5 percent per annum. This matures in 2027, a 40-year period. The bonds were issued under Health & Safety Code Section 49000. The bonds will be redeemed with monies raised from service charges associated with the sewer system operation.

COUNTY OF TULARE
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The annual debt service requirements to maturity for the revenue bonds are as follows:

Year Ending June 30,	Business-type Activities	
	Principal	Interest
2014	\$ -	\$ -
2015	1	1
2016	1	1
2017	-	-
2018	-	-
2019-2023	2	1
2024-2027	3	-
Total	<u>\$ 7</u>	<u>\$ 3</u>

Changes in Long-term Liabilities Long-term liability activity for the fiscal year ended June 30, 2013, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities:</u>					
COPs payable	\$ 20,820	\$ -	\$ (4,470)	\$ 16,350	\$ 4,825
Variable rate demand bonds	39,005	-	(815)	38,190	815
Loans payable	10,544	-	(1,212)	9,332	1,264
Net OPEB obligation	7,769	3,771	(873)	10,667	-
Compensated absences	20,656	1,633	(1,574)	20,715	1,574
Liability claims payable	31,619	5,469	(7,241)	29,847	6,070
Leases payable	654	-	(654)	-	-
Accrued remediation cost	5,000	-	-	5,000	-
Total Governmental activities	<u>\$ 136,067</u>	<u>\$ 10,873</u>	<u>\$ (16,839)</u>	<u>\$ 130,101</u>	<u>\$ 14,548</u>
<u>Business-type activities:</u>					
COPs payable	\$ 1,382	\$ -	\$ (36)	\$ 1,346	\$ 36
Bonds payable	7	-	-	7	-
Closure/postclosure costs payable	38,906	1,029	-	39,935	-
Compensated absences	325	-	(77)	248	44
Total Business-type activities	<u>\$ 40,620</u>	<u>\$ 1,029</u>	<u>\$ (113)</u>	<u>\$ 41,536</u>	<u>\$ 80</u>

The liability for compensated absences has typically been liquidated using the County's governmental funds and the Solid Waste Fund. The value of accumulated vacation at June 30, 2013, was \$16,669. Of this amount, \$162 is recorded in business-type funds. The value of accumulated sick leave at June 30, 2013, was calculated using a termination payment method and is accrued at \$2,905. Of this amount, \$45 is recorded in business-type funds. The value of accumulated CTO at June 30, 2013, was \$1,389. Of this amount \$41 is recorded in business-type funds. The value of sick leave buy-backs for future years cannot be accurately estimated, but for the fiscal year ended June 30, 2013, the County paid \$0 to employees through this program.

The liabilities for claims and judgments payable include both General Liability and Workers' Compensation Liability and have been liquidated using the General Liability Insurance Internal Service Fund and the Workers' Compensation Insurance Internal Service Fund.

L. SPECIAL ASSESSMENT DEBT

The County of Tulare is not obligated in any manner for special assessment debt for the outstanding bond issues totaling \$412,618 for School Bonds, 1915 Improvement Act Bonds, and Special District General Obligation Bonds at June 30, 2013. The Tulare County Auditor-Controller acts as an agent for the property owners, and bond holders in collecting and forwarding the special assessments, with the exception of the Kaweah Delta Hospital Bond. The School Bonds totaling \$274,940 include bonds for Buena Vista, Burton, Earlimart, Exeter, Liberty, Kings River, Richgrove, Stone Corral, Sundale, Traver, and Woodlake Elementary Schools; Exeter, Strathmore, Tulare Joint Union, and Woodlake High Schools; Cutler-Orosi, Dinuba, Farmersville, Lindsay, Porterville, and Visalia Unified Schools; and College of the Sequoias Community College. The 1915 Improvement Act Bonds

COUNTY OF TULARE
Notes to the Financial Statements
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totaling \$150 include bonds for Ducor Community Service District (CSD) and Ducor CSD Supplemental. The Special Districts General Obligation Bonds totaling \$137,677 are for the Kaweah Delta Hospital Bond and the Tulare Healthcare Bond.

M. LANDFILLS

State and Federal laws and regulations require that Tulare County Solid Waste Fund place a final cover on its landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of 30 years after closure. In addition to operating expenses related to current activities of the landfill sites, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfills no longer accept waste. The recognition of these landfill closure and post closure care costs is based on the amount of the landfills used during the year. The estimated liability for landfill closure and post closure care costs has a balance of \$39,935 as of June 30, 2013, which is based on an average of 22 percent usage (filled) of all landfill sites (remaining capacity determined as of August 18, 1989). It is estimated that an additional \$35,472 will be recognized as closure and post closure care expenses between the date of the statement of net position and the date the landfills are currently expected to be filled to capacity. The estimated remaining life of landfill sites ranges from 17.5 years for Teapot Dome to 82.7 years for the Visalia site. The estimated total current cost of the landfill closure and post closure care of \$70,165 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of June 30, 2013. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

In addition, the County is required by State and Federal laws and regulations to make annual contributions to finance closure and post closure care. The County is in compliance with these requirements, and at June 30, 2013, investments of \$44,935 are part of the pooled funds held by the Tulare County Treasurer. It is anticipated that future inflation costs will be financed in part from earnings on investments held by the Treasurer. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill site users, taxpayers, or both.

Funds are set aside in accordance with the State Water Resources Control Board through the Regional Water Quality Control Board under California Code Regulations, title 27, subchapter 2, Article 4, and Sections 22220 through 22222. The funds are the financial assurance mechanism for corrective actions and are there to be used to clean up or otherwise remediate a release (e.g. plume of groundwater contamination) from the County's landfills. The California Integrated Waste Management Board (CIWMB) specifies what annual inflation rate should be applied to the amount required for corrective action along with closure and post closure maintenance at the landfills. The County is in compliance with these requirements and, at June 30, 2013, investments of \$5,000 are part of the pooled funds held by the Tulare County Treasurer.

N. REMEDIATION CONTINGENCIES

The County owns a 40 acre site used as a base for crop duster activities from 1952 to 1994. As a result of a site assessment, pesticides were identified at or near the surface. The County entered into an agreement with the State Department of Toxic Substances Control (DTSC) to perform interim remedial measures to comply with Health and Safety Code Section 25355.5 (a)(1)(c). The County has performed the following: (1) construction and maintenance of a site perimeter fence; (2) maintenance of a surface soil sealant over affected soils; (3) periodic inspections by both Tulare County and DTSC staff; (4) maintenance of a liner system over the former pond area; and (5) removal and proper closure of underground storage tanks and concrete sumps. As of June 30, 2013, the Governmental Activities reflects a \$5,000 accrued remediation liability. The liability has been calculated using the expected cash flow technique. The liability is subject to change over time. Cost may vary due to price fluctuations, changes in technology, results of environmental studies, changes to statute or regulations, and other factors that could result in revisions to these estimates. The County continues to work with DTSC staff and provides them with semiannual summary reports of the tests performed at the site. The semiannual testing will continue until the full scale remediation commences or until DTSC authorizes Tulare County in writing to discontinue or modify some or all of the interim remedial measures. The County spent \$231 for the year ended June 30, 2013, and plans to spend approximately \$250 in each subsequent year during the interim remediation phase.

COUNTY OF TULARE
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O. RESTRICTED NET POSITION

Net investment in capital assets is computed as follows:

	Governmental Activities	Business-type Activities	Total
Total capital assets, net of accumulated depreciation	\$ 1,609,943	\$ 28,710	\$ 1,638,653
Less related debt:			
COPs	(16,350)	(1,346)	(17,696)
Loans	(9,332)	-	(9,332)
Bonds	(37,375)	(7)	(37,382)
Total	<u>\$ 1,546,886</u>	<u>\$ 27,357</u>	<u>\$ 1,574,243</u>

P. CONDENSED FINANCIAL STATEMENTS

The Tulare County Public Facilities Corporation issued Certificates of Participation to finance its sewage and water projects. These water and sewer projects are accounted for in separate funds. However, investors in the Certificates of Participation rely solely on the revenue generated by the individual activities for repayment. Summary financial information for these funds is presented below:

Condensed Statement of Net Position

	Terra Bella Sewer Maintenance	CSA #1	CSA #2
Assets:			
Current assets	\$ 898	\$ 709	\$ 126
Capital assets	1,067	3,359	329
Total assets	<u>1,965</u>	<u>4,068</u>	<u>455</u>
Liabilities:			
Current liabilities	26	68	9
Noncurrent liabilities	745	1,320	77
Total liabilities	<u>771</u>	<u>1,388</u>	<u>86</u>
Net Position:			
Net investment in capital assets	302	2,809	291
Restricted	-	-	16
Unrestricted (deficit)	892	(129)	62
Total net position	<u>\$ 1,194</u>	<u>\$ 2,680</u>	<u>\$ 369</u>

COUNTY OF TULARE
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Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Terra Bella Sewer		
	Maintenance	CSA #1	CSA #2
Water and sewer charges	\$ 143	\$ 510	\$ 66
Other operating revenues	2	3	-
Depreciation expense	(53)	(170)	(15)
Other operating expenses	(113)	(439)	(88)
Operating income (loss)	<u>(21)</u>	<u>(96)</u>	<u>(37)</u>
Nonoperating revenues (expenses):			
Investment earnings	60	4	1
Special assessments	29	-	-
Interest expense	(90)	(22)	(2)
Change in net position	<u>(22)</u>	<u>(114)</u>	<u>(38)</u>
Beginning net position	<u>1,216</u>	<u>2,794</u>	<u>407</u>
Ending net position	<u>\$ 1,194</u>	<u>\$ 2,680</u>	<u>\$ 369</u>

Condensed Statement of Cash Flows

	Terra Bella Sewer		
	Maintenance	CSA #1	CSA #2
Net cash provided (used) by:			
Operating activities	\$ 27	\$ 135	\$ (27)
Noncapital financing activities	29	20	25
Capital and related financing activities	(55)	(34)	(2)
Investing activities	5	4	1
Net increase (decrease)	<u>6</u>	<u>125</u>	<u>(3)</u>
Beginning cash and cash equivalents	<u>838</u>	<u>391</u>	<u>114</u>
Ending cash and cash equivalents	<u>\$ 844</u>	<u>\$ 516</u>	<u>\$ 111</u>

The County maintains three nonmajor enterprise funds that account for the maintenance and operations of a sewer system (Terra Bella Sewer Maintenance District) and clean and safe water systems (County Service Areas #1 & #2).

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Q. FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1. for a description of these categories). A detailed schedule of fund balance at June 30, 2013, is as follows:

	<u>Major Special Revenue Funds</u>			Nonmajor Funds	Total
	<u>General Fund</u>	<u>TCPFC Fund</u>	<u>TCPFA Fund</u>		
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 619	\$ 619
Prepaid items	3,244	-	-	406	3,650
Nonspendable subtotal	<u>3,244</u>	<u>-</u>	<u>-</u>	<u>1,025</u>	<u>4,269</u>
Restricted for:					
Alcohol and drug programs	2,918	-	-	-	2,918
Child support services	-	-	-	2,717	2,717
County clerk	7,607	-	-	-	7,607
Debt service	-	5,820	54,622	5,640	66,082
Education programs	-	-	-	1,422	1,422
Environmental programs	960	-	-	-	960
Fire department programs	-	-	-	1,858	1,858
Health care programs	896	-	-	19,312	20,208
Law enforcement	5,631	-	-	-	5,631
Mental health care programs	8,068	-	-	-	8,068
Notes receivable	-	-	-	21,537	21,537
Other purposes	2,155	-	-	1,340	3,495
Parks and recreation programs	-	-	-	12	12
Proposition 69	628	-	-	-	628
Public ways and facilities programs	-	-	-	18,264	18,264
Remediation of Harmon field	-	-	-	5,000	5,000
Restricted subtotal	<u>28,863</u>	<u>5,820</u>	<u>54,622</u>	<u>77,102</u>	<u>166,407</u>
Committed to:					
Advances to others	1,275	-	-	-	1,275
Dairy	103	-	-	-	103
Law enforcement	28	-	-	-	28
Health care programs	17	-	-	-	17
Goshen transportation plan	60	-	-	-	60
District Attorney programs	101	-	-	-	101
Federal legislative services	84	-	-	-	84
South County detention facility	-	-	-	4,000	4,000
Government Plaza generators	-	-	-	2,000	2,000
Committed to subtotal	<u>1,668</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>7,668</u>
Assigned to:					
Imprest cash	-	-	-	1	1
Other capital projects	-	-	3,500	11,008	14,508
Other purposes	-	-	-	6,574	6,574
Assigned subtotal	<u>-</u>	<u>-</u>	<u>3,500</u>	<u>17,583</u>	<u>21,083</u>
Unassigned:					
	62,710	-	-	(19,542)	43,168
Total fund balances	<u>\$ 96,485</u>	<u>\$ 5,820</u>	<u>\$ 58,122</u>	<u>\$ 82,168</u>	<u>\$ 242,595</u>

V. Other Information

A. RISK MANAGEMENT

The County is exposed to tort claims arising out of various types of loss such as automobile losses, operations losses, professional errors and omissions. The County is exposed to property loss and destruction of assets from theft, natural disasters, and other hazards. The County is also exposed to workers' compensation claims and liability arising out of job related injuries to County employees. The County uses a combination of self-insurance, commercial excess insurance, and pooled retentions with other

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counties to provide protection from loss. Premiums are collected from County agencies and deposited into the Internal Service Funds for Workers' Compensation and Liability to pay claims, build reserves, pay insurance premiums, and pay the administrative costs associated with risk management and claim administration.

The Risk Management Division self-administers the County's liability claim program. Losses and incidents of potential loss are reported to Risk Management. If appropriate after initial evaluation, a claim is established that includes a reasonable estimate of the ultimate cost of the claim to the County. The County has and continues to utilize a \$250 self-insured retention (SIR) for its Liability Insurance Program since 2003. The County purchases Excess Insurance above the SIR to cover general liability, auto liability and error and omissions claims. Total liability coverage limits for the fiscal year 2012-2013 were \$35 million. Property coverage is fully insured with a \$10 deductible applying to real property and contents. Insurance coverage for automobiles, aviation, water craft and medical malpractice claims pays for all claim and expense costs, with deductibles that apply as follows: automobiles \$15, aviation \$1, water craft \$5, and medical malpractice \$10. The Crime Bond deductible is \$25 and the Boiler and Machinery deductible is \$10 with coverage under the basic Property Program coverage.

Liability costs/settlements have occasionally exceeded the self-insured retention. For fiscal year 2012-2013, no payments were made that exceeded the self-insured retention.

The County of Tulare is a member of the California State Association of Counties Excess Insurance Authority (CSAC EIA), a California Joint Powers Authority. The purpose of CSAC EIA is to develop and fund insurance programs for California counties, cities, and other public agencies. CSAC EIA was formed in October 1979 and has operated without interruption since that time.

In 2001, the California Public Entities Insurance Authority was formed to allow other California public entities access to CSAC EIA's programs and services. In 2006, the Joint Powers Agreement was amended to allow public entities to join CSAC EIA directly. Through the restructure, two categories of membership were established: counties and public entities. CSAC EIA's Board of Directors consists of one representative from each of the 54 county members and seven elected representatives from the other public entities. County and public entity members serve together on the Executive and other committees that support CSAC EIA. CSAC EIA issues its own audited Comprehensive Annual Financial Report which can be obtained from them at 75 Iron Point Circle, Suite 200, Folsom, CA 95630.

CSAC EIA operates public entity risk pools for Workers' Compensation, Comprehensive Liability, Property, and Medical Malpractice. CSAC EIA also purchases primary and excess insurance, actuarial services, and claims audits; and provides loss prevention and other services and subsidies for its members.

<u>Excess Insurance Program</u>	<u>Self-Insured Retention</u>	<u>Coverage Limits</u>
Excess Workers' Compensation	\$ 125	Statutory
General Liability Programs I & II	250	25,000
Optional Excess General Liability	25,000	25,000
Property	10	600,000
Medical Malpractice	\$ 10	\$ 21,500

Liability reserves include an amount for estimated claims payable, including expenses and an accrual for claims incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and the amount of payouts as well as economic and social factors affecting claim values. The liability for claims and judgments is reported in the insurance internal service funds.

The County returned to a Self-Insured Workers' Compensation Program on July 1, 2005. AIG provided a fully insured Workers' Compensation policy for the previous six years. The Workers' Compensation Program utilizes a \$125 SIR and includes statutory coverage limits. The Workers' Compensation fund covers the cost of the Safety Officer, Safety and Claim Officer and safety programs. The Risk Management Division self-administers the Safety Program for the County.

Effective April 2012, the County entered into a workers' compensation administration service agreement with third party claim administrator CorVel Corporation. CorVel Corporation staff administers claims and payments are made from a \$500 revolving fund, which is reconciled at least monthly by the County.

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Changes in the balances of claims liabilities during the last two fiscal years are as follows:

	<u>Workers'</u> <u>Compensation</u>	<u>General and</u> <u>Property Damage</u>
Liability - June 30, 2011	\$ 25,612	\$ 6,323
Claims incurred	5,857	(2,273)
Claims payments	<u>(3,578)</u>	<u>(322)</u>
Liability - June 30, 2012	27,891	3,728
Claims incurred	1,583	3,224
Claims payments	<u>(3,504)</u>	<u>(3,075)</u>
Liability - June 30, 2013	<u>\$ 25,970</u>	<u>\$ 3,877</u>

B. JOINT VENTURES

A joint venture is defined by Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as “a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain either (a) an ongoing financial interest, or (b) an ongoing financial responsibility.” Aside from the County’s membership in the California State Association of Counties (CSAC) as described in Note 5A, the County also participates in other joint ventures as follows:

California Statewide Communities Development Authority (CSCDA) The CSCDA is a California Joint Exercise of Powers Authority, organized and existing under the California Government Code Section 6500 and following, and is sponsored by the League of California Cities and the California State Association of Counties. The CSCDA is comprised of nearly 500 California cities, counties, and special districts, including the County of Tulare. The CSCDA is authorized to assist in the financing of 501(c) (3) nonprofit projects; however, the CSCDA may only issue debt with the approval of the governing body of the jurisdiction in which the project is located. There are no financial obligations placed on the County for project financing costs or debt repayment.

Central Valley Immunization Information System (CVIIS) On January 1, 2001, the Counties of Fresno, Kern, Kings, Madera, Mono, and Tulare entered into a Joint Exercise of Powers Agreement by which they created and established CVIIS as a separate public agency. CVIIS was created to provide a client-oriented, automated immunization system so that residents of member counties will have access to and receive age appropriate immunizations pursuant to Health and Safety Code Section 120440 (b) (1)1. The County acts as its own fiscal agent with respect to funds provided to it directly from the State. The County’s financial interest is based upon joint ownership of money and property owned by CVIIS.

Consolidated Waste Management Authority (CWMA) On December 14, 1999, the Cities of Visalia, Porterville, Lindsay, Dinuba, and Tulare entered into a Joint Powers Agreement by which was created and established the CWMA as an independent public agency to comprehensively plan, develop, operate, and manage the transformation, recycling, processing and disposal of solid waste within the members’ jurisdictions per Assembly Bill (AB) 939. In November 2002, the Cities of Exeter and Farmersville were added as members of the CWMA. In April 2006, the County was added as a member. Aside from annual membership dues, the County has no financial responsibilities. Independently audited financial statements can be obtained from Consolidated Waste Management Authority, 707 W. Acequia, Visalia, California 93291.

