

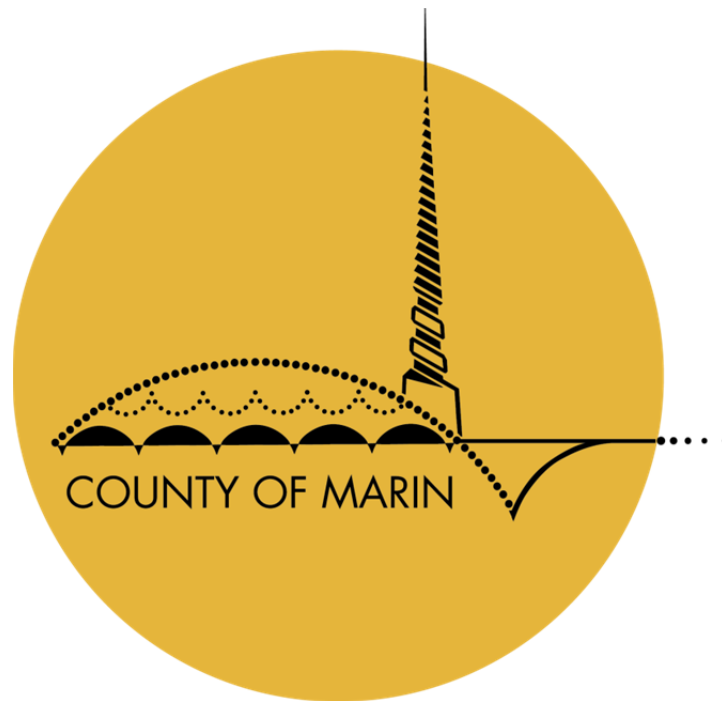
COUNTY OF MARIN, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Marin County Department of Finance

COUNTY OF MARIN, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2011



Department of Finance

This page intentionally left blank

COUNTY OF MARIN

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011

Table of Contents

INTRODUCTORY SECTION

| | |
|---|-------|
| Letter of Transmittal | i-xii |
| Elected and Appointed Public Officials..... | xiii |
| Organizational Chart..... | xiv |

FINANCIAL SECTION

| | |
|---|-------|
| Independent Auditor's Report..... | 1-2 |
| Management's Discussion and Analysis (Required Supplementary Information)..... | 3-18 |
| Basic Financial Statements: | |
| Government-Wide Financial Statements: | |
| Statement of Net Assets | 19 |
| Statement of Activities..... | 20-21 |
| Fund Financial Statements: | |
| Governmental Funds: | |
| Balance Sheet | 22 |
| Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets – Governmental Activities | 23 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances..... | 24 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities..... | 25 |
| Proprietary Funds: | |
| Statement of Fund Net Assets | 26 |
| Statement of Revenues, Expenses, and Changes in Fund Net Assets..... | 27 |
| Statement of Cash Flows..... | 28-29 |
| Fiduciary Funds: | |
| Statement of Fiduciary Net Assets | 30 |
| Statement of Changes in Fiduciary Net Assets – Investment Trust Fund..... | 31 |
| Notes to the Basic Financial Statements..... | 32-70 |

COUNTY OF MARIN

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011

Table of Contents

| | |
|--|--------|
| Required Supplementary Information: | |
| Schedule of Funding Progress – Defined Benefits Pension Plan | 71 |
| Schedule of Funding Progress – Other Post Employment Benefits Plan | 71 |
| Budgetary Comparison Schedules: | |
| General Fund | 72-73 |
| Miscellaneous Special Revenue Fund | 74 |
| Note to Required Supplementary Information: | |
| Budgetary Basis of Accounting | 75 |
| Combining and Individual Fund Statements and Schedules: | |
| Nonmajor Governmental Funds: | |
| Combining Balance Sheet | 76 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 77 |
| Nonmajor Special Revenue Funds: | |
| Description | 78-84 |
| Combining Balance Sheet | 85-92 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balance | 93-100 |
| Budgetary Comparison Schedules: | |
| Road Fund | 101 |
| Fire | 102 |
| Library | 103 |
| Fish and Game | 104 |
| Child Support | 105 |
| Building Inspection | 106 |
| Environmental Health | 107 |
| Fishnet | 108 |
| HUD Funds | 109 |
| High Tech Theft | 110 |
| Sewer Districts | 111 |
| CSAs | 112 |
| Lighting | 113 |
| PRDs | 114 |
| Social Services Realignment | 115 |
| Health Services Realignment | 116 |
| Mental Health Services Realignment | 117 |
| Tobacco Settlement | 118 |
| IHSS | 119 |
| Bay Area Stormwater Management | 120 |
| Inmate Welfare | 121 |
| Open Space District | 122 |

COUNTY OF MARIN

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011

Table of Contents

Combining and Individual Fund Statements and Schedules (continued):

Nonmajor Special Revenue Funds (continued):

Budgetary Comparison Schedules (continued):

| | |
|--|-----|
| Waste Management JPA | 123 |
| RDA Low-Income Housing Fund | 124 |
| Flood Control Zones | 125 |
| Health and Sanitation | 126 |
| Public Protection | 127 |
| Public Ways and Facilities | 128 |
| Restricted Low-Income Housing | 129 |
| Recreation and Cultural Services | 130 |

Capital Projects Funds:

| | |
|--|-----|
| Description | 131 |
| Combining Balance Sheet | 132 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 133 |
| Budgetary Comparison Schedules: | |
| Miscellaneous Capital Projects | 134 |
| MCRDA | 135 |
| Courthouse Construction | 136 |
| Other Capital Projects | 137 |

Nonmajor Debt Service Fund:

| | |
|--|-----|
| Description | 138 |
| Combining Balance Sheet | 139 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 140 |
| Budgetary Comparison Schedules: | |
| MCRDA Refunding Revenue Bonds | 141 |
| 2003 POB | 142 |
| Other Debt Service | 143 |
| Tobacco Securitization | 144 |

Nonmajor Enterprise Funds:

| | |
|--|---------|
| Description | 145 |
| Combining Statement of Fund Net Assets | 146 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Assets | 147 |
| Combining Statement of Cash Flows | 148-149 |

COUNTY OF MARIN

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011

Table of Contents

Combining and Individual Fund Statements and Schedules (continued):

Fiduciary Funds:

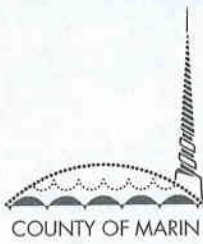
| | |
|---|-----|
| Description..... | 150 |
| Combining Statement of Fiduciary Net Assets – Investment Trust Funds..... | 151 |
| Combining Statement of Changes in Fiduciary Net Assets – Investment Trust Funds | 152 |
| Combining Statement of Changes in Assets and Liabilities – Agency Funds..... | 153 |

STATISTICAL SECTION

| | |
|---|---------|
| Government-wide Net Assets by Component – Last Ten Fiscal Years..... | 155 |
| Changes in Net Assets – Last Ten Fiscal Years | 156-157 |
| Fund Balances, Governmental Funds – Last Ten Fiscal Years | 158 |
| Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years | 159 |
| Assessed Value of Taxable Property – Last Ten Fiscal Years | 160 |
| Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years | 161 |
| Principal Property Tax Payers – Current Fiscal Year and Nine Years Ago | 162 |
| Property Tax Levies and Collections – Last Ten Fiscal Years | 163 |
| Ratios of Total Debt Outstanding by Type – Last Ten Fiscal Years | 164 |
| Legal Debt Margin Information..... | 165 |
| Direct and Overlapping Debt | 166 |
| Demographic and Economic Statistics – Last Ten Fiscal Years | 167 |
| Principal Employers – Current Fiscal Year and Nine Years Ago | 168 |
| Full-time Equivalent County Government Employees by Function – Last Ten Fiscal Years..... | 169 |
| Operating Indicators by Function – Last Four Fiscal Years | 170 |
| Capital Asset Statistics by Function – Last Four Fiscal Years | 171 |

INTRODUCTORY SECTION

This page intentionally left blank



DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

Roy Given, CPA
DIRECTOR

January 31, 2012

Marin County Civic Center
3501 Civic Center Drive
Suite 225
San Rafael, CA 94903
415 473 6154 T
415 473 3680 F
CRS Dial 711
www.marincounty.org/dof

The Honorable Members of the Board of Supervisors,
Citizens of the County of Marin, California:

We are pleased to present the County of Marin's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2011. County of Marin staff remains committed to reach and maintain the highest possible standards in financial reporting now and in the future.

This report was prepared by County of Marin's Department of Finance in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB) and U.S. generally accepted accounting principles (GAAP). Recommended guidelines by the Government Finance Officers Association (GFOA) of the United States and Canada were also followed. California law requires that every local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2011.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. As the cost of internal control should not exceed anticipated benefits, the objective is to provide a reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management asserts that, to the best of our knowledge, the information in this report is accurate in all material respects and presents fairly the financial position of the various funds and component units of Marin County, including all disclosures necessary to understand the County's activities.

The County's financial statements have been audited by Gallina LLP, a registered public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2011 are fairly presented in conformity with GAAP, and are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor rendered an unqualified "clean" opinion on the County's financial statements for the fiscal year ended June 30, 2011. The independent

auditors' report is presented in the first component of the financial section of this report.

The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all of its transactions. The accounting principles generally accepted in the United States of America require 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), which is presented after the independent auditors' report. This letter of transmittal is designed to complement the MD&A, and therefore should be read in conjunction with each other.

The CAFR is organized into three sections:

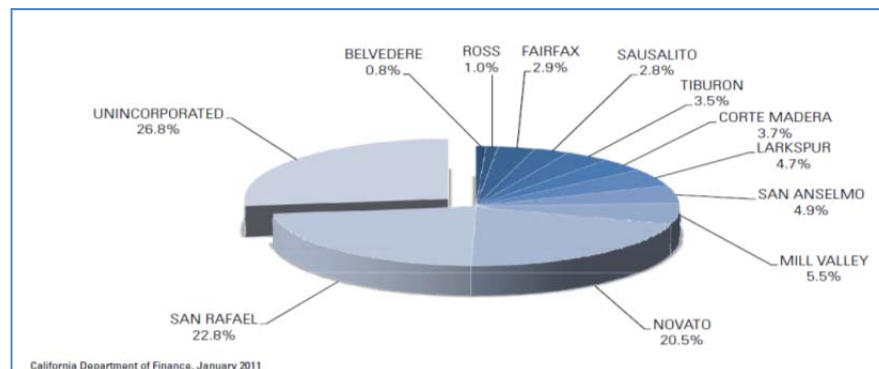
- *The Introductory Section* is intended to familiarize the reader with the organizational structure of the County, the nature and scope of the services it provides, and the specifics of its legal operating environment.
- *The Financial Section* includes the independent auditors' report on financial statements, MD&A, audited financial statements, note disclosures and supporting statements, and schedules necessary to provide readers with a comprehensive understanding of the County's financial activities of the past fiscal year.
- *The Statistical Section* provides the reader with additional historic perspective, context, and detail to assist in using the information in the financial statements.

PROFILE OF THE GOVERNMENT

The County, one of the nine counties in the San Francisco-Oakland Bay Area, was established in 1850 as one of California's original 27 counties, following the adoption of the Constitution of 1849. The County of Marin currently consists of 520 square miles and contains 11 incorporated cities and towns: Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, and Tiburon. The County is bounded by San Francisco to the South linked by the Golden Gate Bridge, Sonoma County to the North, San Pablo Bay and San Francisco Bay to the East, and the Pacific Ocean to the West. Most of the County's 254,692 residents live along the eastern corridor, with a string of communities running along the San Francisco Bay. The rural coastal corridor and inland valleys feature vast acreage of land in agricultural production, as well as open space for tourism and recreation. Some of the notable attractions that draw visitors to Marin County and its cities include the Golden Gate Bridge, the Marin Headlands, Mount Tamalpais, Muir Woods, and the Point Reyes National Seashore.

The County government functions as a local government body to serve the needs of its residents. As geographical and political subdivisions of the state, counties serve a dual role that differs from cities. Cities generally provide basic services, such as police and fire protection, sanitation, recreation programs, planning, street repair, and building inspection. The eleven (11) cities and towns within the County are governed by their own city council.

The County provides a vast array of services for all residents. This includes social services, public health protection, housing programs, property appraisal and assessment, tax collection, criminal prosecution, elections, and public safety. The County also provides municipal services in the unincorporated areas and acts as administrative agents for state and federal government programs and services. The chart below illustrates the unincorporated portion of Marin – the area for which the County provides municipal services – represents 27% of the county’s total population. The rest of Marin County’s residents receive services from one of their 11 different municipal governments.



As a general-law county, Marin County is bound by state law as to number of duties of County elected officials. The County has five districts that are approximately equal in population with boundaries adjusted every ten years following the federal census. Under California’s Constitution and laws, the five members of the Board of Supervisors serve as the legislative and executive Board of Marin County. The members are elected by district on the basis of population, as required by state law, and are required to live in the district they represent. Supervisors are elected to four-year staggered terms. Supervisors also elect a President, Vice President, and Second Vice President annually among themselves. The Board adopts policies, establishes programs, appoints non-elected department heads, and adopts annual budgets for all County departments. The Board also serves as the governing board for several special districts including the Open Space District, Flood Control District, Housing Authority, Transit District, and Redevelopment Agency. Each special district is distinct from the County and has separate roles, budgets, and staff. Supervisors also serve on regional agencies and as ex-officio members on the board of county service districts. The County has three elected department heads: the Assessor-Recorder, District Attorney, and Sheriff-Coroner.

As mentioned above, the County provides a wide range of services to its residents. Included in the County operations are various “blended” component units which provide specific services Countywide or to distinct areas within the County. While the component units are legally separate from the County, the County is financially accountable for them as their governing bodies are substantially the same as the County’s Board. The County has the following “blended” component units: Marin County Redevelopment Agency, the Golden Gate Tobacco Funding Corporation, In-Home Supportive Services Public Authority of Marin, Marin County Fair, Housing Authority of the County of Marin, Marin County Law Library, Marin County Open Space District, and Marin County Transit District, and numerous special districts including County Service Areas, Sewer Maintenance, Lighting and Landscape, Permanent

Road, and Flood Control and Water Conservation. The County has no “discretely presented” component units.

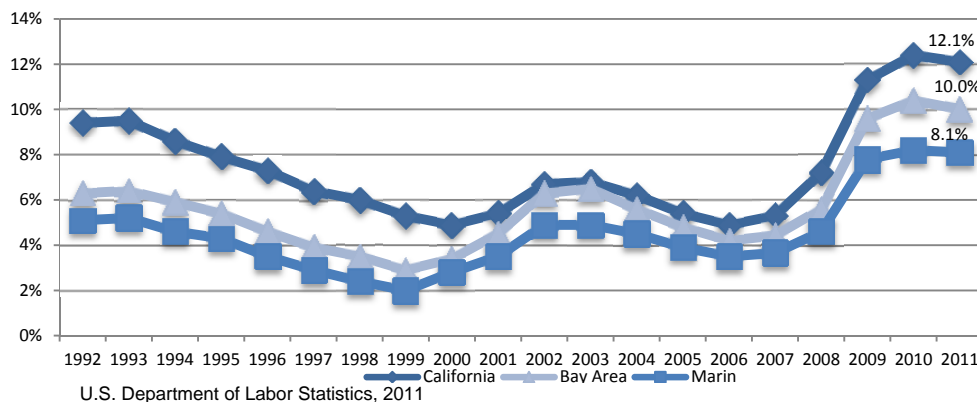
The County’s principal functions include seven major areas: general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural services. The State and federal governments mandate certain minimum levels of services in the public assistance and health areas.

FINANCIAL CONDITION

The County is a political subdivision of the State of California and as such, its government is subject to State subventions and regulations. Therefore, the County’s financial health is tied closely to the financial condition of the State government. California continues to experience a sluggish economy combined with an on-going structural deficit. The FY 2011-12 state budget implements significant policy changes that impact county operations, including shifting statewide program responsibilities to counties, known as the 2011 Realignment, and changing the framework for redevelopment agencies.

Economic Indicators

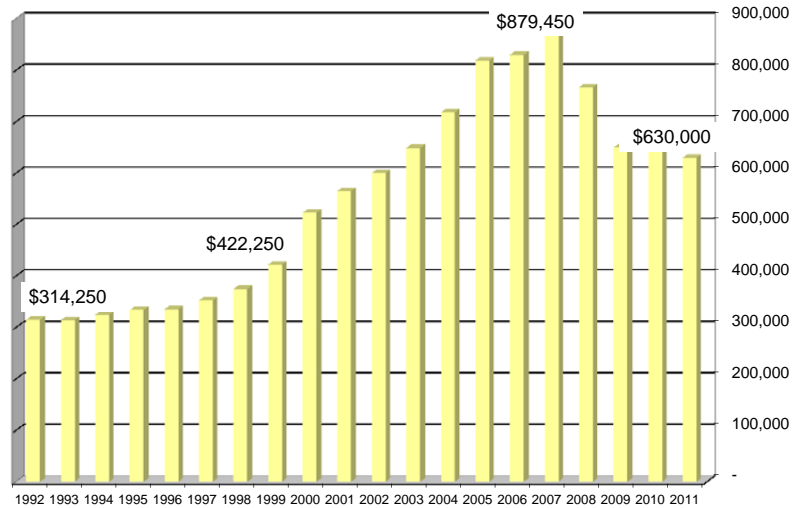
Like many other California counties, Marin County has suffered financially during the economic recession, but it has fared relatively better than most of its counterparts. The local economy in 2011 began to see some signs of stabilizing for the first time since the economic recession began in 2007. At June 30, 2011, the County’s unemployment rate was 8.1% (not seasonally adjusted), 0.1% lower than the previous year, and continues to be lower than the current national average of 9.2%. California has the second highest unemployment rate in the country. The chart below illustrates Marin County’s relatively low unemployment rate compared to the Bay Area and California from 1992 - 2011.



At the time of publication, Marin’s December, 2011 unemployment rate had fallen to 6.5% relative to California’s 10.9% rate overall.

Home prices within Marin County declined by 28% from the 2007 peak, whereas certain areas in California saw as much as a 50% drop in valuation. The chart below demonstrates that the

median sale price for detached and attached single-family homes doubled from 1999 to 2007. However, as the chart also illustrates, housing prices have declined significantly since 2007.



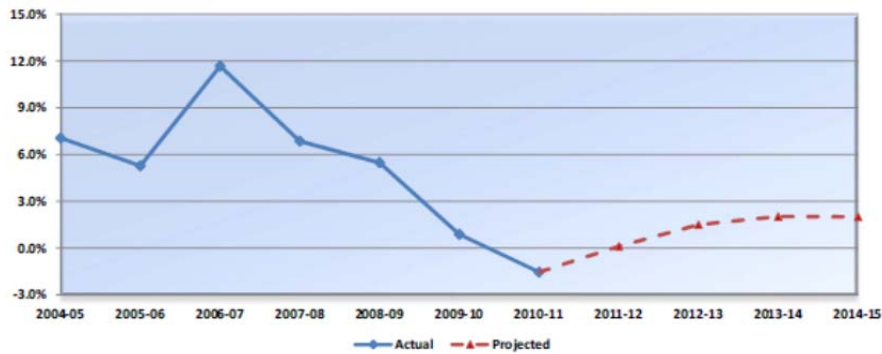
Marin County Assessor, 2011

Although the economy has shown some signs of recovery, the County’s costs continue to grow faster than its revenues. The national recession has resulted in reduced property tax revenues, increased employer contributions to pensions, and cuts to State-funded programs. Given the continued slowdown in revenues, the County’s budget in FY 2011-12 is relatively flat – having addressed a \$5.6 million shortfall, or 1.5% of total General Fund operating budget. This is significantly less than 5-10% budget gaps that many other counties are facing.

Property Tax Slowdown

The downturn in the housing market continues to impact the County budget as approximately one quarter of County revenues consist of property tax receipts – by far the County’s largest discretionary source of revenues. In FY 2010-11 the County experienced a -1.8% (negative) property tax growth. This was the first instance of negative growth in property tax collections since voters approved Proposition 13 in the 1970’s. The chart below illustrates the slowdown in property taxes for Marin County. The red dashed line indicates projected flat to negative growth in property taxes. During the housing boom, the County routinely experienced 7% - 9% annual growth which typically generated an additional \$7-\$10 million of discretionary revenue per year. The reduced growth rate means that less money will be available to fund current and emerging service needs.

**Marin General Fund Secured Only Property Taxes
Percent Change Year to Year (Actual and Projected)**

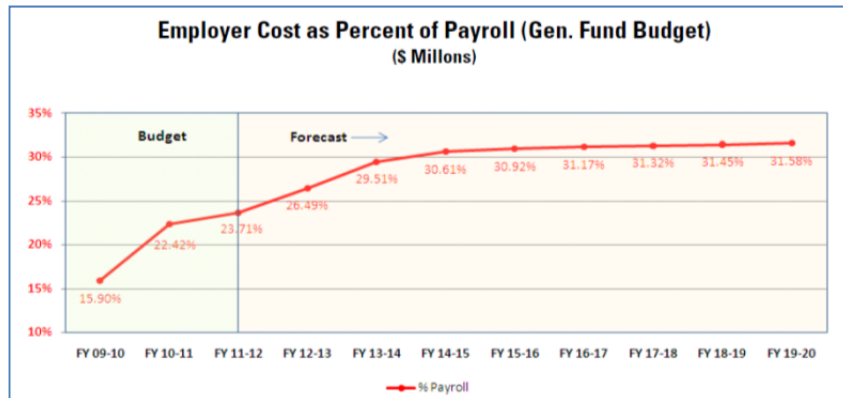


Employee Benefits and Retiree Health

Regionally and nationwide, health care rates have grown considerably faster than core inflation, with our insurance costs rising 10-12% annually over the last 12 years. More recently, the County has successfully worked with most of its unions and employee organizations to develop more affordable health plans effective January 2012, to cope with ever increasing healthcare costs and to make the plans more affordable on behalf of employees.

Pension costs

Equity market losses through June 30, 2009 in Marin County Employees’ Retirement Association (MCERA) investment assets resulted in a significant increase in the County’s required pension contribution. Although the County’s pension costs increased significantly in FY 2010-11, the County’s costs are relatively flat for FY 2011-12. As the graph below illustrates, the County will pay 23.71% of payroll toward employee pension costs in FY 2011-12 – or approximately \$34.5 million.



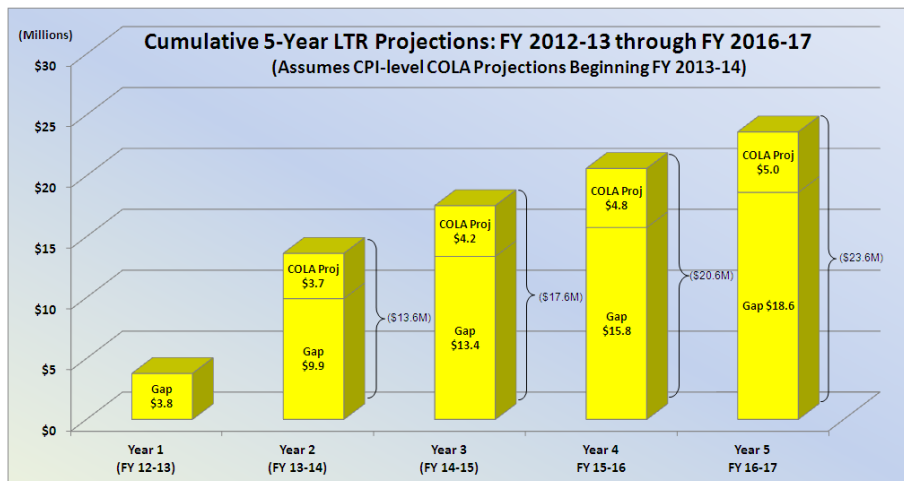
To address rising pension costs, the County has reached an agreement with most of its non-safety bargaining units on a less costly retirement plan for new employees, which will reduce County costs going forward for those employees. The County continues to explore similar agreements with safety and other miscellaneous units to control costs – as well as legislative changes to authorize more local options to control retirement costs.

LONG-TERM FINANCIAL PLANNING

Looking ahead, projections indicate budget shortfalls for the next several years due to slower revenue growth and higher benefit costs. Like communities across the nation, the County is adapting to a new economic reality. The FY 2011-2012 budget reflects the County's fourth consecutive year of budget reductions in order to adapt.

Restructuring Plan

The chart below illustrates the County's projected cumulative five-year budget shortfall beginning in FY 2012-13. The gap between expenditures and revenues represents the County's projected annual budget shortfall in millions of dollars. Salary and benefit projects included therein assume Consumer Price Index (CPI) adjustment of 2.0% beginning FY 2013-14; 2.2% FY 2014-15; and 2.5% thereafter based upon California Department of Finance CPI forecast on a fiscal year basis through FY 2014-15. Given these projected operating gaps, CPI projections indicated below are for planning purposes only, and do not indicate a commitment or ability to fund.



To meet our projected challenges as a result of the economic downturn, the County initiated a long-term restructuring process in January 2009 to help the County organization adapt to our new fiscal reality. This plan identifies key trends impacting the County's budget and articulates the initial plan to responding to these forces. The plan is not a specific list of budget reductions to balance the County's projected shortfall, but rather is a policy guide to help the County adapt to changing conditions in a thoughtful and deliberate manner by offering a roadmap of guiding principles, future strategies, and policy options to address these long-term challenges. Below is a listing of these principles:

1. Make budget adjustments consistent with vision of sustainability while continuing to ensure safe and healthy communities.
2. Identify ongoing savings to reduce long-term costs.
3. Explore opportunities for additional revenues to offset or augment program costs.
4. Focus on priorities and make service tradeoffs based on community and organizational needs.
5. Use results to inform decisions and continue providing high quality of service.
6. Promote creative and innovative solutions.
7. Provide fair and consistent process.

8. Develop mix of options and solutions at countywide, service area and departmental levels.
9. Engage the public and employees to share information and involve them in finding solutions.
10. Provide supportive work environment for employees to adapt to continuously changing conditions.

Building on these principals, the plan identifies a number of future strategies to address key emerging issues, such as growth in pension and healthcare costs and facilities and infrastructure needs. Examples of these future strategies include:

- Exploring less costly retirement plan tiers for new employees or other options which would save an equivalent amount of money.
- Working with employee groups to consider health plan redesign options to reduce costs for both the County and employees.
- Increasing facility maintenance investments by \$2 million annually to extend the useful life of County facilities.
- Continue to explore opportunities to redesign the structures, processes, policies, and support systems to achieve organizational goals with fewer resources.

The County is now three years into the five-year restructuring plan. Over the past three years, the County has taken many steps to reduce its projected budget shortfalls. These efforts include the following:

- Maintaining a hiring freeze since 2007;
- Adopting lower-cost retiree health and pension plans for new employees
- Setting aside funds for the unfunded liability of retiree healthcare;
- Enacting pension reforms such as basing pension benefits on a three-year average rather than the highest single year and capping annual cost of living adjustments at two percent;
- Developing and implementing a five-year \$20 million road maintenance project;
- Eliminating 240 positions; and
- Fully implementing two consolidation efforts – including the new Department of Finance and the merger of the Sheriff and Coroner officers.

Overall, the County has reduced annual spending by over \$30 million. The County is also managing to avoid further cost increases by continuing to negotiate no salary increase, more cost-effective health plans and new retirement tiers for new hires. The plan will continue to be a guide as the County addresses its budget challenges over the next few years.

One of the most important responsibilities of government is to spend resources in a manner consistent with community values and with an eye toward future generations. Marin County has a tradition of prudent fiscal management as indicated by having the highest bond rating among California counties. The County's financial strength is further evidenced by its rating of 'AAA' and 'Aa1' from S&P and Moody's, respectively as of October 2010. The financial challenges we now face call for an even greater effort to live within our means while continuing to achieve a high level of services to our residents. We know we cannot support the same level of services we currently provide. However, through strategic planning we hope to minimize the impact of service reductions by addressing structural budget issues and improving our business practices to better adapt to diminishing resources.

COUNTY STRATEGIC PLAN

Since 2001, the Board of Supervisors has used the County's Strategic Plan, A Blueprint for Excellence in Public Service, in directing the development and administration of the County organization. The Strategic Plan seeks to align County programs with guiding principles to provide excellent service to the Marin County community, as well as provide a foundation and direction to guide organizational development. The Strategic Plan expresses the County's commitment to build a sustainable community and to encourage the participation of all residents in their county governance. The Strategic Plan is organized into four major strategies: The Customer, The Employee, Communication, and Performance Management. In addition to these strategies, the Strategic Plan articulates desired outcomes and a series of actions to accomplish each strategy.

Managing for Results

Performance management, one of the four strategies of the Strategic Plan, involves measuring the effectiveness of County programs in achieving community outcomes. In 2004, the County developed and implemented a program called Managing for Results (MFR). MFR is a tool that helps the County perform its duties effectively and efficiently by identifying the County's most important priorities, aligning departments and program activities to reflect those priorities, and using measures to track progress in accomplishing them.











Countywide Goals and Objectives

As an initial step in implementing MFR, the Board of Supervisors approved a set of countywide goals in December 2004. The Countywide Goals reflect the internal goals from the Strategic Plan and identify the County's community and organizational priorities.

Countywide Goals

Mission

The mission of the County of Marin is to provide excellent services that support healthy, safe and sustainable communities; preserve Marin's unique environmental heritage; and encourage meaningful participation in the governance of the County by all

| | | | | | |
|----------------------|--|--|---|--|---|
| |  |  |  |  |  |
| Community Goals | I. Healthy Communities a. Public Health Services b. Culture and Lifelong Learning Resources c. Healthy Lifestyles d. Pollution Prevention | II. Safe Communities a. Crime Prevention b. Emergency Response c. Social Justice d. Safe Roadways e. Emergency Preparedness | III. Sustainable Communities a. Affordable Housing b. Diverse Modes of Transportation c. Sustainable Economy d. Efficient Resource Use e. Energy Conservation | IV. Environmental Preservation a. Environmental Stewardship and Enhancement b. Agricultural Heritage c. Waste management d. Land Use Planning | V. Community Participation a. Accessible Public Facilities b. Public Service Opportunities c. Voter Participation d. Diversity in Government |
| Organizational Goals |  |  |  |  |  |
| | VI. Excellent Customer Service a. Responsive b. Knowledgeable c. Accountable d. Respectful e. Nondiscriminatory | VII. Employer of Choice a. Recruitment and Retention b. Employee Recognition c. Worklife Balance d. Training e. Career Opportunities | VIII. Effective Communication a. Employee and Interdepartmental Communication b. Two-Way Public Communication c. County Web Information | IX. Managing for Results a. Results-Based Decision-Making b. Outcome Measurement c. Continuous Improvement | X. Financial Responsibility a. Fiscal Management b. Sustainable Resource Management c. Goal-Directed Resource Allocation d. Accountability |

RELEVANT FINANCIAL POLICIES

Budget

The County is required by State law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and control. Budgets are adopted for all governmental funds. The County maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of the general and special revenue funds are included in the annually appropriated budget. The legal level of control for appropriations is exercised at the departmental fund level. Appropriations at this level may only be adjusted during the year with approval of the Board. The County Administrator may make adjustments at their discretion below that level. Such adjustments by the Board and the County Administrator are reflected in the revised budgetary data presented in the financial statements.

Balanced Budget

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

Use of “One-Time” Funds

The Board expects that one-time revenues shall be dedicated for use as one-time expenditures. Annual budgets will not be increased to the point that ongoing operating costs become overly reliant on cyclical or unreliable one-time revenues. In the face of downturns in the economy or any significant state cuts in subventions for locally mandated services, the use of one-time sources of funds will only be used to ease the transition to downsized and/or reorganized organizations.

Cost Recovery Through Fees

Departments must utilize fees to recover costs where reasonable and after all cost-saving options have been explored. There must be statutory authority for the County to charge a fee and the fee must be approved by the Board of Supervisors, with the exception of those fees in which a statute mandates the imposition of the fee. If permissible by law, fees and charges will cover all costs of the services provided, unless otherwise directed by the Board. Programs financed by charges for services, fees, grants, and special revenue fund sources will pay their full and fair share of all direct and indirect costs to the extent feasible and legally permitted.

Grants

As required by current Board policy, any new grant award that requires new County funds/matching requirements or other County commitments must be reviewed by the County Administrator. The County Administrator reviews and approves any proposed allocation of grant monies before departmental submission of the grant application to the granting agency.

Cost Allocation

Countywide overhead costs are allocated to all County departments based upon the cost allocation and implementation plan developed annually by the Department of Finance.

Funding of Contingency Reserves and Designations

For the General Fund, the County maintains a minimum of 5% of its operating budget in contingency or budget uncertainty reserves, consistent with best practices and the guidance of credit rating agencies. Contingency reserves may be used in future years to phase into fiscal distress periods in a planned, gradual manner, or to support costs on a one-time basis for the following purposes:

- Impacts of unanticipated reduction in state and/or federal grants and aid;

- Economic recession or depression and corresponding budget actions before the beginning of any one fiscal year;
- Impacts of a natural disaster;
- Unanticipated or unbudgeted lease expense that is necessary for the delivery of local services; or
- Unforeseen events that require the allocation of funds.

Other reserves may be used to designate one-time funds for anticipated events or requirements, or for significant capital projects to minimize debt service and issuance costs (“pay-as-you-go” capital spending).

ACKNOWLEDGEMENTS

The preparation of this Comprehensive Annual Financial report and timely issuance is made possible by the efficient and dedicated services of the Department of Finance staff. I would like to express my appreciation to my Accounting Division, the various County departments who assisted in the preparation of this report, and also acknowledge the efforts of our independent auditor, Gallina LLP.

Most importantly, I would like to thank the Board of Supervisors, the County Administrator’s Office, and the County departments and agencies for their continued efforts in planning and conducting the County’s financial operations in a responsible and progressive manner.

Sincerely,



Roy Given, CPA

Director of Finance

ELECTED OFFICIALS JUNE 30, 2011

| | |
|--------------------------------|----------------------|
| Supervisor – First District | Susan L. Adams |
| Supervisor – Second District | Harold C. Brown, Jr. |
| Supervisor – Third District | Kathrin Sears |
| Supervisor – Fourth District | Stephen H. Kinsey |
| Supervisor – Fifth District | Judy Arnold |
| Assessor-Recorder-County Clerk | Richard N. Benson |
| District Attorney | Edward S. Berberian |
| Sheriff-Coroner | Robert T. Doyle |

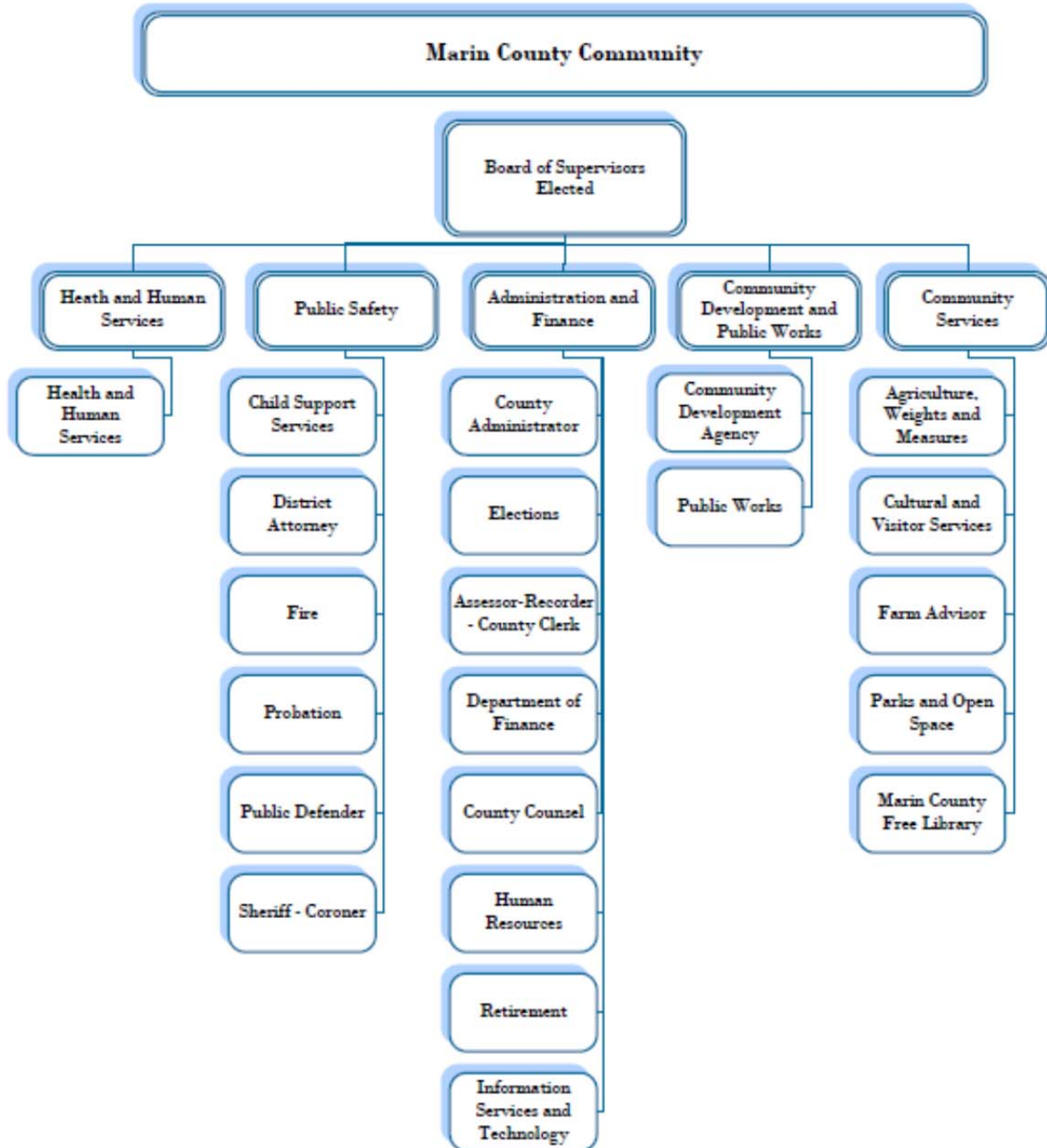
APPOINTED OFFICIALS (by the Board of Supervisors)

| | |
|---|-----------------------|
| Administrator | Matthew Hymel |
| Agricultural Commissioner/Weights & Measures | Stacy K. Carlsen |
| Chief Probation Officer | Michael Daly |
| Child Support Services | Keith Pepper |
| County Counsel | Patrick K. Faulkner |
| Cultural Services | Jim Farley |
| Director of Community Development | Brian Crawford |
| Department of Finance | Roy Given, CPA |
| Director of Health & Human Services | Larry Meredith, Ph.D. |
| Director of Library Services | Gail Haar |
| Director of Parks, Open Space and Cultural Services | Linda Dahl |
| Interim Director of Public Works | Bob Beaumont |
| Farm Advisor/U.C. Cooperative Extension | David Lewis |
| Fire Chief | Ken Massucco |
| Public Defender | Jose H. Varela |
| Registrar of Voters | Elaine Ginnold |
| Retirement Administrator | Jeff Wickman |

APPOINTED OFFICIALS (by the County Administrator)

| | |
|---|-----------------|
| Director of Human Resources | Joanne Peterson |
| Director of Information Services & Technology | Dave Hill |

**COUNTY OF MARIN
Organizational Chart
June 30, 2011**



FINANCIAL SECTION

This page intentionally left blank



INDEPENDENT AUDITOR’S REPORT

To the Board of Supervisors
 County of Marin
 San Rafael, California

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 Marin, California, as of and for the year ended June 30, 2011, which collectively comprise the County’s basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the County’s management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Marin County Redevelopment Agency, the Housing Authority of the County of Marin, and the Marin County Transit District, which represent the following percentages of assets and revenues/additions as of and for the fiscal year ended June 30, 2011:

| <u>Opinion Unit</u> | <u>Assets</u> | <u>Revenues/ Additions</u> |
|--------------------------|---------------|--------------------------------|
| Governmental Activities | .75% | .11% |
| Business-Type Activities | 81.11% | 89.18% |

Those financial statements were audited by other auditors whose report thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Marin County Redevelopment Agency, the Housing Authority of the County of Marin, and the Marin County Transit District is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Marin, California, as of June 30, 2011, and the respective changes in financial position and cash flows where applicable thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Board of Supervisors
County of Marin
San Rafael, California

In accordance with *Government Auditing Standards*, we have also issued our report under separate cover, dated January 30, 2012, 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 grants 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the other required supplementary information, 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.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the County of Marin'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 financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

Gallina LLP

Roseville, California
January 30, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

This page intentionally left blank

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

This section presents management's analysis of the County of Marin's (the County) financial condition and activities as of and for the year ended June 30, 2011. Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the County's financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which immediately follow this section.