Goshen Public Financing Authority (GPFA) On September 17, 1996, the Tulare County Redevelopment Agency (a blended component unit of the County) and the Goshen Community Services District formed the legally-separate GPFA as a result of a Joint Powers Agreement. The County has pledged \$53 each year for 40 years against United States Department of Agriculture (USDA) bonds secured by GPFA for a sewer project in Goshen. Tulare County Successor Agency was formed because of the Redevelopment Agency (RDA) dissolution, the pledge has transferred over to the Successor Agency as detailed in Note 5.

Kings/Tulare Area Agency on Aging (KTAAA) KTAAA was established in 1980 as a result of a Joint Powers Agreement between Kings and Tulare Counties for the purpose of spending Older Americans Act and Older Californians Act monies in support of seniors. The County is responsible for a minimum of 79 percent of the required administrative match each year, but all resources would revert to the California Department of Aging. Independently audited financial statements can be obtained from the County Health and Human Services Agency, 5957 South Mooney Boulevard, Visalia, California 93277.

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Lake Kaweah Enlargement Project The Lake Kaweah Enlargement Project was established in 1999 as a result of a Joint Powers Agreement between the Kaweah Delta Water Conservation District and the County for the purpose of constructing a spillway at Lake Kaweah in order to provide greater flood protection. The County is responsible for 12 percent of non-Federally-supported costs of the project and retains a 12 percent interest in the completed project. Independently audited financial statements can be obtained from the Kaweah Delta Water Conservation District, 2975 Farmersville Boulevard, Farmersville, California 93292.

San Joaquin Valley Library System The entity was established in 1970 as a result of a Joint Powers Agreement among library jurisdictions in the San Joaquin Valley for the purpose of reducing the costs of operations and improving services to the public. The County is responsible for staffing and minor purchases in support of the system. The County's financial interest is based upon its percentage of contributions to the system. Independently audited financial statements can be obtained from the Fresno County Library, 2420 Mariposa Street, Fresno, California 93721.

San Joaquin Valley Power Authority (SJVPA) The entity was established on November 15, 2006, by the Board that adopted subsection (s) to Section 105 of the Tulare County Ordinance Code which approved the Joint Powers Agreement to join the SJVPA. The other members of SJVPA are: the Cities of Clovis, Corcoran, Dinuba, Fresno, Hanford, Kerman, Kingsburg, Lemoore, Parlier, Reedley, Sanger, Selma, and Kings County. The SJVPA will set electrical generation rates for customers within its service area and will purchase power from the Kings River Conservation District and seek to offer a 5 percent reduction in generation charges to its customers. The total cost incurred by the County to date is \$27,655. There is no ongoing cost for membership in the SJVPA. Independently audited financial statements can be obtained from the Kings River Conservation District, 4886 East Jensen Avenue, Fresno, California 93725.

Tulare County Association of Governments (TCAG) TCAG was established in 1971 as a result of a Joint Powers Agreement among incorporated Cities and the County for the purpose of providing a forum for the coordination of transportation and air quality maintenance programs. The County is responsible for staffing and for a pro rata share of operating costs. Independently audited financial statements can be obtained from the County Resource Management Agency, 5961 South Mooney Boulevard, Visalia, California 93277.

Tulare County Service Authority for the Abatement of Abandoned Vehicles The Tulare County Service Authority for the Abatement of Abandoned Vehicles was established in 1991 as a result of a Joint Powers Agreement among incorporated Cities and the County for the purpose of removing and disposing of abandoned vehicles deemed to be public nuisances. The County is responsible for the collection and disbursement of authorized funds and meeting State reporting requirements for which the County receives 1 percent of the annual funds collected. The authority has no resources other than cash, which is distributed immediately upon receipt. Independently audited financial statements can be obtained from the State of California Controller's Office, P.O. Box 942850, Sacramento, CA 94250.

Tule River Improvement Project The Tule River Improvement Project was established in 1998 as a result of a Joint Powers Agreement between the Lower Tule River Irrigation District and the County for the purpose of acquiring and maintaining entrance facilities and channels in order to provide flood control and water conservation. The project's support costs are shared equally among participants with specific project costs shared according to separate agreements per project. The County's interest in the project is calculated based on contributions to individual projects. Independently audited financial statements can be obtained from the Lower Tule River Irrigation District, 357 East Olive Avenue, Tipton, California 93272.

San Joaquin Valley Insurance Authority (SJVIA) On September 29, 2009, the Counties of Tulare and Fresno entered into a Joint Exercise of Powers Agreement by which they created the SJVIA as a separate public agency charged with the responsibility of providing health and medical benefits for over 10,000 Fresno and Tulare County employees. Independently audited financial statements can be obtained from the Fresno County Auditor-Controller at 2281 Tulare Street #105, Fresno, CA 93721-2134.

Upper Kings Basin Integrated Regional Water Management Authority (UKBIRWMA) On May 18, 2010, the County of Tulare became a full voting member of the UKBIRWMA at a cost of \$5 per year. The purpose of the UKBIRWMA is to engage in the management of water resources under the Integrated Regional Water Management Planning Act of 2002. The UKBIRWMA has brought in over \$11,000 of funding to the region for planning and expanding local groundwater projects.

California Rural Home Mortgage Finance Authority (CRHMFA) On January 27, 2009, the County of Tulare became an associate member of the CRHMFA in order to meet the demand from mortgage consultants expressing interest in utilizing

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National Homebuyer Fund (NHF) loan programs. There are no annual membership dues, so the County has no financial responsibilities with respect to this organization.

C. CONTINGENT LIABILITIES

The County is a defendant in various lawsuits although the outcome of these lawsuits is not presently determinable, in the opinion of the County Counsel (other than the claims included in Note 5. Other Information, sub-section A. Risk Management), resolution of these matters would not have a material adverse effect on the financial condition of the County.

In the opinion of the County Counsel, a large majority of tax assessment appeals will be withdrawn by the applicants or settled by a stipulation of value and the County's Tax Assessor will prevail in the majority of appeals.

Program Compliance Requirements The County participates in a number of Federal and State assisted grant programs, principal of which are the Family Support Payments, Child Support Enforcement, Community Development Block Grants, Workforce Investment Act, Justice Subvention programs, and Local Public Works programs. These programs are subject to program compliance audits by the grantors and audits conducted under the Single Audit Act Amendments of 1996. The amount, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time, although the County expects amounts, if any, to be immaterial.

Termination Fee Presently, the County is not engaged in any contracts containing contingent liability for an early termination.

Tulare County Redevelopment Successor Agency In accordance with Assembly Bill (AB) 1X 26 and AB 1434, all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entities as of February 1, 2012. It is reasonably possible that the State Department of Finance could invalidate any of the obligations reported on the Successor Agency's Recognized Obligations Payment Schedule. The range of potential loss of revenue to pay these obligations is between \$0 and \$5,694 over the remaining life of the Successor Agency (23 years).

D. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available for distribution until termination, retirement, death, or unforeseeable emergency.

The assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Since an outside party in accordance with Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, administers the plan assets, these assets are not included in the financial statements of the County.

E. EMPLOYEE RETIREMENT SYSTEM

Plan Description The Tulare County Employees' Retirement Association (TCERA) was established July 1, 1945 under the provisions of the County Employees Retirement Act of 1937 (Government Code sections 31450 et seq.). TCERA operates as a cost-sharing multiple-employer defined benefit plan with special funding circumstances and provides retirement, disability, and death benefits for qualified employees of Tulare County, the Tulare County Courts, and the Strathmore Public Utility District. TCERA was integrated with Social Security in 1956. TCERA is administered by a nine-member Board of Retirement. TCERA issues a separate Comprehensive Annual Financial Report. Copies of the annual financial report may be obtained from TCERA, 136 N. Akers Street, Visalia, CA 93291, or from TCERA's website at www.tcera.org.

Funding Policy Active plan members in TCERA are required to contribute a percentage of their annual covered salary based upon age at entry into the plan and plan Tier. Currently, General Tier I members contribute between 3.84 percent and 8.18 percent of salary. General members of Tiers II and III contribute between 5.56 percent and 12.30 percent of covered salary. Safety Tier I members contribute between 6.09 percent and 8.98 percent of salary. Safety Tier II and III members contribute 8.77 percent and 13.51 percent of covered salary. Due to a collective bargaining agreement, the County has a legal obligation to contribute 50 percent of the contributions required for active Tier I plan members. The rates reflected above for Tier I members do not reflect the County "pickup." The required employer aggregate contribution rate for all Tier I, II and III members combined in fiscal year 2012-2013 was 10.60 percent for General employees and 18.85 percent for Safety employees of total payroll. Effective January 1, 2013, the Tulare County Board of Supervisors established a new Tier IV for plan members impacted by the provisions of the

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California Public Employee's Pension Reform Act (PEPRA). Tier IV General Members contribute between 2.23 percent and 9.06 percent of covered salary to the pension plan. Safety members contribute between 3.99 percent and 12.95 percent of salary. County employer rates for Tier IV are equal to 6.09 percent for General employees and 8.69 percent for Safety employees.

Annual Pension Cost (APC) For fiscal year 2012-2013, the County's annual pension cost for TCERA was \$25,310 and the County actually contributed \$28,089. The projected contribution for fiscal year was determined as part of the June 30, 2012, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percentage of pay as projected by the County. The actuarial assumption included (a) 7.9 percent investment rate of return (net of administrative expenses), (b) projected salary increases of 5.5 percent, and (c) life expectancy – the employee portion of the cost-of-living provisions is expressed as a percentage of the employee's contribution rates, ignoring the cost-of-living provisions. Both (a) and (b) include an inflation component of 4 percent. The actuarial value of TCERA's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a 10-year period. TCERA unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payrolls on a rolling 15-year basis.

The County's annual pension cost and pension assets for the fiscal year ended June 30, 2013, were as follows:

Annual required contribution	\$ 25,310
Interest on pension assets	764
Adjustment to the annual required contribution	<u>(397)</u>
Annual pension cost	<u>25,677</u>
Contributions made	<u>25,310</u>
Decrease in pension assets	(367)
Pension assets, July 1	<u>367</u>
Pension assets, June 30	<u><u>\$ -</u></u>

Three Year Trend Information

Year Ended June 30	Annual Pension Cost	Required Annual Contribution	Percentage Contributed	Pension Assets
2011	\$ 28,166	\$ 22,189	78.78%	\$ 7,504
2012	31,334	24,197	77.22%	367
2013	25,677	25,310	98.57%	-

As of June 30, 2013, the most recent actuarial valuation date, the funded status of the plan was as follows:

Actuarial Accrued Liability (AAL)	\$ 1,186,057
Actuarial Value of Plan Assets	<u>1,048,160</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 137,897</u></u>
Funded Ratio	88.4%
Covered Payroll	\$ 230,955
UAAL as a percentage of covered payroll	59.7%

F. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The County's postemployment benefit plan is an agent multiple-employer plan. The County allows retirees who participate in the County administered medical plan and retire directly from active service under the Tulare County Employees' Retirement Association to continue to participate in the County administered medical plan at the retirees' expense. The same premiums are charged to both active employees and retirees. Although the County does not explicitly subsidize retirees medical plan premiums, allowing retirees to participate in the same plan at the same premium rate results in an "implied subsidy." Including the "implied subsidy" on the government-wide statements is done solely for purposes of complying with accounting standards and is not an admission by the County of Tulare that the benefit is in any way a vested benefit to which any current or former employee is or will be entitled. Under Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the value of this implied subsidy must be included in the employer's Annual Required Contribution (ARC) and Actuarial Accrued Liability (AAL) to the extent that the employers pay at least that amount in active employee premiums.

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Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation as well as the historical pattern of sharing of benefit costs between the employer and 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 (if any), consistent with the long-term perspective of the calculations.

In the County's June 30, 2012, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.25 percent investment rate of return (net of investment expenses) and an annual healthcare cost trend of 8.6 percent and declines to 5.25 percent over nine years. Both rates include an inflation assumption of 3.25 percent. The Actuarial Accrued Liability (AAL) is the cumulative value of the projected benefits. The unfunded AAL is amortized as a level percent of payroll over a closed 30 year period from June 30, 2007. As of June 30, 2012 there are 25 years remaining.

Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the OPEB Plan and the ARC of the 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 for the County's Other Postemployment Benefits is presented as required supplementary information following the Notes to the Basic Financial Statements. This schedule will, in the subsequent fiscal year, present multiyear trend information that shows whether the actuarial value of OPEB Plan assets is increasing or decreasing over time relative to the AAL for benefits.

Using a 4.25 percent discount rate, the actuarial values are as follows:

As of June 30, 2012	
Actuarial Accrued Liability (AAL)	\$ 25,597
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 25,597</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 204,009
UAAL as a percentage of covered payroll	12.55%
Plan Cost for the year ended June 30, 2013	
Normal Cost (NC)	\$ 2,627
UAAL Amortization	1,195
Annual Required Contribution (ARC)	<u>\$ 3,822</u>
Projected Payroll	\$ 204,009
ARC as % Payroll	1.9%
OPEB Cost for the year ended June 30, 2013	
Annual required contribution (ARC)	\$ 3,822
Interest on net OPEB obligation	312
Adjustment to ARC	<u>(363)</u>
Annual OPEB cost (expense)	3,771
Contributions made	<u>(873)</u>
Increase in net OPEB obligation	2,898
Net OPEB obligation - beginning of year	<u>7,769</u>
Net OPEB obligation - end of year	<u>\$ 10,667</u>

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3 year OPEB Trend			
Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2011	\$ 2,121	36%	\$ 6,313
6/30/2012	2,264	36%	7,769
6/30/2013	3,771	23%	10,667

G. TRIAL COURT FUNDING

Assembly Bill 233 (“AB 233”), which was adopted by the State Legislature in 1997 and became effective January 1, 1998, transfers responsibility from the counties to the State for local trial court funding commencing in the 1997-1998 fiscal year. Under this legislation, the State assumed a greater degree of responsibility for trial court operations costs from fiscal year 1997-1998 forward.

The County will continue to be obligated to provide court facilities for all judicial officers and support positions authorized prior to July 1, 1996. This includes those judicial officers and positions, which replace those officers and positions created prior to July 1, 1996. However, AB 233 does not require that the County finance new capital facility expenditures related to judicial officers and support staff required for any judgeships authorized during the period from January 1, 1998 to June 30, 2003. The County remained obligated to fund capital expenditures with respect to capital needs of existing judicial officers and support positions located in several of its courthouse facilities until an agreement can be reached for each specific facility.

In fiscal year 2006-2007, the County began negotiations with the State of California Judicial Council for individual facilities. Per the agreements, the County would be obligated to contribute an ongoing quarterly Court Facilities Payment to the State which will be adjusted annually.

In addition, there would be a Joint Occupancy Agreement between Judicial Council and the County. The primary occupant would be determined for each facility based upon square footage occupied. The responsibilities of each occupant would be outlined in the agreements and the secondary occupant would be required to reimburse the primary occupant a predetermined percentage of such expenses as utilities and repairs. The secondary occupant would be invoiced quarterly.

As of June 30, 2009, Joint Occupancy Agreements have been signed for the Tulare Courthouse (in which the County was originally a 30 percent occupant but no longer occupies due to closure of the courthouse), the Porterville Courthouse (in which the County is a 46 percent occupant), the Visalia Courthouse (in which the County is a 68 percent occupant), the William Silveira Jr. Juvenile Justice Center (in which the County is a 87 percent occupant), and the Dinuba Courthouse (which the County does not occupy). The County is currently in discussion with the Administrative Office of the Courts regarding the disposition of the now vacant Tulare Courthouse.

H. PROPOSITION 1A BORROWING BY THE STATE OF CALIFORNIA

Under the provisions of Proposition 1A and as part of the 2009-2010 budget package passed by the California state legislature on July 28, 2009, the State of California borrowed 8 percent of the amount of property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in lieu sales tax, and supplemental property tax, apportioned to cities, counties, and special districts (excluding redevelopment agencies). The State was required to repay this borrowing plus interest by June 30, 2013. After repayment of this initial borrowing, the California legislature may consider only one additional borrowing within a ten-year period. The amount of this borrowing pertaining to Tulare County was \$8,270.

Authorized with the 2009-2010 State budget package, the Proposition 1A Securitization Program was instituted by the California Statewide Communities Development Authority (California Communities), a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, to enable local governments to sell their Proposition 1A receivables to California Communities. Under the Securitization Program, California Communities simultaneously purchased the Proposition 1A receivables and issued bonds (Prop 1A Bonds) to provide local agencies with cash proceeds in two equal installments, on January 15, 2010, and May 3, 2010. Tulare County opted to receive the two equal payments and received the entire \$8,270 prior to the year ended June 30, 2010. The purchase price paid to the local agencies equaled 100 percent of the amount of the property tax reduction. All transaction costs of issuance and interest were paid by the State of California. Participating local agencies have no obligation on the bonds and no credit exposure to the State. California Communities

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participated in the securitization program and accordingly property taxes have been recorded in the same manner as if the State had not exercised its rights under Proposition 1A. The receivable sale proceeds were equal to the book value and, as a result, no gain or loss was recorded.

The Fire and Library funds did not securitize in fiscal year 2009-2010 and instead received payment plus interest from the State in fiscal year 2012-2013. The amount Fire received in fiscal year 2012-2013 was \$581. The amount the Library received in fiscal year 2012-2013 was \$280.

I. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the County, which previously had reported a redevelopment agency blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the county or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On September 27, 2011, the County Board met and created a Successor Agency in accordance with the Bill as part of County resolution number 2011-0750.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated tax increment revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the County are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The County’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the County.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entities as of February 1, 2012.

After the date of dissolution, as allowed under Section 34176(a) of the Bill, the County elected to retain the housing assets and functions previously performed by the former Redevelopment Agency (RDA). The assets and activities for the Successor Agency Housing fund continue to be reported in the County’s governmental fund financial statements. The remaining assets, liabilities, and activities of the dissolved RDA are reported in the Successor Agency fiduciary fund (private-purpose trust fund) in the financial statements of the County.

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

Successor Agency Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

<u>Capital Assets - Primary Government</u>	<u>Beginning</u>			<u>Current Period</u>	<u>Ending</u>
	<u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Balance</u>
Private Purpose Trust activities:					
<i>Capital assets, being depreciated:</i>					
Infrastructure	\$ 2,852	\$ -	\$ -	\$ -	\$ 2,852
Equipment /Vehicles	358	-	-	157	515
Total capital assets being depreciated	<u>3,210</u>	<u>-</u>	<u>-</u>	<u>157</u>	<u>3,367</u>
<i>Less accumulated depreciation for:</i>					
Infrastructure	(95)	(95)	-	-	(190)
Equipment /Vehicles	(201)	(41)	-	(95)	(337)
Total accumulated depreciation	<u>(296)</u>	<u>(136)</u>	<u>-</u>	<u>(95)</u>	<u>(527)</u>
Private Purpose Trust activities capital assets, net:	<u>\$ 2,914</u>	<u>\$ (136)</u>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ 2,840</u>

Successor Agency: Long-term Debt In accordance with the provisions of the Bill and the court case, the obligations of the former Redevelopment Agency became vested with the funds established for the successor agency upon the date of dissolution, February 1, 2012. Tax increment revenue is pledged to fund the debts of the Successor Agency Trust subject to the reapportionment of such revenues as provided by the Bill.

The debt of the Successor Agency Trust as of June 30, 2013, is as follows:

<u>Year Ending June 30,</u>	<u>Successor Agency Trust</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 204	\$ 173
2015	211	167
2016	218	161
2017	223	155
2018	230	148
2019-2023	1,260	630
2024-2028	1,472	419
2029-2033	1,621	162
2034-2036	<u>325</u>	<u>3</u>
Total	<u>\$ 5,764</u>	<u>\$ 2,018</u>

Tax Allocation Bonds The Tulare County Redevelopment Agency issued Tax Allocation Bonds, 2007 Series A of \$1,627 on January 24, 2007, at 4.125 percent and mature on January 1, 2032. These bonds were issued to finance the Richgrove Redevelopment project.