I. FINANCIAL HIGHLIGHTS

Government-wide financial analysis

- At June 30, 2011, the assets of the County, \$1,971.9 million, exceeded its liabilities by \$1,548.5 million. Of this amount, \$25.0 million in unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors, \$183.3 million is restricted for functional programs with external constraint, debt service, and others; and \$1,340.2 million is invested in capital assets, net of related debt.
- The County's total net assets decreased by \$11.1 million during the current fiscal year. The County's program revenues covered expenses of the primary government and business activities except for \$210.6 million and \$1.8 million, respectively, or \$212.4 million in total. General revenues of the County totaled \$201.3 million, which resulted in a net asset reduction of \$11.1 million.
- Business-type activities posted net program losses of \$1.8 million before general revenues, contributions and transfers from other funds. In the prior year, the business activities had net program losses of \$5.8 million.

Capital assets and debt administration

- The County's capital assets, net of accumulated depreciation, decreased \$17.8 million to \$1,423.5 million. This decrease is mainly due to current year depreciation of existing capital assets and minor acquisitions of new ones.
- The County's total outstanding balance on long-term debt (e.g. bonds, loans, certificates of participation, and capital leases) increased \$43.9 million, primarily due to a new \$61.5 million issuance in 2010 Certificates of Participation, offset by \$17.5 million in defeasance of 1998 Certificates of Participation Series A and B, as well as scheduled amortized payments.

Governmental funds financial analysis

- At June 30, 2011, the County's governmental funds reported combined fund balances of \$397.1 million, an increase of \$70.5 million compared to prior year. Of this amount, approximately 3.7%, or \$14.8 million is unassigned and available to meet the County's current and future needs.
- At the end of the fiscal year, unassigned fund balance of the General Fund (the County's chief operating fund) was \$14.8 million, or 4.1% of total general fund expenditures.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

II. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

In addition to these basic financial statements, this report also includes the Required Supplementary Information on pages 71 – 75.

Government-wide Financial Statements

The Government-wide financial statements provide readers with a broad overview of County finances, in a manner similar to a private-sector business, using the full accrual basis of accounting as required by Governmental Accounting Standard Board (GASB) Statement No. 34.

The *Statement of Net Assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes, and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural services. The business-type activities of the County include the Housing Authority of the County of Marin, Marin County Transit District, Gness Airport, Marin Center Box Office, and Marin County Fair.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Component units are included in the financial statements and are legally separate entities for which the County is financially accountable, and have substantially the same governing board as the County or provide services entirely to the County. They include County Service Areas, Flood Control and Water Conservation Districts, Lighting Districts, Permanent Road Maintenance and Sewer Maintenance Districts, In-Home Supportive Services Public Authority, the Marin County Redevelopment Agency, Marin County Transit District, and the Housing Authority of the County of Marin.

Pages 19 – 21 of this report display the government-wide financial statements.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating the County's near-term financing requirements.

Because the governmental funds' focus is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

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

Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund, the Miscellaneous Special Revenue fund, and the Miscellaneous Capital Projects fund, which are considered to be major funds. Data from the remaining other governmental funds are combined into a single, aggregated presentation.

A budgetary comparison schedule has been provided for the General Fund and the Miscellaneous Special Revenue Fund to demonstrate compliance with the budget and is located in the required supplementary section of the report.

Pages 22 – 25 of this report display the governmental funds financial statements.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Proprietary funds – The County maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for Housing Authority, County Fair, Marin Center Box Office and Promotions, Gness Airport, Marin.Org and Transit. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County's internal service fund accounts for internal insurance activities (workers' compensation). Since these services predominantly benefit governmental rather than business-type functions, they are consolidated 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 the Housing Authority, which is considered a major fund. Data for the other proprietary funds are combined into a single, aggregated presentation. The County has one internal service fund, presented in a single presentation in the governmental activities of the proprietary funds.

Pages 26 – 29 of this report display the proprietary funds financial statements.

Fiduciary funds account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Fiduciary fund accounting is similar to proprietary fund accounting. Fiduciary funds report the external portions of the Treasurer's investment pool and agency funds.

Pages 30 – 31 of this report display the fiduciary fund's financial statements.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Pages 32 – 70 of this report display the notes to the financial statements.

Required Supplementary Information presents certain actuarial information concerning the County's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Budgetary comparison schedules for the major governmental funds are also included as supplementary information to demonstrate compliance with expenditure limits set by the governing board.

Pages 71 – 75 of this report display the Required Supplementary Information.

Combining and individual fund statements and schedules referred to earlier provide information for nonmajor governmental funds, enterprise, internal service and fiduciary funds and are presented immediately following the required supplementary information.

Pages 76 – 153 of this report display the combining and individual fund statements and schedules.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$1,548.5 million as of June 30, 2011. Further detail is provided in the table below.

Condensed Statement of Net Assets (in thousands)

| | Governmental Activities | | Business-type Activities | | Total | | Total | |
|---------------------------------|-------------------------|---------------------|--------------------------|------------------|---------------------|---------------------|-------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | Dollar Change | Percent Change |
| Assets: | | | | | | | | |
| Current and other assets | 520,644 | 453,953 | 27,740 | 29,309 | 548,384 | 483,262 | 65,122 | 13.5% |
| Capital assets, net | 1,388,807 | 1,406,847 | 34,660 | 34,410 | 1,423,467 | 1,441,257 | (17,790) | -1.2% |
| Total assets | <u>1,909,451</u> | <u>1,860,800</u> | <u>62,400</u> | <u>63,719</u> | <u>1,971,851</u> | <u>1,924,519</u> | <u>47,332</u> | <u>2.5%</u> |
| Liabilities: | | | | | | | | |
| Current and other liabilities | 47,230 | 67,983 | 5,547 | 8,678 | 52,777 | 76,661 | (23,884) | -31.2% |
| Noncurrent liabilities | 365,158 | 285,292 | 5,421 | 5,157 | 370,579 | 290,449 | 80,130 | 27.6% |
| Total liabilities | <u>412,388</u> | <u>353,275</u> | <u>10,968</u> | <u>13,835</u> | <u>423,356</u> | <u>367,110</u> | <u>56,246</u> | <u>15.3%</u> |
| Net Assets: | | | | | | | | |
| Invested in capital assets, net | 1,311,853 | 1,323,738 | 28,317 | 28,492 | 1,340,170 | 1,352,230 | (12,060) | -0.9% |
| Restricted | 173,980 | 104,934 | 9,403 | 8,565 | 183,383 | 113,499 | 69,884 | 61.6% |
| Unrestricted | 11,229 | 78,853 | 13,712 | 12,797 | 24,941 | 91,650 | (66,709) | -72.8% |
| Total net assets | <u>\$ 1,497,062</u> | <u>\$ 1,507,525</u> | <u>\$ 51,432</u> | <u>\$ 49,854</u> | <u>\$ 1,548,494</u> | <u>\$ 1,557,379</u> | <u>\$ (8,885)</u> | <u>-0.6%</u> |

Analysis of Net Assets

Total Net Assets – At June 30, 2011, the County's total net assets, \$1,548.5 million, decreased by \$11.1 million, or 0.6%, during the fiscal year.

The following analysis presents the individual components of County's net assets:

Investment in capital assets, net of related debt – The County's investments in capital assets (e.g. land, buildings, roads, bridges, flood control channels and debris basins, machinery, and equipment), less outstanding debt used to acquire those assets, is the largest portion of the County's net assets (\$1,340.2 million or 86.5%) of the County's net assets of \$1,548.5 million. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted Net Assets – Approximately \$183.4 million, or 11.8% of the County's net assets, represents resources that are subject to external restrictions on how they may be used. Restricted net assets are restricted to funds reserved for special purposes, legislation, and other outside sources. These restricted net assets increased by \$69.9 million, or 61.6%, compared to prior year.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Unrestricted Net Assets – 1.6% of the County's net assets, or \$25.0 million, represents funds which may be used to meet the County's ongoing obligations to citizens and creditors. These unrestricted net assets decreased by \$66.7 million, or 72.7%, compared to prior year.

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

Statement of Activities (in thousands)

| | Governmental Activities | | Business-type Activities | | Total | | Total | |
|---------------------------------------|-------------------------|--------------|--------------------------|-----------|--------------|--------------|---------------|----------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | Dollar Change | % Change |
| Revenues: | | | | | | | | |
| Program revenues: | | | | | | | | |
| Charges for services | \$ 82,743 | \$ 77,607 | 18,070 | \$ 15,079 | \$ 100,813 | \$ 92,686 | \$ 8,127 | 8.8% |
| Operating grants and contributions | 167,333 | 172,043 | 50,103 | 45,471 | 217,436 | 217,514 | (78) | 0.0% |
| Capital grants and contributions | 15,331 | 21,166 | 1,628 | 2,139 | 16,959 | 23,305 | (6,346) | -27.2% |
| Program revenues subtotal: | 265,407 | 270,816 | 69,801 | 62,689 | 335,208 | 333,505 | 1,703 | 0.5% |
| General revenues: | | | | | | | | |
| Property taxes | 181,655 | 189,146 | 3,141 | 3,259 | 184,796 | 192,405 | (7,609) | -4.0% |
| Sales and use taxes | 3,843 | 2,617 | - | - | 3,843 | 2,617 | 1,226 | 46.8% |
| Other taxes | 3,596 | 3,913 | - | - | 3,596 | 3,913 | (317) | -8.1% |
| Interest and investment earnings | 4,785 | 6,053 | 41 | 151 | 4,826 | 6,204 | (1,378) | -22.2% |
| Tobacco settlement revenues | 2,200 | 2,632 | - | - | 2,200 | 2,632 | (432) | -16.4% |
| Other revenue | 2,036 | 2,562 | - | - | 2,036 | 2,562 | (526) | -20.5% |
| General revenues subtotal: | 198,115 | 206,923 | 3,182 | 3,410 | 201,297 | 210,333 | (9,036) | -4.3% |
| Total revenues | 463,522 | 477,739 | 72,983 | 66,099 | 536,505 | 543,838 | (7,333) | -1.3% |
| Expenses: | | | | | | | | |
| General government | 78,212 | 71,618 | - | - | 78,212 | 71,618 | 6,594 | 9.2% |
| Public protection | 160,691 | 169,012 | - | - | 160,691 | 169,012 | (8,321) | -4.9% |
| Public ways and facilities | 33,947 | 35,134 | - | - | 33,947 | 35,134 | (1,187) | -3.4% |
| Health and sanitation | 87,683 | 94,896 | - | - | 87,683 | 94,896 | (7,213) | -7.6% |
| Public assistance | 73,445 | 73,137 | - | - | 73,445 | 73,137 | 308 | 0.4% |
| Education | 13,416 | 13,026 | - | - | 13,416 | 13,026 | 390 | 3.0% |
| Recreation and culture services | 16,855 | 15,941 | - | - | 16,855 | 15,941 | 914 | 5.7% |
| Interest on long-term debt | 11,751 | 11,190 | - | - | 11,751 | 11,190 | 561 | 5.0% |
| Housing Authority | - | - | 39,404 | 36,592 | 39,404 | 36,592 | 2,812 | 7.7% |
| Marin County Transit District | - | - | 24,297 | - | 24,297 | - | 24,297 | 0.0% |
| Gross Airport | - | - | 913 | - | 913 | - | 913 | 0.0% |
| Marin County Fair | - | - | 2,159 | - | 2,159 | - | 2,159 | 0.0% |
| Marin center Box Office | - | - | 3,787 | - | 3,787 | - | 3,787 | 0.0% |
| Marin.Org | - | - | 1,049 | - | 1,049 | - | 1,049 | 0.0% |
| Other business activities | - | - | - | 31,891 | - | 31,891 | (31,891) | -100.0% |
| Total expenses | 476,000 | 483,954 | 71,609 | 68,483 | 547,609 | 552,437 | (4,828) | -0.9% |
| Change in net assets before transfers | (12,478) | (6,215) | 1,374 | (2,384) | (11,104) | (8,599) | (2,505) | 29.1% |
| Transfers, net | 86 | (7) | (86) | 7 | - | - | - | 0.0% |
| Change in net assets | (12,392) | (6,222) | 1,288 | (2,377) | (11,104) | (8,599) | (2,505) | 29.1% |
| Net assets, beginning | 1,507,525 | 1,513,747 | 49,854 | 52,231 | 1,557,379 | 1,565,978 | (8,599) | -0.5% |
| Prior period adjustment | 1,929 | - | 290 | - | 2,219 | - | 2,219 | 100.0% |
| Net assets, beginning as restated | 1,509,454 | 1,513,747 | 50,144 | 52,231 | 1,559,598 | 1,565,978 | (6,380) | -0.4% |
| Net assets, ending | \$ 1,497,062 | \$ 1,507,525 | 51,432 | \$ 49,854 | \$ 1,548,494 | \$ 1,557,379 | \$ (8,885) | -0.6% |

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

Analysis of Governmental Activities:

Governmental activities decreased the County's net assets by \$10.4 million. This decrease was due primarily to decreased revenue in both property taxes and grants and contributions. Corresponding decreases in expenses for public protection and health and sanitation programs helped to mitigate the overall decrease to the County's net assets.

Key elements of the decrease in revenue for governmental activities are as follows:

- Operating and capital grants and contributions decreased by \$10.5 million, or 27.4% from the prior year. The decrease was mostly attributable to a \$4.8 million reduction in federal funds from the Department of Transportation for highway planning and construction. In addition, there was a \$1.1 million decrease in state funds for CalWORKS program.
- Property taxes decreased by \$7.5 million, or 4.0% from the prior year. This decrease is primarily due to an overall decrease in assessed values. The decrease in assessed values resulted in a \$1.3 million decrease in property tax revenues and \$3.5 million decrease in excess Educational Revenue Augmentation Fund (ERAF). Excess ERAF represents the difference between ERAF revenue and the total amounts schools are entitled to receive. The County General Fund received approximately \$35.1 million from the excess ERAF in the current year, which was \$3.5 million less than the prior year.

Key elements of the decreases in expenses for governmental activities are as follows:

- Public protection expenses decreased by \$8.3 million, or 4.9% from the prior year. There was a \$2.8 million decrease in workers' compensation. The remaining decrease is primarily due to position reductions and County-wide hiring freezes.
- Health and sanitation expenses decreased by \$7.2 million, or 7.6% from the prior year. This decrease is due primarily due to reduction in corresponding grant revenue, as well as position reductions and hiring freezes for these reduced programs.

Analysis of Business-type Activities:

Business-type activities increased the County's net assets by \$1.6 million, compared to a prior year decrease in net assets of \$2.4 million. This increase was due to a \$3.0 million increase in charges for services, a \$4.1 million increase in grants and contributions; offset primarily by a corresponding increase of \$2.8 million in Housing Authority expenses.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

III. FINANCIAL ANALYSIS OF COUNTY'S MAJOR FUNDS

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 current funding requirements.

At June 30, 2011, the County's governmental funds reported total assets of \$424.0 million, total liabilities of \$27.0 million, and total fund balance of \$397.1 million. Current year governmental fund balance of \$397.1 million reflects a \$70.5 million increase from the prior year. This increase is primarily due to the receipt of \$61.5 million in proceeds from the issuance of the 2010 Certificates of Participation.

The **General Fund** is the main operating fund of the County. At June 30, 2011, total fund balance increased by \$4.3 million, or 2.3%, to \$193.4 million. Of this total, \$1.8 million is nonspendable because it is not in spendable form but rather held as prepaid expenses, inventory and advances. The remaining \$191.6 million of fund balance is in spendable form; however, \$10.1 million in restricted fund balance, \$118.6 million of committed fund balance, and \$48.1 million of assigned fund balance may only be appropriated for expenditures that meet the specific level of constraint required by each category of fund balance. Only \$14.8 million of the total fund balance is unassigned fund balance and therefore available to be appropriated without constraint.

The **Miscellaneous Special Revenue Fund's** total fund balance decreased \$0.1 million to \$1.6 million as of June 30, 2011. Of this amount, 100.0% is restricted to fund various grant program expenditures, such as adult vaccinations and health studies.

The **Miscellaneous Capital Projects Fund's** total fund balance increased \$41.1 million, to \$59.0 million as of June 30, 2011. Of this amount, \$39.3 million, or 66.6% is restricted to comply with the requirements stated in the debt instruments, particularly the 2010 Certificate of Participation. The remaining \$19.7 million, or 33.4%, is assigned to fund various capital projects.

COUNTY OF MARIN, CALIFORNIA

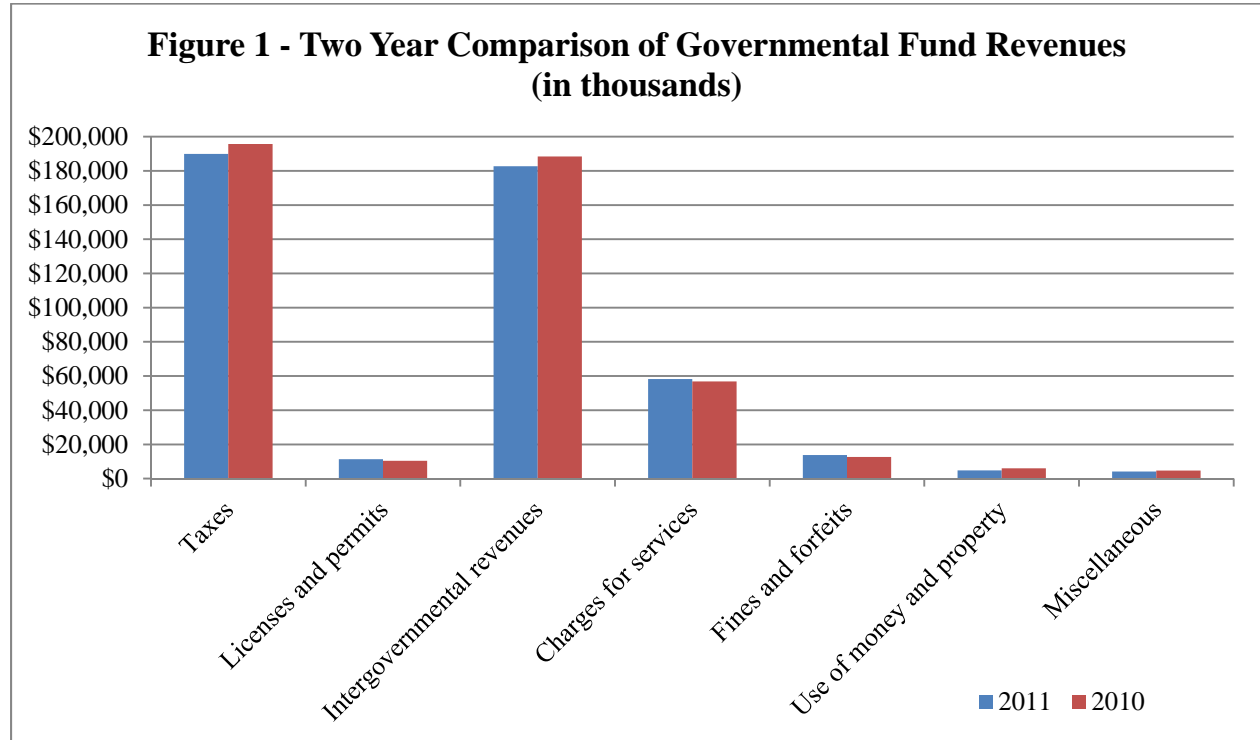
Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Revenue

The following table presents revenue, in thousands, from specific sources as well as changes from the prior year. Further details are provided in Figures 1 and 2.

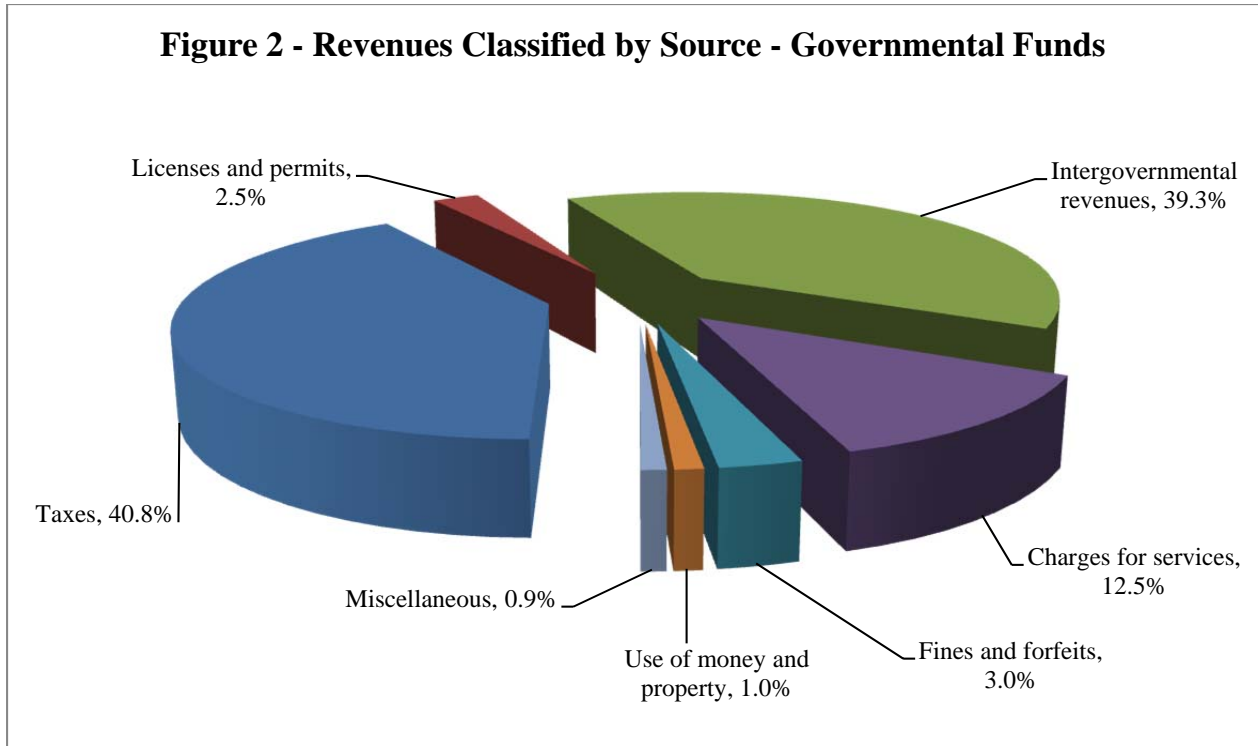
Revenues Classified by Source Governmental Funds Fund Financial Statements For the Year Ended June 30, 2011 (in thousands)

| | FY 2011 | | FY 2010 | | Change | |
|----------------------------|-------------------|---------------|-------------------|---------------|-------------------|--------------|
| | Amount | % of total | Amount | % of total | Amount | % of total |
| Taxes | \$ 189,886 | 40.8% | \$ 195,676 | 41.2% | \$ (5,790) | -3.0% |
| Licenses and permits | 11,395 | 2.5% | 10,385 | 2.1% | 1,010 | 9.7% |
| Intergovernmental revenues | 182,664 | 39.3% | 188,421 | 39.7% | (5,757) | -3.1% |
| Charges for services | 58,234 | 12.5% | 56,828 | 12.0% | 1,406 | 2.5% |
| Fines and forfeits | 13,767 | 3.0% | 12,696 | 2.7% | 1,071 | 8.4% |
| Use of money and property | 4,785 | 1.0% | 6,053 | 1.3% | (1,268) | -20.9% |
| Miscellaneous | 4,181 | 0.9% | 4,726 | 1.0% | (545) | -11.5% |
| Total Revenues | \$ 464,912 | 100.0% | \$ 474,785 | 100.0% | \$ (9,873) | -2.1% |



COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011



Significant changes in the governmental funds revenue sources are summarized as follows:

- Taxes decreased by \$5.8 million, or 3.0% from the prior year. This decrease was due to decreases in assessed values. The decrease in assessed values resulted in a \$1.3 million decrease in property tax revenues and \$3.5 million decrease in excess ERAF. Excess ERAF represents the difference between ERAF revenue and the total amounts schools are entitled to receive. The County General Fund received approximately \$35.1 million from the excess ERAF, which was \$3.5 million less than the prior year.
- Intergovernmental revenue decreased by \$5.8 million, or 3.1% from the prior year. This decrease was due to decreases in grants and contributions received from external governmental entities, primarily from the Department of Transportation for the County's Cal Park Hill Tunnel project, which was completed in early fiscal year 2011.
- Use of money and property decreased by \$1.2 million, or 20.9% from the prior year. This decrease is due to a sustained reduction in interest rates earned on investment options.

COUNTY OF MARIN, CALIFORNIA

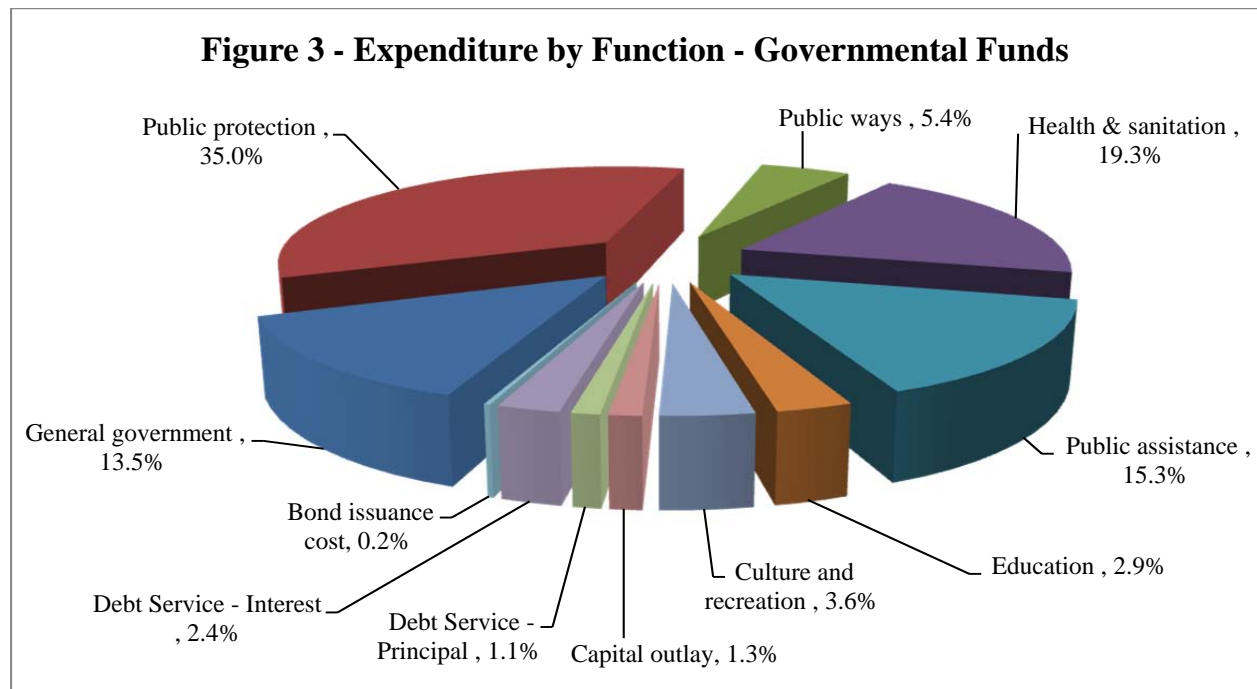
Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Expenditures:

The following table presents expenditures from specific sources as well as changes from the prior year in the governmental funds. Further detail is depicted in Figure 3.

Expenditures by Function Including Capital Outlay Governmental Funds Fund Financial Statements For the Year Ended June 30, 2011 (in thousands)

| | FY 2011 | | FY 2010 | | Change | |
|---------------------------|-------------------|---------------|-------------------|---------------|-----------------|-------------|
| | Amount | % of total | Amount | % of total | Amount | % of total |
| Current: | | | | | | |
| General government | \$ 59,576 | 13.5% | \$ 54,432 | 12.3% | \$ 5,144 | 9.5% |
| Public protection | 154,993 | 35.0% | 155,404 | 35.3% | (411) | -0.3% |
| Public ways | 23,885 | 5.4% | 24,321 | 5.5% | (436) | -1.8% |
| Health & sanitation | 85,285 | 19.3% | 91,008 | 20.7% | (5,723) | -6.3% |
| Public assistance | 67,638 | 15.3% | 68,972 | 15.7% | (1,334) | -1.9% |
| Education | 12,898 | 2.9% | 12,136 | 2.8% | 762 | 6.3% |
| Culture and recreation | 15,870 | 3.6% | 14,722 | 3.3% | 1,148 | 7.8% |
| Capital outlay | 5,575 | 1.3% | 4,550 | 1.0% | 1,025 | 22.53% |
| Debt service: | | | | | | |
| Principal | 5,259 | 1.1% | 4,744 | 1.1% | 515 | 10.86% |
| Interest | 10,590 | 2.4% | 10,162 | 2.3% | 428 | 4.21% |
| Bond issuance cost | 1,061 | 0.2% | - | 0.0% | 1,061 | 100.0% |
| Total Expenditures | \$ 442,630 | 100.0% | \$ 440,451 | 100.0% | \$ 2,179 | 0.5% |



COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

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

- General government expenditures increased by \$5.1 million, or 9.5% from the prior year. This increase was mostly due to \$3.3 million in additional professional services in the general fund as compared to prior year. Of this increase, approximately \$2.8 million was attributable to external legal fees and legal settlements with no similar expenditures in the prior year.
- Health and sanitation expenditures decreased by \$5.7 million, or 6.3% from the prior year. This was primarily due to reduction in corresponding grant revenue, as well as reduction in force and hiring freezes for these reduced programs.
- Capital outlay expenditures increased by \$1.0 million, or 22.5% from the prior year. This was due to increased capital activity for various capital projects.
- Bond issuance costs of \$1.1 million were incurred in FY 2011 with no similar expenditures in the prior year.

Proprietary Funds

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

Housing Authority of the County of Marin

- The Housing Authority (the Authority) funds affordable housing programs within the county. At June 30, 2011, unrestricted net assets of the housing authority were \$3.6 million, restricted net assets were \$9.4 million, while total net assets reached \$30.8 million. As a measure of the Authority's liquidity, it may be useful to compare unrestricted net assets to total operating expenses. Unrestricted net assets represent 8.8% of the total operating expenses.
- Total net assets of the Authority increased by \$2.0 million. The majority of the increase was attributable to a \$4.5 million increase in federal grants and subsidies offset by a \$2.5 million increase in Housing Assistance Program expenses.
- The largest portion of the Authority's net assets \$17.8 million, or 57.8% reflects its investment in capital assets, net of related debt (e.g. land, buildings and improvements, furniture, equipment and machinery, less debt used to purchase these assets). The Authority uses these capital assets to provide services to clients; consequently, these assets are not available for future spending. At the end of the fiscal year, the Authority as a whole is able to report positive balances in all categories of Net Assets.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

IV. Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2011 amounted to \$1,423.5 million (net of accumulated depreciation), a decrease of \$17.8 million, or 1.2%. This investment is in a broad range of capital assets including land, assets under construction (AUC), structures and improvements, equipment, and infrastructure. The table below provides a comparison of the County's capital assets for the governmental and business-type activities for the current and prior years. Figures are presented net of depreciation.

Capital Assets (Net of Depreciation) (in thousands)

| | Governmental Activities | | Business-type Activities | | Total | | Change Inc (Dec) |
|------------------------------|-------------------------|---------------------|--------------------------|------------------|---------------------|---------------------|---------------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | |
| Land and infrastructure land | \$ 1,226,225 | \$ 1,226,216 | \$ 7,014 | \$ 7,014 | \$ 1,233,239 | \$ 1,233,230 | \$ 9 |
| Easements | 2,699 | 2,699 | - | - | 2,699 | 2,699 | - |
| Construction in progress | 5,160 | 6,077 | 4,188 | 3,771 | 9,348 | 9,848 | (500) |
| Structures and improvements | 99,366 | 109,618 | 18,740 | 19,357 | 118,106 | 128,975 | (10,869) |
| Equipment | 8,568 | 9,497 | 2,550 | 2,006 | 11,118 | 11,503 | (385) |
| Infrastructure | 46,789 | 52,740 | - | - | 46,789 | 52,740 | (5,951) |
| Other property | - | - | 2,168 | 2,262 | 2,168 | 2,262 | (94) |
| Total | \$ 1,388,807 | \$ 1,406,847 | \$ 34,660 | \$ 34,410 | \$ 1,423,467 | \$ 1,441,257 | \$ (17,790) |

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

- Assets under construction decreased by \$0.5 million, or 5.1% from the prior year. This decrease was comprised of a current year transfer of \$5.1 million of completed projects in AUC to Structures & Improvements and Infrastructure, mostly for Parks and Open Space projects. This was offset by a \$4.6 million investment in current and new AUC projects.
- Structures and improvements decreased by \$10.9 million, or 8.4% from the prior year, a result of annual depreciation offset by AUC transfers.
- Infrastructure decreased by \$6.0 million, or 11.3% from the prior year, a result of annual depreciation offset by AUC transfers.

Additional capital assets information, including depreciation and outstanding AUC as of June 30, 2011, can be found in Note 6 to the financial statements on pages 53 – 54.

COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

V. Debt Administration

Outstanding Debt (in thousands)

| | Governmental Activities | | Business-type Activities | | Total | | Total | |
|-------------------------------|-------------------------|-------------------|--------------------------|-----------------|-------------------|-------------------|------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | Dollar Change | Percent Change |
| | Bonds payable | \$ 170,999 | \$ 171,886 | \$ - | \$ - | \$ 170,999 | \$ 171,886 | \$ (887) |
| Certificates of participation | 75,178 | 32,760 | - | - | 75,178 | 32,760 | 42,418 | 129.5% |
| Loans payable | 3,453 | 3,062 | 6,061 | 5,674 | 9,514 | 8,736 | 778 | 8.9% |
| Capital leases payable | 1,955 | 558 | 202 | - | 2,157 | 558 | 1,599 | 286.6% |
| Total | <u>\$ 251,585</u> | <u>\$ 208,266</u> | <u>\$ 6,263</u> | <u>\$ 5,674</u> | <u>\$ 257,848</u> | <u>\$ 213,940</u> | <u>\$ 43,908</u> | <u>20.5%</u> |

At June 30, 2011, the County's governmental and business-type activities had outstanding long-term debt in the amount of \$257.8 million as compared to \$213.9 million in the prior year. This amount was comprised of \$171.0 million in bonds payable, \$75.2 million in certificates of participation (COP), \$9.5 million in loans payable and \$2.2 million in capital lease obligations.

The County's FY 2011 debt payments totaled \$5.3 million. The County borrowed an additional \$61.5 million during the year to finance various capital improvements throughout the County, and to refund the County's \$17.5 million outstanding 1998 Certificates of Participation Series A and B.

Additional information on the County's long-term debt can be found on pages 56 – 61 in the Notes to the Financial Statement.

VI. GENERAL FUND BUDGETARY HIGHLIGHTS

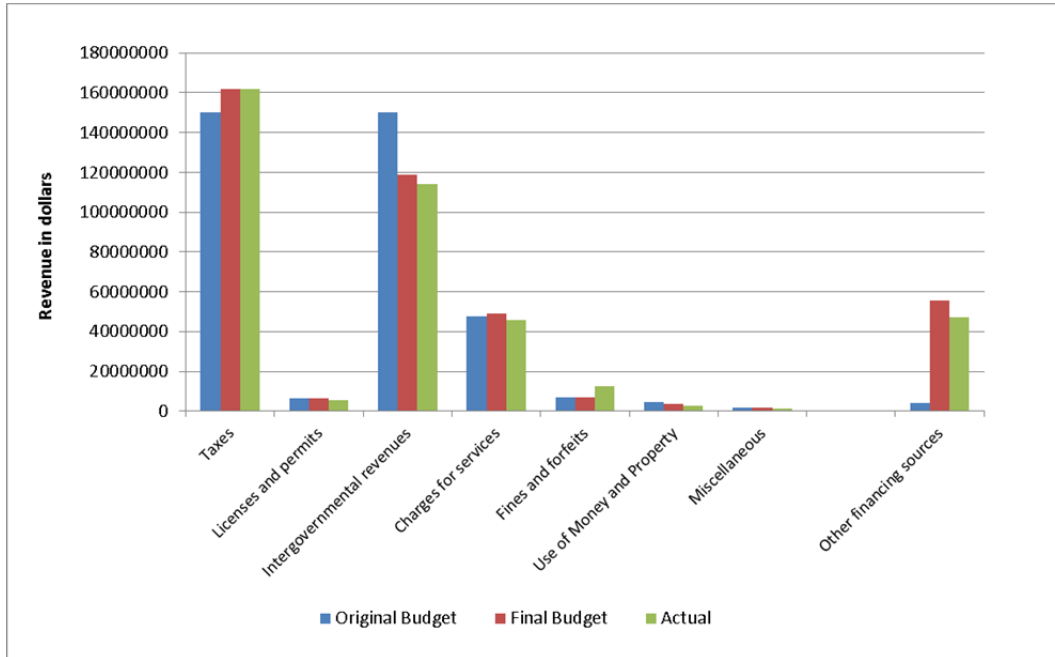
During the year there was a \$16.4 million, or 4.0% decrease in appropriations between the original budget and the final amended budget. The major components of the decrease were as follows:

- \$10.6 million decrease in general government functions. This decrease is primarily due to a \$4.2 million carryforward of unspent encumbrances, a \$2 million budget transfer to other governmental funds, and reduction in expenses due to consolidation of Coroner's office with Sheriff.
- \$4.3 million decrease in expenditures for public ways and facilities functions. The decrease is due to a \$4.4 million carryforward of unspent encumbrances to fiscal year 2011-2012 budget. The projects with the larger encumbrance carryforwards include Muir Woods Shuttle Study and Marin City Trans Hub.
- \$3.4 million decrease in expenditures for health and sanitation functions. A majority of this decrease is due to a \$2.2 million reclassification of IHSS expenditures to transfers out.