On January 20, 2009, the Tulare County Redevelopment Agency issued Tax Allocation Bonds, 2009 A Series of \$231 at 4.35 percent and matures on August 1, 2033. These bonds were issued to finance the Cutler-Orosi Public Utility District Sewer project. In 2010, the County issued \$1,669 of Tax Allocation Bonds in addition to the original agreement of the 2009 A Series Tax Allocation Bonds.

A tax allocation loan agreement dated November 1, 2002, was entered into between the California Infrastructure and Economic Development Bank and Goshen Redevelopment Agency. In January 2004, Goshen Redevelopment Agency received this loan of \$1,914 at 3.07 percent. This loan extends to August 2032.

A contractual pledge agreement dated July 1, 1997, was entered into between Tulare County Redevelopment Agency and Goshen Public Financing Authority. In 1997, Tulare County Redevelopment Agency received this loan of \$2,112.

Changes in Long-term Liabilities

COUNTY OF TULARE
Notes to the Financial Statements
June 30, 2013 (in thousands)

Successor Agency long-term liabilities activity for the fiscal year ended June 30, 2013, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Successor Agency Trust activities:</u>					
Tax allocation bonds	\$ 3,180	\$ -	\$ (95)	\$ 3,085	\$ 99
Loans payable	1,467	-	(51)	1,416	52
Contractual obligation	1,316	-	(53)	1,263	53
Total Successor Agency Trust activities:	<u>\$ 5,963</u>	<u>\$ -</u>	<u>\$ (199)</u>	<u>\$ 5,764</u>	<u>\$ 204</u>

Required Supplementary Information (RSI)

COUNTY OF TULARE
Tulare County Employees' Retirement Association (TCERA)
Schedule of Funding Progress
June 30, 2013 (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded Actuarial Liability/(Surplus) (UAAL/S) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL/S as a % of Covered Payroll (B-A)/C
6/30/2007	\$ 800,967	\$ 846,030	\$ 45,063	94.67%	\$ 204,803	22.0%
6/30/2008	879,051	946,414	67,363	92.88%	226,836	29.7%
6/30/2009	919,179	996,747	77,568	92.22%	227,306	34.1%
6/30/2010	946,640	1,033,211	86,571	91.62%	217,811	39.7%
6/30/2011	969,681	1,072,144	102,463	90.44%	219,854	46.6%
6/30/2012	981,946	1,101,456	119,510	89.15%	222,635	53.7%
6/30/2013 *	1,048,160	1,186,057	137,898	88.37%	230,955	59.7%

***Data provided by Buck Consultants "Tulare County Employees' Retirement Association Report on the Actuarial Valuation as of June 30, 2013."**

Note to Required Supplementary Information

1. The schedule for TCERA, a cost-sharing, multiple employer retirement system, relates to the association as a whole. The County represents a majority of TCERA's covered payroll.

COUNTY OF TULARE
Tulare County Employees' Other Postemployment Benefits (OPEB)
Schedule of Funding Progress
June 30, 2013 (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded Actuarial Liability/(Surplus) (UAAL/S) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL/S as a % of Covered Payroll (B-A)/C
6/30/2006	\$ -	\$ 13,744	\$ 13,744	0.00%	\$ 194,399	7.07%
6/30/2008	-	12,411	12,411	0.00%	214,673	5.78%
6/30/2010	-	12,596	12,596	0.00%	205,008	6.14%
6/30/2012 *	-	25,597	25,597	0.00%	204,009	12.55%

* Data provided by Bartel Associates, LLC. "County of Tulare Retiree Healthcare Plan Actuarial Valuation as of June 30, 2012"

Note to Required Supplementary Information

1. The OPEB schedule presented relates solely to the County.

Combining and Individual Fund Statements and Schedules

COUNTY OF TULARE
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013 (in thousands)

	Total Special Revenue Funds	Total Debt Service Fund	Total Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
Investment in treasury pool	\$ 37,142	\$ 9,667	\$ 17,852	\$ 64,661
Imprest cash	1	-	-	1
Receivables, net				
Accounts	22,200	1	-	22,201
Due from other funds	-	-	125	125
Due from other governments	1,960	356	-	2,316
Prepaid items	619	-	-	619
Notes receivable	21,537	-	-	21,537
Inventories	406	-	-	406
Lease payments receivable, net of interest	-	479	-	479
Restricted assets	-	-	5,000	5,000
Total assets	<u>\$ 83,865</u>	<u>\$ 10,503</u>	<u>\$ 22,977</u>	<u>\$ 117,345</u>
LIABILITIES				
Accounts payable	\$ 5,449	\$ -	\$ 961	\$ 6,410
Cash overdraft	327	-	-	327
Due to other funds	928	-	1	929
Due to other governments	291	-	-	291
Salaries and benefits payable	1,148	-	7	1,155
Deferred revenue	25,136	479	-	25,615
Advances from other funds	450	-	-	450
Total liabilities	<u>33,729</u>	<u>479</u>	<u>969</u>	<u>35,177</u>
FUND BALANCES				
Nonspendable	1,025	-	-	1,025
Restricted	66,462	5,640	5,000	77,102
Committed	-	-	6,000	6,000
Assigned	2,191	4,384	11,008	17,583
Unassigned	(19,542)	-	-	(19,542)
Total fund balances	<u>50,136</u>	<u>10,024</u>	<u>22,008</u>	<u>82,168</u>
Total liabilities and fund balances	<u>\$ 83,865</u>	<u>\$ 10,503</u>	<u>\$ 22,977</u>	<u>\$ 117,345</u>

COUNTY OF TULARE
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013 (in thousands)

	Total Special Revenue Funds	Total Debt Service Fund	Total Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes and special assessments	\$ 26,563	\$ -	\$ -	\$ 26,563
Licenses and permits	21	-	-	21
Fines, forfeitures and penalties	953	1,778	-	2,731
Interest, rents and concessions	853	220	205	1,278
Intergovernmental revenues	116,513	-	-	116,513
Charges for services	4,675	-	62	4,737
Other revenues	7,769	4	271	8,044
Total revenues	<u>157,347</u>	<u>2,002</u>	<u>538</u>	<u>159,887</u>
EXPENDITURES				
Current:				
General government	7,190	-	2,272	9,462
Public protection	28,205	-	-	28,205
Public ways and facilities	19,164	-	-	19,164
Health and sanitation	1,102	-	-	1,102
Public assistance	9,424	-	-	9,424
Education	3,866	-	-	3,866
Debt service:				
Principal retirement	-	1,213	-	1,213
Interest and fiscal charges	-	434	-	434
Capital outlay	39,608	-	2,679	42,287
Total expenditures	<u>108,559</u>	<u>1,647</u>	<u>4,951</u>	<u>115,157</u>
Excess (deficiency) of revenues over (under) expenditures	<u>48,788</u>	<u>355</u>	<u>(4,413)</u>	<u>44,730</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	18,114	8,219	5,395	31,728
Transfers (out)	(67,877)	(4,991)	-	(72,868)
Total other financing sources (uses)	<u>(49,763)</u>	<u>3,228</u>	<u>5,395</u>	<u>(41,140)</u>
Net change in fund balances	(975)	3,583	982	3,590
Fund balances, July 1	51,111	6,441	21,026	78,578
Fund balances, June 30	<u>\$ 50,136</u>	<u>\$ 10,024</u>	<u>\$ 22,008</u>	<u>\$ 82,168</u>

**NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Indigent Health Fund - This fund is used to account for monies paid to hospitals and doctors for services rendered to individuals who cannot pay. This fund was established in 1989-90 to receive the County's share of Proposition 99 monies per Assembly Bill (AB) 75.

Redevelopment (RDA) Successor Agency Housing Fund-The Tulare County Redevelopment Successor Agency Housing Fund was created on February 1, 2012, pursuant to the provisions of the Redevelopment Restructuring Act. Under this act, the County elected to assume the housing functions and take over the housing assets of the former RDA, along with the related rights, powers, liabilities, duties, and obligations.

Library Fund - This fund is used to account for informational, cultural, and recreational services to the public through library outlets. The primary sources of revenue are charges for services, ad valorem property taxes, and State funds.

Fish and Game Fund - This fund is used to account for improving the habitat for wildlife propagation and for incidental administrative matters. The primary source of revenue is the County's share of fines levied for violations of fish and game laws within its boundaries.

Aviation Fund - This fund is used to account for aviation services to the public and governmental agencies. The primary source of revenue is Aircraft taxes.

Structural Fire Fund - This fund is used to account for public structural fire protection. The primary sources of revenue are charges for services, ad valorem property taxes, and State funds.

Roads Fund - This fund is used to account for the maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. The primary sources of revenue are the County's share of State highway users taxes, Transportation Development Act and Intermodal Surface Transportation Efficiency Act revenues.

Workforce Investment Fund - This fund is used to account for services providing training and employment opportunities for the public. The primary sources of revenue are State/Federal Grants.

Child Support Services Fund - This fund is used to account for the costs of administering Child Support services to families in the County.

Mental Health Realignment Fund - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain mental health program expenditures.

Health Realignment Fund - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain health program expenditures.

Social Services Realignment Fund - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain welfare program expenditures.

Tobacco Settlement Fund - This fund was established to receive the County's share of the Tobacco Settlement litigation proceeds.

Tulare County In-Home Supportive Services Public Authority (TCIHSSPA) Fund - TCIHSSPA was established according to the provisions of the Welfare and Institutions Code Section 12301.6 to serve as employer of record of providers of in-home supportive services for purposes of the Meyers-Milias-Brown Act.

Flood Control Fund - This fund is used to account for flood control services provided in the County. The primary sources of revenue are ad valorem property taxes, assessments, and State funds.

Community Development Block Grants (CDBG) Fund - This fund was set up to collect and recycles repayment of CDBG loan funds.

HOME Program Fund - This fund is used to collect and recycle repayment of home loan funds.

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2013 (in thousands)

	Indigent Health	Redevelopment Successor Agency Housing	Library	Fish and Game	Aviation	Structural Fire	Roads	Workforce Investment	Child Support Services
ASSETS									
Investment in treasury pool	\$ 1,017	\$ -	\$ 2,345	\$ 12	\$ -	\$ 2,549	\$ 3,166	\$ 104	\$ 3,144
Imprest cash	-	-	1	-	-	-	-	-	-
Receivables, net									
Accounts	-	-	-	-	197	82	18,933	-	-
Due from other governments	6	-	-	-	-	-	1,387	519	3
Prepaid items	-	-	619	-	-	-	-	-	-
Notes receivable	-	1,991	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	406	-	-
Total assets	<u>\$ 1,023</u>	<u>\$ 1,991</u>	<u>\$ 2,965</u>	<u>\$ 12</u>	<u>\$ 197</u>	<u>\$ 2,631</u>	<u>\$ 23,892</u>	<u>\$ 623</u>	<u>\$ 3,147</u>
LIABILITIES									
Accounts payable	\$ 961	\$ 5	\$ 38	\$ -	\$ 3	\$ 144	\$ 3,636	\$ 579	\$ 34
Cash overdraft	-	10	-	-	114	-	-	-	-
Due to other funds	-	-	6	-	-	43	298	4	27
Due to other governments	-	31	-	-	-	-	-	-	42
Salaries and benefits payable	4	-	72	-	-	402	305	40	325
Deferred revenue	-	1,998	-	-	-	-	32	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>965</u>	<u>2,044</u>	<u>116</u>	<u>-</u>	<u>117</u>	<u>589</u>	<u>4,271</u>	<u>623</u>	<u>428</u>
FUND BALANCES									
Nonspendable	-	-	619	-	-	-	406	-	-
Restricted	58	(53)	1,422	12	80	1,858	18,264	-	2,717
Assigned	-	-	808	-	-	184	951	-	2
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>58</u>	<u>(53)</u>	<u>2,849</u>	<u>12</u>	<u>80</u>	<u>2,042</u>	<u>19,621</u>	<u>-</u>	<u>2,719</u>
Total liabilities and fund balances	<u>\$ 1,023</u>	<u>\$ 1,991</u>	<u>\$ 2,965</u>	<u>\$ 12</u>	<u>\$ 197</u>	<u>\$ 2,631</u>	<u>\$ 23,892</u>	<u>\$ 623</u>	<u>\$ 3,147</u>

Continued

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2013 (in thousands)

Mental Health Realignment	Health Realignment	Social Services Realignment	Tobacco Settlement	TCIHSS Public Authority	Flood Control	Community Development Block Grants	HOME Program	Total Special Revenue Funds	
									ASSETS
\$ 9,030	\$ 4,516	\$ 6,258	\$ -	\$ 435	\$ 3,567	\$ 999	\$ -	\$ 37,142	Investment in treasury pool
-	-	-	-	-	-	-	-	1	Imprest cash
-	-	-	2,384	2	-	180	422	22,200	Receivables, net
-	-	-	-	45	-	-	-	1,960	Accounts
-	-	-	-	-	-	-	-	619	Due from other governments
-	-	-	-	-	-	8,729	10,817	21,537	Prepaid items
-	-	-	-	-	-	-	-	406	Notes receivable
\$ 9,030	\$ 4,516	\$ 6,258	\$ 2,384	\$ 482	\$ 3,567	\$ 9,908	\$ 11,239	\$ 83,865	Inventories
									Total assets
									LIABILITIES
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49	\$ -	\$ -	\$ 5,449	Accounts payable
-	-	-	-	-	-	-	203	327	Cash overdraft
414	125	11	-	-	-	-	-	928	Due to other funds
-	-	-	-	-	-	218	-	291	Due to other governments
-	-	-	-	-	-	-	-	1,148	Salaries and benefits payable
-	-	-	2,384	-	-	9,657	11,065	25,136	Deferred revenue
-	-	-	-	450	-	-	-	450	Advances from other funds
414	125	11	2,384	450	49	9,875	11,268	33,729	Total liabilities
									FUND BALANCES
-	-	-	-	-	-	-	-	1,025	Nonspendable
8,616	4,391	6,247	-	32	3,272	8,729	10,817	66,462	Restricted
-	-	-	-	-	246	-	-	2,191	Assigned
-	-	-	-	-	-	(8,696)	(10,846)	(19,542)	Unassigned
8,616	4,391	6,247	-	32	3,518	33	(29)	50,136	Total fund balances
\$ 9,030	\$ 4,516	\$ 6,258	\$ 2,384	\$ 482	\$ 3,567	\$ 9,908	\$ 11,239	\$ 83,865	Total liabilities and fund balances

Concluded

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013 (in thousands)

	Indigent Health	Redevelopment Successor Agency Housing	Library	Fish and Game	Aviation	Structural Fire	Roads	Workforce Investment	Child Support Services
REVENUES									
Taxes and special assessments	\$ -	\$ -	\$ 3,874	\$ -	\$ -	\$ 8,357	\$ 13,827	\$ -	\$ -
Licenses and permits	-	-	-	-	-	14	7	-	-
Fines, forfeitures and penalties	947	-	-	6	-	-	-	-	-
Interest, rents and concessions	4	-	-	-	28	78	-	697	12
Intergovernmental revenues	119	-	110	-	128	1,460	43,579	8,088	12,943
Charges for services	-	-	150	-	-	337	4,188	-	-
Other revenues	13	-	47	-	-	375	855	532	7
Total revenues	1,083	-	4,181	6	156	10,621	62,456	9,317	12,962
EXPENDITURES									
Current:									
General government	-	3,971	-	-	-	-	-	-	-
Public protection	-	-	-	7	-	14,339	-	-	12,975
Public ways and facilities	-	-	-	-	152	-	19,012	-	-
Health and sanitation	1,102	-	-	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-	-	9,424	-
Education	-	-	3,866	-	-	-	-	-	-
Capital outlay	-	-	18	-	-	86	39,432	-	19
Total expenditures	1,102	3,971	3,884	7	152	14,425	58,444	9,424	12,994
Excess (deficiency) of revenues over (under) expenditures	(19)	(3,971)	297	(1)	4	(3,804)	4,012	(107)	(32)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	69	5,087	-	100	-
Transfers (out)	-	-	(166)	-	-	(11)	(11)	-	-
Total other financing sources (uses)	-	-	(166)	-	69	5,076	(11)	100	-
Net change in fund balances	(19)	(3,971)	131	(1)	73	1,272	4,001	(7)	(32)
Fund balances, July 1	77	3,918	2,718	13	7	770	15,620	7	2,751
Fund balances, June 30	\$ 58	\$ (53)	\$ 2,849	\$ 12	\$ 80	\$ 2,042	\$ 19,621	\$ -	\$ 2,719

Continued

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013 (in thousands)

Mental Health Realignment	Health Realignment	Social Services Realignment	Tobacco Settlement	TCIHSS Public Authority	Flood Control	Community Development Block Grants	HOME Program	Total Special Revenue Funds	
REVENUES									
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 505	\$ -	\$ -	\$ 26,563	Taxes and special assessments
-	-	-	-	-	-	-	-	21	Licenses and permits
-	-	-	-	-	-	-	-	953	Fines, forfeitures and penalties
-	-	-	-	-	1	32	1	853	Interest, rents and concessions
14,351	3,540	28,478	-	409	88	2,798	422	116,513	Intergovernmental revenues
-	-	-	-	-	-	-	-	4,675	Charges for services
-	-	-	5,923	17	-	-	-	7,769	Other revenues
14,351	3,540	28,478	5,923	426	594	2,830	423	157,347	Total revenues
EXPENDITURES									
Current:									
-	-	-	-	-	-	2,797	422	7,190	General government
-	-	-	-	425	459	-	-	28,205	Public protection
-	-	-	-	-	-	-	-	19,164	Public ways and facilities
-	-	-	-	-	-	-	-	1,102	Health and sanitation
-	-	-	-	-	-	-	-	9,424	Public assistance
-	-	-	-	-	-	-	-	3,866	Education
-	-	-	-	-	53	-	-	39,608	Capital outlay
-	-	-	-	425	512	2,797	422	108,559	Total expenditures
14,351	3,540	28,478	5,923	1	82	33	1	48,788	Excess (deficiency) of revenues over (under) expenditures
OTHER FINANCING SOURCES (USES)									
683	11,314	860	-	-	1	-	-	18,114	Transfers in
(16,690)	(15,478)	(29,580)	(5,923)	-	-	-	(18)	(67,877)	Transfers (out)
(16,007)	(4,164)	(28,720)	(5,923)	-	1	-	(18)	(49,763)	Total other financing sources (uses)
(1,656)	(624)	(242)	-	1	83	33	(17)	(975)	Net change in fund balances
10,272	5,015	6,489	-	31	3,435	-	(12)	51,111	Fund balances, July 1
\$ 8,616	\$ 4,391	\$ 6,247	\$ -	\$ 32	\$ 3,518	\$ 33	\$ (29)	\$ 50,136	Fund balances, June 30