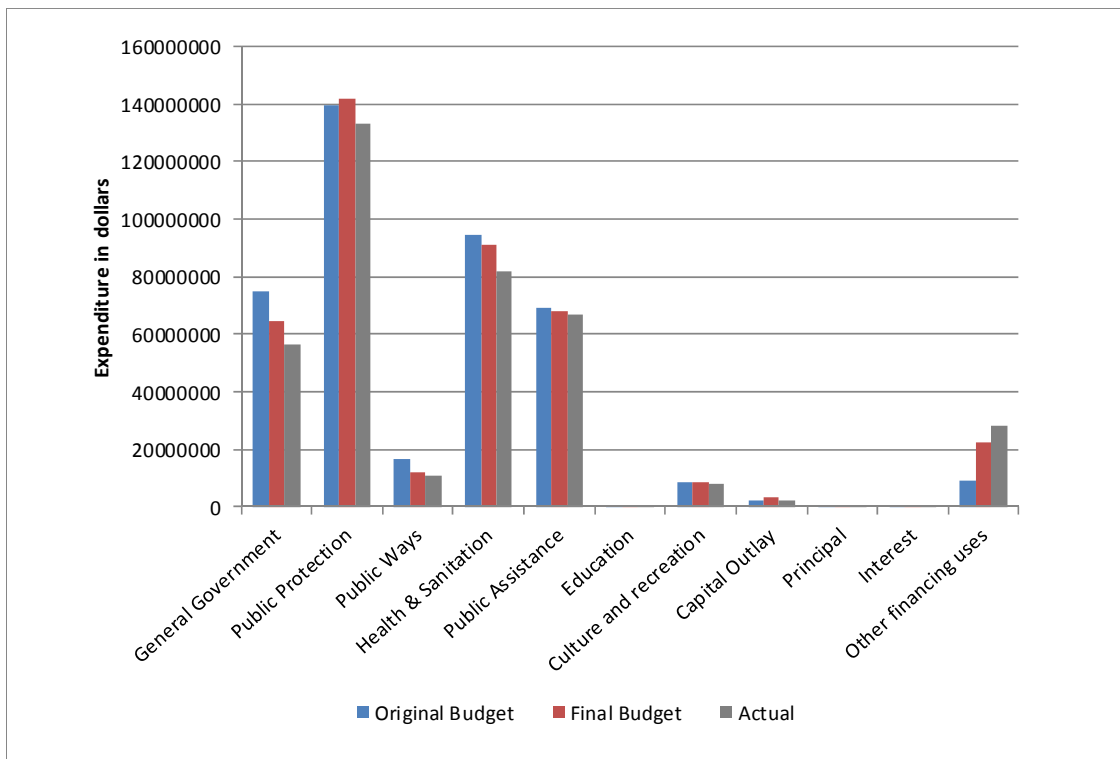
COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

General Fund Revenue Comparison



General Fund Expenditure Comparison



COUNTY OF MARIN, CALIFORNIA

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

ECONOMIC FACTORS AND THE OUTLOOK FOR FY 2011-12 BUDGET

Like communities across the nation, Marin County is adapting to a new economic reality. Given the continued slowdown in revenues, the County plans for a flat budget for FY 2011-2012 due to reductions in property and sales tax collections as well as substantial cuts in State funding. Over the past several years, the County has taken many steps to reduce structural imbalance. These efforts include: enacting a hiring freeze since 2007; adopting a lower-cost retiree health plan for new employees in 2008; reducing annual spending by over \$30 million; eliminated 240 ongoing positions; and fully implemented two consolidation efforts – including the new Sheriff-Coroner and Department of Finance.

VII. REQUEST FOR INFORMATION

This financial report is designed to demonstrate accountability by the Marin County government by providing both long-term and near-term views of the County's finances. Questions or comments regarding any of the information presented in this report or requests for additional financial information should be addressed to:

Director of Finance
County of Marin
3501 Civic Center Dr., Room 225
San Rafael, CA 94903

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

This page intentionally left blank

COUNTY OF MARIN

Statement of Net Assets June 30, 2011

| | Primary Government | | |
|---|----------------------------|-----------------------------|-------------------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Cash and investments in County pool | \$ 349,378,334 | \$ 4,892,573 | \$ 354,270,907 |
| Other outside investments | -- | 3,211,127 | 3,211,127 |
| Receivables: | | | |
| Accounts and other - net | 7,587,169 | 1,340,799 | 8,927,968 |
| Taxes | 2,167,805 | -- | 2,167,805 |
| Due from other agencies | 25,645,072 | 5,903,773 | 31,548,845 |
| Other loans | 6,325,685 | 4,108,899 | 10,434,584 |
| Inventories | 741,765 | -- | 741,765 |
| Prepaid items and other assets | 184,012 | 1,435,744 | 1,619,756 |
| Restricted cash held with trustee | 48,817,697 | -- | 48,817,697 |
| Other restricted cash | -- | 6,502,876 | 6,502,876 |
| Deferred fiscal charges | 4,060,433 | -- | 4,060,433 |
| Net pension asset | 75,203,320 | -- | 75,203,320 |
| Internal balances | 532,705 | (532,705) | -- |
| Property held for resale | -- | 876,693 | 876,693 |
| Capital assets: | | | |
| Nondepreciable | 1,234,083,562 | 11,202,217 | 1,245,285,779 |
| Depreciable, net | 154,722,994 | 23,458,025 | 178,181,019 |
| Total assets | <u>\$ 1,909,450,553</u> | <u>\$ 62,400,021</u> | <u>\$ 1,971,850,574</u> |
| LIABILITIES | | | |
| Accounts payable and accrued expenses | \$ 8,195,783 | \$ 1,946,780 | \$ 10,142,563 |
| Due to other agencies | -- | 280,233 | 280,233 |
| Salaries and benefits payable | 5,419,066 | 124,980 | 5,544,046 |
| Accrued interest payable | 4,125,293 | 917,029 | 5,042,322 |
| Unearned revenues | 5,062,630 | 869,163 | 5,931,793 |
| Other liabilities | 2,424,163 | 234,994 | 2,659,157 |
| Estimated claims | | | |
| Due within one year | 5,704,000 | -- | 5,704,000 |
| Due beyond one year | 19,053,000 | -- | 19,053,000 |
| Compensated absences: | | | |
| Due within one year | 11,122,698 | 40,570 | 11,163,268 |
| Due beyond one year | 2,746,987 | 125,241 | 2,872,228 |
| Long-term liabilities: | | | |
| Due within one year | 5,176,329 | 1,132,722 | 6,309,051 |
| Due beyond one year | 246,408,522 | 5,130,133 | 251,538,655 |
| Liability for post-employment benefits | 96,949,590 | 166,000 | 97,115,590 |
| Total liabilities | <u>412,388,061</u> | <u>10,967,845</u> | <u>423,355,906</u> |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 1,311,853,403 | 28,317,111 | 1,340,170,514 |
| Restricted: | | | |
| Education | 5,836,441 | -- | 5,836,441 |
| General government | 4,152,406 | -- | 4,152,406 |
| Health and sanitation | 33,767,651 | -- | 33,767,651 |
| Public assistance | 14,688,696 | -- | 14,688,696 |
| Public protection | 41,159,440 | -- | 41,159,440 |
| Public ways and facilities | 13,677,447 | -- | 13,677,447 |
| Recreation | 11,766,471 | -- | 11,766,471 |
| Debt service | 8,730,408 | -- | 8,730,408 |
| Capital projects | 40,201,391 | -- | 40,201,391 |
| Other purposes | -- | 9,403,055 | 9,403,055 |
| Unrestricted | 11,228,738 | 13,712,010 | 24,940,748 |
| Total net assets | <u>1,497,062,492</u> | <u>51,432,176</u> | <u>1,548,494,668</u> |
| Total liabilities and net assets | <u>\$ 1,909,450,553</u> | <u>\$ 62,400,021</u> | <u>\$ 1,971,850,574</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Activities
For the Fiscal Year Ended June 30, 2011

| Functions/Programs | Expenses | Program Revenues | | |
|----------------------------------|-----------------------|---------------------------------------|------------------------------------|----------------------------------|
| | | Fees, Fines, and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government | | | | |
| Governmental Activities: | | | | |
| General government | \$ 78,212,626 | \$ 28,148,514 | \$ 5,472,457 | \$ 455,753 |
| Public protection | 160,691,698 | 38,912,554 | 32,891,431 | 2,225,067 |
| Public ways and facilities | 33,946,789 | 3,051,447 | 6,446,166 | 12,597,667 |
| Health and sanitation | 87,682,812 | 4,048,690 | 56,813,553 | 47,585 |
| Public assistance | 73,445,107 | 867,866 | 64,628,401 | -- |
| Education | 13,415,872 | 5,247,191 | 274,877 | -- |
| Recreation and cultural services | 16,854,659 | 2,466,579 | 805,879 | 5,056 |
| Debt Service: | | | | |
| Interest and fiscal charges | 11,751,268 | -- | -- | -- |
| Total governmental activities | <u>476,000,831</u> | <u>82,742,841</u> | <u>167,332,764</u> | <u>15,331,128</u> |
| Business-Type Activities: | | | | |
| Housing Authority | 39,403,887 | 4,359,716 | 35,629,935 | 1,388,225 |
| Marin County Transit District | 24,296,978 | 5,900,414 | 14,289,169 | 240,260 |
| Gnoss Airport | 912,951 | 716,358 | 117,250 | -- |
| Marin County Fair | 2,159,605 | 2,038,424 | 66,981 | -- |
| Marin Center Box Office | 3,786,573 | 3,874,610 | -- | -- |
| Marin Org | 1,049,227 | 1,180,902 | -- | -- |
| Total business-type activities | <u>71,609,221</u> | <u>18,070,424</u> | <u>50,103,335</u> | <u>1,628,485</u> |
| Total primary government | <u>\$ 547,610,052</u> | <u>\$ 100,813,265</u> | <u>\$ 217,436,099</u> | <u>\$ 16,959,613</u> |

General Revenues:

Taxes:

Property taxes

Sales and use taxes

Other

Unrestricted interest and investment earnings

Tobacco settlement

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets, beginning of year

Prior period adjustments

Net assets, beginning of year - restated

Net assets, end of year

The accompanying notes are an integral part of these financial statements.

| Net (Expenses) Revenues and Changes in Net Assets | | |
|--|---------------------------------|-------------------------|
| Primary Government | | |
| Governmental Activities | Business- Type Activities | Total |
| \$ (44,135,902) | \$ -- | \$ (44,135,902) |
| (86,662,646) | | (86,662,646) |
| (11,851,509) | -- | (11,851,509) |
| (26,772,984) | -- | (26,772,984) |
| (7,948,840) | -- | (7,948,840) |
| (7,893,804) | -- | (7,893,804) |
| (13,577,145) | -- | (13,577,145) |
| (11,751,268) | -- | (11,751,268) |
| <u>(210,594,098)</u> | <u>--</u> | <u>(210,594,098)</u> |
| -- | 1,973,989 | 1,973,989 |
| -- | (3,867,135) | (3,867,135) |
| -- | (79,343) | (79,343) |
| -- | (54,200) | (54,200) |
| -- | 88,037 | 88,037 |
| -- | 131,675 | 131,675 |
| <u>--</u> | <u>(1,806,977)</u> | <u>(1,806,977)</u> |
| <u>(210,594,098)</u> | <u>(1,806,977)</u> | <u>(212,401,075)</u> |
| 181,655,215 | 3,141,177 | 184,796,392 |
| 3,843,242 | -- | 3,843,242 |
| 3,595,633 | -- | 3,595,633 |
| 4,785,362 | 40,958 | 4,826,320 |
| 2,199,785 | -- | 2,199,785 |
| 2,036,152 | -- | 2,036,152 |
| 86,461 | (86,461) | -- |
| <u>198,201,850</u> | <u>3,095,674</u> | <u>201,297,524</u> |
| <u>(12,392,248)</u> | <u>1,288,697</u> | <u>(11,103,551)</u> |
| 1,507,525,346 | 49,854,553 | 1,557,379,899 |
| 1,929,394 | 288,926 | 2,218,320 |
| <u>1,509,454,740</u> | <u>50,143,479</u> | <u>1,559,598,219</u> |
| <u>\$ 1,497,062,492</u> | <u>\$ 51,432,176</u> | <u>\$ 1,548,494,668</u> |

The accompanying notes are an integral part of these financial statements.

This page intentionally left blank

**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

This page intentionally left blank

COUNTY OF MARIN

Balance Sheet
Governmental Funds
June 30, 2011

| | General | Miscellaneous Special Revenue Fund | Miscellaneous Capital Projects Fund | Other Governmental Funds | Total |
|---------------------------------------|-----------------------|--|--|--------------------------------|-----------------------|
| <u>ASSETS</u> | | | | | |
| Cash and investments in County pool | \$ 174,495,584 | \$ 3,597,180 | \$ 18,469,624 | \$ 130,098,652 | \$ 326,661,040 |
| Cash with fiscal agent | -- | -- | 40,724,727 | 7,839,298 | 48,564,025 |
| Receivables: | | | | | |
| Taxes | 1,718,371 | -- | -- | 449,434 | 2,167,805 |
| Accounts | 6,941,581 | 1,394 | -- | 644,194 | 7,587,169 |
| Notes receivable - short term | 244,685 | -- | -- | -- | 244,685 |
| Notes receivable - long term | -- | -- | -- | 6,081,000 | 6,081,000 |
| Prepaid expenses | 91,561 | -- | -- | 92,451 | 184,012 |
| Due from other funds | 5,052,681 | -- | -- | -- | 5,052,681 |
| Due from other governmental agencies | 21,057,618 | 808,598 | -- | 3,778,856 | 25,645,072 |
| Advances to other funds | 1,040,000 | -- | -- | 45,400 | 1,085,400 |
| Inventory of supplies | 633,893 | -- | -- | 107,872 | 741,765 |
| | <u>\$ 211,275,974</u> | <u>\$ 4,407,172</u> | <u>\$ 59,194,351</u> | <u>\$ 149,137,157</u> | <u>\$ 424,014,654</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts payable and accrued expenses | \$ 6,259,861 | \$ 102,209 | \$ 212,659 | \$ 1,621,054 | \$ 8,195,783 |
| Accrued salaries and benefits | 4,813,174 | 36,153 | 15,807 | 553,932 | 5,419,066 |
| Due to other funds | -- | 2,146,685 | -- | 2,373,291 | 4,519,976 |
| Advances payable | -- | -- | -- | 1,085,400 | 1,085,400 |
| Deferred revenue | 4,655,681 | 427,400 | -- | 224,203 | 5,307,284 |
| Other liabilities | 2,158,031 | 58,125 | -- | 208,007 | 2,424,163 |
| Total liabilities | <u>17,886,747</u> | <u>2,770,572</u> | <u>228,466</u> | <u>6,065,887</u> | <u>26,951,672</u> |
| <u>FUND BALANCES</u> | | | | | |
| Nonspendable | 1,765,454 | -- | -- | 6,326,723 | 8,092,177 |
| Restricted | 10,097,179 | 1,636,600 | 39,281,653 | 114,872,743 | 165,888,175 |
| Committed | 118,593,320 | -- | -- | 1,164,092 | 119,757,412 |
| Assigned | 48,096,547 | -- | 19,684,232 | 20,707,712 | 88,488,491 |
| Unassigned | 14,836,727 | -- | -- | -- | 14,836,727 |
| Total fund balances | <u>193,389,227</u> | <u>1,636,600</u> | <u>58,965,885</u> | <u>143,071,270</u> | <u>397,062,982</u> |
| Total liabilities and fund balances | <u>\$ 211,275,974</u> | <u>\$ 4,407,172</u> | <u>\$ 59,194,351</u> | <u>\$ 149,137,157</u> | <u>\$ 424,014,654</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Assets - Governmental Activities
June 30, 2011

| | | |
|---|---------------|------------------|
| Fund Balance - total governmental funds (page 22) | | \$ 397,062,982 |
| Amounts reported for governmental activities in the statement of net assets are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. These assets consist of: | | |
| Land | 1,228,923,753 | |
| Construction in progress | 5,159,809 | |
| Infrastructure, net of accumulated depreciation | 46,788,997 | |
| Buildings and improvements, net of accumulated depreciation | 99,365,671 | |
| Equipment, net of accumulated depreciation | 8,568,326 | |
| Total capital assets | | 1,388,806,556 |
| Long-term assets used in Governmental Activities, such as the net pension asset and deferred fiscal charges, are not current financial resources and, therefore, are not reported in the Governmental Funds. | | |
| | | 79,263,753 |
| Deferred revenue represents amounts that are not available to fund current expenditures and, therefore, are not reported in the Governmental Funds. | | |
| | | 244,654 |
| Internal service funds are used by the County to charge the cost of worker's compensation insurance to individual funds. Net assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. | | |
| | | 3,698,966 |
| Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net assets. Balances as of June 30 are: | | |
| Certificates of participation, bonds and loans payable | (249,630,120) | |
| Capital leases | (1,954,731) | |
| Accrued interest on long-term debt | (4,125,293) | |
| Compensated absences | (13,869,685) | |
| Other post employment benefits payable | (96,949,590) | |
| Claims and judgments | (5,485,000) | |
| Total long-term liabilities | | (372,014,419) |
| Net assets of governmental activities (page 19) | | \$ 1,497,062,492 |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011

| | General | Miscellaneous Special Revenue Fund | Miscellaneous Capital Projects Fund | Other Governmental Funds | Total |
|--|-----------------------|--|--|--------------------------------|-----------------------|
| Revenues: | | | | | |
| Taxes | \$ 161,714,322 | \$ -- | \$ -- | \$ 28,171,245 | \$ 189,885,567 |
| Licenses and permits | 5,686,307 | -- | -- | 5,708,786 | 11,395,093 |
| Intergovernmental revenues | 114,202,101 | 2,215,074 | 5,056 | 66,241,661 | 182,663,892 |
| Charges for services | 45,586,370 | 656,678 | 79,253 | 11,911,975 | 58,234,276 |
| Fines and forfeits | 12,757,914 | -- | -- | 1,009,473 | 13,767,387 |
| From use of money and property | 2,924,981 | 14,884 | 44,824 | 1,800,673 | 4,785,362 |
| Miscellaneous | 1,154,563 | -- | 60 | 3,026,777 | 4,181,400 |
| Total revenues | <u>344,026,558</u> | <u>2,886,636</u> | <u>129,193</u> | <u>117,870,590</u> | <u>464,912,977</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 56,273,693 | -- | 3,117,837 | 184,279 | 59,575,809 |
| Public protection | 132,876,955 | 575,307 | 307,614 | 17,741,677 | 151,501,553 |
| Public ways and facilities | 10,599,358 | -- | 799,638 | 12,486,457 | 23,885,453 |
| Health and sanitation | 81,896,593 | 1,073,358 | -- | 2,314,874 | 85,284,825 |
| Public assistance | 66,591,376 | 297,048 | -- | 4,242,333 | 71,130,757 |
| Education | 662,790 | -- | -- | 12,234,798 | 12,897,588 |
| Recreation and cultural services | 7,918,263 | -- | 216,715 | 7,734,093 | 15,869,071 |
| Capital outlay | 2,120,010 | 466,476 | 2,524,367 | 463,789 | 5,574,642 |
| Debt Service: | | | | | |
| Principal | 43,904 | -- | -- | 5,214,955 | 5,258,859 |
| Interest | 28,182 | -- | -- | 10,561,709 | 10,589,891 |
| Bond issuance costs | -- | -- | -- | 1,061,920 | 1,061,920 |
| Total expenditures | <u>359,011,124</u> | <u>2,412,189</u> | <u>6,966,171</u> | <u>74,240,884</u> | <u>442,630,368</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(14,984,566)</u> | <u>474,447</u> | <u>(6,836,978)</u> | <u>43,629,706</u> | <u>22,282,609</u> |
| Other Financing Sources (Uses): | | | | | |
| Refunding to escrow agent | -- | -- | -- | (17,465,000) | (17,465,000) |
| Premium on debt issued | -- | -- | -- | 1,880,120 | 1,880,120 |
| Issuance of debt | -- | -- | 465,318 | 61,540,000 | 62,005,318 |
| Inception of capital lease | 1,688,596 | -- | -- | -- | 1,688,596 |
| Transfers in | 45,609,377 | -- | 47,935,723 | 43,123,068 | 136,668,168 |
| Transfers out | (27,976,451) | (604,338) | (498,041) | (107,498,325) | (136,577,155) |
| Total other financing sources (uses) | <u>19,321,522</u> | <u>(604,338)</u> | <u>47,903,000</u> | <u>(18,420,137)</u> | <u>48,200,047</u> |
| Net change in fund balances | <u>4,336,956</u> | <u>(129,891)</u> | <u>41,066,022</u> | <u>25,209,569</u> | <u>70,482,656</u> |
| Fund balances, beginning | 189,052,271 | 3,265,243 | 17,899,863 | 114,433,555 | 324,650,932 |
| Prior period adjustment | -- | (1,498,752) | -- | 3,428,146 | 1,929,394 |
| Fund balances, beginning - restated | <u>189,052,271</u> | <u>1,766,491</u> | <u>17,899,863</u> | <u>117,861,701</u> | <u>326,580,326</u> |
| Fund balances, end | <u>\$ 193,389,227</u> | <u>\$ 1,636,600</u> | <u>\$ 58,965,885</u> | <u>\$ 143,071,270</u> | <u>\$ 397,062,982</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2011**

| | | |
|--|---------------------|----------------------------|
| Net change to fund balance - total governmental funds (page 24) | \$ | 70,482,656 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation | | |
| Expenditures for general capital assets, infrastructure, and other related capital assets adjustments | \$ 5,531,194 | |
| Less: current year depreciation | <u>(23,571,291)</u> | (18,040,097) |
| Collections from prior year deferrals are recognized as revenues in the governmental funds but are not revenues in the statement of activities. | | |
| | | (1,445,392) |
| Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net assets. | | |
| Amortization of bond discount/premium | 94,484 | |
| Amortization of deferred fiscal charges | (228,687) | |
| Amortization of loss on refunding | (146,574) | |
| Accretion of loan payable | (698,542) | |
| Certificates of participation issued | (61,540,000) | |
| Loan payable | (410,781) | |
| Repayment on loan payable | 71,879 | |
| Premium on debt issued | (1,880,120) | |
| Bond issuance costs | 1,061,920 | |
| Repayment of bonds, certificates of participation, and notes | <u>22,440,000</u> | |
| Net adjustment | | (41,236,421) |
| Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability. | | |
| Inception of capital leases | | (1,688,596) |
| Repayment on capital leases | | 291,417 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | | |
| Change in compensated absences | 404,742 | |
| Amortization of net pension asset | (4,700,210) | |
| Other post employment benefits liability | (17,051,105) | |
| Change in claims liability | 173,000 | |
| Accrued interest on long-term debt | <u>29,922</u> | |
| Net adjustment | | (21,143,651) |
| Internal service funds are used by the County to charge the cost of worker's compensation insurance to individual funds. The net revenue (expense) of internal service fund is reported with governmental activities. | | |
| | | <u>387,836</u> |
| Change in net assets of governmental activities (page 20) | \$ | <u><u>(12,392,248)</u></u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Fund Net Assets Proprietary Funds June 30, 2011

| | Business-type Activities | | | Governmental Activities |
|--|--------------------------|------------------------------|----------------------|--|
| | Housing Authority | Nonmajor Enterprise Funds | Total | Workers' Compensation Internal Service |
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and investments in County pool | \$ -- | \$ 4,892,199 | \$ 4,892,199 | \$ 22,717,294 |
| Cash with fiscal agent | -- | -- | -- | 253,672 |
| Other cash | 3,211,127 | 374 | 3,211,501 | -- |
| Receivables: | | | | |
| Accounts | 1,134,298 | 206,501 | 1,340,799 | -- |
| Prepaid items and other assets | 179,234 | 1,256,510 | 1,435,744 | -- |
| Short-term notes receivable | 7,722 | -- | 7,722 | -- |
| Due from other governments | 470,562 | 5,433,211 | 5,903,773 | -- |
| Assets held for resale | 876,693 | -- | 876,693 | -- |
| Total current assets | <u>5,879,636</u> | <u>11,788,795</u> | <u>17,668,431</u> | <u>22,970,966</u> |
| Noncurrent Assets: | | | | |
| Restricted cash | 6,502,876 | -- | 6,502,876 | -- |
| Long-term notes receivable | 4,101,177 | -- | 4,101,177 | -- |
| Capital assets: | | | | |
| Nondepreciable | 5,855,582 | 5,346,635 | 11,202,217 | -- |
| Depreciable, net | 17,796,991 | 5,661,034 | 23,458,025 | -- |
| Total noncurrent assets | <u>34,256,626</u> | <u>11,007,669</u> | <u>45,264,295</u> | <u>--</u> |
| Total assets | <u>\$ 40,136,262</u> | <u>\$ 22,796,464</u> | <u>\$ 62,932,726</u> | <u>\$ 22,970,966</u> |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Vouchers and accounts payable | \$ 671,667 | \$ 701,445 | \$ 1,373,112 | \$ -- |
| Accrued salaries and benefits | 115,381 | 9,599 | 124,980 | -- |
| Due to other funds | -- | 532,705 | 532,705 | -- |
| Due to other agencies | 280,233 | -- | 280,233 | -- |
| Other liabilities | 232,504 | 2,490 | 234,994 | -- |
| Deferred revenues | 200,974 | 668,189 | 869,163 | -- |
| Compensated absences | 33,304 | 7,266 | 40,570 | -- |
| Capital leases | -- | 98,889 | 98,889 | -- |
| Mortgages payable | 1,030,058 | -- | 1,030,058 | -- |
| Estimated Claims | -- | -- | -- | 4,219,000 |
| Total current liabilities | <u>2,564,121</u> | <u>2,020,583</u> | <u>4,584,704</u> | <u>4,219,000</u> |
| Long-Term Liabilities: | | | | |
| Security deposits and escrows payable (payable from restricted assets:) | 573,668 | -- | 573,668 | -- |
| Compensated absences | 99,912 | 25,329 | 125,241 | -- |
| Capital leases | -- | 102,664 | 102,664 | -- |
| Deferred interest due on long-term debt | 909,817 | 7,212 | 917,029 | -- |
| Long-term debt | 5,031,244 | -- | 5,031,244 | -- |
| Other post-employment benefits | 166,000 | -- | 166,000 | -- |
| Estimated claims | -- | -- | -- | 15,053,000 |
| Total noncurrent liabilities | <u>6,780,641</u> | <u>135,205</u> | <u>6,915,846</u> | <u>15,053,000</u> |
| Total liabilities | <u>9,344,762</u> | <u>2,155,788</u> | <u>11,500,550</u> | <u>19,272,000</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 17,783,193 | 10,533,918 | 28,317,111 | -- |
| Restricted | 9,403,055 | -- | 9,403,055 | -- |
| Unrestricted | 3,605,252 | 10,106,758 | 13,712,010 | 3,698,966 |
| Total net assets | <u>30,791,500</u> | <u>20,640,676</u> | <u>51,432,176</u> | <u>3,698,966</u> |
| Total liabilities and net assets | <u>\$ 40,136,262</u> | <u>\$ 22,796,464</u> | <u>\$ 62,932,726</u> | <u>\$ 22,970,966</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Revenues, Expenses and
Changes in Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

| | Business-Type Activities | | | Governmental Activities |
|---|--------------------------|------------------------------|----------------------|--|
| | Housing Authority | Nonmajor Enterprise Funds | Total | Workers' Compensation Internal Service |
| Operating Revenues: | | | | |
| Charges for services | \$ 6,000,359 | \$ 13,371,516 | \$ 19,371,875 | \$ 3,057,571 |
| Other revenue | -- | 339,192 | 339,192 | -- |
| Total operating revenues | <u>6,000,359</u> | <u>13,710,708</u> | <u>19,711,067</u> | <u>3,057,571</u> |
| Operating Expenses: | | | | |
| Salaries and employee benefits | -- | 1,543,074 | 1,543,074 | 212,375 |
| Services and supplies | -- | 29,889,652 | 29,889,652 | 349,774 |
| Housing assistance | 39,830,571 | -- | 39,830,571 | -- |
| Claims expense | -- | -- | -- | 2,103,034 |
| Depreciation | 1,234,476 | 765,396 | 1,999,872 | -- |
| Total operating expenses | <u>41,065,047</u> | <u>32,198,122</u> | <u>73,263,169</u> | <u>2,665,183</u> |
| Operating Income (Loss) | <u>(35,064,688)</u> | <u>(18,487,414)</u> | <u>(53,552,102)</u> | <u>392,388</u> |
| Non-Operating Revenues (Expenses): | | | | |
| Property tax revenue | -- | 3,141,177 | 3,141,177 | -- |
| Intergovernmental revenue | 35,781,936 | 14,473,400 | 50,255,336 | -- |
| Investment income - restricted | 71,547 | -- | 71,547 | -- |
| Investment income - unrestricted | 6,452 | 34,506 | 40,958 | -- |
| Gain (loss) on disposition of assets | 453 | -- | 453 | -- |
| Interest expense | (203,484) | (7,212) | (210,696) | -- |
| Total non-operating revenues (expenses) | <u>35,656,904</u> | <u>17,641,871</u> | <u>53,298,775</u> | <u>--</u> |
| Income (Loss) Before Capital Contributions and Transfers | <u>592,216</u> | <u>(845,543)</u> | <u>(253,327)</u> | <u>392,388</u> |
| Capital contributions | 1,388,225 | 240,260 | 1,628,485 | -- |
| Transfers out | -- | (86,461) | (86,461) | (4,552) |
| Change in net assets | <u>1,980,441</u> | <u>(691,744)</u> | <u>1,288,697</u> | <u>387,836</u> |
| Net assets, beginning | 28,986,606 | 20,867,947 | 49,854,553 | 3,311,130 |
| Prior period adjustments | (175,547) | 464,473 | 288,926 | -- |
| Net assets, beginning - restated | <u>28,811,059</u> | <u>21,332,420</u> | <u>50,143,479</u> | <u>3,311,130</u> |
| Net assets, end | <u>\$ 30,791,500</u> | <u>\$ 20,640,676</u> | <u>\$ 51,432,176</u> | <u>\$ 3,698,966</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

**Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011**

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|--|---|---------------------------------|---------------|--|
| | Housing Authority | Nonmajor Enterprise Funds | Total | Workers' Compensation Internal Service |
| Cash Flows from Operating Activities | | | | |
| Cash receipts from customers | \$ 3,141,181 | \$ 8,771,737 | \$ 11,912,918 | \$ -- |
| Cash receipts from internal fund services provided | -- | -- | -- | 3,057,571 |
| Cash paid for claims | -- | -- | -- | (2,737,652) |
| Cash paid to suppliers for goods and services | (32,150,580) | (22,832,230) | (54,982,810) | (484,859) |
| Cash paid to employees for salaries and benefits | (5,436,203) | (1,527,240) | (6,963,443) | (212,375) |
| Net cash provided (used) by operating activities | (34,445,602) | (15,587,733) | (50,033,335) | (377,315) |
| Cash Flows from Noncapital Financing Activities | | | | |
| Property tax revenues | -- | 3,139,967 | 3,139,967 | -- |
| Operating grants received | 34,189,612 | -- | 34,189,612 | -- |
| Funds returned to granting agencies | (45,216) | -- | (45,216) | -- |
| Intergovernmental revenues | -- | 10,792,363 | 10,792,363 | -- |
| Repayment of notes receivable | 304,535 | -- | 304,535 | -- |
| Deposits with others | -- | 92,225 | 92,225 | -- |
| Loan proceeds | -- | 107,705 | 107,705 | -- |
| Notes receivable issued | (242,536) | -- | (242,536) | -- |
| Interest received on notes receivable | 68,793 | -- | 68,793 | -- |
| Related party transactions | (155,666) | -- | (155,666) | -- |
| Transfers in | -- | -- | -- | -- |
| Transfers out | -- | (86,461) | (86,461) | (4,552) |
| Net cash provided (used) by noncapital financing activities | 34,119,522 | 14,045,799 | 48,165,321 | (4,552) |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Principal repayments on long-term debt | (576,079) | -- | (576,079) | -- |
| Capital contributions | 1,417,527 | 240,260 | 1,657,787 | -- |
| Debt issued | 806,386 | 201,553 | 1,007,939 | -- |
| Interest repayments related to capital purposes | (141,949) | -- | (141,949) | -- |
| Proceeds from sale of capital assets | 592,405 | -- | 592,405 | -- |
| Payments related to the acquisition of capital assets | (2,309,315) | (1,605,058) | (3,914,373) | -- |
| Net cash provided (used) by capital and related financing activities | (211,025) | (1,163,245) | (1,374,270) | -- |
| Cash Flows from Investing Activity | | | | |
| Interest and investments earnings received | 5,545 | 34,506 | 40,051 | -- |
| Net increase (decrease) in cash and cash equivalents | (531,560) | (2,670,673) | (3,202,233) | (381,867) |
| Cash and cash equivalents, beginning of year | 10,245,563 | 7,563,246 | 17,808,809 | 23,352,833 |
| Cash and cash equivalents, end of year | \$ 9,714,003 | \$ 4,892,573 | \$ 14,606,576 | \$ 22,970,966 |

continued

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Cash Flows (continued)
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2011

| | Business-type Activities - Enterprise Funds | | | Governmental Activities |
|---|--|---------------------------------|------------------------|--|
| | Housing Authority | Nonmajor Enterprise Funds | Total | Workers' Compensation Internal Service |
| | Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Operating income (loss) | \$ (35,064,688) | \$ (18,487,414) | \$ (53,552,102) | \$ 392,388 |
| Depreciation | 1,234,476 | 765,396 | 1,999,872 | -- |
| Related party expenses | 167,116 | -- | 167,116 | -- |
| Funds returned to HUD | 16,664 | -- | 16,664 | -- |
| Bad debt written off | 1,337 | -- | 1,337 | -- |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | (742,264) | (5,081,157) | (5,823,421) | -- |
| Prepaid items and other assets | (17,644) | (171,401) | (189,045) | -- |
| Increase (decrease) in: | | | | |
| Accounts payable | (22,917) | 7,257,468 | 7,234,551 | -- |
| Salaries payable | 28,070 | (1,975) | 26,095 | (135,085) |
| Deferred revenue | (127,615) | 142,186 | 14,571 | -- |
| Liability for compensated absences | (102,012) | (13,326) | (115,338) | -- |
| Other liabilities | 61,015 | 2,490 | 63,505 | -- |
| Other post-employment benefits liability | 85,000 | -- | 85,000 | -- |
| Deposits and escrow | 37,860 | -- | 37,860 | -- |
| Estimated claims | -- | -- | -- | (634,618) |
| Net Cash Provided (Used) by Operating Activities | <u>\$ (34,445,602)</u> | <u>\$ (15,587,733)</u> | <u>\$ (50,033,335)</u> | <u>\$ (377,315)</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

| ASSETS | <u>Investment Trust</u> | <u>Agency Funds</u> |
|--|-----------------------------|-------------------------|
| Current Assets: | | |
| Cash and investments | \$ 465,477,317 | \$ 35,375,368 |
| Cash with fiscal agent | -- | 2,310,862 |
| Taxes receivable | -- | 26,493,067 |
| Total current assets | <u>465,477,317</u> | <u>64,179,297</u> |
| | | |
| Agency funds held for others | -- | 64,179,297 |
| Total liabilities | <u>--</u> | <u>64,179,297</u> |
| | | |
| NET ASSETS | | |
| Net assets held in trust for investment pool participants | <u>465,477,317</u> | <u>--</u> |
| Total net assets | <u>465,477,317</u> | <u>--</u> |
| | | |
| Total liabilities and net assets | <u>\$ 465,477,317</u> | <u>\$ 64,179,297</u> |

The accompanying notes are an integral part of these financial statements.

COUNTY OF MARIN

Statement of Changes in Fiduciary Net Assets
Investment Trust Fund
For the Fiscal Year Ended June 30, 2011

Additions:

| | |
|----------------------------------|----------------------|
| Contributions to investment pool | \$ 2,009,946,100 |
| Interest | <u>2,214,763</u> |
| Total additions | <u>2,012,160,863</u> |

Deductions:

| | |
|------------------------------------|----------------------|
| Distributions from investment pool | <u>1,991,859,836</u> |
| Total deductions | <u>1,991,859,836</u> |

Change in net assets 20,301,027

Net assets, beginning 445,176,290

Net assets, ending \$ 465,477,317

The accompanying notes are an integral part of these financial statements.

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

This page intentionally left blank

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The reporting entity refers to the scope of activities, organizations and functions included in the financial statements. The County of Marin (the County) is a political subdivision created by the State of California, and as such, can exercise the powers specified by the Constitution and laws of the State of California. The County operates under the general laws of the State and is governed by an elected five member Board of Supervisors (the Board).

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

As required by generally accepted accounting principles, these financial statements present the County and its component units. Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance part of the government's operations, and as such data from these units are combined with data of the primary government. Discretely presented component units, if any, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. The County has no discretely presented component units.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. *Reporting Entity (continued)*

The reporting entity includes the following blended component units:

- Sewer Maintenance Districts
- County Service Area Districts
- Lighting Districts
- Permanent Road Districts
- Marin County Redevelopment Agency
- Golden Gate Tobacco Funding Corporation
- In Home Supportive Services Public Authority of Marin
- Marin County Fair
- Marin County Flood Control and Water Conservation Districts
- Housing Authority of the County of Marin
- Marin County Law Library
- Marin County Open Space District
- Marin County Transit District

The following blended component units have their own audits:

The Marin County Redevelopment Agency (the Agency) includes the accounts for the Agency, the Gateway Improvement Authority, the Community Facilities District No. 1, Marin City U.S.A. Public Improvements and the Gateway Refinancing Authority.

The Agency was activated in June 1958. The primary purpose of the Agency is to eliminate blighted areas by encouraging the development of residential, commercial, industrial, recreational and public facilities. The financial statements of the Agency are available by contacting the Agency at 3501 Civic Center Drive, Room 225, San Rafael, CA 94903.

The Housing Authority of the County of Marin (the Authority) is governed by a seven member Board of Commissioners. Five members of the Board of Commissioners are also members of the Marin County Board of Supervisors. The Board of Supervisors also appoints two tenant commissioners. The Authority was formed on January 26, 1942, by a resolution of the Marin County Board of Supervisors. The Authority uses the calendar year as its fiscal year; therefore, the financial information related to the Authority represents the year ended December 31, 2010. The financial statements of the Authority are available by contacting the Authority at 4020 Civic Center Drive, San Rafael, CA 94903.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. *Reporting Entity (continued)*

The Marin County Transit District is an autonomous district created by the authority of the Marin County Transit District Act of 1964. The District's purpose is to develop, finance, organize, and provide local Marin County transit service. Revenues are derived principally from property taxes, aid from other governmental entities, transportation contract revenue, and transit fare revenue. The financial statements of Marin County Transit District are available at the Department of Finance, 3501 Civic Center Drive, Room 225, San Rafael, CA 94903.

The County also includes as a blended component unit the Marin County Fair which has a December 31 year-end. Information regarding the availability of separate individual component unit financial statements may be obtained at the County of Marin's Department of Finance office, 3501 Civic Center Drive, Room 225, San Rafael, CA 94903.

B. *Basis of Presentation*

Government-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Interest expense related to long term debt is reported as a direct expense. Program revenues include 1) fees, fines and charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

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

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation (continued)

Fund Financial Statements

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

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

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.
- The *Miscellaneous Special Revenue Fund* is used to account for the activities of various foundation, state, and Federal grants. The primary purpose of grant funding is for adult vaccinations and health studies.
- The *Miscellaneous Capital Projects Fund* is used to account for the construction and acquisition of various fixed assets, a majority of which pertains to the County's Emergency Operations Facility.

The County reports the following major enterprise fund:

- The *Housing Authority of the County of Marin* accounts for the activities of the Authority, a blended component unit of the County. The Authority provides housing assistance to low and moderate income residents of Marin County.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation (continued)

Fund Financial Statements (continued)

The County reports the following additional fund types:

- Internal Service Funds are used to account for activities related to the County's workers compensation and general liability self-insurance plans provided to other departments or agencies of the County on a cost reimbursement basis.
- Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for cities and towns. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- Agency Funds are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the County as an agent for various local governments.

C. Basis of Accounting

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Most revenue sources, such as sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within three hundred and sixty days after the end of the accounting period, provided such proceed is both measurable and available. Property taxes revenue, however, is accrued no later than sixty days after the end of the accounting period, subject to the same measurability and availability criteria. Expenditures are generally recorded when a liability is incurred, as under

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Accounting (continued)

accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

For its business-type activities and enterprise funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB) or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

D. Non-Current Governmental Assets/Liabilities

GASB Statement No. 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide statement of net assets.

E. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the enterprise and internal service funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. Investments

Money market funds are carried at cost, which approximates fair value. All other investments are stated at fair value based on quoted market prices. Changes in fair value are recognized as investment gains or losses.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. Receivables

An allowance for uncollectible taxes receivable is included in the amount reported as taxes receivable.

H. Inventories

Inventories are valued at the lower of average cost or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as an asset at the time individual inventories are purchased and charged to expenditures/expenses when used.

I. Prepaid Expenses

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

J. Property Tax Revenue

The County is responsible for the assessment, collection, and apportionment of property taxes for all taxing jurisdictions within the County, including schools, cities and towns, and special districts. Property taxes, for which the lien date is January 1, are payable in two installments, November 1 and February 1, and become delinquent on December 10 and April 10, respectively. Property taxes receivable are recognized when levied. Property taxes receivable are recognized on the July 1st levy date.

Beginning in 1994, the County adopted the “Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds” provided for in Revenue and Taxation Code Sections 4701-4717, which is commonly known as the “Teeter Plan”. The Teeter Plan has no impact on tax rates or collection procedures. It merely changes the way the collections of delinquent taxes and penalties are distributed among the taxing agencies. Those agencies participating in the Teeter Plan receive 100% of the secured property taxes billed each year without regard to delinquencies. The General Fund covers the delinquent amount to all agencies and, in return, receives the delinquent taxes, penalties and interest when collected. As a result of the Teeter Plan, secured property tax receivables are recorded in the General Fund only, and there is no allowance for uncollectible amounts. Penalties and interest are deposited into the Tax Loss Reserve Fund. Once the Tax Loss Reserve Fund balance exceeds 25% of the secured delinquent roll, the excess can be credited to the General Fund.

Both unsecured property taxes and supplemental secured property taxes fall outside the perimeter of the Teeter Plan. Receivables for these two types of taxes are accrued to taxing agencies, net of the uncollectible amount which is estimated based on prior year collections. For the fiscal year end 2010-11, General Fund recorded an estimated unsecured property taxes receivable of

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Property Tax Revenue (continued)

\$1,718,371; and Agency Fund recorded an estimated supplemental secured taxes receivable of \$444,837.

K. Long-Term Receivables

Noncurrent portions of receivables for governmental fund types are reported on their balance sheets, despite their measurement focus. Special reporting treatments are used to indicate that they should not be considered “available spendable resources,” since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current. Noncurrent portions of long-term loans receivables are reported as nonspendable fund balances.

L. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost (or estimated historical cost if actual historical cost is not available). Contributed fixed assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and the proprietary funds.

The estimated useful lives are as follows:

| | |
|-----------------------------|----------------|
| Infrastructure | 20 to 50 years |
| Structures and improvements | 10 to 50 years |
| Equipment | 5 to 25 years |

M. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation and compensatory time-off balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The current portion of the liability for compensated absences has been estimated based on historical experience.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

N. Inter-fund Transactions

Inter-fund transactions are reflected as loans, services provided, and reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation, and are referred to as either “due to/from other funds” (i.e., the current portion of inter-fund loans) or “advances to/from other funds” (i.e., the noncurrent portion of inter-fund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation, and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

O. Estimates

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

P. Reclassifications

Certain reclassifications have been made to prior year amounts to conform to current year presentation. In addition, the fund balances of governmental funds have also been reclassified to conform to the presentation in effect after the implementation of GASB Statement No. 54.

Q. Net Assets and Fund Balances

In the government-wide financial statements, net assets are classified as follows:

- *Invested in capital assets, net of related debt* is the amount representing capital assets, net of accumulated depreciation, and reduced by the outstanding bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets net of unspent financing proceeds.
- *Restricted net assets* is the amount representing those net assets whose usage are subject to limitation and constraint imposed by either external parties (such as creditors, grantors, other governments) or law through constitutional provisions or enabling legislation.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Net Assets and Fund Balances (continued)

- *Unrestricted net assets* is the amount representing portion of net assets that is neither restricted nor invested in capital assets (net of related debt).

As prescribed by Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental funds report fund balance in one of five classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The five fund balance classifications are as follows:

- **Nonspendable fund balances** – Consist of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, if any.
- **Restricted fund balances** – Consist of amounts with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- **Committed fund balances** – Consist of resource balances with constraints imposed by formal action of the Board of Supervisors (the Board) through resolution or public meeting minutes that specifically state the revenue source and purpose of the commitment. Commitments can only be modified or rescinded through public meeting actions or resolutions by the Board. Commitments can also include resources required to meet contractual obligations approved by the Board.
- **Assigned fund balances** – Consist of resource balances intended to be used for specific purposes by authorized County management that do not meet the criteria to be classified as restricted or committed. In the General Fund, the assigned fund balance represents management approved encumbrances that have been re-appropriated in the subsequent year, and amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources.
- **Unassigned fund balances** – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed, or assigned.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Net Assets and Fund Balances (continued)

Based on the County's policy regarding the fund balance classification as noted above, when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it. When expenditures are incurred for purposes for which amounts in any unrestricted fund balance classifications could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

R. Effect of New Pronouncements

During fiscal year 2011, the County implemented the following accounting standard:

GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in March 2009. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Additional disclosure concerning the implementation of GASB Statement No. 54 is above in Note Q.

NOTE 2: CASH AND INVESTMENTS

The County maintains a cash and investment pool for the purpose of increasing interest earnings through pooled investment activities. Cash and investments for most County activities are included in the County investment pool. Interest earned on the investment pool is allocated quarterly to the participating funds using the average daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as "Cash and investments in County pool." The funds required to be held by outside fiscal agents do not participate in the pool.

The County Pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

The County's investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 2: CASH AND INVESTMENTS (continued)

annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

The County Pool has been rated since 1994 by Fitch Ratings and has maintained the highest rating of 'AAA' since inception. The pool's 'AAA' rating reflects the high credit quality of portfolio assets, appropriate management oversight, and operational capabilities. In addition, Fitch ratings rate the pool 'V1' for volatility. In 2010, the Fund Volatility Rating was revised to 'V1' from 'V1+' solely as a result of Fitch eliminating the 'V1+' rating from its Fund Volatility Rating scale. This rating reflects low market risk and a capacity to return stable principal value to participants, as well as to meet anticipated cash flow needs, even in adverse interest rate environments.

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

Cash and investments at June 30, 2011, consist of the following:

Cash and Investments in County Pool

| | |
|---|---------------------|
| Cash | \$ 6,875,129 |
| Investments | <u>866,490,224</u> |
| | 873,365,353 |
| Less outstanding warrants and other reconciling items | <u>(18,769,816)</u> |
| Total Cash and Investments in County Pool | <u>854,595,537</u> |

Cash and Investments Outside County Pool

| | |
|---------------------------------------|-----------------------|
| Other deposits | 5,400,084 |
| Investments of blended component unit | 5,519,200 |
| Investments with fiscal agent | 49,679,585 |
| Deposits with fiscal agent | 253,672 |
| Specific investments | <u>518,076</u> |
| Total Cash and Investments | <u>\$ 915,966,154</u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 2: CASH AND INVESTMENTS (continued)

Total cash and investments at June 30, 2011 were presented on the County’s financial statements as follows:

| | |
|-----------------------|----------------|
| Primary Government | \$ 412,802,607 |
| Investment Trust Fund | 465,477,317 |
| Agency Funds | 37,686,230 |
| | \$ 915,966,154 |

Investments

The following table identifies the investment types that are authorized for the County by the California Government Code or the County’s investment policy, where more restrictive. The table also identifies certain provisions of the County’s investment policy that address interest rate risk, credit risk, and concentration risk.

| Authorized Investment Type | Maximum Maturity | Maximum Percentage of Portfolio | Maximum Investment in One Issuer |
|--|---------------------|---------------------------------------|--|
| Local Agency Bonds | 2 Years | None | None |
| U.S. Treasury Obligations | 5 Years | None | None |
| U.S. Agency Obligations | 5 Years | None | None |
| State of California Obligations | 2 Years | None | None |
| Banker's Acceptances | 180 days | 30% | 30% |
| Commercial Paper | 270 days | 40% | 10% |
| Negotiable Certificates of Deposit | 2 Years | 30% | None |
| Repurchase Agreements | 1 Year | None | None |
| Medium Term Notes | 2 Years | 30% | None |
| Money Market Mutual Funds/Mutual Funds | N/A | 20% | 10% |
| Time Deposits | 2 Years | None | None |
| Local Agency Investment Fund (LAIF) | N/A | None | None |

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 2: CASH AND INVESTMENTS (continued)

Investments (continued)

At June 30, 2011, the County had the following investments:

| | Interest Rates | Maturities | Par Value | Fair Value | Book Carrying Value | WAM (Years) |
|--|-------------------|-------------------|-----------------------|-----------------------|---------------------------|----------------|
| Pooled Investments | | | | | | |
| Federal Agencies | .04% -1.75% | 7-1-11 to 9-15-14 | \$ 846,620,000 | \$ 846,892,439 | \$ 846,254,421 | 0.79 |
| Money Market | Variable | On Demand | 20,001,859 | 20,001,859 | 20,001,859 | - |
| California Local Agency Investment Fund (LAIF) | Variable | On Demand | 233,944 | 233,944 | 233,944 | - |
| Total pooled investments | | | <u>\$ 866,855,803</u> | <u>\$ 867,128,242</u> | <u>\$ 866,490,224</u> | 0.77 |
| Investments Outside Investment Pool | | | | | | |
| <i>Cash held with fiscal agent</i> | | | | | | |
| Money Market Mutual Funds | Variable | On Demand | \$ 47,011,615 | \$ 47,011,615 | 47,011,615 | - |
| Investment Contracts | 4.77% | 6/1/2047 | 2,667,970 | 2,667,970 | 2,667,970 | 35.95 |
| Deposits | Variable | On Demand | 1,459,328 | 1,459,328 | 1,459,328 | - |
| | | | 51,138,913 | 51,138,913 | 51,138,913 | 1.88 |
| <i>Investments of Blended Component Units</i> | | | | | | |
| California Local Agency Investment Fund (LAIF) | Variable | On Demand | 5,519,200 | 5,519,200 | 5,519,200 | - |
| Total investments outside investment pool | | | <u>\$ 56,658,113</u> | <u>\$ 56,658,113</u> | <u>\$ 56,658,113</u> | - |
| Specific Investments in Treasury - Non Pooled | | | | | | |
| California Local Agency Investment Fund (LAIF) | Variable | On Demand | \$ 518,076 | \$ 518,076 | \$ 518,076 | - |
| | | | <u>\$ 518,076</u> | <u>\$ 518,076</u> | <u>\$ 518,076</u> | - |

At June 30, 2011, the difference between the book and fair value of cash and investments was not material (book value was 99.9% of fair value). Therefore, an adjustment to fair value was not recorded.

Interest Rate Risk

In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment pool to 540 days, or 1.5 years. At June 30, 2011, the County Treasury's investment pool had a weighted average maturity of 0.77 years, or approximately 9.24 months.

For purposes of computing weighted average maturity, the maturity date is used for all callable securities.

Credit Risk

State law and the County's Investment Policy limit investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 2: CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

At June 30, 2011, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in Negotiable Certificates of Deposit of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund.

At June 30, 2011, the County had the following investments in any one issuer that represent 5 percent or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

| | |
|---------------------------------------|--------|
| Federal Home Loan Mortgage Corp. | 33.72% |
| Federal National Mortgage Association | 44.17% |
| Federal Home Loan Bank | 16.32% |

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2011.

| | Moody's | S & P | % of Portfolio |
|--|---------|---------|-------------------|
| Investments in Investment Pool | | | |
| Federal Agencies Coupon | Aaa | AAA | 23.35% |
| Federal Agencies Discount: Fed Home Ln Bk* | Unrated | Unrated | 12.76% |
| Federal Agencies Discount: Fed Home Ln Mtg Corp* | Unrated | Unrated | 23.26% |
| Federal Agencies Discount: Fed Natl Mtg Assn* | Unrated | Unrated | 34.83% |
| Federal Agencies Discount: Fed Agric Mtg Corp** | Unrated | Unrated | 3.46% |
| Money Market Mutual Funds | Aaa | AAAm | 2.31% |
| California Local Agency Investment Fund (LAIF) | Unrated | Unrated | 0.03% |
| | | | 100.00% |

* Federal Home Loan Bank, Freddie Mac and Fannie Mac issue most of their short term debt as discount notes. Although Moody's and S & P rate their short term debt at 'P-1' and 'A-1+' respectively, their discount notes are not currently rated by individual CUSIP.

** The Federal Agricultural Mortgage Corporation is a government-sponsored enterprise. While not rated, its charter allows for the U.S. Treasury to provide up to \$1.5 billion in loans to support the guarantees the company extends on farm loans.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 2: CASH AND INVESTMENTS (continued)

Custodial Credit Risk

For investments and deposits held with safekeeping agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. The California Government Code and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. At year end, the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2011, the County's pooled investment position in the State of California Local Agency Investment Fund (LAIF) was \$233,944 which approximates fair value and is the same as value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$66.35 billion. Of that amount, 94.99% was invested in non-derivative financial products and 5.01% in structured notes and asset-backed securities. Fair value is based on information provided by the State for the Local Agency Investment Fund.

Restricted cash

Cash held by the Housing Authority in the amount of \$6.5 million is restricted as to use by grantors.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 2: CASH AND INVESTMENTS (continued)

County Investment pool Condensed Financial Statements

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2011:

Statement of Net Assets

| | |
|--------------------------------------|------------------------------|
| Equity of internal pool participants | \$ 389,118,220 |
| Equity of external pool participants | <u>465,477,317</u> |
| Total net assets | <u><u>\$ 854,595,537</u></u> |

Statement of Changes in Net Assets

| | |
|--|------------------------------|
| Net assets, beginning of year | \$ 784,330,984 |
| Net change in investments by pool participants | <u>70,264,553</u> |
| Net assets, end of year | <u><u>\$ 854,595,537</u></u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 3: NOTES RECEIVABLE

Notes receivable consists of following activities:

| | Balance July 1, 2010 | Notes Issued | Repayments | Adjustments | Balance June 30, 2011 |
|---|-------------------------|-------------------|------------------------|-------------------|--------------------------|
| Governmental Activities: | | | | | |
| General Fund: | | | | | |
| Loans issued to Marin Health Care District to assist with temporary cash flow. | \$ 12,500,000 | \$ -- | \$ (12,500,000) | \$ -- | \$ -- |
| Amounts due from cities and towns for overpayment of court fines and fees. Amounts are being paid back over a five year period at an annual interest rate of 3.8%. Final payments are due November 2011. | 898,569 | -- | (653,884) | -- | 244,685 |
| Marin Energy Authority has received an interest-free loan to aid in initial business development. Due to the loan having no due date, fund balance reserves have been set aside for the full value of the loan. | 540,000 | -- | (540,000) | -- | -- |
| Short-term financing for an Adult Day Care Program paid back on July 21, 2010. | 66,669 | | (66,669) | | -- |
| Tamalpais Valley Community | | 625,000 | (625,000) | -- | -- |
| Subtotal General Fund | <u>14,005,238</u> | <u>625,000</u> | <u>(14,385,553)</u> | <u>--</u> | <u>244,685</u> |
| Other Governmental Funds: | | | | | |
| The County's Redevelopment Agency has provided long-term financing to numerous local-based non-profit organizations for affordable housing construction and rehabilitation. These notes are due at various time frames through 2066. Given the long-term nature of these loans, fund balance reserves have been set-aside for the full amount of the loans. | 6,151,660 | -- | (1,050,000) | 979,340 | 6,081,000 |
| Total Governmental Activities | <u>\$ 20,156,898</u> | <u>\$ 625,000</u> | <u>\$ (15,435,553)</u> | <u>\$ 979,340</u> | <u>\$ 6,325,685</u> |
| Business-Type Activities: | | | | | |
| Marin Housing Authority | | | | | |
| Marin Housing Authority manages a portfolio for lending programs to assist qualified homeowners and renters with rehabilitation expenses, down payments on home purchases, and rental security deposits. | \$ 4,185,560 | \$ 230,010 | \$ (306,671) | \$ -- | \$ 4,108,899 |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 4: DEFERRED REVENUE

Governmental funds report unavailable revenue in connection with receivables for revenues considered unavailable to fund expenditures of the current period. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2011, the various components of deferred revenue for governmental funds were as follows:

| | <u>Unavailable</u> | <u>Unearned</u> | <u>Total</u> |
|----------------------------------|--------------------|---------------------|---------------------|
| Governmental activities: | | | |
| General Fund: | | | |
| Courts notes receivable | \$ 244,654 | \$ -- | \$ 244,654 |
| Reimbursable Grants Advances | -- | 4,292,389 | 4,292,389 |
| Fees for services | -- | 118,638 | 118,638 |
| | <u>244,654</u> | <u>4,411,027</u> | <u>4,655,681</u> |
| Other Governmental Funds: | | | |
| Reimbursable Grants Advances | -- | 625,809 | 625,809 |
| Fees for services | -- | 25,794 | 25,794 |
| Total Governmental Activities | <u>\$ 244,654</u> | <u>\$ 5,062,630</u> | <u>\$ 5,307,284</u> |
| Business-type Activities | | | |
| Fees for services | -- | 714,632 | 714,632 |
| Prepaid rents | -- | 154,531 | 154,531 |
| Total Business-type Activities | <u>\$ --</u> | <u>\$ 869,163</u> | <u>\$ 869,163</u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 5: INTERFUND TRANSACTIONS

The composition of interfund balances as of June 30, 2011, is as follows:

Due to other funds

| <u>Receivable fund</u> | <u>Payable fund</u> | <u>Amount</u> | <u>Purpose</u> |
|------------------------|------------------------------------|---------------------|---|
| General Fund | Miscellaneous Special Revenue Fund | \$ 2,146,685 | Temporary loans to cover short term operational deficit |
| | Other Governmental Funds | 2,373,291 | Temporary loans to cover short term operational deficit |
| | Nonmajor Enterprise Funds | 532,705 | Temporary loan to the Marin County Fair to cover a short term operational deficit |
| | | <u>\$ 5,052,681</u> | |

Advances to other funds

| <u>Receivable fund</u> | <u>Payable fund</u> | <u>Amount</u> | <u>Purpose</u> |
|--------------------------|--------------------------|---------------------|--|
| General Fund | Other Governmental Funds | \$ 1,040,000 | Long-term portion of the loans to special districts for capital improvements |
| Other Governmental Funds | Other Governmental Funds | 45,400 | |
| | | <u>\$ 1,085,400</u> | |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 5: INTERFUND TRANSACTIONS (continued)

Transfers

Transfers are indicative of funding for capital projects, subsidies of various County operations and re-allocations of special revenues. The following schedule summarizes the County's transfer activity:

| Transfer from | Transfer to | Amount | Purpose |
|------------------------------------|------------------------------------|-----------------------|--|
| General Fund | Miscellaneous Capital Project Fund | \$ 5,068,701 | Various program contributions |
| | Miscellaneous Capital Project Fund | 1,000,000 | Road operations |
| | Other Nonmajor Governmental Funds | 10,194,863 | Debt service |
| | Other Nonmajor Governmental Funds | 8,000,000 | Road and bridges rehabilitation contribution |
| | Other Nonmajor Governmental Funds | 2,224,789 | IHSS contribution |
| | Other Nonmajor Governmental Funds | 1,488,098 | Various program contributions |
| Miscellaneous Special Revenue Fund | General Fund | 604,338 | Special revenue transfers |
| Miscellaneous Capital Project Fund | Other Nonmajor Governmental Funds | 498,041 | Debt service |
| Other Nonmajor Governmental Funds | General Fund | 14,630,459 | Public health administration |
| | General Fund | 6,631,875 | Public assistance aid |
| | General Fund | 4,959,886 | Proposition 63 |
| | General Fund | 9,297,286 | Mental health |
| | General Fund | 4,960,918 | Fire and Paramedic reimbursement |
| | General Fund | 4,524,615 | Various program contributions |
| | Other Nonmajor Governmental Funds | 61,105,377 | Debt service |
| | Other Nonmajor Governmental Funds | 1,387,909 | Various program contributions |
| Other Nonmajor Governmental Funds | Other Nonmajor Governmental Funds | 16,461 | Debt service |
| | Other Nonmajor Governmental Funds | 70,000 | Various program contributions |
| Internal Service Fund | Other Nonmajor Governmental Funds | 4,552 | Debt service |
| | | <u>\$ 136,668,168</u> | |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 6: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

| | Restated Balance 6/30/10 | Additions | Deletions | Adjustments/ Transfers | Audited Balance 6/30/11 |
|--|--------------------------------|------------------------|--------------------|---------------------------|-------------------------------|
| Governmental Activities | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 21,252,465 | \$ -- | \$ -- | \$ 8,676 | \$ 21,261,141 |
| Infrastructure land | 1,204,963,424 | -- | -- | -- | 1,204,963,424 |
| Easements | 2,699,188 | -- | -- | -- | 2,699,188 |
| Construction in progress | 6,077,000 | 3,118,258 | (27,080) | (4,008,369) | 5,159,809 |
| Total capital assets, not being depreciated | <u>1,234,992,077</u> | <u>3,118,258</u> | <u>(27,080)</u> | <u>(3,999,693)</u> | <u>1,234,083,562</u> |
| Capital assets, being depreciated: | | | | | |
| Structures and improvements | 200,436,593 | -- | -- | -- | 200,436,593 |
| Equipment | 45,830,700 | 2,456,384 | (653,771) | -- | 47,633,313 |
| Infrastructure | 298,714,569 | -- | -- | 3,999,693 | 302,714,262 |
| Total capital assets, being depreciated | <u>544,981,862</u> | <u>2,456,384</u> | <u>(653,771)</u> | <u>3,999,693</u> | <u>550,784,168</u> |
| Less accumulated depreciation for: | | | | | |
| Structures and improvements | (90,818,321) | (10,252,601) | -- | -- | (101,070,922) |
| Equipment | (36,333,776) | (3,368,614) | 637,403 | -- | (39,064,987) |
| Infrastructure | (245,975,189) | (9,950,076) | -- | -- | (255,925,265) |
| Total accumulated depreciation | <u>(373,127,286)</u> | <u>(23,571,291)</u> | <u>637,403</u> | <u>--</u> | <u>(396,061,174)</u> |
| Total capital assets, being depreciated, net | <u>171,854,576</u> | <u>(21,114,907)</u> | <u>(16,368)</u> | <u>3,999,693</u> | <u>154,722,994</u> |
| Governmental activities capital assets, net | <u>\$ 1,406,846,653</u> | <u>\$ (17,996,649)</u> | <u>\$ (43,448)</u> | <u>\$ --</u> | <u>\$ 1,388,806,556</u> |
| Business-Type Activities | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 7,013,765 | \$ -- | \$ -- | \$ -- | \$ 7,013,765 |
| Construction in progress | 3,771,028 | 1,473,527 | -- | (1,056,103) | 4,188,452 |
| Total capital assets, not being depreciated | <u>10,784,793</u> | <u>1,473,527</u> | <u>--</u> | <u>(1,056,103)</u> | <u>11,202,217</u> |
| Capital assets, being depreciated: | | | | | |
| Structures and improvements | 43,636,482 | 132,013 | -- | 511,321 | 44,279,816 |
| Equipment | 4,139,418 | 644,268 | (16,787) | 544,782 | 5,311,681 |
| Other property | 3,450,791 | -- | -- | (23,899) | 3,426,892 |
| Total capital assets, being depreciated | <u>51,226,691</u> | <u>776,281</u> | <u>(16,787)</u> | <u>1,032,204</u> | <u>53,018,389</u> |
| Less accumulated depreciation for: | | | | | |
| Structures and improvements | (24,279,123) | (1,260,684) | -- | -- | (25,539,807) |
| Equipment | (2,133,662) | (645,141) | 16,787 | -- | (2,762,016) |
| Other property | (1,188,393) | (94,047) | -- | 23,899 | (1,258,541) |
| Total accumulated depreciation | <u>(27,601,178)</u> | <u>(1,999,872)</u> | <u>16,787</u> | <u>23,899</u> | <u>(29,560,364)</u> |
| Total capital assets, being depreciated, net | <u>23,625,513</u> | <u>(1,223,591)</u> | <u>--</u> | <u>1,056,103</u> | <u>23,458,025</u> |
| Business-type activities capital assets, net | <u>\$ 34,410,306</u> | <u>\$ 249,936</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 34,660,242</u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 6: CAPITAL ASSETS, Continued

Depreciation

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

Governmental activities:

| | |
|--|----------------------|
| General Government | \$ 12,858,875 |
| Public Protection | 590,788 |
| Public Ways & Facilities | 9,629,213 |
| Health and Sanitation | 110,586 |
| Public Assistance | 6,871 |
| Recreation | 370,052 |
| Education | 4,906 |
| Total Depreciation Expense – Governmental Activities | <u>\$ 23,571,291</u> |

Business-type activities:

| | |
|--|---------------------|
| Housing Authority | \$ 1,234,476 |
| County Fair | 73,745 |
| Airport | 102,942 |
| Marin Org | 77,187 |
| Transit | 511,522 |
| Total Depreciation Expense – Business-Type Activities: | <u>\$ 1,999,872</u> |

NOTE 7: RISK MANAGEMENT

Workers' Compensation

The County is permissibly self-insured for the first \$1,000,000 of workers' compensation claims per occurrence. The County provides for excess workers' compensation insurance above the \$1,000,000 retention through a policy with Arch Insurance Company (AM Best Rate A XV) with statutory limits (optimum no limit coverage per claim). The independent actuarial analysis (October 2011), concludes that given program assets, as of June 30, 2011 the program is funded above 90% confidence level.

The actuarially determined outstanding claims liability including incurred but not reported claims, at 80 % confidence level at June 30, 2011 is \$19,272,000.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 7: RISK MANAGEMENT, Continued

Workers' Compensation (continued)

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

Worker's Compensation

| | <u>2011</u> | <u>2010</u> |
|--|----------------------|----------------------|
| Liability Balance, Beginning of Fiscal Year | \$ 19,906,618 | \$ 18,613,000 |
| Current year claims and changes in estimates | 2,119,416 | 4,680,426 |
| Claim payments | (2,754,034) | (3,386,808) |
| Liability Balance, End of Fiscal Year | <u>\$ 19,272,000</u> | <u>\$ 19,906,618</u> |

General Liability

The County maintains a self-insured retention (SIR) of \$1,000,000 per occurrence for its general liability program. Losses, which exceed the SIR, are covered by an excess insurance policy through Starr Indemnity & Liability Company (AM Best Rated AX) first layer, National Casualty Company (AM Best A+ XV) second layer, and Endurance Risk Solutions Assurance Co. (AM Best Rated A XV) third layer, for a combined limit of \$25 Million. The independent actuarial analysis (September 2011), concludes that given program assets, as of June 30, 2011 the program is funded above the 90% confidence level.

The actuarially determined outstanding claims liability including incurred but not reported claims, at 80 % confidence level at June 30, 2011 is \$5,485,000.

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

General Liability

| | <u>2011</u> | <u>2010</u> |
|--|---------------------|---------------------|
| Liability Balance, Beginning of Fiscal Year | \$ 5,658,000 | \$ 5,172,000 |
| Current year claims and changes in estimates | 1,313,609 | 719,904 |
| Claim payments | (1,486,609) | (233,904) |
| Liability Balance, End of Fiscal Year | <u>\$ 5,485,000</u> | <u>\$ 5,658,000</u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 8: LONG-TERM OBLIGATIONS

The following table summarizes the changes in the County's long-term obligations for the fiscal year ended June 30, 2011:

| | Balance July 1, 2010 | Additions | Deletions | Adjustments | Balance June 30, 2011 | Amounts Due Within One Year |
|---|-------------------------|----------------------|----------------------|-------------------|--------------------------|-----------------------------------|
| Governmental Activities | | | | | | |
| Bonds Payable | | | | | | |
| Revenue bonds payable | \$ 11,080,000 | \$ -- | \$ 340,000 | \$ -- | \$ 10,740,000 | \$ 370,000 |
| Taxable pension obligation bonds 2003 | 112,325,000 | -- | 845,000 | -- | 111,480,000 | 1,295,000 |
| Tobacco settlement asset-backed bonds - 2007 | 49,164,622 | -- | 410,000 | 646,010 * | 49,400,632 | 377,131 |
| Less: unamortized discount | (684,116) | -- | (62,193) | -- | (621,923) | (62,193) |
| Subtotal - Bonds Payable | <u>171,885,506</u> | <u>--</u> | <u>1,532,807</u> | <u>646,010</u> | <u>170,998,709</u> | <u>1,979,938</u> |
| Loans payable | <u>3,061,534</u> | <u>410,781</u> | <u>71,879</u> | <u>52,532 *</u> | <u>3,452,968</u> | <u>100,793</u> |
| Certificates of Participation: | | | | | | |
| Certificates of participation 2001 | 12,245,000 | -- | 330,000 | -- | 11,915,000 | 345,000 |
| Certificates of participation 2010 | -- | 61,540,000 | -- | -- | 61,540,000 | 2,175,000 |
| Add: unamortized premium | -- | 1,880,120 | 156,677 | -- | 1,723,443 | 156,677 |
| Certificates of participation 1998 Series A | 16,790,000 | -- | 16,790,000 | -- | -- | -- |
| Certificates of participation 1998 Series B | 3,725,000 | -- | 3,725,000 | -- | -- | -- |
| Subtotal - Certificates of Participation | <u>32,760,000</u> | <u>63,420,120</u> | <u>21,001,677</u> | <u>--</u> | <u>75,178,443</u> | <u>2,676,677</u> |
| Capital leases | 557,552 | 1,688,596 | 291,417 | -- | 1,954,731 | 418,921 |
| Compensated absences | 14,274,427 | 11,978,908 | 12,383,650 | -- | 13,869,685 | 11,122,698 |
| Claims liability | <u>25,564,618</u> | <u>3,433,025</u> | <u>4,240,643</u> | <u>--</u> | <u>24,757,000</u> | <u>5,704,000</u> |
| Total Governmental Activities Long-term liabilities | <u>\$ 248,103,637</u> | <u>\$ 80,931,430</u> | <u>\$ 39,522,073</u> | <u>\$ 698,542</u> | <u>\$ 290,211,536</u> | <u>\$ 22,003,027</u> |
| Business-type Activities | | | | | | |
| Notes payable - HCD | \$ 2,861,319 | \$ -- | \$ -- | \$ -- | \$ 2,861,319 | \$ -- |
| Mortgages payable - Housing | 2,088,557 | -- | 79,594 | -- | 2,008,963 | 85,140 |
| Line of credit - Housing | -- | 210,000 | -- | -- | 210,000 | 210,000 |
| Housing loans from other governmental agencies | 724,298 | 861,739 | 605,017 | -- | 981,020 | 734,918 |
| Capital leases | -- | 308,135 | 106,582 | -- | 201,553 | 98,889 |
| Compensated absences | <u>282,930</u> | <u>22,603</u> | <u>139,722</u> | <u>--</u> | <u>165,811</u> | <u>40,570</u> |
| Total Business-type Activities Long-term liabilities | <u>\$ 5,957,104</u> | <u>\$ 1,402,477</u> | <u>\$ 930,915</u> | <u>\$ --</u> | <u>\$ 6,428,666</u> | <u>\$ 1,169,517</u> |

* Accretion expense on loan

The compensated absences liabilities attributable to the governmental activities are generally liquidated by the General Fund and related special revenue funds. Claims liability are liquidated by internal service funds for workers compensation claims and the General Fund for general liability claims.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 8: LONG-TERM OBLIGATIONS, Continued

The following table summarizes the County's long-term obligations as of June 30, 2011:

| | Maturity | Stated/Effective Interest Rates | Annual Principal Installments | Date of Issue | Amount Authorized | Outstanding June 30, 2011 |
|--|----------|---------------------------------------|-------------------------------------|------------------|-------------------------|------------------------------|
| Governmental Activities | | | | | | |
| Certificates of Participation: | | | | | | |
| 2001 Issue (finance capital improvement projects) | 2032 | 4.70%-7.00% | \$215,000 - \$880,000 | 2001 | 14,100,000 | 11,915,000 |
| 2010 Issue (finance projects) | 2040 | 2.00%-4.375% | \$1,460,000-\$2,855,000 | 2010 | 61,540,000 | 61,540,000 |
| Certificates of Participation Subtotal | | | | | <u>75,640,000</u> | <u>73,455,000</u> |
| Revenue Bonds: | | | | | | |
| 1998 Refunding Revenue bonds - Marin County Redevelopment Agency | 2025 | 4.00%-5.50% | \$160,000 - \$1,320,000 | 1998 | 13,425,000 | 10,740,000 |
| Pension Obligation Bonds: | | | | | | |
| Taxable Pension Obligation Bonds Series A (fund pension liability) | 2027 | 4.60%-5.41% | \$50,000-\$14,940,000 | 2003 | 112,805,000 | 111,480,000 |
| Asset-Backed Bonds: | | | | | | |
| Tobacco Settlement Asset-Backed Bonds Payable (Series 2007A through F) Unamortized discount & issuance costs | 2057 | 4.63%-6.90% | \$485,000-\$8,350,986 | 2007 | 49,870,081 (932,888) | 49,400,632 (621,923) |
| Loans Payable: | | | | | | |
| Energy Conservation Loan | 2019 | 3.95% | \$12,102-\$21,517 | 2019 | 233,120 | 143,693 |
| California Housing Finance Agency #1 | 2013 | 3.00% | Due on Maturity | 2003 | 500,000 | 639,789 |
| California Housing Finance Agency #2 | 2014 | 3.00% | Due on Maturity | 2004 | 950,000 | 1,163,811 |
| Energy Resource Conservation - Solar Panels | 2023 | 4.50% | \$28,373-\$49,287 | 2009 | 553,345 | 468,432 |
| I Bank Loan | 2027 | 3.29% | \$47,681 - \$49,088 | 2009 | 681,600 | 626,462 |
| Energy Resource Conservation - Auditorium | 2025 | 1.00% | \$12,419-\$15,732 | 2011 | 410,781 | 410,781 |
| Loans Payable Subtotal | | | | | <u>3,328,846</u> | <u>3,452,968</u> |
| Capital Leases: | | | | | | |
| CISCO Network | 2013 | 3.17% | \$34,643-\$39,249 | 2008 | 184,549 | 77,291 |
| Server Upgrade | 2014 | 3.47% | \$56,798-\$65,109 | 2008 | 304,413 | 188,844 |
| Computer Infrastructure Upgrade | 2016 | 3.55% | \$320,066-\$353,820 | 2010 | 1,688,596 | 1,688,596 |
| Capital Leases Subtotal | | | | | <u>2,177,558</u> | <u>1,954,731</u> |
| Compensated absences | | | | | 13,869,685 | 13,869,685 |
| Claims liabilities | | | | | 24,757,000 | 24,757,000 |
| Total Governmental Activities Long-term Liabilities | | | | | <u>\$ 294,940,282</u> | <u>\$ 288,488,093</u> |
| Business-Type Activities | | | | | | |
| Notes Payable - HCD | 2014 | 0 - 3% | Deferred | 2006 | 2,861,319 | 2,861,319 |
| Mortgages Payable: | | | | | | |
| Office building | 2012 | 5.82% | Various | 1997 | 1,200,000 | 939,448 |
| Housing | 2011 | 5-8% | Various | 1999 | 1,165,214 | 1,069,515 |
| Mortgages Payable Subtotal | | | | | <u>2,365,214</u> | <u>2,008,963</u> |
| Loans to other governmental agencies | 2011 | 0.00% | Various | 2010 | 724,298 | 734,918 |
| MIDAS Network Equipment Capital Lease | 2012 | 3.77% | \$106,582 | 2010 | 308,135 | 201,553 |
| Compensated absences | | | | | 267,823 | 267,823 |
| Total Business-type Activities Long-term Liabilities | | | | | <u>\$ 6,526,789</u> | <u>\$ 6,074,576</u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 8: LONG-TERM OBLIGATIONS, Continued

(a) *2001 Certificates of Participation*

In November 2001, the County issued certificates of participation in the amount of \$14.1 million to finance a building acquisition and various capital projects within the County. The certificates are insured by a policy with Ambac Assurance Corporation, which guarantees the scheduled payments of principal and interest on the certificates when due. The certificates have a Fitch rating of "AA+." The certificates carry interest rates ranging from 4.70% - 7.00% and mature on July 15, 2031.

(b) *2010 Certificates of Participation*

In September 2010, the County issued \$61.5 million in certificates of participation to finance capital improvement projects throughout the County, as well as to refund \$17.5 million of outstanding 1998 Certificates of Participation Series A and B. The certificates were rated "AA+" and "Aa2" from S&P and Moody's, respectively. The certificates carry interest ranging from 2.00% - 4.38% and mature on August 1, 2040.

(c) *1998 Refunding Revenue Bonds*

In June 1998, the Marin County Redevelopment Agency issued \$13.4 million in revenue bonds for the purpose of refinance \$10 million of outstanding 1995 Revenue Bonds Series A, and the remaining balance to finance certain capital improvement projects. The bonds carry an interest rate range of 4.00% - 5.50% and mature on September 1, 2025.

(d) *Pension Obligation Bonds Series 2003*

In May 2003, the County issued pension obligation bonds 2003 series in the amount \$112.8 million. The bonds were sold primarily to provide funds to refinance the County's actuarial accrued liability with respect to retirement benefits for County employees and retirees. The bonds are insured by National Public Finance Guarantee Corporation ("NPFGC"). The bonds have a Fitch rating of "AA+." The bonds carry an interest rate range of 4.60% - 5.41% and mature on August 1, 2026.