Concluded

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Indigent Health Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines, forfeitures and penalties	\$ 936	\$ 936	\$ 947	\$ 11
Interest, rents and concessions	37	37	4	(33)
Intergovernmental revenues	169	169	119	(50)
Other revenues	-	-	13	13
Total revenues	<u>1,142</u>	<u>1,142</u>	<u>1,083</u>	<u>(59)</u>
EXPENDITURES				
Current:				
Health and sanitation	1,142	1,142	1,102	40
Total expenditures	<u>1,142</u>	<u>1,142</u>	<u>1,102</u>	<u>40</u>
Excess (deficiency) of revenues				
over (under) expenditures	-	-	(19)	(19)
Net change in fund balance	-	-	(19)	(19)
Fund balance, July 1	77	77	77	-
Fund balance, June 30	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ 58</u>	<u>\$ (19)</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
RDA Successor Agency Housing Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and special assessments	\$ 143	\$ 143	\$ -	\$ (143)
Total revenues	143	143	-	(143)
EXPENDITURES				
Current:				
General government	4,016	4,016	3,971	45
Total expenditures	4,016	4,016	3,971	45
Excess (deficiency) of revenues over (under) expenditures	(3,873)	(3,873)	(3,971)	(98)
Net change in fund balance	(3,873)	(3,873)	(3,971)	(98)
Fund balance, July 1	3,918	3,918	3,918	-
Fund balance, June 30	\$ 45	\$ 45	\$ (53)	\$ (98)

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Library Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and special assessments	\$ 3,369	\$ 3,369	\$ 3,874	\$ 505
Interest, rents and concessions	26	26	-	(26)
Intergovernmental revenues	202	225	110	(115)
Charges for services	84	84	150	66
Other revenues	99	99	47	(52)
Total revenues	<u>3,780</u>	<u>3,803</u>	<u>4,181</u>	<u>378</u>
EXPENDITURES				
Current:				
Education	5,605	5,626	3,866	1,760
Capital outlay	-	-	18	(18)
Total expenditures	<u>5,605</u>	<u>5,626</u>	<u>3,884</u>	<u>1,742</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(1,825)</u>	<u>(1,823)</u>	<u>297</u>	<u>2,120</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(166)	(166)	(166)	-
Total other financing sources (uses)	<u>(166)</u>	<u>(166)</u>	<u>(166)</u>	<u>-</u>
Net change in fund balance	(1,991)	(1,989)	131	2,120
Fund balance, July 1	<u>2,718</u>	<u>2,718</u>	<u>2,718</u>	<u>-</u>
Fund balance, June 30	<u>\$ 727</u>	<u>\$ 729</u>	<u>\$ 2,849</u>	<u>\$ 2,120</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Fish and Game Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines, forfeitures and penalties	\$ -	\$ -	\$ 6	6
Total revenues	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
EXPENDITURES				
Current:				
Public protection	13	13	7	6
Total expenditures	<u>13</u>	<u>13</u>	<u>7</u>	<u>6</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13)</u>	<u>(13)</u>	<u>(1)</u>	<u>12</u>
Net change in fund balance	(13)	(13)	(1)	12
Fund balance, July 1	13	13	13	-
Fund balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 12</u></u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Aviation Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ 29	\$ 29	\$ 28	\$ (1)
Intergovernmental revenues	1,059	1,059	128	(931)
Total revenues	<u>1,088</u>	<u>1,088</u>	<u>156</u>	<u>(932)</u>
EXPENDITURES				
Current:				
Public ways and facilities	129	128	152	(24)
Capital outlay	1,034	1,034	-	1,034
Total expenditures	<u>1,163</u>	<u>1,162</u>	<u>152</u>	<u>1,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75)</u>	<u>(74)</u>	<u>4</u>	<u>78</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	69	69	69	-
Total other financing sources (uses)	<u>69</u>	<u>69</u>	<u>69</u>	<u>-</u>
Net change in fund balance	(6)	(5)	73	78
Fund balance, July 1	<u>7</u>	<u>7</u>	<u>7</u>	<u>-</u>
Fund balance, June 30	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 80</u>	<u>\$ 78</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Structural Fire Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and special assessments	\$ 7,005	\$ 7,005	\$ 8,357	\$ 1,352
Licenses and permits	15	15	14	(1)
Interest, rents and concessions	62	62	78	16
Intergovernmental revenues	1,128	1,529	1,460	(69)
Charges for services	530	551	337	(214)
Other revenues	25	25	375	350
Total revenues	<u>8,765</u>	<u>9,187</u>	<u>10,621</u>	<u>1,434</u>
EXPENDITURES				
Current:				
Public protection	14,213	14,763	14,339	424
Capital outlay	380	264	86	178
Total expenditures	<u>14,593</u>	<u>15,027</u>	<u>14,425</u>	<u>602</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,828)</u>	<u>(5,840)</u>	<u>(3,804)</u>	<u>2,036</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,081	5,091	5,087	(4)
Transfers (out)	(11)	(11)	(11)	-
Total other financing sources (uses)	<u>5,070</u>	<u>5,080</u>	<u>5,076</u>	<u>(4)</u>
Net change in fund balance	(758)	(760)	1,272	2,032
Fund balance, July 1	770	770	770	-
Fund balance, June 30	<u>\$ 12</u>	<u>\$ 10</u>	<u>\$ 2,042</u>	<u>\$ 2,032</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Roads Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and special assessments	\$ 14,520	\$ 14,520	\$ 13,827	\$ (693)
Licenses and permits	5	5	7	2
Interest, rents and concessions	1	1	-	(1)
Intergovernmental revenues	46,040	46,762	43,579	(3,183)
Charges for services	3,496	4,164	4,188	24
Other revenues	-	-	855	855
Total revenues	<u>64,062</u>	<u>65,452</u>	<u>62,456</u>	<u>(2,996)</u>
EXPENDITURES				
Current:				
Public ways and facilities	77,932	78,364	19,012	59,352
Capital outlay	1,047	2,029	39,432	(37,403)
Total expenditures	<u>78,979</u>	<u>80,393</u>	<u>58,444</u>	<u>21,949</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,917)</u>	<u>(14,941)</u>	<u>4,012</u>	<u>18,953</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	23	-	(23)
Transfers (out)	(12)	(12)	(11)	1
Total other financing sources (uses)	<u>(12)</u>	<u>11</u>	<u>(11)</u>	<u>(22)</u>
Net change in fund balance	(14,929)	(14,930)	4,001	18,931
Fund balance, July 1	15,620	15,620	15,620	-
Fund balance, June 30	<u>\$ 691</u>	<u>\$ 690</u>	<u>\$ 19,621</u>	<u>\$ 18,931</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Workforce Investment Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ 709	\$ 709	\$ 697	\$ (12)
Intergovernmental revenues	8,620	9,030	8,088	(942)
Other revenues	88	88	532	444
Total revenues	<u>9,417</u>	<u>9,827</u>	<u>9,317</u>	<u>(510)</u>
EXPENDITURES				
Current:				
Public assistance	9,517	9,928	9,424	504
Total expenditures	<u>9,517</u>	<u>9,928</u>	<u>9,424</u>	<u>504</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(100)</u>	<u>(101)</u>	<u>(107)</u>	<u>(6)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	100	100	100	-
Total other financing sources (uses)	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>
Net change in fund balance	-	(1)	(7)	(6)
Fund balance, July 1	7	7	7	-
Fund balance, June 30	<u>\$ 7</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ (6)</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Child Support Services Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Interest, rents and concessions	\$ 60	\$ 60	\$ 12	\$ (48)
Intergovernmental revenues	16,465	16,465	12,943	(3,522)
Other revenues	21	21	7	(14)
Total revenues	<u>16,546</u>	<u>16,546</u>	<u>12,962</u>	<u>(3,584)</u>
EXPENDITURES				
Current:				
Public protection	16,494	16,494	12,975	3,519
Capital outlay	50	50	19	31
Total expenditures	<u>16,544</u>	<u>16,544</u>	<u>12,994</u>	<u>3,550</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2</u>	<u>2</u>	<u>(32)</u>	<u>(34)</u>
Net change in fund balance	2	2	(32)	(34)
Fund balance, July 1	2,751	2,751	2,751	-
Fund balance, June 30	<u>\$ 2,753</u>	<u>\$ 2,753</u>	<u>\$ 2,719</u>	<u>\$ (34)</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Mental Health Realignment Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 11,328	\$ 11,328	\$ 14,351	\$ 3,023
Total revenues	11,328	11,328	14,351	3,023
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	11,328	11,328	14,351	3,023
OTHER FINANCING SOURCES (USES)				
Transfers in	5,433	5,433	683	(4,750)
Transfers (out)	(16,760)	(16,760)	(16,690)	70
Total other financing sources (uses)	(11,327)	(11,327)	(16,007)	(4,680)
Net change in fund balance	1	1	(1,656)	(1,657)
Fund balance, July 1	10,272	10,272	10,272	-
Fund balance, June 30	\$ 10,273	\$ 10,273	\$ 8,616	\$ (1,657)

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Realignment Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 5,409	\$ 5,409	\$ 3,540	\$ (1,869)
Total revenues	5,409	5,409	3,540	(1,869)
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	5,409	5,409	3,540	(1,869)
OTHER FINANCING SOURCES (USES)				
Transfers in	11,461	11,461	11,314	(147)
Transfers (out)	(16,870)	(16,870)	(15,478)	1,392
Total other financing sources (uses)	(5,409)	(5,409)	(4,164)	1,245
Net change in fund balance	-	-	(624)	(624)
Fund balance, July 1	5,015	5,015	5,015	-
Fund balance, June 30	\$ 5,015	\$ 5,015	\$ 4,391	\$ (624)

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Social Services Realignment Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 30,262	\$ 30,262	\$ 28,478	\$ (1,784)
Total revenues	30,262	30,262	28,478	(1,784)
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	30,262	30,262	28,478	(1,784)
OTHER FINANCING SOURCES (USES)				
Transfers in	873	873	860	(13)
Transfers (out)	(31,135)	(31,135)	(29,580)	1,555
Total other financing sources (uses)	(30,262)	(30,262)	(28,720)	1,542
Net change in fund balance	-	-	(242)	(242)
Fund balance, July 1	6,489	6,489	6,489	-
Fund balance, June 30	\$ 6,489	\$ 6,489	\$ 6,247	\$ (242)

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Tobacco Settlement Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Other revenues	\$ 4,716	\$ 4,716	\$ 5,923	\$ 1,207
Total revenues	4,716	4,716	5,923	1,207
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	4,716	4,716	5,923	1,207
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(4,716)	(4,716)	(5,923)	(1,207)
Total other financing sources (uses)	(4,716)	(4,716)	(5,923)	(1,207)
Net change in fund balance	-	-	-	-
Fund balance, July 1	-	-	-	-
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Tulare County In-Home Supportive Services Public Authority Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental revenues	\$ 427	\$ 427	\$ 409	\$ (18)
Other revenues	25	25	17	(8)
Total revenues	<u>452</u>	<u>452</u>	<u>426</u>	<u>(26)</u>
EXPENDITURES				
Current:				
Public protection	455	455	425	30
Total expenditures	<u>455</u>	<u>455</u>	<u>425</u>	<u>30</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(3)</u>	<u>(3)</u>	<u>1</u>	<u>4</u>
Net change in fund balance				
	(3)	(3)	1	4
Fund balance, July 1	<u>31</u>	<u>31</u>	<u>31</u>	<u>-</u>
Fund balance, June 30	<u>\$ 28</u>	<u>\$ 28</u>	<u>\$ 32</u>	<u>\$ 4</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Flood Control Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and special assessments	\$ 460	\$ 460	\$ 505	\$ 45
Interest, rents and concessions	58	58	1	(57)
Intergovernmental revenues	20	20	88	68
Total revenues	<u>538</u>	<u>538</u>	<u>594</u>	<u>56</u>
EXPENDITURES				
Current:				
Public protection	3,853	3,853	459	3,394
Capital outlay	80	80	53	27
Total expenditures	<u>3,933</u>	<u>3,933</u>	<u>512</u>	<u>3,421</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,395)</u>	<u>(3,395)</u>	<u>82</u>	<u>3,477</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1	1	1	-
Total other financing sources (uses)	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Net change in fund balance	(3,394)	(3,394)	83	3,477
Fund balance, July 1	3,435	3,435	3,435	-
Fund balance, June 30	<u>\$ 41</u>	<u>\$ 41</u>	<u>\$ 3,518</u>	<u>\$ 3,477</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CDBG Grants Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Interest, rents and concessions	\$ -	\$ -	\$ 32	32
Intergovernmental revenues	4,529	4,529	2,798	(1,731)
Total revenues	<u>4,529</u>	<u>4,529</u>	<u>2,830</u>	<u>(1,699)</u>
EXPENDITURES				
Current:				
General government	4,531	4,531	2,797	1,734
Total expenditures	<u>4,531</u>	<u>4,531</u>	<u>2,797</u>	<u>1,734</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2)</u>	<u>(2)</u>	<u>33</u>	<u>35</u>
Net change in fund balance	(2)	(2)	33	35
Fund balance, July 1	-	-	-	-
Fund balance, June 30	<u>\$ (2)</u>	<u>\$ (2)</u>	<u>\$ 33</u>	<u>\$ 35</u>

COUNTY OF TULARE
Nonmajor Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
HOME Program Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Interest, rents and concessions	\$ -	\$ -	\$ 1	1
Intergovernmental revenues	825	825	422	(403)
Total revenues	<u>825</u>	<u>825</u>	<u>423</u>	<u>(402)</u>
EXPENDITURES				
Current:				
General government	825	825	422	403
Total expenditures	<u>825</u>	<u>825</u>	<u>422</u>	<u>403</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(18)	(18)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(18)</u>	<u>(18)</u>
Net change in fund balance				
	-	-	(17)	(17)
Fund balance, July 1	<u>(12)</u>	<u>(12)</u>	<u>(12)</u>	<u>-</u>
Fund balance, June 30	<u>\$ (12)</u>	<u>\$ (12)</u>	<u>\$ (29)</u>	<u>\$ (17)</u>

**NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND**

Debt Service Funds are used to account for the accumulation of resources and payment of principal and interest from governmental sources when the government is obligated in some manner for the payment.

Building Loans Fund - This fund receives transfers of resources from County building occupants for the payment of the County's lease obligations to Tulare County Public Facilities Corporation (TCPFC).

COUNTY OF TULARE
Debt Service Fund
Balance Sheet
June 30, 2013 (in thousands)

	Building Loans
ASSETS	
Investment in treasury pool	\$ 9,667
Receivables, net	
Accounts	1
Due from other governments	356
Lease payments receivable, net of interest	479
Total assets	\$ 10,503
 LIABILITIES	
Deferred revenue	\$ 479
Total liabilities	479
 FUND BALANCE	
Restricted	5,640
Assigned	4,384
Total fund balance	10,024
Total liabilities and fund balance	\$ 10,503

COUNTY OF TULARE
Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2013 (in thousands)

	Building Loans
REVENUES	
Fines, forfeitures and penalties	\$ 1,778
Interest, rents and concessions	220
Other revenues	4
Total revenues	2,002
EXPENDITURES	
Debt service:	
Principal retirement	1,213
Interest and fiscal charges	434
Total expenditures	1,647
Excess (deficiency) of revenues	
over (under) expenditures	355
OTHER FINANCING SOURCES (USES)	
Transfers in	8,219
Transfers (out)	(4,991)
Total other financing sources (uses)	3,228
Net change in fund balance	3,583
Fund balance, July 1	6,441
Fund balance, June 30	\$ 10,024

COUNTY OF TULARE
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Building Loans Fund
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Fines, forfeitures and penalties	\$ 1,500	\$ 1,500	\$ 1,778	278
Interest, rents and concessions	210	210	220	10
Other revenues	-	-	4	4
Total revenues	<u>1,710</u>	<u>1,710</u>	<u>2,002</u>	<u>292</u>
EXPENDITURES				
Current:				
General government	3	3	-	3
Debt service:				
Principal retirement	1,213	1,213	1,213	-
Interest and fiscal charges	434	434	434	-
Total expenditures	<u>1,650</u>	<u>1,650</u>	<u>1,647</u>	<u>3</u>
Excess (deficiency) of revenues over (under) expenditures				
	<u>60</u>	<u>60</u>	<u>355</u>	<u>295</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,667	8,667	8,219	(448)
Transfers (out)	(5,399)	(5,399)	(4,991)	408
Total other financing sources (uses)	<u>3,268</u>	<u>3,268</u>	<u>3,228</u>	<u>(40)</u>
Net change in fund balance	3,328	3,328	3,583	255
Fund balance, July 1	6,441	6,441	6,441	-
Fund balance, June 30	<u>\$ 9,769</u>	<u>\$ 9,769</u>	<u>\$ 10,024</u>	<u>\$ 255</u>

**NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUND**

Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

Capital Projects Fund - This fund is used to finance the acquisition and construction of public buildings, including major maintenance and improvements. Revenues are obtained from State funding and from other funds when allocated by the Board of Supervisors (the Board). There are no combining statements because the County uses one Capital Projects Fund, which is reported on the nonmajor combining financial statements.

COUNTY OF TULARE
Capital Projects Fund
Balance Sheet
June 30, 2013 (in thousands)

	<u>Capital Projects</u>
ASSETS	
Investment in treasury pool	\$ 17,852
Due from other funds	125
Restricted assets	5,000
Total assets	\$ 22,977
LIABILITIES	
Accounts payable	\$ 961
Due to other funds	1
Salaries and benefits payable	7
Total liabilities	969
FUND BALANCE	
Restricted	5,000
Committed	6,000
Assigned	11,008
Total fund balance	22,008
Total liabilities and fund balance	\$ 22,977

COUNTY OF TULARE
Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2013 (in thousands)

	Capital Projects
REVENUES	
Interest, rents and concessions	\$ 205
Charges for services	62
Other revenues	271
Total revenues	538
EXPENDITURES	
Current:	
General government	2,272
Capital outlay	2,679
Total expenditures	4,951
Excess (deficiency) of revenues over (under) expenditures	(4,413)
OTHER FINANCING SOURCES (USES)	
Transfers in	5,395
Total other financing sources (uses)	5,395
Net change in fund balance	982
Fund balance, July 1	21,026
Fund balance, June 30	\$ 22,008

COUNTY OF TULARE
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2013 (in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ -	\$ -	\$ 205	\$ 205
Intergovernmental revenues	388	388	-	(388)
Charges for services	62	62	62	-
Other revenues	1,800	1,800	271	(1,529)
Total revenues	<u>2,250</u>	<u>2,250</u>	<u>538</u>	<u>(1,712)</u>
EXPENDITURES				
Current:				
General government	7,005	7,005	2,272	4,733
Capital outlay	14,642	14,642	2,679	11,963
Total expenditures	<u>21,647</u>	<u>21,647</u>	<u>4,951</u>	<u>16,696</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,397)</u>	<u>(19,397)</u>	<u>(4,413)</u>	<u>14,984</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,696	5,696	5,395	(301)
Total other financing sources (uses)	<u>5,696</u>	<u>5,696</u>	<u>5,395</u>	<u>(301)</u>
Net change in fund balance	(13,701)	(13,701)	982	14,683
Fund balance, July 1	21,026	21,026	21,026	-
Fund balance, June 30	<u>\$ 7,325</u>	<u>\$ 7,325</u>	<u>\$ 22,008</u>	<u>\$ 14,683</u>

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Board is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Board has decided that periodic determination of net income is appropriate for accountability purposes.

Transit Fund - This fund is used to account for the operation, maintenance, and development of a rural transit system and transit related projects.

Terra Bella Sewer Maintenance Fund - This fund is used to account for the operation, maintenance, and development of the Terra Bella Sanitation District governed by the County Board.

Assessment Districts Funds - These funds are used to account for the costs of maintenance and improvement of the Landscaping Assessment Districts.

County Service Area Funds (#1 and #2) - These funds are used to account for the development, operation, and maintenance of clean and safe drinking water systems in rural communities of the County.

COUNTY OF TULARE
Nonmajor Enterprise Funds
Combining Statement of Net Position
June 30, 2013 (in thousands)

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Services Area # 2	Total Nonmajor Enterprise Funds
ASSETS						
Current assets:						
Cash in banks	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ 5
Investment in treasury pool	3,116	839	566	516	111	5,148
Accounts receivable, net	589	54	-	140	11	794
Due from other governments	-	-	-	53	4	57
Total current assets	3,705	898	566	709	126	6,004
Noncurrent assets:						
Capital assets:						
Land	-	68	-	501	41	610
Buildings and improvements, net	77	999	-	2,858	288	4,222
Equipment and vehicles, net	1,887	-	-	-	-	1,887
Total capital assets	1,964	1,067	-	3,359	329	6,719
Total noncurrent assets	1,964	1,067	-	3,359	329	6,719
Total assets	5,669	1,965	566	4,068	455	12,723
LIABILITIES						
Current liabilities:						
Accounts payable	262	6	19	40	7	334
Due to other funds	24	-	-	-	-	24
Deposits from others	-	-	8	-	-	8
Salaries and benefits payable	5	-	-	-	-	5
Interest payable	-	-	-	13	1	14
COP Payable	-	20	-	15	1	36
Total current liabilities	291	26	27	68	9	421
Noncurrent liabilities:						
Compensated absences payable	18	-	-	-	-	18
Advances from other funds	-	-	-	785	40	825
Bonds payable	-	-	-	7	-	7
COP payable	-	745	-	528	37	1,310
Total noncurrent liabilities	18	745	-	1,320	77	2,160
Total liabilities	309	771	27	1,388	86	2,581
NET POSITION						
Net investment in capital assets	1,964	302	-	2,809	291	5,366
Restricted for:						
Landfill ground water contingencies	-	-	-	-	16	16
Unrestricted	3,396	892	539	(129)	62	4,760
Total net position	\$ 5,360	\$ 1,194	\$ 539	\$ 2,680	\$ 369	\$ 10,142

COUNTY OF TULARE
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2013 (in thousands)

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Services Area # 2	Total Nonmajor Enterprise Funds
Operating revenues:						
Charges for services	\$ 387	\$ 143	\$ 94	\$ 510	\$ 66	\$ 1,200
Interest, rents and concessions	-	-	-	3	-	3
Other revenues	47	2	-	-	-	49
Total operating revenues	<u>434</u>	<u>145</u>	<u>94</u>	<u>513</u>	<u>66</u>	<u>1,252</u>
Operating expenses:						
Salaries and benefits	145	-	-	-	-	145
Services and supplies	2,262	113	39	439	88	2,941
Depreciation	406	53	-	170	15	644
Total operating expenses	<u>2,813</u>	<u>166</u>	<u>39</u>	<u>609</u>	<u>103</u>	<u>3,730</u>
Operating income (loss)	<u>(2,379)</u>	<u>(21)</u>	<u>55</u>	<u>(96)</u>	<u>(37)</u>	<u>(2,478)</u>
Nonoperating revenues (expenses):						
Intergovernmental revenues	180	-	-	-	-	180
Taxes and special assessments	2,299	29	-	-	-	2,328
Investment earnings	5	60	-	4	1	70
Interest expense	-	(90)	-	(22)	(2)	(114)
Total nonoperating revenues (expenses)	<u>2,484</u>	<u>(1)</u>	<u>-</u>	<u>(18)</u>	<u>(1)</u>	<u>2,464</u>
Income (loss) before contributions and transfers	<u>105</u>	<u>(22)</u>	<u>55</u>	<u>(114)</u>	<u>(38)</u>	<u>(14)</u>
Transfers in						
Change in net position	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
	108	(22)	55	(114)	(38)	(11)
Net position, July 1	5,252	1,216	484	2,794	407	10,153
Net position, June 30	<u>\$ 5,360</u>	<u>\$ 1,194</u>	<u>\$ 539</u>	<u>\$ 2,680</u>	<u>\$ 369</u>	<u>\$ 10,142</u>

COUNTY OF TULARE
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2013 (in thousands)

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Services Area # 2	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 136	\$ 145	\$ 94	\$ 632	\$ 64	\$ 1,071
Receipts from interfund services provided	29	-	-	-	-	29
Receipts from rents and concessions	-	-	-	3	-	3
Other revenues	47	2	-	-	-	49
Payments to employees	(138)	-	-	-	-	(138)
Payments to suppliers	(1,934)	(93)	(1)	(374)	(73)	(2,475)
Payments for interfund services used	(202)	(27)	(19)	(126)	(18)	(392)
Net cash provided by (used for) operating activities	<u>(2,062)</u>	<u>27</u>	<u>74</u>	<u>135</u>	<u>(27)</u>	<u>(1,853)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Subsidy from intergovernmental entities	180	-	-	-	-	180
Receipts from taxes and assessments	2,299	29	-	-	-	2,328
Transfers to/from other funds	3	-	-	-	-	3
Advance from other funds	-	-	-	20	25	45
Net cash (used for) noncapital financing activities	<u>2,482</u>	<u>29</u>	<u>-</u>	<u>20</u>	<u>25</u>	<u>2,556</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Sales (purchases) of capital assets	(121)	-	-	3	1	(117)
Principal paid on capital debt	-	(20)	-	(15)	(1)	(36)
Interest paid on capital debt	-	(35)	-	(22)	(2)	(59)
Net cash provided by (used for) capital and related financing activities	<u>(121)</u>	<u>(55)</u>	<u>-</u>	<u>(34)</u>	<u>(2)</u>	<u>(212)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends received	5	5	-	4	1	15
Net cash provided by investing activities	<u>5</u>	<u>5</u>	<u>-</u>	<u>4</u>	<u>1</u>	<u>15</u>
Net increase (decrease) in cash and cash equivalents	304	6	74	125	(3)	506
Cash and cash equivalents, July 1	2,812	838	492	391	114	4,647
Cash and cash equivalents, June 30	<u>\$ 3,116</u>	<u>\$ 844</u>	<u>\$ 566</u>	<u>\$ 516</u>	<u>\$ 111</u>	<u>\$ 5,153</u>
Displayed as:						
Cash in banks	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ 5
Investment in treasury pool	3,116	839	566	516	111	5,148
Total cash displayed	<u>\$ 3,116</u>	<u>\$ 844</u>	<u>\$ 566</u>	<u>\$ 516</u>	<u>\$ 111</u>	<u>\$ 5,153</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ (2,379)	\$ (21)	\$ 55	\$ (96)	\$ (37)	\$ (2,478)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	406	53	-	170	15	644
(Increase) decrease in accounts receivable	(246)	2	-	122	(2)	(124)
(Increase) decrease in due to other funds	24	-	-	-	-	24
Increase (decrease) in accounts payable	126	(7)	19	(61)	(3)	74
benefits payable and compensated absences	7	-	-	-	-	7
Total adjustments	<u>317</u>	<u>48</u>	<u>19</u>	<u>231</u>	<u>10</u>	<u>625</u>
Net cash provided by (used for) operating activities	<u>\$ (2,062)</u>	<u>\$ 27</u>	<u>\$ 74</u>	<u>\$ 135</u>	<u>\$ (27)</u>	<u>\$ (1,853)</u>
Schedule of non-cash capital and related finance activities:						
Contributions of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County and to other governmental units on a cost reimbursement basis.

Insurance Funds - These funds account for the financing of workers' compensation to applicable bargaining units, general liability, property casualty liability, and malpractice insurances. All other insurance functions are accounted for in the General Fund.

Central Services Funds - These funds account for central services, such as mailroom, motor pool, print shop, utilities, custodial and maintenance services, data processing, and telecommunications, which are primarily provided to other departments of the County.

COUNTY OF TULARE
Internal Service Funds
Combining Statement of Net Position
June 30, 2013 (in thousands)

	Insurance	Central Services	Total Internal Service Funds
ASSETS			
Current assets:			
Investment in treasury pool	\$ 37,376	\$ 10,654	\$ 48,030
Imprest cash	500	-	500
Accounts receivable, net	-	127	127
Prepaid items	-	200	200
Total current assets	<u>37,876</u>	<u>10,981</u>	<u>48,857</u>
Noncurrent assets:			
Advances to other funds	1,544	-	1,544
Capital assets:			
Equipment and vehicles, net	<u>1</u>	<u>2,413</u>	<u>2,414</u>
Total capital assets	<u>1</u>	<u>2,413</u>	<u>2,414</u>
Total noncurrent assets	<u>1,545</u>	<u>2,413</u>	<u>3,958</u>
Total assets	<u>39,421</u>	<u>13,394</u>	<u>52,815</u>
LIABILITIES			
Current liabilities:			
Accounts payable	931	944	1,875
Due to other funds	-	43	43
Salaries and benefits payable	-	541	541
Compensated absences payable	-	37	37
Deferred revenue	2	-	2
Claims payable	<u>6,070</u>	<u>-</u>	<u>6,070</u>
Total current liabilities	<u>7,003</u>	<u>1,565</u>	<u>8,568</u>
Noncurrent liabilities:			
Compensated absences payable	-	1,368	1,368
Claims payable	<u>23,777</u>	<u>-</u>	<u>23,777</u>
Total noncurrent liabilities	<u>23,777</u>	<u>1,368</u>	<u>25,145</u>
Total liabilities	<u>30,780</u>	<u>2,933</u>	<u>33,713</u>
NET POSITION			
Net investment in capital assets	1	2,413	2,414
Unrestricted	<u>8,640</u>	<u>8,048</u>	<u>16,688</u>
Total net position	<u>\$ 8,641</u>	<u>\$ 10,461</u>	<u>\$ 19,102</u>

COUNTY OF TULARE
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2013 (in thousands)

	<u>Insurance</u>	<u>Central Services</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ 12,050	\$ 34,702	\$ 46,752
Other revenues	3,247	323	3,570
Total operating revenues	<u>15,297</u>	<u>35,025</u>	<u>50,322</u>
Operating expenses:			
Salaries and benefits	-	14,687	14,687
Services and supplies	7,989	18,761	26,750
Insurance premiums paid	4,787	-	4,787
Depreciation	6	550	556
Claims incurred	4,807	-	4,807
Total operating expenses	<u>17,589</u>	<u>33,998</u>	<u>51,587</u>
Operating income (loss)	<u>(2,292)</u>	<u>1,027</u>	<u>(1,265)</u>
Nonoperating revenues (expenses):			
Intergovernmental revenues	26	10	36
Investment earnings	46	-	46
Interest expense	-	(8)	(8)
Total nonoperating revenues (expenses)	<u>72</u>	<u>2</u>	<u>74</u>
Income (loss) before contributions and transfers	<u>(2,220)</u>	<u>1,029</u>	<u>(1,191)</u>
Capital contributions	-	169	169
Transfers in	-	2,300	2,300
Transfers (out)	-	(160)	(160)
Change in net position	<u>(2,220)</u>	<u>3,338</u>	<u>1,118</u>
Net position, July 1	10,861	7,123	17,984
Net position, June 30	<u>\$ 8,641</u>	<u>\$ 10,461</u>	<u>\$ 19,102</u>

COUNTY OF TULARE
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2013 (in thousands)

	Insurance	Central Services	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 820	\$ 486	\$ 1,306
Receipts from interfund services provided	11,462	34,273	45,735
Other revenues	3,247	323	3,570
Payments to employees	-	(14,500)	(14,500)
Payments to suppliers	(10,361)	(15,759)	(26,120)
Payments for interfund services used	(2,008)	(3,269)	(5,277)
Payments for claims	(6,579)	-	(6,579)
Net cash provided by (used for) operating activities	<u>(3,419)</u>	<u>1,554</u>	<u>(1,865)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Subsidy from intergovernmental entities	26	10	36
Transfers to/from other funds	-	2,140	2,140
Advance to other funds	(924)	-	(924)
Net cash (used for) noncapital financing activities	<u>(898)</u>	<u>2,150</u>	<u>1,252</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales (purchases) of capital assets	-	(79)	(79)
Principal paid on capital debt	-	(85)	(85)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>(164)</u>	<u>(164)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	46	(8)	38
Net cash provided by investing activities	<u>46</u>	<u>(8)</u>	<u>38</u>
Net increase (decrease) in cash and cash equivalents	(4,271)	3,532	(739)
Cash and cash equivalents, July 1	42,147	7,122	49,269
Cash and cash equivalents, June 30	<u>\$ 37,876</u>	<u>\$ 10,654</u>	<u>\$ 48,530</u>
Displayed as:			
Investment in treasury pool	\$ 37,376	\$ 10,654	\$ 48,030
Imprest cash	500	-	500
Total cash displayed	<u>\$ 37,876</u>	<u>\$ 10,654</u>	<u>\$ 48,530</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>\$ (2,292)</u>	<u>\$ 1,027</u>	<u>\$ (1,265)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	6	550	556
(Increase) decrease in accounts receivable	23	14	37
(Increase) decrease in due from other funds	331	-	331
(Increase) decrease in due to other funds	(19)	43	24
(Increase) decrease in prepaid items	25	(200)	(175)
Increase (decrease) in accounts payable	382	(67)	315
Increase (decrease) in deferred revenue	(103)	-	(103)
Increase (decrease) in salaries and benefits payable and compensated absences	-	187	187
Increase (decrease) in claims payable	(1,772)	-	(1,772)
Total adjustments	<u>(1,127)</u>	<u>527</u>	<u>(600)</u>
Net cash provided by (used for) operating activities	<u>\$ (3,419)</u>	<u>\$ 1,554</u>	<u>\$ (1,865)</u>
Schedule of non-cash capital and related finance activities:			
Contributions of capital assets	\$ -	\$ 169	\$ 169

FIDUCIARY FUNDS

Fiduciary Funds include all Investment Trust, Private-Purpose Trust, and Agency Funds.

Investment Trust Funds are used to account for assets held by the County in a trustee capacity. External pool participants include local School Districts, Special Districts not included as component units of the County, and the Tulare County Employees' Retirement Association, which maintains a check-clearing account in the Treasury Pool.

The Private-Purpose Trust Fund is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Tulare County Redevelopment Successor Agency (Successor Agency).

Agency funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments.

Property Tax Collection and Apportionment Funds - These funds account for property taxes collected and for the apportionment of taxes to the State and others.

State Fines Agency Fund - These funds are used as a clearing fund for penalties, fines, and assessments collected and payable to the State.

Transportation Tax Funds - These funds account for .25 percent sales tax collected by the State Board of Equalization and deposited with the County of origin for local transportation support.

Employee Health Benefits Funds - This fund is used to accumulate premium payments for health, dental, vision, life, long-term disability, and voluntary products collected from employees, retired employees, and Special District employees for distribution to providers.

Education Revenue Augmentation Funds (ERAF) - This fund is used to collect tax revenues shifted from counties, cities, special districts, and redevelopment agencies to augment loss of State funding to local schools.

Other Agency Funds - These funds account for monies held as agent for a variety of purposes.

COUNTY OF TULARE
Fiduciary Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2013 (in thousands)

	Balance July 1	Additions	Deductions	Balance June 30
Property Tax Collection and Apportionment Funds				
ASSETS				
Investment in treasury pool	\$ 9,881	\$ 548,894	\$ (544,272)	\$ 14,503
Total assets	<u>\$ 9,881</u>	<u>\$ 548,894</u>	<u>\$ (544,272)</u>	<u>\$ 14,503</u>
LIABILITIES				
Accounts payable	\$ 432	\$ 252,679	\$ (243,560)	\$ 9,551
Agency obligations	9,449	79,850	(84,347)	4,952
Total liabilities	<u>\$ 9,881</u>	<u>\$ 332,529</u>	<u>\$ (327,907)</u>	<u>\$ 14,503</u>
State Fines Agency Fund				
ASSETS				
Investment in treasury pool	\$ 84	\$ 791	\$ (786)	\$ 89
Total assets	<u>\$ 84</u>	<u>\$ 791</u>	<u>\$ (786)</u>	<u>\$ 89</u>
LIABILITIES				
Accounts payable	\$ -	\$ 1,451	\$ (1,451)	\$ -
Agency obligations	84	2,280	(2,275)	89
Total liabilities	<u>\$ 84</u>	<u>\$ 3,731</u>	<u>\$ (3,726)</u>	<u>\$ 89</u>
Transportation Tax Funds				
ASSETS				
Investment in treasury pool	\$ 2,111	\$ 13,967	\$ (14,555)	\$ 1,523
Total assets	<u>\$ 2,111</u>	<u>\$ 13,967</u>	<u>\$ (14,555)</u>	<u>\$ 1,523</u>
LIABILITIES				
Agency obligations	\$ 2,111	\$ (588)	\$ -	\$ 1,523
Total liabilities	<u>\$ 2,111</u>	<u>\$ (588)</u>	<u>\$ -</u>	<u>\$ 1,523</u>
Employee Health Benefits Funds				
ASSETS				
Investment in treasury pool	\$ 1,343	\$ 31,966	\$ (31,929)	\$ 1,380
Accounts receivable	416	25,691	(24,161)	1,946
Prepaid items	-	1,947	-	1,947
Due from other governments	-	-	3	3
Total assets	<u>\$ 1,759</u>	<u>\$ 59,604</u>	<u>\$ (56,087)</u>	<u>\$ 5,276</u>
LIABILITIES				
Accounts payable	\$ 122	\$ 67,084	\$ (65,178)	\$ 2,028
Agency obligations	1,637	6,157	(4,546)	3,248
Total liabilities	<u>\$ 1,759</u>	<u>\$ 73,241</u>	<u>\$ (69,724)</u>	<u>\$ 5,276</u>

Continued

COUNTY OF TULARE
Fiduciary Funds
Combining Statement of Changes in Assets and Liabilities (continued)
For the Fiscal Year Ended June 30, 2013 (in thousands)

	Balance July 1	Additions	Deductions	Balance June 30
Education Revenue Augmentation Funds				
ASSETS				
Investment in treasury pool	\$ 448	\$ 92,891	\$ (93,053)	\$ 286
Total assets	<u>\$ 448</u>	<u>\$ 92,891</u>	<u>\$ (93,053)</u>	<u>\$ 286</u>
LIABILITIES				
Agency obligations	\$ 448	\$ 27,838	\$ (28,000)	\$ 286
Total liabilities	<u>\$ 448</u>	<u>\$ 27,838</u>	<u>\$ (28,000)</u>	<u>\$ 286</u>
Other Agency Funds				
ASSETS				
Cash in bank	\$ 4,174	\$ -	\$ (388)	\$ 3,786
Investment in treasury pool	12,456	56,875	(52,669)	16,662
Accounts receivable	3	1	(2)	2
Due from other funds	-	41	(41)	-
Due from other governments	40	-	1	41
Advance to agency funds	780	-	(780)	-
Total assets	<u>\$ 17,453</u>	<u>\$ 56,917</u>	<u>\$ (53,879)</u>	<u>\$ 20,491</u>
LIABILITIES				
Accounts payable	\$ 474	\$ 18,572	\$ (18,594)	\$ 452
Due to other funds	-	356	(356)	-
Due to other governments	-	15,840	(7,759)	8,081
Advances from funds	820	(820)	-	-
Agency obligations	16,159	60,216	(64,417)	11,958
Total liabilities	<u>\$ 17,453</u>	<u>\$ 94,164</u>	<u>\$ (91,126)</u>	<u>\$ 20,491</u>
Total Agency Funds				
ASSETS				
Cash in bank	\$ 4,174	\$ -	\$ (388)	\$ 3,786
Investment in treasury pool	26,323	745,384	(737,264)	34,443
Accounts receivable	419	25,692	(24,163)	1,948
Prepaid items	-	1,947	-	1,947
Due from other funds	-	41	(41)	-
Due from other governments	40	-	4	44
Advance to agency funds	780	-	(780)	-
Total assets	<u>\$ 31,736</u>	<u>\$ 773,064</u>	<u>\$ (762,632)</u>	<u>\$ 42,168</u>
LIABILITIES				
Accounts payable	\$ 1,028	\$ 339,786	\$ (328,783)	12,031
Due to other funds	-	356	(356)	-
Due to other governments	-	15,840	(7,759)	8,081
Advances from funds	820	(820)	-	-
Agency obligations	29,888	175,753	(183,585)	22,056
Total liabilities	<u>\$ 31,736</u>	<u>\$ 530,915</u>	<u>\$ (520,483)</u>	<u>\$ 42,168</u>

Concluded

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

These schedules report capital assets acquired for general government operations. These capital assets are tangible and of significant value having a utility which extends beyond the current year. They are broadly classified as land, infrastructure, buildings and improvements, machinery and equipment, vehicles, construction in progress, and infrastructure in progress.