(e) *Tobacco Settlement Asset-Backed Bond Series 2007A-F*

The County is due a portion of receipts from the Tobacco Industry from the sale of tobacco products. This is a continual stream of funds based on the amount of tobacco sales. The County created a not-for-profit public benefit corporation, the Golden Gate tobacco Funding Corporation (the Corporation), which in turn joined eight other county in the State of California to form the California Tobacco Securitization Agency (the Agency). The Corporation acquired from the County all rights to future tobacco settlement payments and in June 2006 issued asset-backed bonds Series A through F. Proceeds from the Tobacco Industry are utilized to pay down these bonds. These bonds carry an interest rate range of 4.63% - 6.90%, and mature between June 1, 2021 through June 1, 2057.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 8: LONG-TERM OBLIGATIONS, Continued

As of June 30, 2011, annual debt service requirements of governmental activities to maturity are as follows:

| Year Ending June 30: | Governmental Activities | | | | | |
|---------------------------|-------------------------|-----------------------|-------------------------------|----------------------|---------------------|-------------------|
| | Bonds Payable | | Certificates of Participation | | Loans Payable | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2012 | 2,042,131 | 8,332,027 | 2,520,000 | 2,799,389 | 100,793 | 51,907 |
| 2013 | 2,601,765 | 8,226,495 | 2,120,000 | 2,745,939 | 745,120 | 79,439 |
| 2014 | 3,214,096 | 8,093,163 | 2,170,000 | 2,695,689 | 108,583 | 43,917 |
| 2015 | 3,847,187 | 7,927,884 | 2,225,000 | 2,643,841 | 1,275,766 | 153,348 |
| 2016 | 4,549,124 | 7,728,076 | 2,280,000 | 2,580,784 | 115,395 | 36,889 |
| 2017-2021 | 35,900,697 | 34,033,233 | 12,580,000 | 11,720,674 | 590,894 | 126,525 |
| 2022-2026 | 65,265,000 | 20,859,584 | 12,860,000 | 9,423,083 | 425,444 | 40,851 |
| 2027-2031 | 20,385,000 | 7,023,237 | 12,370,000 | 6,943,256 | 90,987 | 3,152 |
| 2032-2036 | 5,875,000 | 5,233,250 | 11,330,000 | 4,352,478 | -- | -- |
| 2037-2041 | 7,380,000 | 3,604,000 | 13,000,000 | 1,679,109 | -- | -- |
| 2042-2057 | 20,560,632 | 183,141,618 | -- | -- | -- | -- |
| Subtotal | 171,620,632 | 294,202,567 | 73,455,000 | 47,584,242 | 3,452,982 | 536,028 |
| Less Unamortized Discount | (621,923) | -- | -- | -- | -- | -- |
| | <u>\$ 170,998,709</u> | <u>\$ 294,202,567</u> | <u>\$ 73,455,000</u> | <u>\$ 47,584,242</u> | <u>\$ 3,452,982</u> | <u>\$ 536,028</u> |

| Year Ending Dec 31: | Business-Type Activities | | Business-Type Activities | |
|------------------------|--------------------------|-------------------|--------------------------|--------------|
| | Mortgages Payable | | Other Governments | |
| | Principal | Interest | Principal | Interest |
| 2011 | \$ 85,140 | \$ 132,268 | \$ 734,918 | \$ -- |
| 2012 | 965,983 | 111,336 | -- | -- |
| 2013 | 61,599 | 61,376 | -- | -- |
| 2014 | 65,789 | 57,186 | -- | -- |
| 2015 | 70,265 | 52,710 | -- | -- |
| 2016-2020 | 429,878 | 184,997 | -- | -- |
| 2021-2023 | 330,309 | 59,486 | -- | -- |
| Total | <u>\$ 2,008,963</u> | <u>\$ 659,359</u> | <u>\$ 734,918</u> | <u>\$ --</u> |

Bond Discounts, Bond Premiums, and Issuance Costs

In the governmental funds, bond discounts, bond premiums and issuance costs are treated as period costs in the year of issue. In the proprietary funds (and for the governmental activities in the government-wide statements) bond discounts, bond premiums and issuance costs are deferred and amortized over the term of the debt using the straight line method. Bond discounts and premiums are presented as a reduction and increase, respectively, of the outstanding balance of bonds payable, whereas issuance costs are recorded as deferred charges.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 8: LONG-TERM OBLIGATIONS, Continued

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years.

Capital Lease Obligation

The County leases equipment, primarily for data processing and elections under lease obligations accounted for as capital leases. Included in the governmental funds are the following capital asset amounts under capital leases:

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> |
|--------------------------------|------------------------------------|-------------------------------------|
| Equipment | \$ 747,291 | \$ 308,135 |
| Less: Accumulated depreciation | <u>(334,735)</u> | <u>(61,627)</u> |
| | <u>\$ 412,556</u> | <u>\$ 246,508</u> |

The following is a schedule of future minimum lease payments under capital leases together with the present value of future minimum lease payments as of June 30, 2011:

| <u>Year Ending June 30:</u> | <u>Governmental Activities</u> | <u>Business-type Activities</u> |
|-------------------------------------|------------------------------------|-------------------------------------|
| 2012 | 467,728 | 106,582 |
| 2013 | 467,728 | 106,583 |
| 2014 | 427,233 | -- |
| 2015 | 359,864 | -- |
| 2016 | <u>359,864</u> | <u>--</u> |
| Total Debt Service Requirements | <u>2,082,417</u> | <u>213,165</u> |
| Less Amount Representing Interest | <u>127,686</u> | <u>11,612</u> |
| Present Value of Remaining Payments | <u>\$ 1,954,731</u> | <u>\$ 201,553</u> |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 8: LONG-TERM OBLIGATIONS, Continued

Operating Lease Obligation

The County is committed under various operating leases for office space and computer equipment. The minimum future lease commitments in these leases are as follows:

| Year Ending June 30: | Office Space | Computers & Equipment | Total |
|-------------------------|---------------------|--------------------------|---------------------|
| 2012 | 2,352,790 | 90,362 | 2,443,152 |
| 2013 | 1,811,479 | 90,362 | 1,901,841 |
| 2014 | 1,562,444 | 90,362 | 1,652,806 |
| 2015 | 1,371,537 | -- | 1,371,537 |
| 2016 | 643,357 | -- | 643,357 |
| 2017-2020 | 135,823 | -- | 135,823 |
| Total | <u>\$ 7,877,430</u> | <u>\$ 271,086</u> | <u>\$ 8,148,516</u> |

Prior Year Defeasance of Debt

In prior years, the County defeased certain tobacco settlement asset bonds by placing \$17,465,000 of the \$61,540,000 proceeds of the 2010 Certificates of Participation in an irrevocable trust to provide for all future debt service payments on the 1998 Certificates of Participation Series A and B. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the County's financial statements. At June 30, 2011, outstanding general obligation bonds in the amount of \$17,465,000 are considered defeased.

NOTE 9: EMPLOYEES' RETIREMENT PLAN

Plan Description

The County's retirement plan is administered by the Board of Retirement of the Marin County Employees' Retirement Association (MCERA), a multiple-employer retirement system governed by the 1937 Act of the California Government Code. It covers employees eligible for membership and provides retirement, disability, death and survivor benefits based upon specified percentages of final compensation as well as annual cost-of-living adjustments after retirement. Contributions are made by both the County and the employees. Copies of MCERA annual financial reports which include required supplementary information (RSI) for each plan may be obtained from their office at One McInnis Parkway, Suite 100, San Rafael, CA 94903 or online at http://www.co.marin.ca.us/depts/RT/main/reports/reports_main.cfm.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 9: EMPLOYEES' RETIREMENT PLAN, Continued

In addition to the County's retirement plan, MCERA administers the plans of the City of San Rafael, the Novato Fire Protection District, and several other special districts. Separate actuarial valuations are performed for these other agencies and districts, and the responsibility for funding their plans rest with those entities. Post-retirement benefits are administered by MCERA to qualified retirees.

Funding Policy

- Members are required to contribute a percentage of their wages to the County's plan, based on their age at the time of entry into the Plan. Under the provisions of the County's pension plan, pension benefits vest after five years of credited service. The County's annual contributions are actuarially determined. The following assumptions were used in the most recent actuarial valuation as of June 30, 2010. Real rate of return is assumed to be 4.25% per year.
- Cost of Living Adjustment is capped maximum at 3.25%
- Rate of salary increase is assumed to be 3.5% for the general plan and safety plan.

The actuarial assumptions used in determining contribution requirements are the same as those used to compute the pension benefit obligation.

Annual Pension Cost

For the fiscal year ended June 30, 2011, the County's annual pension cost was \$40,374,552.

Funding of the Plan is determined under the "entry age normal" method, which provides for funding of annual normal costs and the unfunded prior service costs (unfunded actuarial accrued liability) over a period of 17 years as a level percentage of payroll. This includes amortization of the unfunded present value of credited projected benefits.

A number of assumptions were changed as a result of the recent Experience Study, which covered the period from 2009-2011. Among the assumption changes implemented were new service retirement and termination rates, more conservative mortality assumptions, and reductions in the assumed rates of asset growth (from 8.00% to 7.75%), pay inflation (from 4.0% to 3.5%) and COLA increases (based on the maximum increase).

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 9: EMPLOYEES' RETIREMENT PLAN, Continued

Three-Year Trend Information (in thousands)

| Year Ending June 30: | Annual Pension Cost (APC) | Percentage of APC Contributed |
|-------------------------|---------------------------------|-------------------------------------|
| 2010 | \$ 39,437 | 100.0% |
| 2009 | 36,638 | 100.0% |
| 2008 | 39,656 | 100.0% |

In addition to the annual required contribution, the County recognized an additional expense of \$4,700,210, the current year amortization relating to the County's net pension asset. The change in the pension asset is as follows:

| | |
|--------------------------------------|---------------|
| Net pension asset, beginning of year | \$ 79,903,530 |
| Net pension asset, end of year | \$ 75,203,320 |

Funded Status of County Defined Benefits Pension Plan (in thousands)

| Valuation Date (Most Recent Data Available) June 30: | Actuarial Value of Plan Assets | Actual Accrued Liability | Unfunded Accrued Actuarial Liability (UAAL) | Funded Ratio | Annual Covered Payroll | UAAL as a Percentage of Covered Payroll |
|--|--------------------------------------|--------------------------------|--|-----------------|------------------------------|--|
| 2010 | \$ 1,018,082 | \$ 1,402,358 | \$ 384,276 | 72.60% | \$ 176,833 | 217.30% |
| 2009 | 1,002,218 | 1,350,528 | 348,310 | 74.21% | 178,027 | 195.65% |
| 2008 | 1,111,115 | 1,280,206 | 169,091 | 86.80% | 173,735 | 97.33% |

NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

A. Plan Description

The County of Marin sponsors, and MCERA provides administrative services for, a single-employer defined-benefit postemployment healthcare plan (the Plan) to provide medical and dental insurance benefits to eligible retired employees. Benefit provisions are established and may be amended by the County.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

A. Plan Description, Continued

Under the current practice, the County allows eligible service and disability retirees and their dependents to continue health coverage in the County's medical and dental plans. The County pays a portion of the premiums based on date of hire.

- For retirees hired before October 1, 1987 (Plan 1), the County pays 100% of the eligible retiree's single health plan premiums.
- For retirees hired between October 1, 1987 and September 30, 1993 (Plan 2), the County pays the retiree's single health plan premiums up to \$2,275 per year.
- For retirees hired between October 1, 1993 and December 31, 2007 (Plan 3), the County pays a percentage of the retiree's single premium up to a dollar cap based on years of service at retirement, where the dollar cap is reviewed each year. Through January 1, 2007 the cap was increased to cover single Blue Cross Prudent Buyer Classic and Delta Dental premiums. Due to the amount of unfunded liability the County faces, the Board of Supervisors has implemented a policy to limit annual increases in the maximum allocation for Plan 3 to no more than 3%, subject to annual approval regarding whether any increase will be granted and, if so, the amount of the increase. Cap increases were 3% effective January 1, 2008 and January 1, 2009. No cap increases have been adopted since that time.
- For retirees hired on or after January 1, 2008 (Plan 4), the County pays \$150 per year of service up to \$3,000 per year for the retiree's single health plan premiums only.

Retirees eligible for Plans 1 and 2 may elect Plan 3 instead; and retirees eligible for Plans 1, 2, or 3 may elect Plan 4 instead.

Certain County medical plans have premium structures that result in subsidies of retiree claim costs from premiums paid for employees by the County.

B. Funding Policy

The contribution policy is determined by the County. The County's Plan has been funded on a pay-as-you-go basis. For fiscal year 2010-11, the County contributed \$10,982,895 in premium payments for retirees.

In addition, the County is studying various options for funding the Plan, and has set aside a portion of the General Fund's fund balance for that purpose, accumulating \$25,100,000 as of June 30, 2011.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

C. Annual Other Postemployment Benefit Cost and Net Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the provisions of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) amortized over thirty years. Both the ARC and the funded status information have been based on the assumption that the Plan 3 cap would increase over time to cover increases in Blue Cross Prudent Buyer Classic and Delta Dental premiums.

The following table presents the components of the County's Annual OPEB Cost for the year, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation.

| | |
|--|-----------------------------|
| Annual required contribution | \$ 27,594,000 |
| Interest on net OPEB obligation | 3,595,000 |
| Adjustment to annual required contribution | <u>(3,155,000)</u> |
| Annual OPEB cost (expense) | 28,034,000 |
| Contributions made | (10,982,895) |
| | |
| Increase in net OPEB obligation | 17,051,105 |
| Net OPEB obligation - beginning of year | <u>79,898,485</u> |
| Net OPEB obligation - end of year | <u><u>\$ 96,949,590</u></u> |

The County's annual OPEB cost, the percentage of Annual OPEB Cost contributed to the Plan, and the net postemployment healthcare plan obligation were as follows:

| Fiscal Year Ended June 30 | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | End of Year Net OPEB Obligation |
|---------------------------------|---------------------|---|--|
| 2011 | 28,034,000 | 39.18% | 96,949,590 |
| 2010 | 26,797,080 | 37.61% | 79,898,485 |
| 2009 | 42,833,850 | 25.75% | 63,179,549 |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

D. Funded Status

The funded status of the plan based on the most recent actuarial valuation as of July 1, 2011, is as follows:

| | |
|---|--------------------|
| Actuarial Accrued Liability (AAL) | \$ 372,163,000 |
| Actuarial Value of Plan Assets | - |
| Unfunded Actuarial Accrued Liability (UAAL) | <u>372,163,000</u> |
| Funded Ratio (Actuarial value of plan assets/AAL) | 0.00% |
| Covered Payroll (active plan members) | 150,405,000 |
| UAAL as a Percentage of Covered Payroll | 247.44% |

E. Actuarial Methods and Assumptions

Actuarial calculations reflect a long-term perspective. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to constant revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point.

Assumptions have been updated based on new actuarial assumptions adopted by the Marin County Employees Retirement Association in January of 2012. The assumption changes include updating post-retirement mortality tables to reflect future mortality improvement, and minor changes were made to assumptions regarding medical plan elections based on 2009 - 2011 experience. No changes were made to actuarial methods.

The Unfunded Actuarial Accrued Liability (UAAL) was amortized over an open period of 30 years as a level percentage of projected payroll.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 10: OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN, Continued

The Unfunded Actuarial Accrued Liability (UAAL) was amortized over an open period of 30 years as a level percentage of projected payroll.

Schedule of Funding Progress Postemployment Healthcare Plan (in thousands)

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|---|
| 7/1/11 | - | \$ 372,163 | \$ 372,163 | 0.00% | \$ 167,616 | 222.03% |
| 7/1/09 | - | 359,934 | 359,934 | 0.00% | 161,948 | 222.25% |
| 7/1/05 | - | 310,945 | 310,945 | 0.00% | 129,763 | 239.63% |

NOTE 11: COMMITMENTS AND CONTINGENT LIABILITIES

Construction Commitments

At June 30, 2011, the County had ongoing construction commitments that totaled approximately \$1.2 million.

Other

Certain claims and legal actions have been made against the County. The County will contest and vigorously defend any significant legal actions. It is the County's opinion that insurance coverage and fund balances are sufficient to cover any potential losses.

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 12: FUND BALANCES

Restatement of Beginning Fund Balances

In addition to redefining the fund balance classification, GASB Statement No. 54 clarifies the governmental fund type definitions, resulting in funds previously reported as special revenue funds being reported as part of the General Fund for fiscal year 2010-11. The following table is a summary of the restatement and also illustrates the impact caused by changes to major fund classifications.

| <u>Governmental Activities</u> | <u>General Fund</u> | <u>Flood Control Zones</u> | <u>Miscellaneous Special Revenue Funds</u> | <u>Miscellaneous Capital Projects Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|------------------------------------|-----------------------|----------------------------|--|--|---------------------------------|---------------------------------|
| As of June 30, 2010 | \$ 189,052,271 | \$ 16,311,992 | \$ -- | \$ -- | \$ 119,286,669 | \$ 324,650,932 |
| Flood Control Zone | -- | (16,311,992) | -- | -- | 16,311,992 | -- |
| Miscellaneous Special Revenue Fund | -- | -- | 3,265,743 | 17,899,863 | (21,165,606) | -- |
| Governmental to Agency Funds | -- | -- | (1,499,252) | -- | -- | (1,499,252) |
| Agency Funds to Governmental | -- | -- | -- | -- | 3,428,146 | 3,428,146 |
| | <u>\$ 189,052,271</u> | <u>\$ --</u> | <u>\$ 1,766,491</u> | <u>\$ 17,899,863</u> | <u>\$ 117,861,201</u> | <u>\$ 326,579,826</u> |

| <u>Business-Type Activities</u> | <u>Nonmajor Enterprise Funds</u> | <u>Transit Fund</u> | <u>Housing Authority of Marin</u> |
|---------------------------------|----------------------------------|---------------------|-----------------------------------|
| As of June 30, 2010 | \$ 10,526,071 | \$ 10,341,876 | \$ 28,986,606 |
| Transit Fund | 10,341,876 | (10,341,876) | -- |
| Marin Org | 464,473 | -- | -- |
| Prior Year Adjustment | -- | -- | (175,547) |
| | <u>\$ 21,332,420</u> | <u>\$ --</u> | <u>\$ 28,811,059</u> |

Classification

In accordance with the provisions of GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

COUNTY OF MARIN

Notes to Financial Statement For the Year Ended June 30, 2011

NOTE 12: FUND BALANCES, Continued

Classification (continued)

Fund Balances are presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned (See Note 1 for a description of these categories). A detailed schedule of fund balances as of June 30, 2011 is as follows:

| | General Fund | Miscellaneous Special Revenue Fund | Miscellaneous Capital Project Fund | Other Governmental Funds | Total |
|--|-----------------|--|--|--------------------------------|-------------|
| Fund balances: | | | | | |
| Non-spendable | | | | | |
| Notes receivable - long term | | | | 6,081,000 | 6,081,000 |
| Prepaid expenditures | 91,561 | | | 92,451 | 184,012 |
| Advances to other funds | 1,040,000 | | | 45,400 | 1,085,400 |
| Inventory | 633,893 | | | 107,872 | 741,765 |
| Total Non-spendable | 1,765,454 | - | - | 6,326,723 | 8,092,177 |
| Restricted for: | | | | | |
| General government | 10,097,179 | 1,636,600 | | - | 11,733,779 |
| Public protection | | | | 7,153,278 | 7,153,278 |
| Public ways and facilities | | | | 6,774,370 | 6,774,370 |
| Health and sanitation | | | | 29,024,996 | 29,024,996 |
| Recreation and culture | | | | 372,674 | 372,674 |
| Education | | | | 5,836,441 | 5,836,441 |
| Road repairs | | | | 4,664,963 | 4,664,963 |
| Fish and game preservation | | | | 119,196 | 119,196 |
| Child support services | | | | 287,381 | 287,381 |
| Building inspection | | | | 361,561 | 361,561 |
| Environmental health | | | | 88,835 | 88,835 |
| Public utility projects | | | | 1,911,483 | 1,911,483 |
| Miscellaneous CSA projects | | | | 13,068,973 | 13,068,973 |
| Public resource district | | | | 291,681 | 291,681 |
| Tobacco settlement security | | | | 8,337 | 8,337 |
| In home supportive services | | | | 210,865 | 210,865 |
| Inmate welfare | | | | 276,741 | 276,741 |
| Open space district | | | | 7,389,200 | 7,389,200 |
| Redevelopment help loan | | | | 5,723,343 | 5,723,343 |
| Flood control zone projects | | | | 19,121,501 | 19,121,501 |
| Affordable housing | | | | 2,646,778 | 2,646,778 |
| Debt service reserve | - | | | 8,730,408 | 8,730,408 |
| Emergency operations facility | - | | 39,281,653 | - | 39,281,653 |
| Other capital projects | - | | | 809,738 | 809,738 |
| Total Restricted | 10,097,179 | 1,636,600 | 39,281,653 | 114,872,743 | 165,888,175 |
| Committed to: | | | | | |
| Capital improvement projects | 41,779,340 | | | - | 41,779,340 |
| Retiree liability | 25,100,000 | | | 459,000 | 25,559,000 |
| Self Insurance | 16,826,391 | | | - | 16,826,391 |
| Economic uncertainties | 25,839,648 | | | - | 25,839,648 |
| Miscellaneous capital projects | 9,047,941 | | | | 9,047,941 |
| Road repairs | | | | 205,092 | 205,092 |
| Special litigation | | | | 500,000 | 500,000 |
| | 118,593,320 | - | - | 1,164,092 | 119,757,412 |
| Assigned to: | | | | | |
| General government | 4,898,423 | | | | 4,898,423 |
| Eliminate subsequent year budget deficit | 31,036,452 | | | | 31,036,452 |
| Vehicle and equipment replacement | 8,469,484 | | | | 8,469,484 |
| Public protection | - | | | 23,500 | 23,500 |
| Road repairs | | | | 1,505,286 | 1,505,286 |
| Library | | | | 1,674,541 | 1,674,541 |
| Open space district | | | | 131,152 | 131,152 |
| Fishnet | | | | 15,121 | 15,121 |
| Debt service | - | | | 5,892,954 | 5,892,954 |
| Other capital projects | 3,692,188 | | 19,684,232 | 11,465,158 | 34,841,578 |
| | 48,096,547 | - | 19,684,232 | 20,707,712 | 88,488,491 |
| Unassigned: | 14,836,727 | - | - | - | 14,836,727 |

COUNTY OF MARIN

Notes to Financial Statement
For the Year Ended June 30, 2011

NOTE 13: EXCESS EXPENDITURES OVER APPROPRIATIONS

Total expenditures exceeded those budgeted for the year in the following funds:

| | |
|------------------------|-----------|
| Debt Service Fund - | |
| Other | \$ 98,245 |
| Special Revenue Fund - | |
| Other | \$ 35,089 |

Additional accruals of expenditures were made outside of the General Ledger system per the County's year-end close procedures.

NOTE 14: SUBSEQUENT EVENTS

A. *Accounts Receivable*

The County was in an existing Concession Agreement with McInnis Park Golf Course as of June 30, 2011, of which there was a corresponding \$422 thousand outstanding receivable balance as of year-end. The Agreement was terminated on September 15, 2011, whereby all rent and other charges due and payable to the County of McInnis Park Golf Course through September 15, 2011 were forgiven. Accordingly, the County has written off the corresponding receivable balance as of June 30, 2011.

B. *Real Property Purchase*

On November 15, 2011, the Board approved a resolution authorizing the County to purchase real property at 1600 Los Gamos Drive in San Rafael, California, for \$28.4 million, plus an estimated \$53.1 million for renovations to the existing building. The primary purpose of this space is for the County's Emergency Operations Facility, which includes the County's sheriff operations, information services technology backbone, and the 911-dispatch services.

C. *Rating Change*

The County's Taxable Pension Obligation Bonds, Series 2003, were insured by MBIA Insurance Corporation (currently named National Public Finance Guarantee Corporation ("NPFGC")). On December 19, 2011, Moody's Investors Service downgraded its insurer financial strength rating of NPFGC from 'Baa1' to 'Baa2.'

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION

This page intentionally left blank

COUNTY OF MARIN

Schedule of Funding Progress
For the Year Ended June 30, 2011

County Employee's Retirement Plan (Defined Benefits Pension Plan)

The table below shows a three-year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability (UAAL) as a percentage of the annual covered payroll as of June 30:

Funded Status of County Defined Benefits Pension Plan (in thousands)

| Valuation Date (Most Recent Data Available) June 30: | Actuarial Value of Plan Assets | Actual Accrued Liability | Unfunded Accrued Actuarial Liability (UAAL) | Funded Ratio | Annual Covered Payroll | UAAL as a Percentage of Covered Payroll |
|--|--------------------------------|--------------------------|---|--------------|------------------------|---|
| 2010 | \$ 1,018,082 | \$ 1,402,358 | \$ 384,276 | 72.60% | \$ 176,833 | 217.30% |
| 2009 | 1,002,218 | 1,350,528 | 348,310 | 74.21% | 178,027 | 195.65% |
| 2008 | 1,111,115 | 1,280,206 | 169,091 | 86.80% | 173,735 | 97.33% |

Copies of MCERA annual financial reports may be obtained from their office at One McInnis Parkway, Suite 100, San Rafael, CA 94903.

Other Post Employment Benefits Plan

The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial liability (UAAL) as a percentage of the annual covered payroll as of the most recent actuarial report:

Schedule of Funding Progress Postemployment Healthcare Plan (in thousands)

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---------------------------------------|---------------------------|--------------------|---------------------|---|
| 7/1/11 | - | \$ 372,163 | \$ 372,163 | 0.00% | \$ 167,616 | 222.03% |
| 7/1/09 | - | 359,934 | 359,934 | 0.00% | 161,948 | 222.25% |
| 7/1/05 | - | 310,945 | 310,945 | 0.00% | 129,763 | 239.63% |

COUNTY OF MARIN

Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|-----------------------------------|--------------------|--------------------|--------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 150,146,429 | \$ 161,963,029 | \$ 161,714,322 | \$ (248,707) |
| Licenses and permits | 6,445,449 | 6,273,969 | 5,686,307 | (587,662) |
| Intergovernmental revenues | 149,947,311 | 118,879,733 | 114,202,101 | (4,677,632) |
| Charges for services | 47,480,491 | 48,848,028 | 45,586,370 | (3,261,658) |
| Fines and forfeits | 7,015,475 | 7,057,079 | 12,757,914 | 5,700,835 |
| From use of money and property | 4,568,973 | 3,833,973 | 2,924,981 | (908,992) |
| Miscellaneous | 1,785,889 | 1,802,333 | 1,154,563 | (647,770) |
| Total revenues | <u>367,390,017</u> | <u>348,658,144</u> | <u>344,026,558</u> | <u>(4,631,586)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Assessor-Recorder | 7,061,506 | 7,101,995 | 6,683,792 | 418,203 |
| Board of Supervisors | 2,967,405 | 2,971,519 | 2,829,435 | 142,084 |
| CommDevelopmnt Agency | 4,262,166 | 1,353,962 | 773,698 | 580,264 |
| County Administrator | 6,499,349 | 7,820,737 | 6,715,322 | 1,105,415 |
| County Counsel | 4,668,370 | 4,647,525 | 4,520,668 | 126,857 |
| Department of Finance | 4,656,249 | 4,603,140 | 4,015,446 | 587,694 |
| Elections | -- | 1,123,799 | 972,328 | 151,471 |
| Human Resources | 4,998,455 | 4,963,788 | 4,677,582 | 286,205 |
| Information Services & Technology | 17,272,031 | 18,032,574 | 17,487,990 | 544,584 |
| Non - Departmental | 1,608,577 | (4,989,231) | (7,170,677) | 2,181,446 |
| Public Works | 15,511,154 | 12,488,122 | 10,766,902 | 1,721,220 |
| Treasurer-Tax Collector-Registrar | 5,341,020 | 4,116,742 | 4,001,208 | 115,534 |
| Total general government | <u>74,846,282</u> | <u>64,234,672</u> | <u>56,273,693</u> | <u>7,960,979</u> |
| Public protection | | | | |
| Agricultural Weights & Measures | 1,860,793 | 1,924,130 | 1,874,677 | 49,453 |
| Assessor-Recorder | 1,761,029 | 1,736,816 | 1,629,505 | 107,311 |
| Child Support Services | 1,204,730 | 1,253,383 | 1,143,172 | 110,211 |
| Community Development Agency | 9,576,778 | 8,589,972 | 7,290,632 | 1,299,341 |
| Coroner | 1,351,161 | 771,373 | 746,711 | 24,662 |
| County Administrator | 3,226,405 | 3,105,034 | 3,100,675 | 4,359 |
| County Counsel | 146,208 | 135,586 | 126,808 | 8,777 |
| District Attorney | 12,884,159 | 13,395,642 | 13,219,582 | 176,060 |
| Fire Department | 18,523,731 | 19,284,532 | 18,669,403 | 615,129 |
| Health and Human Services | 2,093,232 | 2,262,871 | 2,183,568 | 79,303 |
| Non - Departmental | 2,588,574 | 2,902,414 | 2,814,811 | 87,603 |
| Parks | -- | -- | 266 | (266) |
| Probation | 16,209,732 | 15,754,953 | 15,258,710 | 496,243 |
| Public Defender | 6,788,582 | 6,945,448 | 6,759,348 | 186,100 |
| Public Works | 7,917,300 | 8,790,112 | 4,869,960 | 3,920,152 |
| Sheriff | 53,175,028 | 54,386,372 | 52,783,650 | 1,602,722 |
| Treasurer-Tax Collector-Registrar | 415,231 | 423,020 | 405,479 | 17,541 |
| Total public protection | <u>139,722,673</u> | <u>141,661,658</u> | <u>132,876,955</u> | <u>8,784,703</u> |

continued

COUNTY OF MARIN

Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-----------------------|-----------------------|-----------------------|-------------------------------|
| | Original | Final | | |
| Public ways and facilities | | | | |
| Non - Departmental | 50,000 | 50,000 | 35,113 | 14,887 |
| Public Works | 16,306,180 | 12,058,310 | 10,564,245 | 1,494,065 |
| Total public ways and facilities | <u>16,356,180</u> | <u>12,108,310</u> | <u>10,599,358</u> | <u>1,508,952</u> |
| Health and sanitation | | | | |
| Health and Human Services | 94,418,808 | 91,039,487 | 81,776,677 | 9,262,810 |
| Non - Departmental | 200,000 | 133,333 | 113,333 | 20,000 |
| Sheriff | -- | -- | 6,583 | (6,583) |
| Total health and sanitation | <u>94,618,808</u> | <u>91,172,820</u> | <u>81,896,593</u> | <u>9,276,227</u> |
| Public assistance | | | | |
| Health and Human Services | 68,126,788 | 67,906,538 | 65,607,415 | 2,299,123 |
| Non - Departmental | 1,042,284 | 95,848 | 983,962 | (888,114) |
| Total public assistance | <u>69,169,072</u> | <u>68,002,386</u> | <u>66,591,376</u> | <u>1,411,010</u> |
| Education | | | | |
| Farm Advisor/UC Coop Ext | 259,356 | 281,989 | 266,105 | 15,884 |
| Non - Departmental | 457,597 | 376,284 | 396,684 | (20,401) |
| Total education | <u>716,953</u> | <u>658,273</u> | <u>662,790</u> | <u>(4,517)</u> |
| Recreation and cultural services | | | | |
| Culture and Visitor Services | 3,224,280 | 3,219,653 | 3,037,327 | 182,326 |
| Non - Departmental | 60,000 | 60,000 | 55,000 | 5,000 |
| Parks | 5,151,043 | 5,054,057 | 4,825,936 | 228,121 |
| Public Works | 25,234 | -- | -- | -- |
| Total recreation and cultural services | <u>8,460,557</u> | <u>8,333,710</u> | <u>7,918,263</u> | <u>415,447</u> |
| Capital Outlay | 2,177,425 | 3,515,989 | 2,120,010 | 1,395,979 |
| Debt Service: | | | | |
| Principal | 42,071 | 42,071 | 43,904 | (1,833) |
| Interest | 30,016 | 30,016 | 28,182 | 1,834 |
| Total debt service | <u>72,087</u> | <u>72,087</u> | <u>72,086</u> | <u>1</u> |
| Total expenditures | <u>406,140,037</u> | <u>389,759,905</u> | <u>359,011,124</u> | <u>30,748,781</u> |
| Deficiency of revenues under expenditures | <u>(38,750,020)</u> | <u>(41,101,761)</u> | <u>(14,984,566)</u> | <u>26,117,195</u> |
| Other Financing Sources (Uses): | | | | |
| Inception of capital lease | -- | 1,688,596 | 1,688,596 | -- |
| Transfers in | 3,975,047 | 54,030,672 | 45,609,377 | (8,421,295) |
| Transfers out | (8,882,786) | (22,270,657) | (27,976,451) | (5,705,794) |
| Total other financing sources (uses) | <u>(4,907,739)</u> | <u>33,448,611</u> | <u>19,321,522</u> | <u>(14,127,089)</u> |
| Net change in fund balances | (43,657,759) | (7,653,150) | 4,336,956 | 11,990,106 |
| Fund balances, beginning of year | <u>189,052,271</u> | <u>189,052,271</u> | <u>189,052,271</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 145,394,512</u> | <u>\$ 181,399,121</u> | <u>\$ 193,389,227</u> | <u>\$ 11,990,106</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Miscellaneous Special Revenue Fund
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | \$ 1,792,542 | \$ 4,024,163 | \$ 2,215,074 | \$ (1,809,089) |
| Charges for services | 2,187 | 587,243 | 656,678 | 69,435 |
| From use of money and property | -- | -- | 14,884 | 14,884 |
| Miscellaneous | 2,805,444 | 3,332,371 | -- | (3,332,371) |
| Total revenues | <u>4,600,173</u> | <u>7,943,777</u> | <u>2,886,636</u> | <u>(5,057,141)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Retirement | 2,743,844 | 3,337,127 | -- | 3,337,127 |
| Total general government | <u>2,743,844</u> | <u>3,337,127</u> | <u>--</u> | <u>3,337,127</u> |
| Public protection | | | | |
| Community Development Agency | -- | 38,783 | 710 | 38,073 |
| Health and Human Services | -- | 239,770 | 217,270 | 22,500 |
| Sheriff | 462,403 | 1,382,336 | 823,804 | 558,532 |
| Total public protection | <u>462,403</u> | <u>1,660,889</u> | <u>1,041,784</u> | <u>619,105</u> |
| Health and sanitation | | | | |
| Health and Human Services | 1,523,992 | 1,800,170 | 1,073,358 | 726,812 |
| Total health and sanitation | <u>1,523,992</u> | <u>1,800,170</u> | <u>1,073,358</u> | <u>726,812</u> |
| Public assistance | | | | |
| Health and Human Services | 166,187 | 305,513 | 297,048 | 8,465 |
| Total public assistance | <u>166,187</u> | <u>305,513</u> | <u>297,048</u> | <u>8,465</u> |
| Total expenditures | <u>4,896,426</u> | <u>7,103,699</u> | <u>2,412,190</u> | <u>4,691,509</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(296,253)</u> | <u>840,078</u> | <u>474,446</u> | <u>(365,632)</u> |
| Other Financing Uses: | | | | |
| Transfers out | -- | (691,314) | (604,338) | 86,976 |
| Total other financing uses | <u>--</u> | <u>(691,314)</u> | <u>(604,338)</u> | <u>86,976</u> |
| Net change in fund balances | <u>(296,253)</u> | <u>148,764</u> | <u>(129,892)</u> | <u>(278,656)</u> |
| Fund balances, beginning of year | 3,265,743 | 3,265,743 | 3,265,743 | (278,656) |
| Prior Year Adjustment | <u>(1,499,252)</u> | <u>(1,499,252)</u> | <u>(1,499,252)</u> | <u>--</u> |
| Fund balances, beginning of year, restated | <u>1,766,491</u> | <u>1,766,491</u> | <u>1,766,491</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 1,470,238</u> | <u>\$ 1,915,255</u> | <u>\$ 1,636,599</u> | <u>\$ (278,656)</u> |

COUNTY OF MARIN

Note to Required Supplementary Information For the Fiscal Year Ended June 30, 2011

BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 through 29144 of the California Government Code, commonly known as the County Budget Act, the County prepares and adopts a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

An operating budget is adopted each fiscal year for Governmental Funds. The legal level of control for appropriations is at the departmental fund level. Appropriations at this level may only be changed with the approval of the Board. The County Administrator may make adjustments at their discretion below that level. Budgeted amounts in the budgeted financial schedules are reported as originally adopted and as amended during the fiscal year by the Board of Supervisors and the County Administrator.

The County uses an encumbrances system as an extension of normal budgetary accounting for the general, special revenue, and other debt service funds and to assist in controlling expenditures of the capital projects funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as either restricted, committed, or assigned fund balance since they do not constitute expenditures or liabilities. Encumbrances are not combined with expenditures for budgetary comparison purposes. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

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

This page intentionally left blank

SUPPLEMENTARY INFORMATION
Combining and Individual
Fund Statements and Schedules

This page intentionally left blank

NONMAJOR GOVERNMENTAL FUNDS

This page intentionally left blank

COUNTY OF MARIN

Balance Sheet
Nonmajor Governmental Funds
June 30, 2011

| | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Total |
|--------------------------------------|-----------------------------|--------------------------|-----------------------------|-----------------------|
| ASSETS | | | | |
| Cash and investments in County pool | \$ 110,919,667 | \$ 6,801,444 | \$ 12,377,541 | \$ 130,098,652 |
| Cash with fiscal agent | -- | 7,839,298 | -- | 7,839,298 |
| Receivables: | | | | |
| Accounts | 644,194 | -- | -- | 644,194 |
| Taxes | 421,414 | 28,020 | -- | 449,434 |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | 5,971,000 | -- | 110,000 | 6,081,000 |
| Due from other governmental agencies | 3,396,655 | -- | 382,201 | 3,778,856 |
| Prepaid expenses | 92,451 | -- | -- | 92,451 |
| Advances to other funds | 45,400 | -- | -- | 45,400 |
| Inventory of supplies | 107,872 | -- | -- | 107,872 |
| | <u>\$ 121,598,653</u> | <u>\$ 14,668,762</u> | <u>\$ 12,869,742</u> | <u>\$ 149,137,157</u> |
| Total assets | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 1,522,856 | \$ -- | \$ 98,198 | \$ 1,621,054 |
| Accrued salaries and benefits | 553,679 | -- | 253 | 553,932 |
| Due to other funds | 1,986,896 | -- | 386,395 | 2,373,291 |
| Advances payable | 1,040,000 | 45,400 | -- | 1,085,400 |
| Deferred revenue | 224,203 | -- | -- | 224,203 |
| Other liabilities | 208,007 | -- | -- | 208,007 |
| | <u>5,535,641</u> | <u>45,400</u> | <u>484,846</u> | <u>6,065,887</u> |
| Total liabilities | | | | |
| FUND BALANCES | | | | |
| Nonspendable | 6,216,723 | -- | 110,000 | 6,326,723 |
| Restricted | 105,332,597 | 8,730,408 | 809,738 | 114,872,743 |
| Committed | 1,164,092 | -- | -- | 1,164,092 |
| Assigned | 3,349,600 | 5,892,954 | 11,465,158 | 20,707,712 |
| | <u>116,063,012</u> | <u>14,623,362</u> | <u>12,384,896</u> | <u>143,071,270</u> |
| Total fund balances | | | | |
| | <u>\$ 121,598,653</u> | <u>\$ 14,668,762</u> | <u>\$ 12,869,742</u> | <u>\$ 149,137,157</u> |
| Total liabilities and fund balances | | | | |

COUNTY OF MARIN

Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2011

| | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Total |
|--|-----------------------------|--------------------------|-----------------------------|-----------------------|
| Revenues: | | | | |
| Taxes | \$ 26,683,643 | \$ 1,487,602 | \$ -- | \$ 28,171,245 |
| Licenses and permits | 5,708,786 | -- | -- | 5,708,786 |
| Intergovernmental revenues | 63,100,648 | 10,625 | 3,130,388 | 66,241,661 |
| Charges for services | 11,854,961 | 57,014 | -- | 11,911,975 |
| Fines and forfeits | 557,925 | -- | 451,548 | 1,009,473 |
| From use of money and property | 1,608,394 | 158,344 | 33,935 | 1,800,673 |
| Miscellaneous | 687,299 | 2,241,375 | 98,103 | 3,026,777 |
| Total revenues | <u>110,201,656</u> | <u>3,954,960</u> | <u>3,713,974</u> | <u>117,870,590</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | 136,333 | 47,946 | 184,279 |
| Public protection | 17,733,950 | 7,727 | -- | 17,741,677 |
| Public ways and facilities | 10,136,655 | -- | 2,349,802 | 12,486,457 |
| Health and sanitation | 2,314,874 | -- | -- | 2,314,874 |
| Public assistance | 3,492,419 | 275,503 | 474,411 | 4,242,333 |
| Education | 12,234,798 | -- | -- | 12,234,798 |
| Recreation and cultural services | 7,734,093 | -- | -- | 7,734,093 |
| Capital outlay | 463,789 | -- | -- | 463,789 |
| Debt Service: | | | | |
| Principal | -- | 5,214,955 | -- | 5,214,955 |
| Interest | 14,659 | 10,547,050 | -- | 10,561,709 |
| Bond issuance costs | -- | 1,061,920 | -- | 1,061,920 |
| Total expenditures | <u>54,125,237</u> | <u>17,243,488</u> | <u>2,872,159</u> | <u>74,240,884</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>56,076,419</u> | <u>(13,288,528)</u> | <u>841,815</u> | <u>43,629,706</u> |
| Other Financing Sources (Uses): | | | | |
| Refunding to escrow agent | -- | (17,465,000) | -- | (17,465,000) |
| Premium on debt issued | -- | 1,880,120 | -- | 1,880,120 |
| Issuance of debt | -- | 61,540,000 | -- | 61,540,000 |
| Transfers in | 4,951,542 | 29,690,992 | 8,480,534 | 43,123,068 |
| Transfers out | (47,145,321) | (59,887,988) | (465,016) | (107,498,325) |
| Total other financing sources (uses) | <u>(42,193,779)</u> | <u>15,758,124</u> | <u>8,015,518</u> | <u>(18,420,137)</u> |
| Net change in fund balances | <u>13,882,640</u> | <u>2,469,596</u> | <u>8,857,333</u> | <u>25,209,569</u> |
| Fund balances, beginning of year | 98,686,122 | 12,219,870 | 3,527,563 | 114,433,555 |
| Prior period adjustments | 3,494,250 | (66,104) | -- | 3,428,146 |
| Fund balances, beginning of year - restated | <u>102,180,372</u> | <u>12,153,766</u> | <u>3,527,563</u> | <u>117,861,701</u> |
| Fund balances, end of year | <u>\$ 116,063,012</u> | <u>\$ 14,623,362</u> | <u>\$ 12,384,896</u> | <u>\$ 143,071,270</u> |

SPECIAL REVENUE FUNDS

This page intentionally left blank

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than capital projects or debt service.

Road Fund

The Road Fund provides for the County Road Program, which protects, preserves, enhances and improves the existing County road system. This fund pays for the construction and maintenance of the road system in the unincorporated area.

Fire

The Fire fund provides fire protection services in the unincorporated areas of the County. This fund provides funds for the department's operations and contracts with the California Department of Forestry and Fire Protection (CalFire).

Library

The Marin County Free Library (Library) is a special district that operates ten branch libraries in Marin under the authority of the Board of Supervisors. It provides public library services to the residents of the special library district as well as the Town of Corte Madera through a contractual agreement.

Fish and Game

This fund is completely supported by fines from Fish and Game Code violations. It provides for expenditures related to the propagation and conservation of local fish and game and their habitats.

Child Support

Child support is a non-general fund department with state and federal dollars constituting its revenues. Its mission is to serve the community and enhance the lives of children through establishing paternity, establishing child support orders and collecting support.

Building Inspection

The Building Inspection fund is responsible for managing the County's responsibility for building code enforcement. Any revenues collected in excess of expenditures received in a given year are retained in fund balance and can be used to help cover building inspection costs in future years.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Environmental Health

The Environmental Health fund receives funds from the issuance of permits and licenses to fund its inspections to protect public health and the well-being of all Marin County residents, workers, and visitors by preventing injury and the spread of disease by identifying potential dangerous and unhealthy situations and the promotion of sound environmental health practices through education and the enforcement of public health statutes and regulations.

Fishnet

Fishnet is a County-based salmon protection and restoration program that brings together the Central California Coastal Counties of Mendocino, Sonoma, Marin, San Mateo, Santa Cruz and Monterey. Funds are provided by federal, state, regional, and local governments as well as other private and public organizations.

HUD Funds

HUD funds are federal grants used to provide funds for the development of affordable housing units within the County.

High Tech Theft

The High Technology Theft Apprehension and Prosecution (HTTAP) program is supported by two grants from the Governor's Office of Emergency Services. The HTTAP program seeks to assist local law enforcement and District Attorneys in providing the tools necessary to successfully interdict high technology crime in the jurisdiction of the five task forces. Investigation and prosecution of identity theft crimes is also included under this program, including Internet tracing and computer forensics, conducting identity theft "sting" operations and shutting down fraudulent document printers employed as paper mills.

Sewer Districts

The Sewer Districts fund is used to account for the accumulation of tax assessments and user charges to provide service relative to sewer maintenance and other services to specific geographic areas that utilize their own discrete tax base and specific revenue sources dedicated to their own purposes within their geographic location.

CSA's

The CSA's fund is used to account for the accumulation of tax assessments and user charges to provide a variety of services to specific geographic areas that utilize their own discreet tax base and specific revenue sources dedicated to their own purposes within their geographic location.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Lighting Districts

The Lighting Districts fund is used to account for the accumulation of tax assessments and user charges to provide service relative to lighting and other services to specific geographic areas that utilize their own discreet tax base and specific revenue sources dedicated to their own purposes within their geographic location.

PRD's

The Permanent Road Districts (PRD) fund is used to account for the accumulation of tax assessments and user charges to provide service relative to road maintenance to specific geographic areas that utilize their own discrete tax base and specific revenue sources dedicated to their own purposes within their geographic location.

Social Services Realignment

The Social Services Realignment fund receives dedicated tax revenues from the sales tax and vehicle license fee, based on altered program cost-sharing ratios, to pay for various social service programs transferred from state to county control.

Health Services Realignment

The Health Services Realignment fund receives dedicated tax revenues from the sales tax and vehicle license fee, based on altered program cost-sharing ratios, to pay for various health service programs transferred from state to county control.

Mental Health Realignment

The Mental Health Realignment fund receives dedicated tax revenues from the sales tax and vehicle license fee, based on altered program cost-sharing ratios, to pay for various mental health programs transferred from state to county control.

Tobacco Settlement

The Tobacco Settlement Fund, pursuant to California Health and Safety Code Sections 104555 through 104557 and Senate Bill Number 822, the State of California has collected funds from tobacco manufacturers and apportioned a percentage to the County of Marin. Funds collected are used to increase educational efforts related to the health effects of tobacco usage.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

In-Home Supportive Services (IHSS)

In-Home Supportive Services (IHSS) provides in-home care to those eligible aged, blind and disabled individuals (including children) who are unable to remain safely in their own homes without assistance. IHSS is an alternative to out-of-home care and is a state-mandated program funded through a combination of federal, state and local funds.

Bay Area Stormwater Management

The Bay Area Stormwater Management Agencies Association (BASMAA), is a consortium of eight San Francisco Bay Area municipal storm water programs. BASMAA is designed to encourage information sharing and cooperation, and to develop products and programs that would be more cost-effective if done regionally than could be accomplished locally. In addition, BASMAA provides a forum for representing and advocating the common interests of member programs at the regional and state level.

Inmate Welfare

The Inmate Welfare fund holds revenues from canteen sales and payphone commissions pursuant to Penal Code 4025, to be used for the benefit, education and welfare of the inmates confined within the jail.

Open Space District

The Open Space District fund provides support for the Marin County Open Space District. The District is responsible for planning, acquiring, and managing the county's approximately 15,000 acres of open space and 160 miles of public trails.

Waste Management JPA

The Marin Hazardous and Solid Waste JPA, with representatives from all parts of Marin County, CA, ensures Marin's compliance with the California Integrated Waste Management Act of 1989. The JPA informs county residents and businesses of the many ways they can help reduce and recycle their solid waste and properly dispose of hazardous materials.

RDA Help Loan

RDA HELP Loan program is used to account for a \$1.5 million loan received from the State of California. The purpose of the loan is to re-loan the money, at lower than market interest rates, to assist private organizations in financing the construction of low-income housing units to Marin County residents.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Flood Control Zones

The Flood Control Zones are used to account for the activities of various special districts whose primary purpose is flood control and water conservation.

Health and Sanitation

- Bio-terrorism – Sections 101315 to 101320 of the Health and Safety Code establishes certain funding for local bio-terrorism preparedness and emergency response.
- Emergency Medical Services – Proceeds from penalty assessments to be utilized to reimburse physicians, surgeons and hospitals for patients who do not make payment for emergency medical services and for other emergency medical services purposes as determined by each county.
- Pandemic Flu – State and Federal allocations for activities to prevent and address outbreaks of pandemic flu.
- Vital and Health Statistics – California Health and Safety Code Section 103640 mandates a surcharge on certified copies of birth, fetal death, death, and marriage records purchased by any applicant. The moneys in the fund shall be available to the public official charged with the collection of fees to defray the administrative costs of collecting and reporting with respect to those fees. The moneys shall also be available for other costs associated with the modernization and improvement of vital record operations, analysis of health-related birth and death certificate information, and other community health data.
- Managed Administrative Activities (MAA) and Targeted Case Management (TCM) – Receive federal reimbursement for providing certain qualified activities targeting and improving the availability and accessibility of Medi-Cal services to Medi-Cal eligible and potentially eligible individuals and their families. TCM is client specific and pays for comprehensive case management services to assist high risk targeted populations who are current Medi-Cal beneficiaries to understand, access, use and benefit from needed medical, social, educational, and other services.
- Managed Care – State funds allocated to be used in line with the Welfare and Institutions Code Sections 5775 to 5781.
- MHSA – The passage of Proposition 63 (now known as the Mental Health Services Act or MHSA) in November 2004, provided increased funding to support county mental health programs. The Act addressed a broad continuum of prevention, early intervention and community service needs and the necessary infrastructure, facility, technology and training elements that will effectively support expanded mental health services.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Health and Sanitation (Continued)

- Alcohol Abuse Education/Prevention – Established by California Penal Code Section 1463.25 for the money collected from alcohol abuse education and prevention penalty assessments, based on California Vehicle Code Section 23196 to be used for the county alcohol abuse and prevention program.
- Drug Program Fees – In accordance with California Health and Safety Code Section 11372.7, revenue from court fines for criminal violations related to drug use, possession and distribution, to be used for drug abuse programs in schools and the community.
- Proposition 36 Crime Prevention Act 2000 – Allocations from the State Department of Alcohol and Drug Programs to provide drug treatment rather than incarceration on first or second time non-violent adult drug offenders who use, possess, or transport illegal drugs for personal use.
- Section 1463.14 Lab Analysis Fees – The California Penal Code provides for the fines collected in relation to specified driving offenses to pay for the cost of performing blood-alcohol/drug testing.

Public Protection

- District Attorney Sundry Trust – In accordance with Health & Safety Code section 11489, when the Department participates in an arrest in which property is seized and forfeited to a local governmental entity, the money forfeited or the proceeds of sale, and any interest accrued thereon, shall be distributed by the state or local governmental entity according to the rules of the Code.
- Proposition 64 Civil Penalties – Business & Professions Code 17206 penalties received by the District Attorney to be used for the enforcement of consumer protection laws.
- Fingerprint ID – Proceeds from vehicle licensing fees to be used for fingerprinting equipment and processes.
- Asset Forfeiture, Sheriff – In accordance with Health & Safety Code section 11489, when the Department participates in an arrest in which property is seized and forfeited to a local governmental entity, the money forfeited or the proceeds of sale, and any interest accrued thereon, shall be distributed by the state or local governmental entity according to the rules of the Code. The proceeds can be utilized to supplement and not supplant the Department's expenses.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Public Protection (Continued)

- CLEEP Law Enforcement Equipment – State funds to be used for the purchase of high-technology equipment.
- COPS Juvenile Justice (odd & even years) – AB1913 (2000) created the Crime Prevention Act of 2000 which has been re-titled the Juvenile Justice Crime Prevention Act (JJCPA). The JJCPA supports community-based programs that are effective in reducing crime and delinquency among at-risk youth and young offenders.

Public Ways and Facilities

- Traffic Mitigation Fees – Funds paid by developers to be used to finance construction, improvement and maintenance of County roads.
- Marin County Stormwater Pollution Prevention Program(MCSTOPPP) – Formed in 1993, MCSTOPPP is a joint effort of Marin’s cities, towns and unincorporated areas. Their goal is to prevent stormwater pollution, protect and enhance water quality in creeks and wetlands, preserve beneficial uses of local waterways, and comply with State and Federal regulations.

Restricted Housing

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

Recreation and Cultural Services

- Marin County Tourism Business Improvement District – The District receives a percentage of hotel revenues to finance tourism management and marketing efforts in the district.
- Marin Wildlife Grants – State and Federal grants to be used for the protection of wildlife in the County of Marin.

This page intentionally left blank

COUNTY OF MARIN

Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Road</u> | <u>Fire</u> | <u>Library</u> | <u>Fish and Game</u> |
|--------------------------------------|---------------------|-------------------|---------------------|--------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 6,243,512 | \$ 50,103 | \$ 7,992,967 | \$ 22,276 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | 294,128 | -- | -- | -- |
| Taxes | -- | 75,904 | 121,604 | -- |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | -- |
| Due from other governmental agencies | -- | -- | 18,163 | -- |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | -- | -- |
| Inventory of supplies | 107,872 | -- | -- | -- |
| | <u>6,645,512</u> | <u>126,007</u> | <u>8,132,734</u> | <u>22,276</u> |
| Total assets | <u>\$ 6,645,512</u> | <u>\$ 126,007</u> | <u>\$ 8,132,734</u> | <u>\$ 22,276</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 73,738 | \$ -- | \$ 159,583 | \$ -- |
| Accrued salaries and benefits | 88,561 | -- | 166,696 | -- |
| Due to other funds | -- | -- | -- | -- |
| Advances payable | -- | -- | -- | -- |
| Deferred revenue | -- | -- | -- | -- |
| Other liabilities | -- | 96,809 | 7,473 | -- |
| Total liabilities | <u>162,299</u> | <u>96,809</u> | <u>333,752</u> | <u>--</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | 107,872 | -- | -- | -- |
| Restricted | 4,664,963 | 29,198 | 5,836,441 | 22,276 |
| Committed | 205,092 | -- | 288,000 | -- |
| Assigned | 1,505,286 | -- | 1,674,541 | -- |
| Total fund balances | <u>6,483,213</u> | <u>29,198</u> | <u>7,798,982</u> | <u>22,276</u> |
| Total liabilities and fund balances | <u>\$ 6,645,512</u> | <u>\$ 126,007</u> | <u>\$ 8,132,734</u> | <u>\$ 22,276</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Child Support</u> | <u>Building Inspection</u> | <u>Environmental Health</u> | <u>Fishnet</u> |
|--------------------------------------|----------------------|--------------------------------|---------------------------------|-------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 195,918 | \$ 494,170 | \$ 345,372 | \$ 123,126 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | 274,406 | 37,891 | 13,176 | -- |
| Taxes | -- | -- | -- | -- |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | -- |
| Due from other governmental agencies | -- | 280 | 37,645 | -- |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | 45,400 | -- |
| Inventory of supplies | -- | -- | -- | -- |
| | <u>\$ 470,324</u> | <u>\$ 532,341</u> | <u>\$ 441,593</u> | <u>\$ 123,126</u> |
| Total assets | | | | |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 1,288 | \$ 7,927 | \$ 11,326 | \$ 6,085 |
| Accrued salaries and benefits | 180,053 | 76,879 | -- | -- |
| Due to other funds | -- | -- | -- | -- |
| Advances payable | -- | -- | -- | -- |
| Deferred revenue | -- | -- | 198,409 | -- |
| Other liabilities | 1,602 | 474 | 6,623 | -- |
| Total liabilities | <u>182,943</u> | <u>85,280</u> | <u>216,358</u> | <u>6,085</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | -- | -- | 45,400 | -- |
| Restricted | 287,381 | 361,561 | 88,835 | 96,920 |
| Committed | -- | 67,000 | 91,000 | -- |
| Assigned | -- | 18,500 | -- | 20,121 |
| Total fund balances | <u>287,381</u> | <u>447,061</u> | <u>225,235</u> | <u>117,041</u> |
| Total liabilities and fund balances | <u>\$ 470,324</u> | <u>\$ 532,341</u> | <u>\$ 441,593</u> | <u>\$ 123,126</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>HUD Funds</u> | <u>High Tech Theft</u> | <u>Sewer Districts</u> | <u>CSA's</u> |
|--------------------------------------|-------------------|----------------------------|------------------------|----------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 3 | \$ 119,726 | \$ 495,322 | \$ 13,122,734 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | -- | -- | -- | -- |
| Taxes | -- | -- | 854 | 51,716 |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | -- |
| Due from other governmental agencies | 623,265 | 316,535 | -- | -- |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | -- | -- |
| Inventory of supplies | -- | -- | -- | -- |
| | <u>\$ 623,268</u> | <u>\$ 436,261</u> | <u>\$ 496,176</u> | <u>\$ 13,174,450</u> |
| Total assets | | | | |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 236,736 | \$ 424,001 | \$ -- | \$ 104,532 |
| Accrued salaries and benefits | 5,828 | -- | -- | -- |
| Due to other funds | 339,155 | -- | -- | 825 |
| Advances payable | -- | -- | -- | -- |
| Deferred revenue | -- | -- | -- | 120 |
| Other liabilities | -- | -- | -- | -- |
| Total liabilities | <u>581,719</u> | <u>424,001</u> | <u>--</u> | <u>105,477</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | -- | -- | -- | -- |
| Restricted | 28,549 | 12,260 | 496,176 | 13,068,973 |
| Committed | 13,000 | -- | -- | -- |
| Assigned | -- | -- | -- | -- |
| Total fund balances | <u>41,549</u> | <u>12,260</u> | <u>496,176</u> | <u>13,068,973</u> |
| Total liabilities and fund balances | <u>\$ 623,268</u> | <u>\$ 436,261</u> | <u>\$ 496,176</u> | <u>\$ 13,174,450</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Lighting</u> | <u>PRDs</u> | <u>Social Services Realignment</u> | <u>Health Services Realignment</u> |
|--------------------------------------|---------------------|-------------------|--|--|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 1,328,171 | \$ 290,811 | \$ 1 | \$ 3 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | -- | -- | -- | -- |
| Taxes | 9,418 | 870 | -- | -- |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | -- |
| Due from other governmental agencies | -- | -- | 354,024 | 391,847 |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | -- | -- |
| Inventory of supplies | -- | -- | -- | -- |
| | <u>\$ 1,337,589</u> | <u>\$ 291,681</u> | <u>\$ 354,025</u> | <u>\$ 391,850</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 25,003 | \$ -- | \$ -- | \$ -- |
| Accrued salaries and benefits | -- | -- | -- | -- |
| Due to other funds | -- | -- | 354,025 | 391,850 |
| Advances payable | -- | -- | -- | -- |
| Deferred revenue | -- | -- | -- | -- |
| Other liabilities | -- | -- | -- | -- |
| Total liabilities | <u>25,003</u> | <u>--</u> | <u>354,025</u> | <u>391,850</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | -- | -- | -- | -- |
| Restricted | 1,312,586 | 291,681 | -- | -- |
| Committed | -- | -- | -- | -- |
| Assigned | -- | -- | -- | -- |
| Total fund balances | <u>1,312,586</u> | <u>291,681</u> | <u>--</u> | <u>--</u> |
| Total liabilities and fund balances | <u>\$ 1,337,589</u> | <u>\$ 291,681</u> | <u>\$ 354,025</u> | <u>\$ 391,850</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Mental Health Services Realignment</u> | <u>Tobacco Settlement</u> | <u>IHSS</u> | <u>Bay Area Stormwater Management</u> |
|--------------------------------------|---|-------------------------------|-------------------|---|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 4 | \$ 8,337 | \$ 227,929 | \$ 13,385 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | -- | -- | -- | -- |
| Taxes | -- | -- | -- | -- |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | -- |
| Due from other governmental agencies | 374,286 | -- | -- | -- |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | -- | -- |
| Inventory of supplies | -- | -- | -- | -- |
| | <u>\$ 374,290</u> | <u>\$ 8,337</u> | <u>\$ 227,929</u> | <u>\$ 13,385</u> |
| Total assets | | | | |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ -- | \$ -- | \$ 8,061 | \$ -- |
| Accrued salaries and benefits | -- | -- | 9,003 | -- |
| Due to other funds | 374,290 | -- | -- | -- |
| Advances payable | -- | -- | -- | -- |
| Deferred revenue | -- | -- | -- | -- |
| Other liabilities | -- | -- | -- | -- |
| Total liabilities | <u>374,290</u> | <u>--</u> | <u>17,064</u> | <u>--</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | -- | -- | -- | -- |
| Restricted | -- | 8,337 | 210,865 | 13,385 |
| Committed | -- | -- | -- | -- |
| Assigned | -- | -- | -- | -- |
| Total fund balances | <u>--</u> | <u>8,337</u> | <u>210,865</u> | <u>13,385</u> |
| Total liabilities and fund balances | <u>\$ 374,290</u> | <u>\$ 8,337</u> | <u>\$ 227,929</u> | <u>\$ 13,385</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Inmate Welfare</u> | <u>Open Space District</u> | <u>Waste Management JPA</u> | <u>RDA Low-Income Housing</u> |
|--------------------------------------|---------------------------|--------------------------------|---------------------------------|---------------------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 328,685 | \$ 8,247,854 | \$ 89,336 | \$ 5,715,423 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | -- | 12,277 | -- | 7,920 |
| Taxes | -- | 93,019 | -- | -- |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | 4,925,325 |
| Due from other governmental agencies | -- | 7,080 | -- | -- |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | -- | -- |
| Inventory of supplies | -- | -- | -- | -- |
| | <u>328,685</u> | <u>8,360,230</u> | <u>89,336</u> | <u>10,648,668</u> |
| Total assets | <u>\$ 328,685</u> | <u>\$ 8,360,230</u> | <u>\$ 89,336</u> | <u>\$ 10,648,668</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 51,944 | \$ 310,513 | \$ -- | \$ -- |
| Accrued salaries and benefits | -- | 26,335 | -- | -- |
| Due to other funds | -- | -- | -- | -- |
| Advances payable | -- | -- | -- | -- |
| Deferred revenue | -- | 30 | -- | -- |
| Other liabilities | -- | 3,001 | -- | -- |
| Total liabilities | <u>51,944</u> | <u>339,879</u> | <u>--</u> | <u>--</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | -- | -- | -- | 4,925,325 |
| Restricted | 276,741 | 7,389,199 | 89,336 | 5,723,343 |
| Committed | -- | 500,000 | -- | -- |
| Assigned | -- | 131,152 | -- | -- |
| Total fund balances | <u>276,741</u> | <u>8,020,351</u> | <u>89,336</u> | <u>10,648,668</u> |
| Total liabilities and fund balances | <u>\$ 328,685</u> | <u>\$ 8,360,230</u> | <u>\$ 89,336</u> | <u>\$ 10,648,668</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Flood Control Zones</u> | <u>Health and Sanitation</u> | <u>Public Protection</u> | <u>Public Ways and Facilities</u> |
|--------------------------------------|--------------------------------|----------------------------------|------------------------------|---------------------------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments in County pool | \$ 20,664,250 | \$29,033,290 | \$ 7,150,223 | \$ 6,576,749 |
| Cash with fiscal agent | -- | -- | -- | -- |
| Receivables: | | | | |
| Accounts | -- | -- | -- | 4,396 |
| Taxes | 68,029 | -- | -- | -- |
| Notes receivable - short term | -- | -- | -- | -- |
| Notes receivable - long term | -- | -- | -- | -- |
| Due from other governmental agencies | 11,459 | -- | 125,160 | 185,994 |
| Prepaid expenses | -- | -- | -- | -- |
| Advances to other funds | -- | -- | -- | -- |
| Inventory of supplies | -- | -- | -- | -- |
| | <u>\$ 20,743,738</u> | <u>\$29,033,290</u> | <u>\$ 7,275,383</u> | <u>\$ 6,767,139</u> |
| Total assets | | | | |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 61,913 | \$ 379 | \$ 6,342 | \$ 33,485 |
| Accrued salaries and benefits | 324 | -- | -- | -- |
| Due to other funds | 520,000 | 6,751 | -- | -- |
| Advances payable | 1,040,000 | -- | -- | -- |
| Deferred revenue | -- | 1,164 | 23,738 | 742 |
| Other liabilities | -- | -- | 92,025 | -- |
| Total liabilities | <u>1,622,237</u> | <u>8,294</u> | <u>122,105</u> | <u>34,227</u> |
| <u>FUND BALANCES</u> | | | | |
| Nonspendable | -- | -- | -- | -- |
| Restricted | 19,121,501 | 29,024,996 | 7,153,278 | 6,732,912 |
| Committed | -- | -- | -- | -- |
| Assigned | -- | -- | -- | -- |
| Total fund balances | <u>19,121,501</u> | <u>29,024,996</u> | <u>7,153,278</u> | <u>6,732,912</u> |
| Total liabilities and fund balances | <u>\$ 20,743,738</u> | <u>\$29,033,290</u> | <u>\$ 7,275,383</u> | <u>\$ 6,767,139</u> |

continued

COUNTY OF MARIN

Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

| | <u>Restricted Housing</u> | <u>Recreation and Cultural Services</u> | <u>Total</u> |
|--------------------------------------|-------------------------------|---|-----------------------|
| <u>ASSETS</u> | | | |
| Cash and investments in County pool | \$ 1,667,313 | \$ 372,674 | \$ 110,919,667 |
| Cash with fiscal agent | -- | -- | -- |
| Receivables: | | | |
| Accounts | -- | -- | 644,194 |
| Taxes | -- | -- | 421,414 |
| Notes receivable - short term | -- | -- | -- |
| Notes receivable - long term | 1,045,675 | -- | 5,971,000 |
| Due from other governmental agencies | 950,917 | -- | 3,396,655 |
| Prepaid expenses | -- | 92,451 | 92,451 |
| Advances to other funds | -- | -- | 45,400 |
| Inventory of supplies | -- | -- | 107,872 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 3,663,905</u> | <u>\$ 465,125</u> | <u>121,598,653</u> |
| <u>LIABILITIES</u> | | | |
| Accounts payable | \$ -- | \$ -- | 1,522,856 |
| Accrued salaries and benefits | -- | -- | 553,679 |
| Due to other funds | -- | -- | 1,986,896 |
| Advances payable | -- | -- | 1,040,000 |
| Deferred revenue | -- | -- | 224,203 |
| Other liabilities | -- | -- | 208,007 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities | <u> </u> | <u> </u> | <u>5,535,641</u> |
| <u>FUND BALANCES</u> | | | |
| Nonspendable | 1,045,675 | 92,451 | 6,216,723 |
| Restricted | 2,618,230 | 372,674 | 105,332,597 |
| Committed | -- | -- | 1,164,092 |
| Assigned | -- | -- | 3,349,600 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total fund balances | <u>3,663,905</u> | <u>465,125</u> | <u>116,063,012</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities and fund balances | <u>\$ 3,663,905</u> | <u>\$ 465,125</u> | <u>\$ 121,598,653</u> |

COUNTY OF MARIN

Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011

| | Road | Fire | Library | Fish and Game |
|--|---------------------|--------------------|---------------------|------------------|
| Revenues: | | | | |
| Taxes | \$ -- | \$ 4,167,675 | \$ 8,311,183 | \$ -- |
| Licenses and permits | -- | -- | -- | -- |
| Intergovernmental revenues | 5,987,711 | 28,877 | 264,106 | 5,000 |
| Charges for services | 890,279 | -- | 5,245,140 | -- |
| Fines and forfeits | -- | -- | -- | 12,187 |
| From use of money and property | 26,853 | -- | 31,873 | 81 |
| Miscellaneous | 30,751 | -- | 86,819 | -- |
| Total revenues | <u>6,935,594</u> | <u>4,196,552</u> | <u>13,939,121</u> | <u>17,268</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | -- | -- | -- | 24,293 |
| Public ways and facilities | 8,557,405 | -- | -- | -- |
| Health and sanitation | -- | -- | -- | -- |
| Public assistance | -- | -- | -- | -- |
| Education | -- | -- | 12,234,798 | -- |
| Recreation and cultural services | -- | -- | -- | -- |
| Capital outlay | 96,119 | -- | 9,516 | -- |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | -- | -- | -- | -- |
| Total expenditures | <u>8,653,524</u> | <u>--</u> | <u>12,244,314</u> | <u>24,293</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,717,930)</u> | <u>4,196,552</u> | <u>1,694,807</u> | <u>(7,025)</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 1,148,695 | -- | 160,212 | -- |
| Transfers out | <u>(121,587)</u> | <u>(4,195,918)</u> | <u>(181,007)</u> | <u>--</u> |
| Total other financing sources (uses) | <u>1,027,108</u> | <u>(4,195,918)</u> | <u>(20,795)</u> | <u>--</u> |
| Net change in fund balances | (690,822) | 634 | 1,674,012 | (7,025) |
| Fund balances, beginning of year | 7,174,035 | 28,564 | 6,124,970 | 29,301 |
| Prior period adjustments | -- | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>7,174,035</u> | <u>28,564</u> | <u>6,124,970</u> | <u>29,301</u> |
| Fund balances, end of year | <u>\$ 6,483,213</u> | <u>\$ 29,198</u> | <u>\$ 7,798,982</u> | <u>\$ 22,276</u> |

continued

COUNTY OF MARIN

Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2011

| | Child Support | Building Inspection | Environmental Health | Fishnet |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Revenues: | | | | |
| Taxes | \$ -- | \$ -- | \$ -- | \$ -- |
| Licenses and permits | -- | 2,337,450 | 2,493,106 | -- |
| Intergovernmental revenues | 3,717,289 | -- | 132,601 | 20,000 |
| Charges for services | 148,773 | 42,830 | 128,160 | -- |
| Fines and forfeits | -- | 3,660 | 63 | -- |
| From use of money and property | 1,408 | 2,739 | 3,471 | 531 |
| Miscellaneous | -- | -- | 75 | -- |
| Total revenues | <u>3,867,470</u> | <u>2,386,679</u> | <u>2,757,476</u> | <u>20,531</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | 3,799,399 | 2,282,024 | 3,151,764 | 658 |
| Public ways and facilities | -- | -- | -- | -- |
| Health and sanitation | -- | -- | -- | -- |
| Public assistance | -- | -- | -- | -- |
| Education | -- | -- | -- | -- |
| Recreation and cultural services | -- | -- | -- | -- |
| Capital outlay | -- | -- | -- | -- |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | -- | -- | -- | -- |
| Total expenditures | <u>3,799,399</u> | <u>2,282,024</u> | <u>3,151,764</u> | <u>658</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>68,071</u> | <u>104,655</u> | <u>(394,288)</u> | <u>19,873</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 20,000 | 72,734 | 5,000 |
| Transfers out | <u>(82,550)</u> | <u>(47,008)</u> | <u>(132,591)</u> | <u>--</u> |
| Total other financing sources (uses) | <u>(82,550)</u> | <u>(27,008)</u> | <u>(59,857)</u> | <u>5,000</u> |
| Net change in fund balances | (14,479) | 77,647 | (454,145) | 24,873 |
| Fund balances, beginning of year | 301,860 | 369,414 | 679,380 | 92,168 |
| Prior period adjustments | -- | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>301,860</u> | <u>369,414</u> | <u>679,380</u> | <u>92,168</u> |
| Fund balances, end of year | <u>\$ 287,381</u> | <u>\$ 447,061</u> | <u>\$ 225,235</u> | <u>\$ 117,041</u> |

continued

COUNTY OF MARIN

Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011

| | HUD Funds | High Tech Theft | Sewer Districts | CSAs |
|--|------------------|--------------------|-------------------|----------------------|
| Revenues: | | | | |
| Taxes | \$ -- | \$ -- | \$ 53,950 | \$ 3,596,765 |
| Licenses and permits | -- | -- | -- | -- |
| Intergovernmental revenues | 3,344,299 | 1,166,646 | 325 | 19,673 |
| Charges for services | -- | -- | 63,972 | 1,605,778 |
| Fines and forfeits | -- | -- | -- | -- |
| From use of money and property | -- | 926 | 2,425 | 70,962 |
| Miscellaneous | -- | -- | -- | 81,000 |
| Total revenues | <u>3,344,299</u> | <u>1,167,572</u> | <u>120,672</u> | <u>5,374,178</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | -- | 1,167,174 | -- | 2,314,550 |
| Public ways and facilities | -- | -- | -- | 66,793 |
| Health and sanitation | -- | -- | 84,511 | 42,810 |
| Public assistance | 3,316,219 | -- | -- | -- |
| Education | -- | -- | -- | -- |
| Recreation and cultural services | -- | -- | -- | 2,390,144 |
| Capital outlay | -- | -- | -- | 75,470 |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | -- | -- | -- | -- |
| Total expenditures | <u>3,316,219</u> | <u>1,167,174</u> | <u>84,511</u> | <u>4,889,767</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>28,080</u> | <u>398</u> | <u>36,161</u> | <u>484,411</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | -- | -- | 98,315 |
| Transfers out | <u>(8,158)</u> | <u>--</u> | <u>--</u> | <u>(863,315)</u> |
| Total other financing sources (uses) | <u>(8,158)</u> | <u>--</u> | <u>--</u> | <u>(765,000)</u> |
| Net change in fund balances | 19,922 | 398 | 36,161 | (280,589) |
| Fund balances, beginning of year | 21,627 | 11,862 | 460,015 | 13,349,562 |
| Prior period adjustments | -- | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>21,627</u> | <u>11,862</u> | <u>460,015</u> | <u>13,349,562</u> |
| Fund balances, end of year | <u>\$ 41,549</u> | <u>\$ 12,260</u> | <u>\$ 496,176</u> | <u>\$ 13,068,973</u> |

continued

COUNTY OF MARIN

**Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011**

| | <u>Lighting</u> | <u>PRDs</u> | <u>Social Services Realignment</u> | <u>Health Services Realignment</u> |
|--|---------------------|-------------------|--|--|
| Revenues: | | | | |
| Taxes | \$ 691,634 | \$ 49,621 | \$ -- | \$ -- |
| Licenses and permits | -- | -- | -- | -- |
| Intergovernmental revenues | 3,582 | 331 | 7,697,097 | 11,812,498 |
| Charges for services | 83,516 | 30,155 | -- | -- |
| Fines and forfeits | -- | -- | -- | -- |
| From use of money and property | 7,232 | 1,405 | -- | -- |
| Miscellaneous | -- | -- | -- | -- |
| Total revenues | <u>785,964</u> | <u>81,512</u> | <u>7,697,097</u> | <u>11,812,498</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | -- | -- | -- | -- |
| Public ways and facilities | 813,237 | 70,799 | -- | -- |
| Health and sanitation | -- | -- | -- | -- |
| Public assistance | -- | -- | -- | -- |
| Education | -- | -- | -- | -- |
| Recreation and cultural services | -- | -- | -- | -- |
| Capital outlay | -- | -- | -- | -- |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | -- | -- | -- | -- |
| Total expenditures | <u>813,237</u> | <u>70,799</u> | <u>--</u> | <u>--</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(27,273)</u> | <u>10,713</u> | <u>7,697,097</u> | <u>11,812,498</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | -- | -- | -- |
| Transfers out | -- | -- | (7,697,097) | (11,812,498) |
| Total other financing sources (uses) | <u>--</u> | <u>--</u> | <u>(7,697,097)</u> | <u>(11,812,498)</u> |
| Net change in fund balances | (27,273) | 10,713 | -- | -- |
| Fund balances, beginning of year | 1,339,859 | 280,968 | -- | -- |
| Prior period adjustments | -- | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>1,339,859</u> | <u>280,968</u> | <u>--</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 1,312,586</u> | <u>\$ 291,681</u> | <u>\$ --</u> | <u>\$ --</u> |

continued

COUNTY OF MARIN

Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2011

| | Mental Health Services Realignment | Tobacco Settlement | IHSS | Bay Area Stormwater Management |
|--|--|-----------------------|--------------------|--------------------------------------|
| Revenues: | | | | |
| Taxes | \$ -- | \$ -- | \$ -- | \$ -- |
| Licenses and permits | -- | -- | -- | -- |
| Intergovernmental revenues | 10,371,462 | 150,000 | -- | -- |
| Charges for services | -- | -- | -- | -- |
| Fines and forfeits | -- | -- | -- | -- |
| From use of money and property | -- | 212 | 2,206 | 67 |
| Miscellaneous | -- | -- | 35 | -- |
| Total revenues | <u>10,371,462</u> | <u>150,212</u> | <u>2,241</u> | <u>67</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | -- | -- | -- | -- |
| Public ways and facilities | -- | -- | -- | -- |
| Health and sanitation | -- | -- | 2,146,122 | -- |
| Public assistance | -- | -- | -- | -- |
| Education | -- | -- | -- | -- |
| Recreation and cultural services | -- | -- | -- | -- |
| Capital outlay | -- | -- | -- | -- |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | -- | -- | -- | -- |
| Total expenditures | <u>--</u> | <u>--</u> | <u>2,146,122</u> | <u>--</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>10,371,462</u> | <u>150,212</u> | <u>(2,143,881)</u> | <u>67</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | -- | 2,224,785 | -- |
| Transfers out | <u>(10,371,462)</u> | <u>(141,876)</u> | <u>--</u> | <u>--</u> |
| Total other financing sources (uses) | <u>(10,371,462)</u> | <u>(141,876)</u> | <u>2,224,785</u> | <u>--</u> |
| Net change in fund balances | -- | 8,336 | 80,904 | 67 |
| Fund balances, beginning of year | -- | 1 | 129,961 | 13,318 |
| Prior period adjustments | -- | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>--</u> | <u>1</u> | <u>129,961</u> | <u>13,318</u> |
| Fund balances, end of year | <u>\$ --</u> | <u>\$ 8,337</u> | <u>\$ 210,865</u> | <u>\$ 13,385</u> |