COUNTY OF TULARE
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source
June 30, 2013 (in thousands)

Function and Activity	2013	2012
Governmental funds capital assets:		
Land	\$ 911,450	\$ 910,114
Infrastructure	659,376	657,165
Buildings and improvements	206,752	206,515
Machinery and equipment	27,662	28,106
Vehicles	49,084	46,294
Construction in progress	744	454
Infrastructure in progress	139,236	104,193
Total governmental funds capital assets	<u>\$ 1,994,304</u>	<u>\$ 1,952,841</u>
Investment in governmental funds capital assets by source:		
General Fund	\$ 230,066	\$ 228,144
Federal revenue sharing fund	11,242	13,412
Special revenue funds	1,750,889	1,709,636
Capital projects fund	2,089	1,620
Donations	18	29
Total governmental funds capital assets	<u>\$ 1,994,304</u>	<u>\$ 1,952,841</u>

COUNTY OF TULARE
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2013 (in thousands)

Function and Activity	Land	Infrastructure	Buildings and Improvements	Machinery and Equipment	Vehicles	Total
General government						
Administrative	\$ -	\$ -	\$ 25	\$ -	\$ -	25
Finance	-	-	-	31	318	349
County Counsel	-	-	1,663	11	-	1,674
Personnel	-	-	25	-	-	25
Elections	-	-	-	1,040	-	1,040
Property management	-	-	22,089	251	15	22,355
Other general	3,136	-	923	4,727	1,979	10,765
Total general government	3,136	-	24,725	6,060	2,312	36,233
Public protection						
Judicial	-	-	38,395	959	1,906	41,260
Sheriff	2,369	-	4,296	1,862	9,440	17,967
Other protection	-	-	90	230	403	723
Total public protection	2,369	-	42,781	3,051	11,749	59,950
Detention and correction						
Detention	-	-	73,944	1,263	2,791	77,998
Fire	433	-	3,581	651	10,198	14,863
Inspection	210	-	4,685	105	1,866	6,866
Total detention and correction	643	-	82,210	2,019	14,855	99,727
Public ways and facilities	901,348	659,376	5,908	5,035	13,323	1,584,990
Public health	2,640	-	26,980	6,407	3,305	39,332
Public assistance	226	-	3,505	4,300	2,298	10,329
Education	122	-	10,120	239	668	11,149
Culture and recreation	966	-	10,523	551	574	12,614
	905,302	659,376	57,036	16,532	20,168	1,658,414
Construction projects in progress	-	-	744	-	-	744
Infrastructure projects in progress	-	139,236	-	-	-	139,236
	-	139,236	744	-	-	139,980
Total governmental funds capital assets	\$ 911,450	\$ 798,612	\$ 207,496	\$ 27,662	\$ 49,084	\$ 1,994,304

COUNTY OF TULARE
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Year Ended June 30, 2013 (in thousands)

Function and Activity	Governmental Fund Capital Assets July 1	Additions	Deletions	Adjustments	Governmental Fund Capital Assets June 30
General government					
Administrative	\$ 25	\$ -	\$ -	\$ -	\$ 25
Finance	417	7	(89)	14	349
County Counsel	1,674	-	-	-	1,674
Personnel	25	-	-	-	25
Elections	1,050	7	(17)	-	1,040
Property management	22,094	271	-	(10)	22,355
Other general	11,532	355	(1,152)	30	10,765
Total general government	<u>36,817</u>	<u>640</u>	<u>(1,258)</u>	<u>34</u>	<u>36,233</u>
Public protection					
Judicial	41,290	247	(257)	(20)	41,260
Sheriff	15,359	3,321	(758)	45	17,967
Other protection	714	33	(24)	-	723
Total public protection	<u>57,363</u>	<u>3,601</u>	<u>(1,039)</u>	<u>25</u>	<u>59,950</u>
Detention and correction					
Detention	77,924	441	(367)	-	77,998
Fire	14,778	86	(17)	16	14,863
Inspection	6,515	556	(148)	(57)	6,866
Total detention and correction	<u>99,217</u>	<u>1,083</u>	<u>(532)</u>	<u>(41)</u>	<u>99,727</u>
Public ways and facilities	1,582,046	4,444	(1,689)	189	1,584,990
Public health	39,210	271	(124)	(25)	39,332
Public assistance	9,939	599	(183)	(26)	10,329
Education	11,006	179	(48)	12	11,149
Culture and recreation	12,596	-	-	18	12,614
	<u>1,654,797</u>	<u>5,493</u>	<u>(2,044)</u>	<u>168</u>	<u>1,658,414</u>
Construction projects in progress	454	740	(237)	(213)	744
Infrastructure projects in progress	104,193	35,041	-	2	139,236
Total governmental funds capital assets	<u>\$ 1,952,841</u>	<u>\$ 46,598</u>	<u>\$ (5,110)</u>	<u>\$ (25)</u>	<u>\$ 1,994,304</u>

Statistical Section

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the Comprehensive Annual Financial Report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess the County's economic condition.

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COUNTY OF TULARE
Statistical Section
Net Position By Component (unaudited)
Last 10 Fiscal Years (in thousands)

	Fiscal Year				
	2003-04	2004-05	2005-06	2006-07	2007-08
Governmental activities					
Net investment in capital assets	\$ 1,461,647 *	\$ 1,450,065 **	\$ 1,425,580	\$ 1,417,765	\$ 1,491,566
Restricted	41,803	40,051	44,553	45,403	54,086
Unrestricted	31,685	35,459	43,721	57,303	55,866
Total governmental activities net position	<u>\$ 1,535,135</u>	<u>\$ 1,525,575 **</u>	<u>\$ 1,513,854</u>	<u>\$ 1,520,471</u>	<u>\$ 1,601,518</u>
Business-type activities					
Net investment in capital assets	\$ 19,396	\$ 20,010	\$ 20,322	\$ 19,860	\$ 19,090
Restricted	5,005	5,005	5,005	5,005	5,005
Unrestricted	25,613	24,886	22,914	22,200	22,794
Total business-type activities net position	<u>\$ 50,014</u>	<u>\$ 49,901</u>	<u>\$ 48,241</u>	<u>\$ 47,065</u>	<u>\$ 46,889</u>
Primary government					
Net investment in capital assets	\$ 1,481,043 *	\$ 1,470,075 **	\$ 1,445,902	\$ 1,437,625	\$ 1,510,656
Restricted	46,808	45,056	49,558	50,408	59,091
Unrestricted	57,298	60,345	66,635	79,503	78,660
Total primary government net position	<u>\$ 1,585,149</u>	<u>\$ 1,575,476 **</u>	<u>\$ 1,562,095</u>	<u>\$ 1,567,536</u>	<u>\$ 1,648,407</u>
Governmental activities					
Fiscal Year					
	2008-09	2009-10	2010-11	2011-12	2012-13
Governmental activities					
Net investment in capital assets	\$ 1,524,380	\$ 1,541,360	\$ 1,576,213	\$ 1,558,744	\$ 1,584,261
Restricted	57,079	61,880	57,762	102,657	134,870
Unrestricted	56,992	63,537	74,420	83,404	65,066
Total governmental activities net position	<u>\$ 1,638,451</u>	<u>\$ 1,666,777</u>	<u>\$ 1,708,395</u>	<u>\$ 1,744,805</u>	<u>\$ 1,784,197</u>
Business-type activities					
Net investment in capital assets	\$ 28,811	\$ 28,172	\$ 27,463	\$ 29,728	\$ 27,357
Restricted	5,005	5,005	5,005	5,005	5,016
Unrestricted	9,363	6,792	7,002	7,999	8,140
Total business-type activities net position	<u>\$ 43,179</u>	<u>\$ 39,969</u>	<u>\$ 39,470</u>	<u>\$ 42,732</u>	<u>\$ 40,513</u>
Primary government					
Net investment in capital assets	\$ 1,553,191	\$ 1,569,532	\$ 1,603,676	\$ 1,588,472	\$ 1,611,618
Restricted	62,084	66,885	62,767	107,662	139,886
Unrestricted	66,355	70,329	81,422	91,403	73,206
Total primary government net position	<u>\$ 1,681,630</u>	<u>\$ 1,706,746</u>	<u>\$ 1,747,865</u>	<u>\$ 1,787,537</u>	<u>\$ 1,824,710</u>

*Prior periods are restated for subsequent Prior Period Adjustments.

**Beginning balances of capital assets restated to include infrastructure assets.

Discretely presented Component Unit is not included.

COUNTY OF TULARE
Statistical Section
Changes in Net Position (unaudited)
Last 10 Fiscal Years (in thousands)

	Fiscal Year				
	2003-04	2004-05	2005-06	2006-07	2007-08
Expenses					
Governmental activities:					
General government	\$ 32,816	\$ 25,312	\$ 44,550	\$ 93,680	\$ 71,430
Public protection	145,513	148,459	155,626	162,837	187,299
Public ways and facilities	19,411	35,404	26,701	15,100	28,346
Health and sanitation	86,955	99,669	104,035	120,520	120,195
Public assistance	202,481	215,275	225,735	220,019	227,086
Education	3,356	3,384	3,241	3,722	4,287
Culture and recreation	1,949	1,631	1,468	1,842	3,552
Unallocated depreciation	589	589	589	588	510
Unallocated interest expense	8,220	8,642	9,713	11,038	11,244
Total governmental activities expenses	<u>501,290</u>	<u>538,365</u>	<u>571,658</u>	<u>629,346</u>	<u>653,949</u>
Business-type activities:					
Solid Waste	12,967	10,249	12,004	13,981	14,426
Other business-type activities	1,839	1,708	1,872	2,120	2,259
Total business-type activities expenses	<u>14,806</u>	<u>11,957</u>	<u>13,876</u>	<u>16,101</u>	<u>16,685</u>
Total primary government expenses	<u>\$ 516,096</u>	<u>\$ 550,322</u>	<u>\$ 585,534</u>	<u>\$ 645,447</u>	<u>\$ 670,634</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 31,895	\$ 28,181	\$ 21,838	\$ 50,015	\$ 62,391
Public protection	19,635	22,015	22,179	25,846	28,291
Public ways and facilities	1,109	1,468	2,783	2,209	2,028
Health and sanitation	11,365	12,430	11,653	16,103	45,659
Public assistance	25,499	29,244	26,348	30,161	7,496
Education	112	245	289	334	188
Culture and recreation	1,012	1,101	848	1,004	332
Operating grants and contributions	355,940	349,248	371,869	389,177	389,524
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>446,567</u>	<u>443,932</u>	<u>457,807</u>	<u>514,849</u>	<u>535,909</u>
Business-type activities:					
Charges for services:					
Solid Waste	8,878	9,053	9,705	10,247	9,244
Other business-type activities	631	670	696	738	792
Operating grants and contributions	40	373	42	276	1,475
Total business-type activities program revenues	<u>9,549</u>	<u>10,096</u>	<u>10,443</u>	<u>11,261</u>	<u>11,511</u>
Total primary government program revenues	<u>\$ 456,116</u>	<u>\$ 454,028</u>	<u>\$ 468,250</u>	<u>\$ 526,110</u>	<u>\$ 547,420</u>
Net (expense)/revenue					
Governmental activities	\$ (54,723)	\$ (94,433)	\$ (113,851)	\$ (114,497)	\$ (118,040)
Business-type activities	(5,257)	(1,861)	(3,433)	(4,840)	(5,174)
Total primary government net expense	<u>\$ (59,980)</u>	<u>\$ (96,294)</u>	<u>\$ (117,284)</u>	<u>\$ (119,337)</u>	<u>\$ (123,214)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes	\$ 40,342	\$ 66,738	\$ 78,583	\$ 91,367	\$ 102,198
Sales and other taxes	7,632	8,032	12,311	13,262	19,188
Earnings on investments	2,880	5,402	7,034	11,950	11,439
Miscellaneous	5,321	-	-	-	-
Tobacco settlement revenues	5,929	4,010	3,651	3,822	4,068
Gain (loss) on sale of capital assets	63	29	-	-	-
Extraordinary item RDA dissolution	-	-	-	-	-
Transfers	892	662	551	713	556
Total governmental activities	<u>63,059</u>	<u>84,873</u>	<u>102,130</u>	<u>121,114</u>	<u>137,449</u>
Business-type activities:					
Sales and other taxes	658	855	512	1,033	1,628
Earnings on investments	503	1,555	1,651	3,342	3,864
Gain on sale of capital assets	31	-	161	2	62
Transfers	(892)	(662)	(551)	(713)	(556)
Total business-type activities	<u>300</u>	<u>1,748</u>	<u>1,773</u>	<u>3,664</u>	<u>4,998</u>
Total primary government	<u>\$ 63,359</u>	<u>\$ 86,621</u>	<u>\$ 103,903</u>	<u>\$ 124,778</u>	<u>\$ 142,447</u>
Change in Net Position					
Governmental activities	\$ 8,336	\$ (9,560)	\$ (11,721)	\$ 6,617	\$ 19,409
Business-type activities	(4,957)	(113)	(1,660)	(1,176)	(176)
Total primary government	<u>\$ 3,379</u>	<u>\$ (9,673)</u>	<u>\$ (13,381)</u>	<u>\$ 5,441</u>	<u>\$ 19,233</u>

Continued

COUNTY OF TULARE
Statistical Section
Changes in Net Position-Continued (unaudited)
Last 10 Fiscal Years (in thousands)

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	
					Expenses
					Governmental activities:
\$ 28,459	\$ 26,587	\$ 39,515	\$ 42,590	\$ 42,343	General government
197,905	192,533	182,316	190,402	190,904	Public protection
32,342	29,120	25,485	38,295	33,767	Public ways and facilities
122,853	120,796	117,572	122,305	124,681	Health and sanitation
234,329	236,861	235,547	224,139	228,148	Public assistance
5,033	5,027	5,412	5,020	5,112	Education
2,136	2,095	310	371	329	Culture and recreation
791	953	520	520	520	Unallocated depreciation
5,993	5,806	3,137	2,259	1,990	Unallocated interest expense
<u>629,841</u>	<u>619,778</u>	<u>609,814</u>	<u>625,901</u>	<u>627,794</u>	Total governmental activities expenses
					Business-type activities:
14,138	13,144	10,847	7,365	10,812	Solid Waste
2,452	2,710	2,856	3,579	3,844	Other business-type activities
<u>16,590</u>	<u>15,854</u>	<u>13,703</u>	<u>10,944</u>	<u>14,656</u>	Total business-type activities expenses
<u>\$ 646,431</u>	<u>\$ 635,632</u>	<u>\$ 623,517</u>	<u>\$ 636,845</u>	<u>\$ 642,450</u>	Total primary government expenses
					Program Revenues
					Governmental activities:
					Charges for services:
\$ 28,860	\$ 26,601	\$ 24,375	\$ 31,271	\$ 24,259	General government
29,368	23,883	26,349	21,558	21,683	Public protection
1,782	1,971	3,406	6,700	5,083	Public ways and facilities
46,523	47,938	52,666	43,479	40,554	Health and sanitation
5,823	3,324	4,299	6,687	6,717	Public assistance
162	161	222	209	210	Education
287	293	283	288	292	Culture and recreation
403,891	418,780	406,398	419,570	421,514	Operating grants and contributions
-	-	-	-	6	Capital grants and contributions
<u>516,696</u>	<u>522,951</u>	<u>517,998</u>	<u>529,762</u>	<u>520,318</u>	Total governmental activities program revenues
					Business-type activities:
					Charges for services:
8,284	8,206	8,130	8,525	8,568	Solid Waste
925	955	1,064	1,224	1,252	Other business-type activities
813	844	1,270	2,222	504	Operating grants and contributions
<u>10,022</u>	<u>10,005</u>	<u>10,464</u>	<u>11,971</u>	<u>10,324</u>	Total business-type activities program revenues
<u>\$ 526,718</u>	<u>\$ 532,956</u>	<u>\$ 528,462</u>	<u>\$ 541,733</u>	<u>\$ 530,642</u>	Total primary government program revenues
					Net (expense)/revenue
\$ (113,145)	\$ (96,827)	\$ (91,816)	\$ (96,139)	\$ (107,476)	Governmental activities
(6,568)	(5,849)	(3,239)	1,027	(4,332)	Business-type activities
<u>\$ (119,713)</u>	<u>\$ (102,676)</u>	<u>\$ (95,055)</u>	<u>\$ (95,112)</u>	<u>\$ (111,808)</u>	Total primary government net expense
					General Revenues and Other Changes in Net Position
					Governmental activities:
\$ 105,400	\$ 99,991	\$ 101,519	\$ 105,604	\$ 107,101	Property taxes
21,299	17,783	31,937	23,472	31,951	Sales and other taxes
13,003	7,236	2,536	4,324	1,307	Earnings on investments
-	-	-	-	-	Miscellaneous
4,471	3,728	3,854	3,930	5,923	Tobacco settlement revenues
-	(6,180)	(2,640)	191	208	Gain (loss) on sale of capital assets
-	-	-	(2,658)	-	Extraordinary item RDA dissolution
583	531	515	466	378	Transfers
<u>144,756</u>	<u>123,089</u>	<u>137,721</u>	<u>135,329</u>	<u>146,868</u>	Total governmental activities
					Business-type activities:
379	943	2,486	1,842	2,328	Sales and other taxes
3,062	2,104	863	857	163	Earnings on investments
-	123	1	2	-	Gain on sale of capital assets
(583)	(531)	(515)	(466)	(378)	Transfers
<u>2,858</u>	<u>2,639</u>	<u>2,835</u>	<u>2,235</u>	<u>2,113</u>	Total business-type activities
<u>\$ 147,614</u>	<u>\$ 125,728</u>	<u>\$ 140,556</u>	<u>\$ 137,564</u>	<u>\$ 148,981</u>	Total primary government
					Change in Net Position
\$ 31,611	\$ 26,262	\$ 45,905	\$ 39,190	\$ 39,392	Governmental activities
(3,710)	(3,210)	(404)	3,262	(2,219)	Business-type activities
<u>\$ 27,901</u>	<u>\$ 23,052</u>	<u>\$ 45,501</u>	<u>\$ 42,452</u>	<u>\$ 37,173</u>	Total primary government

Concluded

COUNTY OF TULARE
Statistical Section
Fund Balances of Governmental Funds (unaudited)
Last 10 Fiscal Years (in thousands)