continued

COUNTY OF MARIN

**Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011**

| | <u>Inmate Welfare</u> | <u>Open Space District</u> | <u>Waste Management JPA</u> | <u>RDA HELP Loan</u> |
|--|---------------------------|--------------------------------|---------------------------------|--------------------------|
| Revenues: | | | | |
| Taxes | \$ -- | \$ 5,406,814 | \$ -- | \$ -- |
| Licenses and permits | -- | -- | -- | -- |
| Intergovernmental revenues | -- | 803,130 | -- | -- |
| Charges for services | 252,742 | 3,800 | -- | -- |
| Fines and forfeits | -- | -- | -- | -- |
| From use of money and property | 1,273 | 63,252 | 493 | 219,552 |
| Miscellaneous | -- | 66,167 | -- | 268,860 |
| Total revenues | <u>254,015</u> | <u>6,343,163</u> | <u>493</u> | <u>488,412</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | 154,050 | -- | -- | -- |
| Public ways and facilities | -- | -- | -- | -- |
| Health and sanitation | -- | -- | -- | -- |
| Public assistance | -- | -- | -- | 176,200 |
| Education | -- | -- | -- | -- |
| Recreation and cultural services | -- | 5,343,949 | -- | -- |
| Capital outlay | -- | -- | -- | -- |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | -- | -- | -- | -- |
| Total expenditures | <u>154,050</u> | <u>5,343,949</u> | <u>--</u> | <u>176,200</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>99,965</u> | <u>999,214</u> | <u>493</u> | <u>312,212</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 818,182 | -- | 250,000 |
| Transfers out | -- | (597,178) | (20,000) | (175,047) |
| Total other financing sources (uses) | <u>--</u> | <u>221,004</u> | <u>(20,000)</u> | <u>74,953</u> |
| Net change in fund balances | 99,965 | 1,220,218 | (19,507) | 387,165 |
| Fund balances, beginning of year | 176,776 | 6,800,133 | 108,843 | 10,261,503 |
| Prior period adjustments | -- | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>176,776</u> | <u>6,800,133</u> | <u>108,843</u> | <u>10,261,503</u> |
| Fund balances, end of year | <u>\$ 276,741</u> | <u>\$ 8,020,351</u> | <u>\$ 89,336</u> | <u>\$ 10,648,668</u> |

continued

COUNTY OF MARIN

Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011

| | <u>Flood Control Zones</u> | <u>Health and Sanitation</u> | <u>Public Protection</u> | <u>Public Ways and Facilities</u> |
|--|--------------------------------|----------------------------------|------------------------------|---------------------------------------|
| Revenues: | | | | |
| Taxes | \$ 4,315,001 | \$ -- | \$ -- | \$ -- |
| Licenses and permits | -- | -- | -- | 878,230 |
| Intergovernmental revenues | 60,461 | 15,160,454 | 920,840 | 1,434,266 |
| Charges for services | 2,466,067 | 80,945 | 249,852 | 562,752 |
| Fines and forfeits | -- | 1,253 | 540,762 | -- |
| From use of money and property | 104,553 | 954,424 | 49,016 | 54,839 |
| Miscellaneous | 5,749 | 82,083 | 36,727 | 29,033 |
| Total revenues | <u>6,951,831</u> | <u>16,279,159</u> | <u>1,797,197</u> | <u>2,959,120</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | -- | -- |
| Unallocated | -- | -- | -- | -- |
| Public protection | 4,113,776 | -- | 24,538 | 701,724 |
| Public ways and facilities | -- | -- | -- | 628,421 |
| Health and sanitation | -- | -- | -- | 41,431 |
| Public assistance | -- | -- | -- | -- |
| Education | -- | -- | -- | -- |
| Recreation and cultural services | -- | -- | -- | -- |
| Capital outlay | -- | -- | -- | 282,684 |
| Debt Service: | | | | |
| Principal | -- | -- | -- | -- |
| Interest | 14,659 | -- | -- | -- |
| Total expenditures | <u>4,128,435</u> | <u>--</u> | <u>24,538</u> | <u>1,654,260</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>2,823,396</u> | <u>16,279,159</u> | <u>1,772,659</u> | <u>1,304,860</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 149,113 | -- | 2,500 | 2,006 |
| Transfers out | -- | (9,262,624) | (946,817) | (488,588) |
| Total other financing sources (uses) | <u>149,113</u> | <u>(9,262,624)</u> | <u>(944,317)</u> | <u>(486,582)</u> |
| Net change in fund balances | 2,972,509 | 7,016,535 | 828,342 | 818,278 |
| Fund balances, beginning of year | 16,311,992 | 22,008,461 | 6,324,936 | 5,914,634 |
| Prior period adjustments | (163,000) | -- | -- | -- |
| Fund balances, beginning of year, restated | <u>16,148,992</u> | <u>22,008,461</u> | <u>6,324,936</u> | <u>5,914,634</u> |
| Fund balances, end of year | <u>\$ 19,121,501</u> | <u>\$ 29,024,996</u> | <u>\$ 7,153,278</u> | <u>\$ 6,732,912</u> |

continued

COUNTY OF MARIN

Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2011

| | Restricted Housing | Recreation and Cultural Services | Total |
|--|-----------------------|-------------------------------------|---------------------|
| Revenues: | | | |
| Taxes | \$ -- | \$ 91,000 | \$ 26,683,643 |
| Licenses and permits | -- | -- | 5,708,786 |
| Intergovernmental revenues | -- | -- | 63,100,648 |
| Charges for services | 200 | -- | 11,854,961 |
| Fines and forfeits | -- | -- | 557,925 |
| From use of money and property | 6,455 | 2,146 | 1,608,394 |
| Miscellaneous | -- | -- | 687,299 |
| Total revenues | <u>6,655</u> | <u>93,146</u> | <u>110,201,656</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | -- | -- | -- |
| Unallocated | -- | -- | -- |
| Public protection | -- | -- | 17,733,950 |
| Public ways and facilities | -- | -- | 10,136,655 |
| Health and sanitation | -- | -- | 2,314,874 |
| Public assistance | -- | -- | 3,492,419 |
| Education | -- | -- | 12,234,798 |
| Recreation and cultural services | -- | -- | 7,734,093 |
| Capital outlay | -- | -- | 463,789 |
| Debt Service: | | | |
| Principal | -- | -- | -- |
| Interest | -- | -- | 14,659 |
| Total expenditures | <u>--</u> | <u>--</u> | <u>54,125,237</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,655</u> | <u>93,146</u> | <u>56,076,419</u> |
| Other Financing Sources (Uses): | | | |
| Transfers in | -- | -- | 4,951,542 |
| Transfers out | -- | -- | (47,145,321) |
| Total other financing sources (uses) | <u>--</u> | <u>--</u> | <u>(42,193,779)</u> |
| Net change in fund balances | 6,655 | 93,146 | 13,882,640 |
| Fund balances, beginning of year | -- | 371,979 | 98,686,122 |
| Prior period adjustments | 3,657,250 | -- | 3,494,250 |
| Fund balances, beginning of year, restated | <u>3,657,250</u> | <u>371,979</u> | <u>102,180,372</u> |
| | | | -- |
| Fund balances, end of year | <u>\$ 3,663,905</u> | <u>\$ 465,125</u> | <u>116,063,012</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Road Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 10,522,636 | 7,153,090 | 5,987,711 | (1,165,379) |
| Charges for services | 264,000 | 1,078,608 | 890,279 | (188,329) |
| From use of money and property | 44,000 | 44,000 | 26,853 | (17,147) |
| Miscellaneous | 7,500 | 7,500 | 30,750 | 23,250 |
| Total revenues | <u>10,838,136</u> | <u>8,283,198</u> | <u>6,935,593</u> | <u>(1,347,605)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public Works | 13,079,460 | 10,859,581 | 8,557,405 | 2,302,176 |
| Total general government | <u>13,079,460</u> | <u>10,859,581</u> | <u>8,557,405</u> | <u>2,302,176</u> |
| Capital Outlay | 889,509 | 830,811 | 96,119 | 734,692 |
| Total expenditures | <u>13,968,969</u> | <u>11,690,392</u> | <u>8,653,524</u> | <u>3,036,868</u> |
| Deficiency of revenues under expenditures | <u>(3,130,833)</u> | <u>(3,407,194)</u> | <u>(1,717,931)</u> | <u>1,689,263</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 753,786 | 1,726,409 | 1,148,695 | (577,714) |
| Transfers out | -- | -- | (121,587) | (121,587) |
| Total other financing sources (uses) | <u>753,786</u> | <u>1,726,409</u> | <u>1,027,108</u> | <u>(699,301)</u> |
| Net change in fund balances | (2,377,047) | (1,680,785) | (690,823) | 989,962 |
| Fund balances, beginning of year | <u>7,174,036</u> | <u>7,174,036</u> | <u>7,174,036</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 4,796,989</u> | <u>\$ 5,493,251</u> | <u>\$ 6,483,213</u> | <u>\$ 989,962</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Fire Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|--------------------|--------------------|--------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 3,800,000 | \$ 4,167,041 | \$ 4,167,675 | \$ 634 |
| Intergovernmental revenues | -- | 28,877 | 28,877 | - |
| Total revenues | <u>3,800,000</u> | <u>4,195,918</u> | <u>4,196,552</u> | <u>634</u> |
| Excess of revenues over expenditures | <u>3,800,000</u> | <u>4,195,918</u> | <u>4,196,552</u> | <u>634</u> |
| Other Financing Uses: | | | | |
| Transfers out | <u>(3,800,000)</u> | <u>(4,195,918)</u> | <u>(4,195,918)</u> | <u>--</u> |
| Total other financing uses | <u>(3,800,000)</u> | <u>(4,195,918)</u> | <u>(4,195,918)</u> | <u>--</u> |
| Net change in fund balances | -- | -- | 634 | 634 |
| Fund balances, beginning of year | <u>28,564</u> | <u>28,564</u> | <u>28,564</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 28,564</u> | <u>\$ 28,564</u> | <u>\$ 29,198</u> | <u>\$ 634</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Library Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 8,501,630 | \$ 8,546,630 | \$ 8,311,183 | \$ (235,447) |
| Intergovernmental revenues | 335,247 | 338,247 | 264,106 | (74,141) |
| Charges for services | 2,759,000 | 5,102,438 | 5,245,140 | 142,702 |
| From use of money and property | 115,000 | 116,621 | 31,873 | (84,748) |
| Miscellaneous | 101,644 | 175,872 | 86,819 | (89,053) |
| Total revenues | <u>11,812,521</u> | <u>14,279,808</u> | <u>13,939,121</u> | <u>(340,687)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Marin County Free Library | <u>13,396,912</u> | <u>13,709,226</u> | <u>12,234,798</u> | <u>1,474,428</u> |
| Total education | <u>13,396,912</u> | <u>13,709,226</u> | <u>12,234,798</u> | <u>1,474,428</u> |
| Capital Outlay | 139,826 | 37,326 | 9,516 | 27,810 |
| Total expenditures | 13,536,738 | 13,746,552 | 12,244,314 | 1,502,238 |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,724,217)</u> | <u>533,256</u> | <u>1,694,807</u> | <u>1,161,551</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 1,500 | 160,212 | 158,712 |
| Transfers out | -- | -- | (181,007) | (181,007) |
| Total other financing sources (uses) | <u>--</u> | <u>1,500</u> | <u>(20,795)</u> | <u>(22,295)</u> |
| Net change in fund balances | (1,724,217) | 534,756 | 1,674,012 | 1,139,256 |
| Fund balances, beginning of year | <u>6,124,970</u> | <u>6,124,970</u> | <u>6,124,970</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 4,400,753</u> | <u>\$ 6,659,726</u> | <u>\$ 7,798,982</u> | <u>\$ 1,139,256</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Fish and Game Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|------------------|------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | -- | 5,000 | 5,000 |
| Fines and forfeits | 19,293 | 19,293 | 12,187 | (7,106) |
| From use of money and property | -- | -- | 81 | 81 |
| Miscellaneous | 5,000 | 5,000 | | (5,000) |
| Total revenues | <u>24,293</u> | <u>24,293</u> | <u>17,268</u> | <u>(7,025)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Non - Departmental | 24,293 | 24,293 | 24,293 | -- |
| Total general government | <u>24,293</u> | <u>24,293</u> | <u>24,293</u> | <u>--</u> |
| Deficiency of revenues under expenditures | -- | -- | (7,025) | (7,025) |
| Net change in fund balances | -- | -- | (7,025) | (7,025) |
| Fund balances, beginning of year | 29,301 | 29,301 | 29,301 | -- |
| Fund balances, end of year | <u>\$ 29,301</u> | <u>\$ 29,301</u> | <u>\$ 22,276</u> | <u>\$ (7,025)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Child Support Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 3,748,271 | 3,798,504 | 3,717,289 | (81,215) |
| Charges for services | 321,905 | 321,905 | 148,773 | (173,132) |
| From use of money and property | 8,000 | 4,235 | 1,407 | (2,828) |
| Miscellaneous | 236,939 | 1,250 | -- | (1,250) |
| Total revenues | <u>4,315,115</u> | <u>4,125,894</u> | <u>3,867,469</u> | <u>(258,425)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| Child Support Services | 4,315,115 | 4,067,820 | 3,799,399 | 268,421 |
| Total public protection | <u>4,315,115</u> | <u>4,067,820</u> | <u>3,799,399</u> | <u>268,421</u> |
| Excess of revenues over expenditures | <u>--</u> | <u>58,074</u> | <u>68,070</u> | <u>9,996</u> |
| Other Financing Uses: | | | | |
| Transfers out | -- | -- | (82,550) | (82,550) |
| Total other financing uses | <u>--</u> | <u>--</u> | <u>(82,550)</u> | <u>(82,550)</u> |
| Net change in fund balances | -- | 58,074 | (14,480) | (72,554) |
| Fund balances, beginning of year | <u>301,861</u> | <u>301,861</u> | <u>301,861</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 301,861</u> | <u>\$ 359,935</u> | <u>\$ 287,381</u> | <u>\$ (72,554)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Building Inspection Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Licenses and permits | 2,538,789 | 2,538,789 | 2,337,450 | (201,339) |
| Charges for services | 53,141 | 53,141 | 42,830 | (10,311) |
| Fines and forfeits | -- | -- | 3,660 | 3,660 |
| From use of money and property | -- | -- | 2,739 | 2,739 |
| Miscellaneous | 2,500 | 2,500 | -- | (2,500) |
| Total revenues | <u>2,594,430</u> | <u>2,594,430</u> | <u>2,386,679</u> | <u>(207,751)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| Community Development Agency | 2,571,764 | 2,570,047 | 2,282,026 | 288,021 |
| Total public protection | <u>2,571,764</u> | <u>2,570,047</u> | <u>2,282,026</u> | <u>288,021</u> |
| Excess of revenues over expenditures | <u>22,666</u> | <u>24,383</u> | <u>104,653</u> | <u>80,270</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 20,000 | 20,000 | -- |
| Transfers out | -- | -- | (47,000) | (47,000) |
| Total other financing sources (uses) | <u>--</u> | <u>20,000</u> | <u>(27,000)</u> | <u>(47,000)</u> |
| Net change in fund balances | 22,666 | 44,383 | 77,653 | 33,270 |
| Fund balances, beginning of year | <u>369,414</u> | <u>369,414</u> | <u>369,414</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 392,080</u> | <u>\$ 413,797</u> | <u>\$ 447,067</u> | <u>\$ 33,270</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Environmental Health Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Licenses and permits | 2,792,166 | 2,792,166 | 2,493,106 | (299,060) |
| Intergovernmental revenues | 149,000 | 89,000 | 132,601 | 43,601 |
| Charges for services | 143,514 | 137,514 | 128,160 | (9,354) |
| Fines and forfeits | -- | -- | 63 | 63 |
| From use of money and property | -- | -- | 3,471 | 3,471 |
| Miscellaneous | -- | -- | 75 | 75 |
| Total revenues | <u>3,084,680</u> | <u>3,018,680</u> | <u>2,757,476</u> | <u>(261,204)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| Community Development Agency | 3,415,594 | 3,351,652 | 3,151,764 | 199,888 |
| Total public protection | <u>3,415,594</u> | <u>3,351,652</u> | <u>3,151,764</u> | <u>199,888</u> |
| Deficiency of revenues under expenditures | <u>(330,914)</u> | <u>(332,972)</u> | <u>(394,288)</u> | <u>(61,316)</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 60,000 | 73,200 | 72,734 | (466) |
| Transfers out | <u>(60,000)</u> | <u>(66,000)</u> | <u>(132,591)</u> | <u>(66,591)</u> |
| Total other financing sources (uses) | <u>--</u> | <u>7,200</u> | <u>(59,857)</u> | <u>(67,057)</u> |
| Net change in fund balances | (330,914) | (325,772) | (454,145) | (128,373) |
| Fund balances, beginning of year | <u>679,380</u> | <u>679,380</u> | <u>679,380</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 348,466</u> | <u>\$ 353,608</u> | <u>\$ 225,235</u> | <u>\$ (128,373)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Fishnet Fund
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|------------------|------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 124,760 | 119,760 | 20,000 | (99,760) |
| From use of money and property | -- | -- | 530 | 530 |
| Total revenues | <u>124,760</u> | <u>119,760</u> | <u>20,530</u> | <u>(99,230)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| County Administrator | 182,354 | 182,353 | 658 | 181,695 |
| Total public protection | <u>182,354</u> | <u>182,353</u> | <u>658</u> | <u>181,695</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(57,594)</u> | <u>(62,593)</u> | <u>19,872</u> | <u>82,465</u> |
| Other Financing Sources: | | | | |
| Transfers in | -- | 5,000 | 5,000 | -- |
| Total other financing sources | <u>--</u> | <u>5,000</u> | <u>5,000</u> | <u>--</u> |
| Net change in fund balances | (57,594) | (57,593) | 24,872 | 82,465 |
| Fund balances, beginning of year | <u>92,169</u> | <u>92,169</u> | <u>92,169</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 34,575</u> | <u>\$ 34,576</u> | <u>\$ 117,041</u> | <u>\$ 82,465</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 HUD Funds
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|------------------|------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 3,333,528 | 3,302,113 | 3,344,299 | 42,186 |
| Total revenues | <u>3,333,528</u> | <u>3,302,113</u> | <u>3,344,299</u> | <u>42,186</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| Community Development Agency | 485,053 | (204) | -- | (204) |
| Total public protection | <u>485,053</u> | <u>(204)</u> | <u>--</u> | <u>(204)</u> |
| Public assistance | | | | |
| Marin County Redevelopment Agency | -- | 3,324,377 | 3,316,219 | 8,158 |
| Total public assistance | <u>--</u> | <u>3,324,377</u> | <u>3,316,219</u> | <u>8,158</u> |
| Capital Outlay | 2,835,475 | -- | -- | -- |
| Total expenditures | <u>3,320,528</u> | <u>3,324,173</u> | <u>3,316,219</u> | <u>7,954</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>13,000</u> | <u>(22,060)</u> | <u>28,080</u> | <u>50,140</u> |
| Other Financing Uses: | | | | |
| Transfers out | -- | -- | (8,158) | (8,158) |
| Total other financing uses | <u>--</u> | <u>--</u> | <u>(8,158)</u> | <u>(8,158)</u> |
| Net change in fund balances | 13,000 | (22,060) | 19,922 | 41,982 |
| Fund balances, beginning of year | <u>21,626</u> | <u>21,626</u> | <u>21,627</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 34,626</u> | <u>\$ (434)</u> | <u>\$ 41,549</u> | <u>\$ 41,983</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 High Tech Theft Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 3,079,748 | 3,079,748 | 1,166,646 | (1,913,102) |
| From use of money and property | -- | -- | 926 | 926 |
| Total revenues | <u>3,079,748</u> | <u>3,079,748</u> | <u>1,167,572</u> | <u>(1,912,176)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| District Attorney | 3,079,748 | 3,079,748 | 1,167,174 | 1,912,574 |
| Total public protection | <u>3,079,748</u> | <u>3,079,748</u> | <u>1,167,174</u> | <u>1,912,574</u> |
| Excess of revenues over expenditures | -- | -- | 398 | 398 |
| Net change in fund balances | -- | -- | 398 | 398 |
| Fund balances, beginning of year | <u>11,862</u> | <u>11,862</u> | <u>11,862</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 11,862</u> | <u>\$ 11,862</u> | <u>\$ 12,260</u> | <u>\$ 398</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Sewer Districts
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 50,198 | \$ 50,198 | \$ 53,950 | \$ 3,752 |
| Intergovernmental revenues | 279 | 279 | 325 | 46 |
| Charges for services | 60,773 | 60,773 | 63,972 | 3,199 |
| From use of money and property | 3,939 | 3,939 | 2,425 | (1,514) |
| Total revenues | <u>115,189</u> | <u>115,189</u> | <u>120,672</u> | <u>5,483</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Health and sanitation | | | | |
| SMD Murray Park | 127,980 | 127,980 | 60,305 | 67,675 |
| SMD San Quentin | 107,039 | 107,039 | 24,206 | 82,833 |
| Total health and sanitation | <u>235,019</u> | <u>235,019</u> | <u>84,511</u> | <u>150,507</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(119,830)</u> | <u>(119,830)</u> | <u>36,161</u> | <u>155,990</u> |
| Net change in fund balances | (119,830) | (119,830) | 36,161 | 155,990 |
| Fund balances, beginning of year | <u>460,015</u> | <u>460,015</u> | <u>460,015</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 340,185</u> | <u>\$ 340,186</u> | <u>\$ 496,176</u> | <u>\$ 155,990</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 CSA's
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 3,669,785 | \$ 3,669,785 | \$ 3,596,765 | \$ (73,020) |
| Intergovernmental revenues | 9,997 | 9,997 | 19,673 | 9,676 |
| Charges for services | 1,619,001 | 1,619,001 | 1,605,778 | (13,223) |
| From use of money and property | 127,350 | 127,350 | 70,962 | (56,388) |
| Miscellaneous | -- | -- | 81,000 | 81,000 |
| Total revenues | <u>5,426,133</u> | <u>5,426,133</u> | <u>5,374,178</u> | <u>(51,955)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| CSA #13 Marin Co. | 683,000 | 683,000 | 575,712 | 107,288 |
| CSA #17 Kentfield | 145,000 | 145,000 | 140,268 | 4,732 |
| CSA #19 Fire Pr Svcs | 1,609,360 | 1,594,066 | 1,441,277 | 152,789 |
| CSA #29 Paradise Cay | 189,906 | 148,541 | 122,733 | 25,808 |
| CSA #31 County Fire | 15,000 | 21,222 | 6,222 | 15,000 |
| CSA#6 Santa Venetia | 283,189 | 66,998 | 28,338 | 38,660 |
| Total public protection | <u>2,925,455</u> | <u>2,658,827</u> | <u>2,314,550</u> | <u>344,277</u> |
| Public ways and facilities | | | | |
| CSA #1 Loma Verde | 118,248 | 159,223 | 55,726 | 103,497 |
| CSA #9 Northbridge | 22,456 | 19,724 | 11,067 | 8,657 |
| Total public ways and facilities | <u>140,704</u> | <u>178,947</u> | <u>66,793</u> | <u>112,154</u> |
| Health and sanitation | | | | |
| CSA #27 Ross Vly Par | 35,000 | 35,000 | 31,495 | 3,505 |
| CSA #28 W Marin Para | 9,500 | 14,407 | 11,315 | 3,092 |
| Health and sanitation | <u>44,500</u> | <u>49,407</u> | <u>42,810</u> | <u>6,597</u> |
| Recreation and cultural services | | | | |
| CSA #14 Homestead Vly | 191,944 | 247,744 | 222,457 | 25,287 |
| CSA #16 Greenbrae | 270,550 | 229,260 | 216,689 | 12,571 |
| CSA #17 Kentfield | 2,035,600 | 2,002,698 | 1,927,030 | 75,668 |
| CSA #18 Gallinas Vil | 281,732 | 265,373 | 9,594 | 255,779 |
| CSA #20 Indian Vly | 77,266 | 70,266 | 84 | 70,182 |
| CSA #33 Stinson Bch | 39,665 | 38,025 | 14,290 | 23,735 |
| Total recreation and cultural svcs | <u>2,896,757</u> | <u>2,853,366</u> | <u>2,390,144</u> | <u>463,222</u> |
| Capital Outlay | 797,470 | 734,470 | 75,470 | 659,000 |
| Total expenditures | <u>6,804,886</u> | <u>6,475,017</u> | <u>4,889,767</u> | <u>1,585,250</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,378,753)</u> | <u>(1,048,884)</u> | <u>484,411</u> | <u>1,533,295</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 98,315 | 98,315 | -- |
| Transfers out | (804,000) | (891,186) | (863,315) | 27,871 |
| Total other financing uses, net | <u>(804,000)</u> | <u>(792,871)</u> | <u>(765,000)</u> | <u>27,871</u> |
| Net change in fund balances | (2,182,753) | (1,841,755) | (280,589) | 1,561,166 |
| Fund balances, beginning of year | <u>13,349,562</u> | <u>13,349,562</u> | <u>13,349,562</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 11,166,809</u> | <u>\$ 11,507,807</u> | <u>\$ 13,068,973</u> | <u>\$ 1,561,166</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Lighting
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 598,500 | \$ 598,500 | \$ 691,634 | \$ 93,134 |
| Intergovernmental revenues | 3,100 | 3,100 | 3,582 | 482 |
| Charges for services | 83,512 | 83,512 | 83,516 | 4 |
| From use of money and property | 11,000 | 11,000 | 7,232 | (3,768) |
| Total revenues | <u>696,112</u> | <u>696,112</u> | <u>785,964</u> | <u>89,852</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public ways and facilities | | | | |
| Marin Co. Lighting | 708,067 | 833,207 | 722,390 | 110,817 |
| Rush Creek Lighting | 120,538 | 105,404 | 90,847 | 14,557 |
| Total public ways and facilities | <u>828,605</u> | <u>938,611</u> | <u>813,237</u> | <u>125,374</u> |
| Capital Outlay | 20,000 | 20,000 | -- | 20,000 |
| Total expenditures | <u>848,605</u> | <u>958,611</u> | <u>813,237</u> | <u>145,374</u> |
| Deficiency of revenues under expenditures | <u>(152,493)</u> | <u>(262,499)</u> | <u>(27,273)</u> | <u>235,226</u> |
| Net change in fund balances | (152,493) | (262,499) | (27,273) | 235,226 |
| Fund balances, beginning of year | <u>1,339,859</u> | <u>1,339,859</u> | <u>1,339,859</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 1,187,366</u> | <u>\$ 1,077,360</u> | <u>\$ 1,312,586</u> | <u>\$ 235,226</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
PRD's
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 47,676 | \$ 47,676 | \$ 49,621 | \$ 1,945 |
| Intergovernmental revenues | 204 | 204 | 331 | 127 |
| Charges for services | 36,249 | 36,249 | 30,155 | (6,094) |
| From use of money and property | 2,313 | 2,313 | 1,405 | (908) |
| Total revenues | <u>86,442</u> | <u>86,442</u> | <u>81,512</u> | <u>(4,930)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public ways and facilities | | | | |
| PRD Bolinas Highland | 16,150 | 16,150 | 698 | 15,452 |
| PRD Inverness Div #2 | 20,050 | 20,050 | 1,004 | 19,046 |
| PRD Monte Cristo | 35,070 | 35,070 | -- | 35,070 |
| PRD Mt. View Ave. Lagunitas | 7,040 | 7,040 | -- | 7,040 |
| PRD Paradise Estates | 77,105 | 77,105 | 69,097 | 8,008 |
| Total public ways and facilities | <u>155,415</u> | <u>155,415</u> | <u>70,799</u> | <u>84,616</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(68,973)</u> | <u>(68,973)</u> | <u>10,713</u> | <u>79,686</u> |
| Net change in fund balances | (68,973) | (68,973) | 10,713 | 79,686 |
| Fund balances, beginning of year | <u>280,968</u> | <u>280,968</u> | <u>280,968</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 211,995</u> | <u>\$ 211,995</u> | <u>\$ 291,681</u> | <u>\$ 79,686</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Social Services Realignment Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|--------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | 7,418,909 | 7,697,097 | 278,188 |
| Total revenues | -- | 7,418,909 | 7,697,097 | 278,188 |
| Excess of revenues over expenditures | -- | 7,418,909 | 7,697,097 | 278,188 |
| Other Financing Uses: | | | | |
| Transfers out | | (7,718,909) | (7,697,097) | 21,812 |
| Total other financing uses | -- | (7,718,909) | (7,697,097) | 21,812 |
| Net change in fund balances | -- | (300,000) | -- | 300,000 |
| Fund balances, beginning of year | -- | -- | -- | -- |
| Fund balances, end of year | \$ -- | \$ (300,000) | \$ -- | \$ 300,000 |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Health Services Realignment Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|--------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | 14,674,864 | 11,812,498 | (2,862,366) |
| Total revenues | -- | 14,674,864 | 11,812,498 | (2,862,366) |
| Expenditures: | | | | |
| Current: | | | | |
| Excess of revenues over expenditures | -- | 14,674,864 | 11,812,498 | (2,862,366) |
| Other Financing Uses: | | | | |
| Transfers out | -- | (14,674,864) | (11,812,498) | 2,862,366 |
| Total other financing uses | -- | (14,674,864) | (11,812,498) | 2,862,366 |
| Net change in fund balances | -- | -- | -- | -- |
| Fund balances, beginning of year | -- | -- | -- | -- |
| Fund balances, end of year | \$ -- | \$ -- | \$ -- | \$ -- |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Mental Health Services Realignment Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|--------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | | | | \$ -- |
| Intergovernmental revenues | | 10,700,203 | 10,371,462 | (328,741) |
| Total revenues | -- | 10,700,203 | 10,371,462 | (328,741) |
| Excess of revenues over expenditures | -- | 10,700,203 | 10,371,462 | (328,741) |
| Other Financing Uses: | | | | |
| Transfers out | | (10,700,203) | (10,371,462) | 328,741 |
| Total other financing uses | -- | (10,700,203) | (10,371,462) | 328,741 |
| Net change in fund balances | -- | -- | -- | -- |
| Fund balances, beginning of year | -- | -- | -- | -- |
| Fund balances, end of year | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Tobacco Settlement Fund
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|-------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | 547,224 | 150,000 | (397,224) |
| From use of money and property | -- | -- | 212 | 212 |
| Total revenues | -- | 547,224 | 150,212 | (397,012) |
| Excess of revenues over expenditures | -- | 547,224 | 150,212 | (397,012) |
| Other Financing Uses: | | | | |
| Transfers out | -- | (547,224) | (141,876) | 405,348 |
| Total other financing uses | -- | (547,224) | (141,876) | 405,348 |
| Net change in fund balances | -- | -- | 8,336 | 8,336 |
| Fund balances, beginning of year | 1 | 1 | 1 | -- |
| Fund balances, end of year | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 8,337</u> | <u>\$ 8,336</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 IHSS Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 2,224,785 | -- | -- | -- |
| From use of money and property | 3,000 | 3,000 | 2,205 | (795) |
| Miscellaneous | -- | -- | 35 | 35 |
| Total revenues | <u>2,227,785</u> | <u>3,000</u> | <u>2,240</u> | <u>(760)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Health and sanitation | | | | |
| IHSS Public Authority | <u>2,227,785</u> | <u>2,227,785</u> | <u>2,146,122</u> | <u>81,663</u> |
| Total health and sanitation | <u>2,227,785</u> | <u>2,227,785</u> | <u>2,146,122</u> | <u>81,663</u> |
| Deficiency of revenues under expenditures | -- | (2,224,785) | (2,143,882) | 80,903 |
| Other Financing Sources: | | | | |
| Transfers in | -- | 2,224,785 | 2,224,785 | -- |
| Total other financing sources | <u>--</u> | <u>2,224,785</u> | <u>2,224,785</u> | <u>--</u> |
| Net change in fund balances | -- | -- | 80,903 | 80,903 |
| Fund balances, beginning of year | <u>129,962</u> | <u>129,962</u> | <u>129,962</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 129,962</u> | <u>\$ 129,962</u> | <u>\$ 210,865</u> | <u>\$ 80,903</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Bay Area Stormwater Management Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|------------------|----------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| From use of money and property | -- | -- | 67 | 67 |
| Total revenues | -- | -- | 67 | 67 |
| Excess of revenues over expenditures | -- | -- | 67 | 67 |
| Other Financing Uses: | | | | |
| Transfers out | -- | (13,375) | -- | 13,375 |
| Total other financing uses | -- | (13,375) | -- | 13,375 |
| Net change in fund balances | -- | (13,375) | 67 | 13,442 |
| Fund balances, beginning of year | 13,318 | 13,318 | 13,318 | -- |
| Fund balances, end of year | <u>\$ 13,318</u> | <u>\$ (57)</u> | <u>\$ 13,385</u> | <u>\$ 13,442</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Inmate Welfare
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|------------------|------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Charges for services | | 203,115 | 252,742 | 49,627 |
| From use of money and property | | | 1,273 | 1,273 |
| Total revenues | -- | 203,115 | 254,015 | 50,900 |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| Sheriff | 154,052 | 154,050 | 154,050 | -- |
| Total public protection | 154,052 | 154,050 | 154,050 | -- |
| Excess (deficiency) of revenues over (under) expenditures | (154,052) | 49,065 | 99,965 | 50,900 |
| Net change in fund balances | (154,052) | 49,065 | 99,965 | 50,900 |
| Fund balances, beginning of year | 176,776 | 176,776 | 176,776 | -- |
| Fund balances, end of year | \$ 22,724 | \$ 225,841 | \$ 276,741 | \$ 50,900 |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Open Space District
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 5,509,151 | \$ 5,509,151 | \$ 5,406,814 | \$ (102,337) |
| Intergovernmental revenues | 387,786 | 387,786 | 803,130 | 415,344 |
| Charges for services | 20,000 | 28,004 | 3,800 | (24,204) |
| From use of money and property | 175,204 | 175,204 | 63,252 | (111,952) |
| Miscellaneous | 2,000 | 2,000 | 66,167 | 64,167 |
| Total revenues | <u>6,094,141</u> | <u>6,102,145</u> | <u>6,343,163</u> | <u>241,018</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Recreation and cultural services | | | | |
| Open Space | <u>6,500,427</u> | <u>6,486,206</u> | <u>5,343,949</u> | <u>1,142,257</u> |
| Total recreation and cultural svcs | <u>6,500,427</u> | <u>6,486,206</u> | <u>5,343,949</u> | <u>1,142,257</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(406,286)</u> | <u>(384,061)</u> | <u>999,214</u> | <u>1,383,275</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 768,182 | 818,182 | 50,000 |
| Transfers out | -- | <u>(518,182)</u> | <u>(597,178)</u> | <u>(78,996)</u> |
| Total other financing sources, net | <u>--</u> | <u>250,000</u> | <u>221,004</u> | <u>(28,996)</u> |
| Net change in fund balances | (406,286) | (134,061) | 1,220,218 | 1,354,279 |
| Fund balances, beginning of year | <u>6,800,133</u> | <u>6,800,133</u> | <u>6,800,133</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 6,393,847</u> | <u>\$ 6,666,072</u> | <u>\$ 8,020,351</u> | <u>\$ 1,354,279</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Waste Management JPA
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|-------------------|------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| From use of money and property | -- | -- | 493 | 493 |
| Total revenues | -- | -- | 493 | 493 |
| Excess of revenues over expenditures | -- | -- | 493 | 493 |
| Other Financing Uses: | | | | |
| Transfers out | -- | (20,000) | (20,000) | -- |
| Total other financing uses | -- | (20,000) | (20,000) | -- |
| Net change in fund balances | -- | (20,000) | (19,507) | 493 |
| Fund balances, beginning of year | 108,843 | 108,843 | 108,843 | -- |
| Fund balances, end of year | <u>\$ 108,843</u> | <u>\$ 88,843</u> | <u>\$ 89,336</u> | <u>\$ 493</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 RDA Low-Income Housing Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| From use of money and property | -- | -- | 219,552 | 219,552 |
| Miscellaneous | 45,047 | 111,247 | 268,860 | 157,613 |
| Total revenues | <u>45,047</u> | <u>111,247</u> | <u>488,412</u> | <u>377,165</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| Community Development Agency | 123,266 | 270,000 | 176,200 | 93,800 |
| Total public protection | <u>123,266</u> | <u>270,000</u> | <u>176,200</u> | <u>93,800</u> |
| Debt Service: | | | | |
| Principal | -- | 66,200 | -- | 66,200 |
| Total expenditures | <u>123,266</u> | <u>336,200</u> | <u>176,200</u> | <u>160,000</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(78,219)</u> | <u>(224,953)</u> | <u>312,212</u> | <u>537,165</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 250,000 | 250,000 | 250,000 | -- |
| Transfers out | (175,047) | (175,047) | (175,047) | -- |
| Total other financing sources, net | <u>74,953</u> | <u>74,953</u> | <u>74,953</u> | <u>--</u> |
| Net change in fund balances | (3,266) | (150,000) | 387,165 | 537,165 |
| Fund balances, beginning of year | <u>10,261,503</u> | <u>10,261,503</u> | <u>10,261,503</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 10,258,237</u> | <u>\$ 10,111,503</u> | <u>\$ 10,648,668</u> | <u>\$ 537,165</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule Flood Control Zones For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 4,246,940 | \$ 4,246,940 | \$ 4,315,001 | \$ 68,061 |
| Intergovernmental revenues | 39,200 | 39,200 | 60,461 | 21,261 |
| Charges for services | 300,100 | 300,100 | 2,466,067 | 2,165,967 |
| From use of money and property | 194,100 | 194,100 | 104,553 | (89,547) |
| Miscellaneous | 3,000 | 3,000 | 5,749 | 2,749 |
| Total revenues | <u>4,783,340</u> | <u>4,783,340</u> | <u>6,951,831</u> | <u>2,168,491</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public protection | | | | |
| FCZ #1 Novato | 1,735,116 | 1,608,592 | 997,426 | 611,166 |
| FCZ #10 Inverness | 13,226 | 7,726 | 1,825 | 5,901 |
| FCZ #3 Richardson By | 1,424,809 | 1,574,617 | 930,198 | 644,419 |
| FCZ #4 and FCZ#4A | 679,113 | 817,957 | 384,949 | 433,008 |
| FCZ #5 Stinson Beach | 54,596 | 78,396 | 28,302 | 50,094 |
| FCZ #6 S R Meadows | 21,460 | 19,260 | 6,614 | 12,646 |
| FCZ #7 Santa Venetia | 585,489 | 856,271 | 776,932 | 79,339 |
| FCZ#9 and FCZ #9A | 937,170 | 1,194,386 | 987,530 | 206,856 |
| Total public protection | <u>5,450,979</u> | <u>6,157,205</u> | <u>4,113,776</u> | <u>2,043,429</u> |
| Capital Outlay | 18,000 | 18,000 | -- | 18,000 |
| Debt Service: | | | | |
| Principal | 686,667 | 686,667 | -- | 686,667 |
| Interest | 86,917 | 86,917 | 14,659 | 72,258 |
| Total debt service | <u>773,584</u> | <u>773,584</u> | <u>14,659</u> | <u>758,925</u> |
| Total expenditures | <u>6,242,563</u> | <u>6,948,789</u> | <u>4,128,435</u> | <u>2,820,354</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,459,223)</u> | <u>(2,165,449)</u> | <u>2,823,396</u> | <u>4,988,845</u> |
| Other Financing Sources (Uses): | | | | |
| Loan Proceeds | 1,864,993 | 1,864,993 | -- | (1,864,993) |
| Transfers in | -- | 149,113 | 149,113 | -- |
| Transfers out | (6,600,000) | (6,600,000) | -- | 6,600,000 |
| Total other financing sources (uses) | <u>(4,735,007)</u> | <u>(4,585,894)</u> | <u>149,113</u> | <u>4,735,007</u> |
| Net change in fund balances | <u>(6,194,230)</u> | <u>(6,751,343)</u> | <u>2,972,509</u> | <u>9,723,852</u> |
| Fund balances, beginning of year | 16,311,992 | 16,311,992 | 16,311,992 | -- |
| Prior period adjustment | (163,000) | (163,000) | (163,000) | -- |
| Fund balances, beginning of year, restated | <u>16,148,992</u> | <u>16,148,992</u> | <u>16,148,992</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 9,954,762</u> | <u>\$ 9,397,649</u> | <u>\$ 19,121,501</u> | <u>\$ 9,723,852</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Health and Sanitation
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | 14,618,740 | 15,160,454 | 541,714 |
| Charges for services | -- | 78,400 | 80,945 | 2,545 |
| Fines and forfeits | -- | -- | 1,253 | 1,253 |
| From use of money and property | -- | -- | 954,424 | 954,424 |
| Miscellaneous | -- | -- | 82,083 | 82,083 |
| Total revenues | -- | 14,697,140 | 16,279,159 | 1,582,019 |
| Excess of revenues over expenditures | -- | 14,697,140 | 16,279,159 | 1,582,019 |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 260,334 | -- | (260,334) |
| Transfers out | -- | (14,763,815) | (9,262,624) | 5,501,191 |
| Total other financing uses, net | -- | (14,503,481) | (9,262,624) | 5,240,857 |
| Net change in fund balances | -- | 193,659 | 7,016,535 | 6,822,876 |
| Fund balances, beginning of year | 22,008,461 | 22,008,461 | 22,008,461 | -- |
| Fund balances, end of year | <u>\$ 22,008,461</u> | <u>\$ 22,202,120</u> | <u>\$ 29,024,996</u> | <u>\$ 6,822,876</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule Public Protection For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | 240,165 | 920,840 | 680,675 |
| Charges for services | -- | 329,890 | 249,852 | (80,038) |
| Fines and forfeits | 540,000 | 540,000 | 540,762 | 762 |
| From use of money and property | -- | -- | 49,016 | 49,016 |
| Miscellaneous | -- | -- | 36,727 | 36,727 |
| Total revenues | <u>540,000</u> | <u>1,110,055</u> | <u>1,797,197</u> | <u>687,142</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Non - Departmental | -- | 17,500 | -- | 17,500 |
| Total general government | <u>--</u> | <u>17,500</u> | <u>--</u> | <u>17,500</u> |
| Public protection | | | | |
| District Attorney | -- | 28,203 | 10,081 | 18,122 |
| Sheriff | 16,440 | -- | 14,457 | (14,457) |
| Total public protection | <u>16,440</u> | <u>28,203</u> | <u>24,538</u> | <u>3,665</u> |
| Total expenditures | <u>16,440</u> | <u>45,703</u> | <u>24,538</u> | <u>21,165</u> |
| Excess of revenues over expenditures | <u>523,560</u> | <u>1,064,352</u> | <u>1,772,659</u> | <u>708,307</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 5,000 | 2,500 | (2,500) |
| Transfers out | (540,000) | (955,636) | (946,817) | 8,819 |
| Total other financing uses, net | <u>(540,000)</u> | <u>(950,636)</u> | <u>(944,317)</u> | <u>6,319</u> |
| Net change in fund balances | (16,440) | 113,716 | 828,342 | 714,626 |
| Fund balances, beginning of year | <u>6,324,936</u> | <u>6,324,936</u> | <u>6,324,936</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 6,308,496</u> | <u>\$ 6,438,652</u> | <u>\$ 7,153,278</u> | <u>\$ 714,626</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule Public Ways and Facilities For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Licenses and permits | -- | 767,859 | 878,230 | 110,371 |
| Intergovernmental revenues | 2,088,197 | 1,502,409 | 1,434,266 | (68,143) |
| Charges for services | 480,382 | 581,639 | 562,752 | (18,887) |
| From use of money and property | 5,000 | 41,983 | 54,839 | 12,856 |
| Miscellaneous | 18,000 | 18,000 | 29,033 | 11,033 |
| Total revenues | <u>2,591,579</u> | <u>2,911,890</u> | <u>2,959,120</u> | <u>47,230</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Public Works | 2,649 | 12,858 | -- | 12,858 |
| Total general government | <u>2,649</u> | <u>12,858</u> | <u>--</u> | <u>12,858</u> |
| Public protection | | | | |
| Community Development Agency | 57,041 | 48,010 | 35,081 | 12,929 |
| Entities Managed by DPW | 757,434 | 804,561 | 663,874 | 140,687 |
| Public Works | 8,672 | 2,769 | 2,769 | -- |
| Total public protection | <u>823,147</u> | <u>855,340</u> | <u>701,724</u> | <u>153,616</u> |
| Public ways and facilities | | | | |
| Marin County Transit | -- | 1,295 | -- | 1,295 |
| Public Works | 1,966,590 | 975,602 | 628,421 | 347,181 |
| Total public ways and facilities | <u>1,966,590</u> | <u>976,897</u> | <u>628,421</u> | <u>348,476</u> |
| Health and sanitation | | | | |
| Public Works | 46,324 | 41,431 | 41,431 | -- |
| Total health and sanitation | <u>46,324</u> | <u>41,431</u> | <u>41,431</u> | <u>--</u> |
| Capital Outlay | | | | |
| | -- | -- | 282,684 | (282,684) |
| Total expenditures | <u>2,838,710</u> | <u>1,886,526</u> | <u>1,654,260</u> | <u>232,266</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(247,131)</u> | <u>1,025,364</u> | <u>1,304,860</u> | <u>279,496</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | -- | 13,375 | 2,006 | (11,369) |
| Transfers out | -- | (1,182,410) | (488,588) | 693,822 |
| Total other financing uses, net | <u>--</u> | <u>(1,169,035)</u> | <u>(486,582)</u> | <u>682,453</u> |
| Net change in fund balances | (247,131) | (143,671) | 818,278 | 961,949 |
| Fund balances, beginning of year | <u>5,914,634</u> | <u>5,914,634</u> | <u>5,914,634</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 5,667,503</u> | <u>\$ 5,770,963</u> | <u>\$ 6,732,912</u> | <u>\$ 961,949</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Restricted Low-Income Housing
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Charges for services | -- | -- | 200 | 200 |
| From use of money and property | -- | -- | 6,455 | 6,455 |
| Total revenues | -- | -- | 6,655 | 6,655 |
| Excess of revenues over expenditures | -- | -- | 6,655 | 6,655 |
| Other Financing Sources: | | | | |
| Transfers in | -- | 3,657,250 | -- | (3,657,250) |
| Total other financing sources | -- | 3,657,250 | -- | (3,657,250) |
| Net change in fund balances | -- | 3,657,250 | 6,655 | (3,650,595) |
| Fund balances, beginning of year | -- | -- | -- | -- |
| Prior period adjustment | 3,657,250 | 3,657,250 | 3,657,250 | -- |
| Fund balances, beginning of year, restated | 3,657,250 | 3,657,250 | 3,657,250 | -- |
| Fund balances, end of year | <u>\$ 3,657,250</u> | <u>\$ 7,314,500</u> | <u>\$ 3,663,905</u> | <u>\$ (3,650,595)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Recreational and Cultural Services
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|--------------------------|--------------------------|--------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ -- | \$ -- | \$ 91,000 | \$ 91,000 |
| From use of money and property | -- | -- | 2,146 | 2,146 |
| Total revenues | <u>--</u> | <u>--</u> | <u>93,146</u> | <u>93,146</u> |
| Excess of revenues over expenditures | <u>--</u> | <u>--</u> | <u>93,146</u> | <u>93,146</u> |
| Net change in fund balances | -- | -- | 93,146 | 93,146 |
| Fund balances, beginning of year | <u>371,979</u> | <u>371,979</u> | <u>371,979</u> | <u>--</u> |
| Fund balances, end of year | <u><u>\$ 371,979</u></u> | <u><u>\$ 371,979</u></u> | <u><u>\$ 465,125</u></u> | <u><u>\$ 93,146</u></u> |