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
General Fund										
Nonspendable	\$ 551	\$ 81	\$ 70	\$ 839	\$ 839	\$ 839	\$ 1,173	\$ 439	\$ 1,596	\$ 3,244
Restricted	5,916	14,263	13,751	13,890	14,288	19,596	30	844	22,790	28,863
Committed	15,821	18,575	21,246	25,091	25,163	25,414	25,612	22,101	1,833	1,668
Assigned	-	-	-	-	-	-	-	-	1,081	-
Unassigned	13,866	9,528	13,485	17,518	17,213	12,228	31,713	27,146	61,448	62,710
Subtotal general fund	36,154	42,447	48,552	57,338	57,503	58,077	58,528	50,530	88,748	96,485
PFC and PFA Major Funds										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	56,197	57,080	54,391	53,963	56,670	55,355	56,400	57,249	58,327	60,442
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Unassigned	-	-	-	-	-	-	-	-	-	-
Subtotal PFC and PFA major funds	59,697	60,580	57,891	57,463	60,170	58,855	59,900	60,749	61,827	63,942
All Other Governmental Funds										
Nonspendable	1,010	1,089	1,149	1,154	1,236	2,206	2,044	1,123	1,162	1,025
Restricted	18,158	15,294	20,119	22,189	26,079	28,880	46,742	56,822	76,400	77,102
Committed	4,989	5,576	5,559	5,572	4,118	3,858	210	3,232	4,000	6,000
Assigned	450	334	1,306	1,623	4,044	3,197	10,534	11,727	17,987	17,583
Unassigned	(1,685)	(1,566)	(748)	(767)	(750)	(752)	(12,733)	(19,429)	(20,971)	(19,542)
Subtotal all other governmental funds	22,922	20,727	27,385	29,771	34,727	37,389	46,797	53,475	78,578	82,168
Total governmental fund balance	\$ 118,773	\$ 123,754	\$ 133,828	\$ 144,572	\$ 152,400	\$ 154,321	\$ 165,225	\$ 164,754	\$ 229,153	\$ 242,595

COUNTY OF TULARE
Statistical Section
Changes in Fund Balances of Governmental Funds (unaudited)
Last 10 Fiscal Years (in thousands)

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
REVENUES										
Taxes and special assessments	\$ 50,450	\$ 78,982	\$ 94,401	\$ 108,216	\$ 121,397	\$ 126,699	\$ 117,774	\$ 133,456	\$ 129,076	\$ 139,052
Licenses and permits	7,214	8,550	8,480	9,060	9,010	9,939	8,355	8,764	8,780	9,191
Fines, forfeitures, and penalties	7,968	8,124	8,764	4,219	10,218	13,031	12,429	13,020	15,257	10,364
Interest, rents, and concessions	2,979	5,294	7,146	11,389	12,093	12,177	8,474	3,722	7,239	3,076
Intergovernmental revenues	350,762	346,736	368,768	385,590	389,524	404,262	414,234	401,376	423,230	424,213
Charges for services	57,450	64,196	61,772	71,922	80,188	77,496	70,321	81,196	69,970	65,289
Other revenues	10,484	12,034	11,492	10,965	11,442	14,685	15,205	13,035	15,776	18,253
Total revenues	<u>487,307</u>	<u>523,916</u>	<u>560,823</u>	<u>601,361</u>	<u>633,872</u>	<u>658,289</u>	<u>646,792</u>	<u>654,569</u>	<u>669,328</u>	<u>669,438</u>
EXPENDITURES										
General government	23,164	17,575	17,549	24,318	25,621	29,713	25,525	34,433	36,138	42,838
Public protection	139,512	144,136	153,259	162,811	184,009	189,989	184,477	174,320	183,352	184,406
Public ways and facilities	18,764	14,086	9,890	7,920	12,498	15,489	12,986	8,714	23,711	19,164
Health and sanitation	86,165	98,477	103,075	120,723	119,569	121,340	118,919	114,136	118,063	122,115
Public assistance	201,839	213,979	224,438	219,376	226,227	232,527	234,642	233,388	221,539	226,442
Education	3,370	3,462	3,289	3,831	4,329	4,855	4,722	5,109	4,673	4,875
Culture and recreation	1,831	1,524	1,323	1,740	3,361	1,968	1,920	38	59	-
Capital outlay	4,018	7,630	14,611	29,581	28,979	36,704	37,634	56,075	42,776	46,006
Debt service:										
Principal	11,259	11,443	11,936	51,711	9,737	10,103	11,624	11,726	13,173	6,515
Interest and fiscal charges	7,926	8,388	9,421	10,763	10,778	8,954	5,566	3,096	3,060	2,081
Total expenditures	<u>497,848</u>	<u>520,700</u>	<u>548,791</u>	<u>632,774</u>	<u>625,108</u>	<u>651,642</u>	<u>638,015</u>	<u>641,035</u>	<u>646,544</u>	<u>654,442</u>
Excess (deficiency) of revenues over (under) expenditures	(10,541)	3,216	12,032	(31,413)	8,764	6,647	8,777	13,534	22,784	14,996
OTHER FINANCING SOURCES (USES)										
Sale of general capital assets	177	148	497	1,468	297	169	107	158	191	208
Sale of note receivable	5,321	-	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	43,987	-	231	1,669	-	-	-
Capital lease proceeds	30	-	44	-	-	-	-	-	-	-
Direct financing lease	101	105	114	121	128	-	-	-	-	-
Loan proceeds	2,906	1,775	-	-	-	-	-	-	-	-
Transfers in	101,557	102,141	116,185	114,577	100,925	102,189	96,795	76,575	108,739	104,796
Transfers (out)	(100,461)	(102,404)	(118,798)	(117,996)	(102,286)	(103,720)	(97,392)	(77,105)	(107,764)	(106,558)
Total other financing sources (uses)	<u>9,631</u>	<u>1,765</u>	<u>(1,958)</u>	<u>42,157</u>	<u>(936)</u>	<u>(1,131)</u>	<u>1,179</u>	<u>(372)</u>	<u>1,166</u>	<u>(1,554)</u>
Extraordinary Items										
RDA dissolution assets transfers	-	-	-	-	-	-	-	-	(5,726)	-
RDA dissolution liability transfers	-	-	-	-	-	-	-	-	74	-
Total extraordinary items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,652)</u>	<u>-</u>
Net change in fund balances	<u>\$ (910)</u>	<u>\$ 4,981</u>	<u>\$ 10,074</u>	<u>\$ 10,744</u>	<u>\$ 7,828</u>	<u>\$ 5,516</u>	<u>\$ 9,956</u>	<u>\$ 13,162</u>	<u>\$ 18,298</u>	<u>\$ 13,442</u>
Debt service as a percentage										
of noncapital expenditures	3.88%	3.87%	4.00%	10.36%	3.44%	3.10%	2.86%	2.53%	2.69%	1.41%

COUNTY OF TULARE
Statistical Section
Equalized Roll Assessed Value of Taxable Property (unaudited)
Last 10 Fiscal Years (in thousands)

Fiscal Year	Real Property Assessed Value *	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Rate (%)
2003-04	\$ 16,984,360	\$ 1,051,432	\$ 18,035,792	1.00000
2004-05	17,971,651	1,087,362	19,059,013	1.00000
2005-06	19,714,530	1,174,747	20,889,277	1.00000
2006-07	22,463,149	1,142,461	23,605,610	1.00000
2007-08	25,190,040	1,522,742	26,712,782	1.00000
2008-09	26,632,559	1,616,099	28,248,658	1.00000
2009-10	26,317,008	1,692,118	28,009,126	1.00000
2010-11	26,525,428	1,516,586	28,042,014	1.00000
2011-12	26,377,210	1,596,844	27,974,054	1.00000
2012-13	26,186,643	1,628,687	27,815,330	1.00000

* Due to the 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 (CPI) 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: County of Tulare / Property Tax

COUNTY OF TULARE
Statistical Section
Direct Overlapping Property Tax Rates (unaudited)
Last 10 Fiscal Years

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
County-Wide Rates										
General	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
School District Rates										
Allensworth Elementary	0.041	0.044	0.044	0.044	0.018	-	-	-	-	-
Alta Vista Elementary	0.066	0.048	-	-	-	-	-	-	-	-
Buena Vista Elementary	0.035	0.031	0.026	0.031	0.027	0.027	0.025	0.016	0.010	0.008
Burton Elementary *	0.030	0.022	0.023	0.021	0.018	0.019	0.023	0.023	0.024	0.026
College of the Sequoias - Hanford Schools Facility Improvement District	-	-	-	-	0.025	0.020	0.012	0.025	0.014	0.019
College of the Sequoias - Tulare Schools Facility Improvement District	-	-	-	-	-	-	0.012	0.025	0.028	0.028
College of the Sequoias - Visalia Schools Facility Improvement District	-	-	-	-	-	-	0.005	0.013	0.025	0.025
Cutler - Orosi Unified *	-	0.060	0.060	0.060	0.050	0.040	0.011	0.035	0.040	0.055
Delano Joint High	0.090	0.097	0.097	0.163	0.117	0.100	0.119	0.155	0.133	0.121
Dinuba Unified	0.051	0.055	0.074	0.057	0.060	0.151	0.107	0.151	0.116	0.107
Earlimart Elementary	0.050	0.048	0.039	0.035	0.031	0.032	0.034	0.030	0.025	0.020
Exeter Elementary	-	-	-	-	-	0.029	0.028	0.032	0.037	0.034
Exeter High	0.037	0.038	0.034	0.030	0.049	0.040	0.037	0.040	0.042	0.046
Farmersville Elementary	-	-	-	-	-	-	-	-	-	-
Farmersville Unified *	0.170	0.148	0.133	0.095	0.074	0.072	0.098	0.090	0.080	0.076
Hanford Joint High *	0.030	0.033	0.039	0.058	0.049	0.054	0.053	0.055	0.054	0.060
Kern Community College Schools Facility Improvement District*	0.012	0.009	0.010	0.005	0.008	0.009	0.009	0.010	0.009	0.009
Kings Canyon Joint Unified *	0.051	0.058	0.035	0.045	0.082	0.064	0.091	0.109	0.103	0.097
Kings River Elementary	-	-	-	-	0.030	0.052	0.053	0.060	0.077	0.064
Kingsburg Joint Elementary	0.018	0.065	0.013	0.054	0.072	-	0.022	0.056	0.032	0.049
Kingsburg Joint High	0.050	0.050	0.059	0.089	0.625	0.009	0.074	0.068	0.060	0.056
Liberty Elementary	0.090	0.084	0.057	0.054	0.044	0.041	0.054	0.050	0.040	0.030
Lindsay Unified	0.052	0.060	0.060	0.060	0.055	0.055	0.092	0.122	0.125	0.120
Linns Valley Poso - Flat Joint Elementary	0.019	0.026	0.025	0.016	0.015	-	0.015	0.017	0.010	0.010
Porterville Elementary	-	-	-	-	-	-	-	-	-	-
Porterville Schools Facility Improvement District *	0.055	0.056	0.060	0.052	0.055	0.050	0.005	0.052	0.047	0.057
Richgrove Elementary	0.036	0.051	0.043	0.038	0.004	0.038	0.041	0.038	0.028	0.038
State Center Comm College Schools Facility Improvement District *	0.016	0.014	0.006	0.005	0.016	-	0.010	0.010	0.007	0.009
Stone Corral	-	-	-	-	-	0.030	0.022	0.025	0.025	0.015
Strathmore High	0.078	0.086	0.070	0.062	0.052	0.053	0.055	0.050	0.040	0.040
Sundale Elementary	0.043	0.040	0.039	0.034	0.027	0.031	0.026	0.024	0.020	0.020
Terra Bella	-	-	-	-	-	-	0.034	0.030	0.030	0.030
Three Rivers Elementary	-	-	-	-	-	-	-	-	-	-
Traver Elementary *	-	0.028	0.057	0.053	0.060	0.051	0.049	0.052	0.058	0.058
Tulare High *	-	0.053	0.060	0.047	0.043	0.020	0.039	0.039	0.053	0.058
Visalia Unified *	0.063	0.050	0.042	0.034	0.028	0.030	0.036	0.030	0.030	0.030
Woodlake Elementary	0.051	0.049	0.046	0.040	0.036	0.035	0.043	0.035	0.033	0.029
Woodlake High	0.037	0.037	0.034	0.030	0.027	0.056	0.066	0.060	0.055	0.052
Special District Rates										
Kaweah Delta Healthcare District	-	0.040	0.040	0.035	0.031	-	0.028	0.029	0.027	0.025
Kaweah Delta Water Conservation	0.001	0.001	0.001	0.001	0.000	-	-	0.001	0.001	-
Kings Joint Mosquito Abatement	-	-	-	-	-	0.005	-	-	-	-
Lindsay Hospital	-	-	-	-	-	-	-	-	-	-
Patterson Tract Community Service Districts	-	-	-	-	-	-	-	-	-	-
Tulare County Pest Control	-	1.250	1.250	1.250	1.250	5.000	5.000	5.000	5.000	5.000 **
Tulare Healthcare District	-	-	-	-	0.019	0.039	0.083	0.113	0.113	0.082
South Tulare County Citrus Pest Control District	11.423	11.423	11.423	11.423	11.423	11.423	11.423	11.423	11.423	11.423 **
Woodville Public Utility	0.036	0.029	0.025	0.025	-	-	-	-	-	-

* School rates have been combined with educational facilities.

** Trees Per Acre

Note 1: All tax rates are levied and collected upon each \$100.00 valuation of net assessed valuation of taxable property, as assessed by the County Assessor, except for Kaweah Delta Water Conservation District (KDWC) and South Tulare County Citrus Pest Control District tax rates. KDWC tax rates are levied and collected upon each \$100.00 valuation of land and improvement assessed valuation of taxable property. South Tulare County Citrus Pest Control District tax rates are levied and collected upon each 100 trees per acre valuation as assigned by the County Assessor.

Note 2: The County-Wide tax rate is distributed to tax revenue districts according to California State law, specifically AB8. This includes the County of Tulare, Library Fund, Fire Fund, all cities, all schools, and special districts that set tax rates prior to Proposition 13.

Source: County of Tulare / Property Tax

COUNTY OF TULARE
Statistical Section
Principal Property Taxpayers (unaudited)
June 30, 2013 and June 30, 2004 (in thousands)

Fiscal Year 2012-13

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern California Edison Company	\$ 553,608	1	1.99%
Saputo Cheese USA Inc.	267,988	2	0.96%
California Dairies/Milk Producers	265,544	3	0.95%
Land O' Lakes	175,798	4	0.63%
Wal-Mart Stores/ Retail Trust	152,205	5	0.55%
Imperial Bondware	94,571	6	0.34%
Southern California Gas Company	94,354	7	0.34%
Pacific Bell Telephone Company	85,149	8	0.31%
Oscar Mayer Food Corp	82,514	9	0.30%
Best Buy Stores, LP	64,192	10	0.23%
Total	<u>\$ 1,835,923</u>		<u>6.60%</u>

Fiscal Year 2003-04

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Land O' Lakes, Inc.	\$ 257,826	1	1.43%
So. Calif. Edison Company	215,532	2	1.20%
Kraft Foods, Inc.	101,063	3	0.56%
Wal-Mart Stores, Inc.	92,335	4	0.51%
SBC California	86,716	5	0.48%
Southern California Gas Company	68,236	6	0.38%
California Milk Producers	64,516	7	0.36%
Recot, Inc.	63,823	8	0.35%
Best Buy Stores, LP	56,483	9	0.31%
Ruiz Foods Products, Inc.	42,211	10	0.23%
Total	<u>\$ 1,048,741</u>		<u>5.81%</u>

Source: County of Tulare / Property Tax

COUNTY OF TULARE
Statistical Section
Property Tax Levies and Collections (unaudited)
Last 10 Fiscal Years (in thousands)

Fiscal Year	Collected within the Fiscal Year of the Levy				Total Collections to Date		
	Taxes Levied	Amount	Percentage of Levy	Collection in Subsequent Years*	Amount	Percentage of Levy	
2003-04	\$ 173,386	\$ 168,089	96.94%	\$ 5,221	\$ 173,310	99.96%	
2004-05	183,896	178,233	96.92%	4,905	183,138	99.59%	
2005-06	202,601	195,336	96.41%	5,666	201,002	99.21%	
2006-07	231,424	221,428	95.68%	5,616	227,044	98.11%	
2007-08	261,193	245,387	93.95%	7,022	252,409	96.64%	
2008-09	279,176	260,262	93.23%	11,208	271,470	97.24%	
2009-10	276,919	259,724	93.79%	12,440	272,164	98.28%	
2010-11	275,625	258,384	93.74%	9,766	268,150	97.29%	
2011-12	268,816	258,049	95.99%	10,406	268,455	99.87%	
2012-13	261,866	251,629	96.09%	10,237	261,866	100.00%	

*Collections in Subsequent Years represents monies collected for all previous years excluding the current fiscal year.

Source: County of Tulare / Property Tax

COUNTY OF TULARE
Statistical Section
Ratios of Outstanding Debt by Type (unaudited)
Last 10 Fiscal Years (in thousands)

Fiscal Year	Governmental Activities						Business-type Activities		Total Primary Government	Percentage of Personal Income *	Per Capita *
	Certificates of Participation	Variable Rate Demand Bonds	Pension Obligation Bonds	Tax Allocation Bonds	Loans and Notes	Capital Leases	Certificates of Participation	Bonds			
2003-04	\$ 63,133	\$ 43,800	\$ 33,800	\$ -	\$ 17,281	\$ 287	\$ 1,610	\$ 8	\$ 159,919	1.91%	400
2004-05	56,870	43,300	31,355	-	16,352	133	1,584	8	149,602	1.72%	365
2005-06	50,300	42,800	28,495	-	20,954	68	1,558	8	144,183	1.59%	343
2006-07	46,165	42,360	25,175	1,627	18,927	38	1,531	8	135,831	1.44%	317
2007-08	41,790	41,665	21,345	1,586	17,219	6	1,503	8	125,122	1.28%	286
2008-09	37,210	41,050	16,955	1,778	15,730	-	1,476	8	114,207	1.05%	272
2009-10	32,290	40,435	11,955	1,689	14,351	-	1,474	7	102,201	0.86%	228
2010-11	26,315	49,260	6,313	-	13,199	-	1,416	7	96,510	1.38%	235
2011-12	20,820	39,005	-	-	10,544	654	1,382	7	72,412	0.98%	177
2012-13	16,350	38,190	-	-	9,332	-	1,346	7	65,225	0.43%	143

* Personal income and populations used for these calculations appear in the Demographic Statistics section.

Source: County of Tulare/Auditor-Controller

COUNTY OF TULARE
Statistical Section
Computation of Direct and Overlapping Debt (unaudited)
June 30, 2013 (in thousands)

2012-13 Assessed Valuation:	\$ 27,815,331	(includes unitary utility valuation)
Redevelopment Incremental Valuation:	<u>(2,843,517)</u>	
Adjusted Assessed Valuation:	<u>\$ 24,971,814</u>	

OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt
College of the Sequoias Hanford School Facilities Improvement District	1.036%	\$ 223
College of the Sequoias Tulare School Facilities Improvement District	89.952	28,442
College of the Sequoias Visalia School Facilities Improvement District	100.000	27,037
Other Community College District	2.259-7.190	9,892
Dinuba Joint Unified School District	99.140	25,469
Lindsay Unified School District	100.000	19,078
Porterville Unified School District School Facilities Improvement District	100.000	20,261
Visalia Unified School District	100.000	44,175
Other Unified School Districts	10.398-100.000	12,377
Delano Joint Union High School District	26.512	14,822
Exeter Union High School District	100.000	8,183
Tulare Joint Union High School District	99.816	37,801
Other Union High School Districts	1.166-100.000	10,598
Exeter Union School District	100.000	6,110
Other School Districts	7.434-100.000	13,815
Kaweah Delta Hospital District	100.000	48,670
Tulare Local Healthcare District	100.000	84,985
Special District 1915 Act Bonds	100.000	150
Special District Revenue Bonds	100.000	3,873
City 1915 Act Bonds	100.000	352
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		416,313
OVERLAPPING GENERAL FUND DEBT:		
College of Sequoias Community College District General Fund Obligations	76.799	6,958
Kern Community College District General Fund and Benefit Obligations	6.920	12,279
Dinuba Joint Unified School District Certificates of Participation	98.781	8,061
Lindsay Unified School District General Fund Obligations	100.000	13,655
Porterville Unified School District Certificates of Participation	100.000	32,275
Visalia Unified School District Certificates of Participation	100.000	7,750
Other Unified School District Certificates of Participation	92.593-100.000	5,138
Union High School District Certificates of Participation	1.166-100.000	1,808
School District Certificates of Participation	7.434-100.000	13,657
City of Porterville Certificates of Participation	100.000	21,300
City of Dinuba General Fund Obligations	100.000	21,295
City of Tulare General Fund Obligations	100.000	31,530
City of Visalia Certificates of Participation	100.000	13,595
TOTAL OVERLAPPING GENERAL FUND DEBT		189,301
DIRECT GENERAL FUND DEBT:		
Tulare County General Fund Obligations	100.000%	63,872
TOTAL DIRECT GENERAL FUND DEBT		63,872
TOTAL GROSS DIRECT AND OVERLAPPING DEBT		\$ 669,486 (1)

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

<u>Ratio to Adjusted Assessed Valuation:</u>	
Combined Direct Debt (\$72,412)	0.26%
Combined Total Debt	2.68%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/13: \$0

Sources: California Municipal Statistics, Inc. and Tulare County Auditor/Property Tax

COUNTY OF TULARE
Statistical Section
Legal Debt Margin Information (unaudited)
Last 10 Fiscal Years (in thousands)

Net Assessed Value	<u>\$ 27,750,919</u>
Debt Limit - 1.25 Percent of Taxable Property (1)	\$ 346,886
Amount of Debt Applicable to Debt Limit (2)	<u>-</u>
Legal Debt Margin (3)	<u>\$ 346,886</u>

	Fiscal Year				
	2003-04	2004-05	2005-06	2006-07	2007-08
Debt limit	\$ 237,711	\$ 260,486	\$ 296,389	\$ 333,044	\$ 352,369
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 237,711</u>	<u>\$ 260,486</u>	<u>\$ 296,389</u>	<u>\$ 333,044</u>	<u>\$ 352,369</u>
Total debt limit as a percentage of the legal debt margin	100%	100%	100%	100%	100%

	Fiscal Year				
	2008-09	2009-10	2010-11	2011-12	2012-13
Debt limit	\$ 340,733	\$ 337,442	\$ 341,335	\$ 338,976	\$ 346,886
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 340,733</u>	<u>\$ 337,442</u>	<u>\$ 341,335</u>	<u>\$ 338,976</u>	<u>\$ 346,886</u>
Total debt limit as a percentage of the legal debt margin	100%	100%	100%	100%	100%

- (1) Constitutional Amendment XIII A, passed by a vote of the people and effective July 1, 1978, prohibits the County from raising ad valorem property taxes above 1% of full cash value. Thus, the legal debt is 1.25% of assessed valuation.
(2) As of 6/30/13, the County had no tax supported general obligation bonded debt outstanding.
(3) Legal debt margin is computed by subtracting the County legal general obligation bonded debt from the legal debt limit.

Source: County of Tulare / Property Tax

COUNTY OF TULARE
Statistical Section
Demographics and Economic Statistics (unaudited)
Last 10 Fiscal Years (in thousands)

Fiscal Year	Population (1)	Per Capita Personal Income (1)(5)	Personal Income (in millions) (1)(5)	Median Age (1)(3)	School Enrollment (4)(5)	Unemployment Rate (2)
2003-04	400,123	\$ 20,906	\$ 8,365	29	90,230	14.5%
2004-05	409,871	21,275	8,720	29	92,126	9.0%
2005-06	420,131	21,596	9,073	29	93,424	7.9%
2006-07	429,006	21,995	9,436	29	94,407	8.6%
2007-08	436,839	22,464	9,813	29	95,344	9.8%
2008-09	441,481	25,920	10,865	29	96,811	14.7%
2009-10	447,814	26,545	11,887	29	97,321	14.7%
2010-11	436,946	16,999	6,973	29.6	97,889	15.9%
2011-12	449,253	17,966	7,370	29.6	98,831	15.2%
2012-13	455,599	33,648	15,330	29	99,964	12.8%

(1) **Source:** California Department of Finance, Demographic Research Unit; Census every 10 years.

(2) **Source:** State Department of Employment Development

(3) Median age is the age at which there are as many residents older as there are younger.

(4) California Department of Education, Educational Demographics Unit

(5) Amounts are estimated based on historical percentages.

COUNTY OF TULARE
Statistical Section
Principal Employers (unaudited)
June 30, 2013 and June 30, 2005

2012-2013				2004-2005*			
Employer	Employees	Rank	Percentage of Total County Employment	Employer	Employees	Rank	Percentage of Total County Employment
County of Tulare	4,813	1	2.62%	County of Tulare	4,320	1	2.63%
Kaweah Delta Healthcare District	2,000	2	1.09%	Porterville Development Center	2,014	2	1.23%
Ruiz Food Products	1,800	3	0.98%	Kaweah Delta Healthcare District	2,000	3	1.22%
Wal-Mart Distribution Center	1,692	4	0.92%	Ruiz Food Products	1,800	4	1.10%
Porterville Development Center	1,500	5	0.82%	Wal-Mart Distribution Center	1,692	5	1.03%
College of the Sequoias	1,160	6	0.63%	College of the Sequoias	1,160	6	0.71%
Sierra View District Hospital	725	7	0.40%	CIGNA HealthCare	900	7	0.55%
Jostens	720	8	0.39%	Sierra View District Hospital	724	8	0.44%
CIGNA HealthCare	700	9	0.38%	Jostens	720	9	0.44%
Land O'lakes	600	10	0.33%	Land O'Lakes	600	10	0.37%
Total	<u>15,710</u>		<u>8.56%</u>	Total	<u>15,930</u>		<u>9.72%</u>

* The data for Fiscal Year 2003-2004 was not available, so the data for Fiscal Year 2004-2005 was used.

Source: Tulare County Economic Development Corporation

COUNTY OF TULARE
Statistical Section
Employees by Function (unaudited)
Last 10 Fiscal Years

Function	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
General Government										
Administration	42	45	48	50	53	52	49	51	50	50
County Counsel	37	38	39	41	45	48	48	50	50	52
Risk Management	5	8	8	9	9	6	4	6	4	6
Elections	7	7	7	8	7	7	7	5	4	7
Finance	123	126	130	133	144	144	143	157	148	146
Purchasing	5	5	5	6	6	6	7	5	8	8
Planning and Development	58	61	64	61	78	77	67	54	75	85
Other General	160	163	165	204	322	297	257	254	231	244
Public Protection										
Child Support Services	316	269	269	269	269	269	226	194	212	211
District Attorney	169	178	165	175	196	201	215	233	194	205
Fire Protection	23	24	20	27	111	114	114	122	117	114
Probation	300	302	309	315	327	335	348	345	340	377
Public Defender	66	69	71	75	83	83	83	78	83	89
Sheriff / Coroner	650	662	710	748	772	751	733	743	721	799
Trial Courts	-	-	-	-	-	-	-	1	2	2
Other Protection	57	57	57	57	58	58	60	102	93	94
Public Ways and Facilities	132	133	133	133	134	134	149	200	151	156
Health and Sanitation	544	581	625	650	575	475	443	439	483	488
Public Assistance	1,538	1,618	1,623	1,687	1,721	1,366	1,404	1,392	1,564	1,574
Education	38	38	38	41	45	45	47	59	47	45
Culture and Recreation	15	15	15	15	16	15	18	19	9	9
Solid Waste Management	72	72	72	75	76	75	64	66	61	52
Total Number of Employees	4,357	4,471	4,573	4,779	5,047	4,558	4,486	4,575	4,647	4,813
Total Gross Salaries*	\$ 150,544	\$ 152,349	\$ 156,554	\$ 162,093	\$ 172,488	\$ 192,779	\$ 205,703	\$ 192,090	\$ 190,554	\$ 202,177

*Gross Salaries Rounded to Thousands

Source: County of Tulare / Auditor-Controller

COUNTY OF TULARE
Statistical Section
Operating Indicators by Function (unaudited)
Last 10 Fiscal Years

Function	Fiscal Year				
	2003-04	2004-05	2005-06	2006-07	2007-08
PUBLIC PROTECTION					
Child Support Services					
Number of Caseloads	37,298	36,712	35,687	35,678	34,960
Number of Orders Established	1,951	2,009	2,085	1,810	2,211
District Attorney					
Number of Adult Felony Cases Filed	4,282	4,474	4,960	5,702	5,547
Number of Adult Misdemeanors Cases Filed	12,828	12,437	12,747	12,943	14,192
Number of Juvenile Misdemeanors Cases Filed	1,355	1,390	1,196	886	877
Number of Juvenile Felony Cases Filed	866	1,268	754	829	733
Total Cases Tried (Excluding Juvenile Trials)	216	186	196	207	173
Fire Protection					
Number of Fires	2,285	2,492	2,383	3,156	3,227
Medical Aids	7,673	8,298	8,330	8,997	7,408
Assist Other Agencies	1,413	1,534	1,622	1,204	1,383
Public Defender					
Felony New Cases Opened	4,957	5,066	6,074	6,274	5,526
Misdemeanor New Cases Opened	6,340	6,055	6,457	9,251	8,620
Juvenile Delinquency New Cases Opened	2,304	2,629	2,451	2,170	1,879
Other New Cases	-	-	-	-	-
Sheriff/Coroner					
Homicide	11	9	-	20	13
Rape	33	28	30	38	29
Robbery	68	68	86	92	78
Aggravated Assault	518	470	-	854	388
Burglary	1,045	1,219	1,328	1,017	906
Larceny Theft	2,066	2,071	2,117	2,173	2,247
Warrants Processed	19,336	19,916	22,743	19,813	21,195
Jail Population-Admissions	20,394	20,943	22,675	29,241	26,183
Other Protection - Auto Theft					
Number of Vehicles Recovered	32	92	73	68	96
Other Protection - Environmental Health					
Small Water System Inspections	221	280	240	59	18
Food Facility Inspections	1,402	1,647	1,620	2,337	1,403
Swimming Pool Inspections	108	113	134	114	126
Dairy Inspections	996	999	1,014	952	952
Hazardous Materials Inspections	272	247	308	379	414
Hazardous Waste Inspections	133	139	156	225	214
Underground Tank Inspections	270	255	277	316	269
Animal Control Field Calls	5,258	5,246	4,899	4,239	4,022
Rabies Investigations	123	143	105	148	112
Solid Waste Inspections	282	275	277	293	237
Liquid Waste Inspections	44	51	54	47	60
Tire Facility Inspections	172	265	181	222	-
Medical Waste Inspections	24	25	25	25	25

Continued

COUNTY OF TULARE
Statistical Section
Operating Indicators by Function - Continued (unaudited)
Last 10 Fiscal Years

Fiscal Year					Function
2008-09	2009-10	2010-11	2011-12	2012-13	
PUBLIC PROTECTION					
Child Support Services					
37,498	36,109	31,621	29,055	27,633	Number of Caseloads
2,347	3,972	1,638	1,277	1,185	Number of Orders Established
District Attorney					
4,742	4,074	4,085	4,275	5,374	Number of Adult Felony Cases Filed
14,028	11,606	10,228	10,511	10,272	Number of Adult Misdemeanors Cases Filed
640	526	364	288	205	Number of Juvenile Misdemeanors Cases Filed
719	674	607	629	505	Number of Juvenile Felony Cases Filed
217	175	137	139	124	Total Cases Tried (Excluded Juvenile Trials)
Fire Protection					
1,890	4,429	1,735	3,292	4,647	Number of Fires
7,395	6,949	7,529	6,927	7,235	Medical Aids
597	861	512	361	277	Assist Other Agencies
Public Defender					
5,549	4,767	4,663	5,339	6,758	Felony New Cases Opened
7,638	6,911	7,374	7,409	7,224	Misdemeanor New Cases Opened
1,904	1,443	1,214	1,095	993	Juvenile Delinquency New Cases Opened
585	990	827	828	855	Other New Cases
Sheriff/Coroner					
28	12	21	19	22	Homicide
31	26	32	37	31	Rape
92	90	91	72	96	Robbery
369	415	398	441	511	Aggravated Assault
1,076	1,186	1,132	1,272	1,109	Burglary
2,106	2,041	2,164	1,964	1,799	Larceny Theft
22,761	19,079	22,548	17,079	17,538	Warrants Processed
25,376	24,348	23,444	22,251	22,660	Jail Population-Admissions
Other Protection - Auto Theft					
116	133	72	34	62	Number of Vehicles Recovered
Other Protection - Environmental Health					
50	94	98	125	55	Small Water System Inspections
2,415	2,916	3,156	2,924	2,526	Food Facility Inspections
345	485	462	279	382	Swimming Pool Inspections
1,043	1,027	1,065	1,013	1,025	Dairy Inspections
427	386	387	427	358	Hazardous Materials Inspections
201	212	221	233	218	Hazardous Waste Inspections
274	263	256	272	268	Underground Tank Inspections
4,199	3,876	3,843	4,530	4,955	Animal Control Field Calls
156	238	205	257	210	Rabies Investigations
263	282	251	266	272	Solid Waste Inspections
63	74	84	80	88	Liquid Waste Inspections
-	-	-	-	-	Tire Facility Inspections
25	44	39	41	40	Medical Waste Inspections

Continued

COUNTY OF TULARE
Statistical Section
Operating Indicators by Function - Continued (unaudited)
Last 10 Fiscal Years

Function	Fiscal Year				
	2003-04	2004-05	2005-06	2006-07	2007-08
PUBLIC WAYS AND FACILITIES					
Roads					
Total Maintained Mileage	3,065	3,057	3,048	3,008	3,006
Miles of Road Re-oiled	55	55	45	52	68
Miles of Chip Seals	100	94	75	113	105
Miles of Surface Seals	70	70	70	62	57
Miles of Road Striped	-	-	1,276	1,758	1,758
HEALTH AND SANITATION					
Mental Health Clients Served					
Outpatient	8,021	8,511	8,870	9,343	9,530
Inpatient	540	675	613	558	579
Conserved	266	277	278	264	229
Day Treatment	13	4	5	8	8
PUBLIC ASSISTANCE					
Community Based Programs					
Congregate Meals Served	127,347	121,932	125,007	125,167	107,509
Home Delivered Meals	83,333	94,026	108,794	121,672	99,140
Information & Assistance Contacts	64,983	49,692	52,346	49,607	72,148
Health Insurance Counseling and Advocacy Program	410	359	297	363	259
Number of Adult Protective Services Cases Opened	828	930	976	784	942
Number of Enrolled Participants in Cal Works	7,341	7,198	-	5,243	6,274
CULTURE AND RECREATION					
Library					
DVD Books	-	-	-	-	1,502
Volumes	366,018	352,184	372,000	317,532	288,035
Parks and Recreation					
Total Number of Cars Entered Parks	32,680	29,066	22,266	20,393	20,351
Total Amount of Park Reservations	2,070	1,529	1,697	1,902	1,735
SOLID WASTE MANAGEMENT					
Sanitation-Landfills					
Landfill Tonnage Gross Total	269,401	250,254	281,830	310,099	271,245
Landfill Tonnage Recycled Total	19,457	20,680	26,408	36,181	48,892
OTHER ENTERPRISES					
Transit					
Total Route Miles	409,323	410,767	444,855	441,358	517,947
Number of Passengers	90,128	86,828	89,952	105,715	130,266

Continued

COUNTY OF TULARE
Statistical Section
Operating Indicators by Function - Continued (unaudited)
Last 10 Fiscal Years

Fiscal Year					Function
2008-09	2009-10	2010-11	2011-12	2012-13	
PUBLIC WAYS AND FACILITIES					
Roads					
3,046	3,046	3,041	3,041	3,039	Total Maintained Mileage
74	91	53	52	30	Miles of Road Re-oiled
105	94	69	80	80	Miles of Chip Seals
-	-	3,540	-	-	Miles of Surface Seals
1,650	500	750	1,000	1,011	Miles of Road Striped
HEALTH AND SANITATION					
Mental Health Clients Served					
9,568	9,757	9,652	9,427	9,637	Outpatient
365	671	772	608	710	Impatient
180	186	178	184	199	Conserved
2	1	5	5	2	Day Treatment
PUBLIC ASSISTANCE					
Community Based Programs					
82,240	69,851	71,261	70,150	60,743	Congregate Meals Served
47,953	51,692	65,260	59,460	63,089	Home Delivered Meals
61,389	9,182	10,802	10,710	9,497	Information & Assistance Contacts
318	348	351	575	1,156	Health Insurance Counseling and Advocacy Program
916	893	768	1,249	1,198	Number of Adult Protective Services Cases Opened
6,452	6,519	7,335	7,686	7,843	Number of Enrolled Participants in Cal Works
CULTURE AND RECREATION					
Library					
-	1,100	2,100	3,400	4,215	DVD Books
-	341,774	343,928	285,915	294,513	Volumes
Parks and Recreation					
19,511	17,639	25,702	19,234	13,963	Total Number of Cars Entered Parks
1,636	1,036	837	1,095	789	Total Amount of Park Reservations
SOLID WASTE MANAGEMENT					
Sanitation-Landfills					
235,162	225,337	246,965	261,828	257,262	Landfill Tonnage Gross Total
50,117	49,207	56,128	54,712	43,171	Landfill Tonnage Recycled Total
OTHER ENTERPRISES					
Transit					
631,960	676,359	794,963	842,636	929,804	Total Route Miles
155,151	188,999	244,500	308,293	351,697	Number of Passengers

Concluded

Source: County of Tulare / Auditor-Controller

COUNTY OF TULARE
Statistical Section
Capital Asset Statistics by Function (unaudited)
Last 10 Fiscal Years

Function	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Public Protection										
Sheriff/Coroner Stations	4	4	4	4	4	4	4	4	4	4
Fire Protection Stations	27	28	29	28	28	29	26	27	27	27
Building Permits Issued	2,163	3,643	6,428	5,847	5,118	3,925	3,353	3,494	3,333	3,581
Public Ways and Facilities										
Roads (miles)	3,072	3,072	3,048	3,008	3,006	3,046	3,540	3,041	3,041	3,041
Streetlights	1,295	1,454	1,384	1,459	1,468	1,384	1,472	1,537	1,541	1,542
Culture and Recreation										
Park acreage	685	604	688	688	688	688	688	628	628	628
Parks	10	10	11	11	11	11	11	10	10	10
Museum (square feet)	25,919	25,919	25,919	25,919	25,919	25,919	42,919	42,919	42,919	42,919
Lake Success Capacity (acre feet)	82,000	82,300	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000
Lake Kaweah Capacity (acre feet)	143,000	185,600	185,600	185,600	185,600	165,600	185,600	185,600	185,600	185,600
Solid Waste Management										
Landfill Sites	7	7	7	7	7	7	7	7	7	3
Transfer Stations	7	7	7	7	7	7	7	7	7	7

Source: County of Tulare / Auditor-Controller

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