CAPITAL PROJECTS FUNDS

This page intentionally left blank

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition of major capital assets other than those financed by proprietary funds.

Marin County Redevelopment Agency (MCRDA)

This fund is used primarily to finance or reimburse the financing of various Marin County Redevelopment Agency improvements including the renovation, acquisition and construction of capital projects.

Courthouse Construction

This fund provides for the appropriation of Court Construction Funds, restricted by law to be used for the development or enhancement of Court facilities.

Other Capital Projects

This fund is used primarily to finance or reimburse the financing of various County improvements including the renovation, acquisition and construction of capital projects.

This page intentionally left blank

COUNTY OF MARIN

Balance Sheet
 Nonmajor Capital Project Funds
 June 30, 2011

| | <u>MCRDA</u> | <u>Courthouse Construction</u> | <u>Other Capital Projects</u> | <u>Total</u> |
|---------------------------------------|-------------------|------------------------------------|---------------------------------------|----------------------|
| ASSETS | | | | |
| Cash and investments in County pool | \$ 692,659 | \$ 809,738 | \$ 10,875,144 | \$ 12,377,541 |
| Notes receivable | 110,000 | -- | -- | 110,000 |
| Due from other governmental agencies | -- | -- | 382,201 | 382,201 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 802,659</u> | <u>\$ 809,738</u> | <u>\$ 11,257,345</u> | <u>\$ 12,869,742</u> |
| LIABILITIES | | | | |
| Accounts payable and accrued expenses | \$ 16,698 | \$ -- | \$ 81,500 | \$ 98,198 |
| Due to other funds | -- | -- | 386,395 | 386,395 |
| Accrued salaries and benefits | 253 | -- | -- | 253 |
| Total liabilities | <u>16,951</u> | <u>--</u> | <u>467,895</u> | <u>484,846</u> |
| FUND BALANCES | | | | |
| Nonspendable | 110,000 | -- | -- | 110,000 |
| Restricted | -- | 809,738 | -- | 809,738 |
| Assigned | 675,708 | -- | 10,789,450 | 11,465,158 |
| Total fund balances | <u>785,708</u> | <u>809,738</u> | <u>10,789,450</u> | <u>12,384,896</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities and fund balances | <u>\$ 802,659</u> | <u>\$ 809,738</u> | <u>\$ 11,257,345</u> | <u>\$ 12,869,742</u> |

COUNTY OF MARIN

Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Project Funds
For the Fiscal Year Ended June 30, 2011

| | <u>MCRDA</u> | <u>Courthouse Construction</u> | <u>Other Capital Projects</u> | <u>Total</u> |
|--|-------------------|------------------------------------|---------------------------------------|----------------------|
| Revenues: | | | | |
| Intergovernmental revenues | \$ -- | \$ 535,045 | \$ 2,595,343 | \$ 3,130,388 |
| Fines and forfeits | -- | 451,548 | -- | 451,548 |
| From use of money and property | 11,344 | 3,022 | 19,569 | 33,935 |
| Other revenue | 64,363 | -- | 33,740 | 98,103 |
| Total revenues | <u>75,707</u> | <u>989,615</u> | <u>2,648,652</u> | <u>3,713,974</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | 47,946 | 47,946 |
| Public ways and facilities | -- | -- | 2,349,802 | 2,349,802 |
| Public assistance | 474,411 | -- | -- | 474,411 |
| Total expenditures | <u>474,411</u> | <u>--</u> | <u>2,397,748</u> | <u>2,872,159</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(398,704)</u> | <u>989,615</u> | <u>250,904</u> | <u>841,815</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 480,534 | -- | 8,000,000 | 8,480,534 |
| Transfers out | (66,335) | (398,681) | -- | (465,016) |
| Total other financing sources (uses) | <u>414,199</u> | <u>(398,681)</u> | <u>8,000,000</u> | <u>8,015,518</u> |
| Net change in fund balances | 15,495 | 590,934 | 8,250,904 | 8,857,333 |
| Fund balances, beginning of year | <u>770,213</u> | <u>218,804</u> | <u>2,538,546</u> | <u>3,527,563</u> |
| Fund balances, end of year | <u>\$ 785,708</u> | <u>\$ 809,738</u> | <u>\$ 10,789,450</u> | <u>\$ 12,384,896</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Miscellaneous Capital Project Fund
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | \$ -- | \$ -- | \$ 5,056 | \$ 5,056 |
| Charges for services | -- | 79,163 | 79,253 | 90 |
| From use of money and property | -- | -- | 44,824 | 44,824 |
| Miscellaneous | -- | -- | 60 | 60 |
| Total revenues | <u>--</u> | <u>79,163</u> | <u>129,193</u> | <u>50,030</u> |
| Expenditures: | | | | |
| Current: | | | | |
| County Administrator | 97,285 | -- | 94,371 | (94,371) |
| Public Works | 16,834,510 | 3,024,645 | 3,023,466 | 1,179 |
| Total general government | <u>16,931,795</u> | <u>3,024,645</u> | <u>3,117,837</u> | <u>(93,192)</u> |
| Public protection | | | | |
| Public Works | 692,638 | 307,614 | 307,614 | -- |
| Total public protection | <u>692,638</u> | <u>307,614</u> | <u>307,614</u> | <u>--</u> |
| Public ways and facilities | | | | |
| Public Works | 1,274,339 | 800,009 | 799,638 | 371 |
| Total public ways and facilities | <u>1,274,339</u> | <u>800,009</u> | <u>799,638</u> | <u>371</u> |
| Recreation and cultural services | | | | |
| Parks | 1,296,637 | 62,376 | 62,375 | 1 |
| Public Works | 930,150 | 154,340 | 154,340 | -- |
| Total recreation and cultural svcs | <u>2,226,787</u> | <u>216,716</u> | <u>216,715</u> | <u>1</u> |
| Capital Outlay | 3,376,873 | 2,441,588 | 2,524,367 | (82,779) |
| Total expenditures | <u>24,502,432</u> | <u>6,790,572</u> | <u>6,966,171</u> | <u>(175,599)</u> |
| Deficiency of revenues under expenditures | <u>(24,502,432)</u> | <u>(6,711,409)</u> | <u>(6,836,978)</u> | <u>(125,569)</u> |
| Other Financing Sources (Uses): | | | | |
| Issuance of debt | 2,090,894 | 465,318 | 465,318 | -- |
| Transfers in | 4,000,000 | 47,867,097 | 47,935,723 | 68,626 |
| Transfers out | -- | (473,464) | (498,041) | (24,577) |
| Total other financing sources, net | <u>6,090,894</u> | <u>47,858,951</u> | <u>47,903,000</u> | <u>44,049</u> |
| Net change in fund balances | (18,411,538) | 41,147,542 | 41,066,022 | (81,520) |
| Fund balances, beginning of year | <u>17,899,863</u> | <u>17,899,863</u> | <u>17,899,863</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ (511,675)</u> | <u>\$ 59,047,405</u> | <u>\$ 58,965,885</u> | <u>\$ (81,520)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
MCRDA
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| From use of money and property | 9,000 | 9,000 | 11,344 | 2,344 |
| Miscellaneous | -- | -- | 64,363 | 64,363 |
| Total revenues | <u>9,000</u> | <u>9,000</u> | <u>75,707</u> | <u>66,707</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public assistance | | | | |
| Marin County Redevelopment Agency | 722,004 | 707,468 | 474,411 | 233,057 |
| Deficiency of revenues under expenditures | <u>(713,004)</u> | <u>(698,468)</u> | <u>(398,704)</u> | <u>299,764</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 672,736 | 672,736 | 480,534 | (192,202) |
| Transfers out | <u>(234,307)</u> | <u>(234,307)</u> | <u>(66,335)</u> | <u>167,972</u> |
| Total other financing sources, net | <u>438,429</u> | <u>438,429</u> | <u>414,199</u> | <u>(24,230)</u> |
| Net change in fund balances | (274,575) | (260,039) | 15,495 | 275,534 |
| Fund balances, beginning of year | <u>770,213</u> | <u>770,213</u> | <u>770,213</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 495,638</u> | <u>\$ 510,174</u> | <u>\$ 785,708</u> | <u>\$ 275,534</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Courthouse Construction
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------------|--------------------------|--------------------------|--------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | -- | 75 | 535,045 | 534,970 |
| Fines and forfeits | 450,000 | 450,000 | 451,548 | 1,548 |
| From use of money and property | -- | -- | 3,022 | 3,022 |
| Total revenues | <u>450,000</u> | <u>450,075</u> | <u>989,615</u> | <u>539,540</u> |
| Excess of revenues over expenditures | <u>450,000</u> | <u>450,075</u> | <u>989,615</u> | <u>539,540</u> |
| Other Financing Uses: | | | | |
| Transfers out | <u>(450,000)</u> | <u>(398,684)</u> | <u>(398,681)</u> | <u>3</u> |
| Total other financing uses | <u>(450,000)</u> | <u>(398,684)</u> | <u>(398,681)</u> | <u>3</u> |
| Net change in fund balances | -- | 51,391 | 590,934 | 539,543 |
| Fund balances, beginning of year | <u>218,804</u> | <u>218,804</u> | <u>218,804</u> | <u>--</u> |
| Fund balances, end of year | <u><u>\$ 218,804</u></u> | <u><u>\$ 270,195</u></u> | <u><u>\$ 809,738</u></u> | <u><u>\$ 539,543</u></u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
 Other Capital Projects
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|-----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental revenues | 2,898,375 | 2,113,109 | 2,595,343 | 482,234 |
| From use of money and property | -- | -- | 19,570 | 19,570 |
| Miscellaneous | -- | -- | 33,740 | 33,740 |
| Total revenues | <u>2,898,375</u> | <u>2,113,109</u> | <u>2,648,653</u> | <u>535,544</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Community Development Agency | 105,790 | 47,946 | 47,946 | -- |
| Total general government | <u>105,790</u> | <u>47,946</u> | <u>47,946</u> | <u>--</u> |
| Public ways and facilities | | | | |
| Public Works | 8,699,216 | 2,349,802 | 2,349,802 | -- |
| Total public ways and facilities | <u>8,699,216</u> | <u>2,349,802</u> | <u>2,349,802</u> | <u>--</u> |
| Total expenditures | <u>8,805,006</u> | <u>2,397,748</u> | <u>2,397,748</u> | <u>--</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(5,906,631)</u> | <u>(284,639)</u> | <u>250,905</u> | <u>535,544</u> |
| Other Financing Sources: | | | | |
| Transfers in | -- | 8,000,000 | 8,000,000 | -- |
| Total other financing sources | <u>--</u> | <u>8,000,000</u> | <u>8,000,000</u> | <u>--</u> |
| Net change in fund balances | (5,906,631) | 7,715,361 | 8,250,905 | 535,544 |
| Fund balances, beginning of year | <u>2,538,545</u> | <u>2,538,545</u> | <u>2,538,545</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ (3,368,086)</u> | <u>\$ 10,253,906</u> | <u>\$ 10,789,450</u> | <u>\$ 535,544</u> |

DEBT SERVICE FUNDS

This page intentionally left blank

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

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

Marin County Redevelopment Agency (MCRDA) Refunding Revenue Bonds

The MCRDA Refunding Revenue Bonds debt service fund is used to account for the accumulation of resources for the payment of the 1998 Refunding Revenue Bonds debt principal, interest and related costs.

Pension Obligation Bonds (POB)

The Pension Obligation Bond fund is used to accumulate resources for the payment of the Taxable Pension Obligation Bonds of 2003 debt principal, interest and related costs. The bonds were sold primarily to provide funds to refinance the County's actuarial accrued liability with respect to retirement benefits for County employees and retirees.

Debt Service

The Debt Service fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs not accounted for in another debt service fund.

Tobacco Securitization

The Tobacco Securitization debt service fund is used to account for the County's portion of receipts from the Tobacco Industry from the sale of tobacco products and the payment of Tobacco Settlement Asset-Backed Bonds of 2007 debt principal, interest and related costs.

This page intentionally left blank

COUNTY OF MARIN

**Balance Sheet
Nonmajor Debt Service Funds
June 30, 2011**

| | <u>MCRDA Rfdg. Rev. Bonds</u> | <u>2003 POB</u> | <u>Debt Service</u> | <u>Tobacco Securitization</u> | <u>Total</u> |
|-------------------------------------|-----------------------------------|---------------------|-------------------------|-----------------------------------|----------------------|
| ASSETS | | | | | |
| Cash and investments in County pool | \$ 922,796 | \$ 5,780,982 | \$ 97,661 | \$ 5 | 6,801,444 |
| Cash with fiscal agent | 64,296 | -- | 4,007,042 | 3,767,960 | 7,839,298 |
| Taxes receivable | <u>28,020</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>28,020</u> |
| Total assets | <u>\$ 1,015,112</u> | <u>\$ 5,780,982</u> | <u>\$ 4,104,703</u> | <u>\$ 3,767,965</u> | <u>\$ 14,668,762</u> |
| LIABILITIES | | | | | |
| Advances payable | \$ -- | \$ -- | \$ 45,400 | \$ -- | \$ 45,400 |
| Total liabilities | <u>--</u> | <u>--</u> | <u>45,400</u> | <u>--</u> | <u>45,400</u> |
| FUND BALANCES | | | | | |
| Restricted | 1,015,112 | -- | 3,947,331 | 3,767,965 | 8,730,408 |
| Assigned | <u>--</u> | <u>5,780,982</u> | <u>111,972</u> | <u>--</u> | <u>5,892,954</u> |
| Total fund balances | <u>1,015,112</u> | <u>5,780,982</u> | <u>4,059,303</u> | <u>3,767,965</u> | <u>14,623,362</u> |
| Total liabilities and fund balances | <u>\$ 1,015,112</u> | <u>\$ 5,780,982</u> | <u>\$ 4,104,703</u> | <u>\$ 3,767,965</u> | <u>14,668,762</u> |

COUNTY OF MARIN

Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Debt Service Funds For the Fiscal Year Ended June 30, 2011

| | MCRDA Rfdg. Rev. Bonds | 2003 POB | Debt Service | Tobacco Securitization | Total |
|--|---------------------------|---------------------|---------------------|---------------------------|----------------------|
| Revenues: | | | | | |
| Taxes | \$ 1,487,602 | \$ -- | \$ -- | \$ -- | \$ 1,487,602 |
| Intergovernmental revenues | 10,625 | -- | -- | -- | 10,625 |
| Charges for services | -- | -- | 57,014 | -- | 57,014 |
| Fines and forfeits | -- | -- | -- | -- | -- |
| From use of money and property | 5,371 | 20,950 | 4,741 | 127,282 | 158,344 |
| Miscellaneous | -- | 41,590 | -- | 2,199,785 | 2,241,375 |
| Total revenues | <u>1,503,598</u> | <u>62,540</u> | <u>61,755</u> | <u>2,327,067</u> | <u>3,954,960</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | -- | 100,586 | 14,680 | 21,067 | 136,333 |
| Public protection | -- | -- | 7,727 | -- | 7,727 |
| Public assistance | 275,503 | -- | -- | -- | 275,503 |
| Debt Service: | | | | | |
| Principal | 340,000 | 845,000 | 3,619,955 | 410,000 | 5,214,955 |
| Interest | 573,135 | 5,892,659 | 2,148,557 | 1,932,699 | 10,547,050 |
| Bond issuance costs | -- | -- | 1,061,920 | -- | 1,061,920 |
| Total expenditures | <u>1,188,638</u> | <u>6,838,245</u> | <u>6,852,839</u> | <u>2,363,766</u> | <u>17,243,488</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>314,960</u> | <u>(6,775,705)</u> | <u>(6,791,084)</u> | <u>(36,699)</u> | <u>(13,288,528)</u> |
| Other Financing Sources (Uses): | | | | | |
| Refunding to escrow agent | -- | -- | (17,465,000) | -- | (17,465,000) |
| Premium on debt issued | -- | -- | 1,880,120 | -- | 1,880,120 |
| Debt issuance | -- | -- | 61,540,000 | -- | 61,540,000 |
| Transfers in | -- | 6,455,366 | 23,235,626 | -- | 29,690,992 |
| Transfers out | (415,199) | -- | (59,472,789) | -- | (59,887,988) |
| Total other financing sources (uses) | <u>(415,199)</u> | <u>6,455,366</u> | <u>9,717,957</u> | <u>--</u> | <u>15,758,124</u> |
| Net change in fund balances | <u>(100,239)</u> | <u>(320,339)</u> | <u>2,926,873</u> | <u>(36,699)</u> | <u>2,469,596</u> |
| Fund balances, beginning of year | 1,181,455 | 6,101,321 | 1,132,430 | 3,804,664 | 12,219,870 |
| Prior period adjustments | (66,104) | -- | -- | -- | (66,104) |
| Fund balances, beginning of year - restated | <u>1,115,351</u> | <u>6,101,321</u> | <u>1,132,430</u> | <u>3,804,664</u> | <u>12,153,766</u> |
| Fund balances, end of year | <u>\$ 1,015,112</u> | <u>\$ 5,780,982</u> | <u>\$ 4,059,303</u> | <u>\$ 3,767,965</u> | <u>\$ 14,623,362</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
MCRDA Refunding Revenue Bonds
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | 1,838,500 | 1,838,500 | \$ 1,487,602 | \$ (350,898) |
| Intergovernmental revenues | 7,000 | 7,000 | 10,625 | 3,625 |
| From use of money and property | 5,000 | 5,000 | 5,371 | 371 |
| Total revenues | <u>1,850,500</u> | <u>1,850,500</u> | <u>1,503,598</u> | <u>(346,902)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public assistance | | | | |
| Marin County Redevelopment Agency | 145,201 | 286,117 | 275,503 | 10,614 |
| Total public assistance | <u>145,201</u> | <u>286,117</u> | <u>275,503</u> | <u>10,614</u> |
| Debt Service: | | | | |
| Principal | 210,000 | 210,000 | 340,000 | (130,000) |
| Interest | 725,788 | 725,788 | 573,135 | 152,653 |
| Total debt service expenditures | <u>935,788</u> | <u>935,788</u> | <u>913,135</u> | <u>22,653</u> |
| Total expenditures | <u>1,080,989</u> | <u>1,221,905</u> | <u>1,188,638</u> | <u>33,267</u> |
| Excess of revenues over expenditures | <u>769,511</u> | <u>628,595</u> | <u>314,960</u> | <u>(380,169)</u> |
| Other Financing Uses: | | | | |
| Transfers out | (672,736) | (531,820) | (415,199) | 116,621 |
| Total other financing uses | <u>(672,736)</u> | <u>(531,820)</u> | <u>(415,199)</u> | <u>116,621</u> |
| Net change in fund balances | <u>96,775</u> | <u>96,775</u> | <u>(100,239)</u> | <u>(263,548)</u> |
| Fund balances, beginning of year | 1,181,455 | 1,181,455 | 1,181,455 | -- |
| Prior Year Adjustment | (66,104) | (66,104) | (66,104) | -- |
| Fund balances, beginning of year, restated | <u>1,115,351</u> | <u>1,115,351</u> | <u>1,115,351</u> | <u>--</u> |
| Fund balances, end of year | <u>\$ 1,212,126</u> | <u>\$ 1,212,126</u> | <u>\$ 1,015,112</u> | <u>\$ (197,014)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
2003 POB
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| From use of money and property | -- | -- | 20,949 | 20,949 |
| Miscellaneous | 6,740,000 | 6,740,000 | 41,588 | (6,698,412) |
| Total revenues | <u>6,740,000</u> | <u>6,740,000</u> | <u>62,537</u> | <u>(6,677,463)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Non - Departmental | 5,565 | 5,565 | 100,586 | (95,021) |
| Total general government | <u>5,565</u> | <u>5,565</u> | <u>100,586</u> | <u>(95,021)</u> |
| Debt Service: | | | | |
| Principal | 845,000 | 845,000 | 845,000 | -- |
| Interest | 5,889,435 | 5,889,435 | 5,892,659 | (3,224) |
| Total debt service expenditures | <u>6,734,435</u> | <u>6,734,435</u> | <u>6,737,659</u> | <u>(3,224)</u> |
| Total expenditures | <u>6,740,000</u> | <u>6,740,000</u> | <u>6,838,245</u> | <u>(98,245)</u> |
| Deficiency of revenues under expenditures | -- | -- | (6,775,708) | (6,775,708) |
| Other Financing Sources: | | | | |
| Transfers in | -- | -- | 6,455,368 | 6,455,368 |
| Total other financing sources | <u>--</u> | <u>--</u> | <u>6,455,368</u> | <u>6,455,368</u> |
| Net change in fund balances | -- | -- | (320,340) | (320,340) |
| Fund balances, beginning of year | 6,101,322 | 6,101,322 | 6,101,322 | -- |
| Fund balances, end of year | <u>\$ 6,101,322</u> | <u>\$ 6,101,322</u> | <u>\$ 5,780,982</u> | <u>\$ (320,340)</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Other Debt Service
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Charges for services | 50,200 | 58,200 | 57,014 | (1,186) |
| From use of money and property | -- | -- | 4,741 | 4,741 |
| Total revenues | <u>50,200</u> | <u>58,200</u> | <u>61,755</u> | <u>3,555</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Non - Departmental | 21,904 | 1,550,750 | 14,680 | 1,536,070 |
| Total general government | <u>21,904</u> | <u>1,550,750</u> | <u>14,680</u> | <u>1,536,070</u> |
| Public protection | | | | |
| Community Development Agency | 3,000 | 11,000 | 7,727 | 3,273 |
| Total public protection | <u>3,000</u> | <u>11,000</u> | <u>7,727</u> | <u>3,273</u> |
| Debt Service: | | | | |
| Principal | 3,408,000 | 3,408,000 | 3,619,955 | (211,955) |
| Interest | 1,486,296 | 1,747,106 | 2,148,557 | (401,451) |
| Cost of issuance | -- | -- | 1,061,920 | (1,061,920) |
| Total debt service expenditures | <u>4,894,296</u> | <u>5,155,106</u> | <u>6,830,432</u> | <u>(1,675,326)</u> |
| Total expenditures | <u>4,919,200</u> | <u>6,716,856</u> | <u>6,852,839</u> | <u>(135,983)</u> |
| Deficiency of revenues under expenditures | <u>(4,869,000)</u> | <u>(6,658,656)</u> | <u>(6,791,084)</u> | <u>139,538</u> |
| Other Financing Sources (Uses): | | | | |
| Refunding to escrow agent | -- | (17,676,980) | (17,465,000) | 211,980 |
| Premium on debt issued | -- | 1,880,120 | 1,880,120 | -- |
| Debt issuance | -- | 61,540,000 | 61,540,000 | -- |
| Transfers in | 4,869,000 | 23,252,638 | 23,235,626 | (17,012) |
| Transfers out | -- | (59,472,789) | (59,472,789) | (0) |
| Total other financing sources, net | <u>4,869,000</u> | <u>9,522,989</u> | <u>9,717,957</u> | <u>194,968</u> |
| Net change in fund balances | -- | 2,864,333 | 2,926,873 | 334,506 |
| Fund balances, beginning of year | <u>1,132,430</u> | <u>1,132,430</u> | <u>1,132,430</u> | |
| Fund balances, end of year | <u>\$ 1,132,430</u> | <u>\$ 3,996,763</u> | <u>\$ 4,059,303</u> | <u>\$ 62,540</u> |

COUNTY OF MARIN

Budgetary Comparison Schedule
Tobacco Securitization
For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|------------------|--------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| From use of money and property | -- | -- | 127,282 | 127,282 |
| Miscellaneous | -- | 2,663,000 | 2,199,785 | (463,215) |
| Total revenues | -- | 2,663,000 | 2,327,067 | (335,933) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Non - Departmental | -- | 38,000 | 21,067 | 16,933 |
| Total general government | -- | 38,000 | 21,067 | 16,933 |
| Debt Service: | | | | |
| Principal | -- | 700,000 | 410,000 | 290,000 |
| Interest | -- | 1,925,000 | 1,932,699 | (7,699) |
| Total debt service expenditures | -- | 5,250,000 | 4,685,398 | 564,602 |
| Total expenditures | -- | 2,663,000 | 2,363,766 | 299,234 |
| Deficiency of revenues under expenditures | -- | -- | (36,699) | (36,699) |
| Net change in fund balances | -- | -- | (36,699) | (36,699) |
| Fund balances, beginning of year | 3,804,664 | 3,804,664 | 3,804,664 | -- |
| Fund balances, end of year | \$ 3,804,664 | \$ 3,804,664 | \$ 3,767,965 | \$ (36,699) |

NONMAJOR ENTERPRISE FUNDS

This page intentionally left blank

NONMAJOR ENTERPRISE FUNDS

ENTERPRISE FUNDS

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

County Fair

The County Fair fund is used to account for both revenues and expenses generated by the annual Marin County Fair.

Marin Center Box Office

The Marin Center Box Office fund is used to collect ticket sales for entertainment events and also to pay for the entertainers and operations of the Marin Center.

Marin Center Promotions

The Marin Center Promotions fund is used to collect advertising/promotional revenue collected for the various events held at the Marin Center as well as paying to advertise those same events in the community.

Gross Airport

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

Marin.Org

Marin.Org was initially created from the use of grant funds to inform Marin County citizens and visitors of government services provided in the County as well as a community calendar of events. Once the grant funding was used, the County established Marin.Org as an enterprise fund and began charging a membership fee for both government and business members for their participation in the community calendar of events.

Transit

The Transit District Fund accounts for activities related to the provision of transit services within the County.

This page intentionally left blank

COUNTY OF MARIN

**Combining Statement of Fund Net Assets
Nonmajor Enterprise Funds
June 30, 2011**

| | <u>County Fair</u> | <u>Marin Ctr. Box Office</u> | <u>Gross Airport</u> | <u>Marin Org</u> | <u>Marin Transit District</u> | <u>Total</u> |
|---|---------------------|----------------------------------|--------------------------|----------------------|---------------------------------------|----------------------|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and investments in County pool | \$ 258,817 | \$ 1,394,172 | \$ 280,052 | \$ 438,556 | \$ 2,520,976 | \$ 4,892,573 |
| Prepaid items and other assets | 955,510 | -- | -- | -- | 301,000 | 1,256,510 |
| Accounts receivable | 206,501 | -- | -- | -- | -- | 206,501 |
| Due from other governments | -- | -- | 28,871 | -- | 5,404,340 | 5,433,211 |
| Total current assets | <u>1,420,828</u> | <u>1,394,172</u> | <u>308,923</u> | <u>438,556</u> | <u>8,226,316</u> | <u>11,788,795</u> |
| Noncurrent Assets: | | | | | | |
| Capital assets: | | | | | | |
| Nondepreciable | 1,777,659 | -- | 3,372,125 | -- | 196,851 | 5,346,635 |
| Depreciable, net | 1,032,426 | -- | 2,208,134 | 367,959 | 2,052,515 | 5,661,034 |
| Total noncurrent assets | <u>2,810,085</u> | <u>--</u> | <u>5,580,259</u> | <u>367,959</u> | <u>2,249,366</u> | <u>11,007,669</u> |
| Total assets | <u>\$ 4,230,913</u> | <u>\$ 1,394,172</u> | <u>\$ 5,889,182</u> | <u>\$ 806,515</u> | <u>\$ 10,475,682</u> | <u>\$ 22,796,464</u> |
| LIABILITIES | | | | | | |
| Current Liabilities: | | | | | | |
| Vouchers and accounts payable | \$ 158,932 | \$ 10,546 | \$ 2,025 | \$ -- | \$ 529,942 | \$ 701,445 |
| Interest payable | -- | -- | -- | 7,212 | -- | 7,212 |
| Accrued salaries and benefits | -- | -- | 2,643 | -- | 6,956 | 9,599 |
| Other liabilities | 2,490 | -- | -- | -- | -- | 2,490 |
| Due to other funds | 532,705 | -- | -- | -- | -- | 532,705 |
| Deferred revenues | 377,965 | -- | -- | -- | 290,224 | 668,189 |
| Capital leases | -- | -- | -- | 98,889 | -- | 98,889 |
| Compensated absences | -- | -- | 7,266 | -- | -- | 7,266 |
| Total current liabilities | <u>1,072,092</u> | <u>10,546</u> | <u>11,934</u> | <u>106,101</u> | <u>827,122</u> | <u>2,027,795</u> |
| Long-Term Liabilities: | | | | | | |
| Capital leases | -- | -- | -- | 102,664 | -- | 102,664 |
| Compensated absences | -- | -- | 1,790 | -- | 23,539 | 25,329 |
| Total noncurrent liabilities | <u>--</u> | <u>--</u> | <u>1,790</u> | <u>102,664</u> | <u>23,539</u> | <u>127,993</u> |
| Total liabilities | <u>1,072,092</u> | <u>10,546</u> | <u>13,724</u> | <u>208,765</u> | <u>850,661</u> | <u>2,155,788</u> |
| NET ASSETS | | | | | | |
| Invested in capital assets, net of related debt | 2,810,085 | -- | 5,308,061 | 166,406 | 2,249,366 | 10,533,918 |
| Unrestricted | 348,736 | 1,383,626 | 567,397 | 431,344 | 7,375,655 | 10,106,758 |
| Total net assets | <u>3,158,821</u> | <u>1,383,626</u> | <u>5,875,458</u> | <u>597,750</u> | <u>9,625,021</u> | <u>20,640,676</u> |
| Total liabilities and net assets | <u>\$ 4,230,913</u> | <u>\$ 1,394,172</u> | <u>\$ 5,889,182</u> | <u>\$ 806,515</u> | <u>\$ 10,475,682</u> | <u>\$ 22,796,464</u> |

COUNTY OF MARIN

Statement of Revenues, Expenses and Changes in Fund Net Assets Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2011

| | County Fair | Marin Ctr. Box Office | Gross Airport | Marin Org | Transit | Total |
|--|---------------------|--------------------------|---------------------|-------------------|---------------------|----------------------|
| Operating Revenues: | | | | | | |
| Charges for services | \$ 1,777,522 | \$ 3,874,610 | \$ 683,705 | \$ 1,180,902 | \$ 5,854,777 | \$ 13,371,516 |
| Other revenue | 260,902 | -- | 32,653 | -- | 45,637 | 339,192 |
| Total operating revenues | <u>2,038,424</u> | <u>3,874,610</u> | <u>716,358</u> | <u>1,180,902</u> | <u>5,900,414</u> | <u>13,710,708</u> |
| Operating Expenses: | | | | | | |
| Salaries and employee benefits | 375,454 | -- | 154,522 | -- | 1,013,098 | 1,543,074 |
| Services and supplies | 1,710,406 | 3,786,573 | 655,487 | 964,828 | 22,772,358 | 29,889,652 |
| Depreciation | 73,745 | -- | 102,942 | 77,187 | 511,522 | 765,396 |
| Total operating expenses | <u>2,159,605</u> | <u>3,786,573</u> | <u>912,951</u> | <u>1,042,015</u> | <u>24,296,978</u> | <u>32,198,122</u> |
| Operating Income (Loss) | <u>(121,181)</u> | <u>88,037</u> | <u>(196,593)</u> | <u>138,887</u> | <u>(18,396,564)</u> | <u>(18,487,414)</u> |
| Non-Operating Revenues (Expenses): | | | | | | |
| Property tax revenue | | -- | | | 3,141,177 | 3,141,177 |
| Interest expense | | -- | | (7,212) | | (7,212) |
| Intergovernmental revenue | 66,981 | -- | 117,250 | -- | 14,289,169 | 14,473,400 |
| Investment income - unrestricted | 2,404 | 5,379 | 1,492 | 1,602 | 23,629 | 34,506 |
| Total non-operating revenues (expenses) | <u>69,385</u> | <u>5,379</u> | <u>118,742</u> | <u>(5,610)</u> | <u>17,453,975</u> | <u>17,641,871</u> |
| Income (Loss) Before Capital Contributions and Transfers: | <u>(51,796)</u> | <u>93,416</u> | <u>(77,851)</u> | <u>133,277</u> | <u>(942,589)</u> | <u>(845,543)</u> |
| Capital contributions | | -- | | | 240,260 | 240,260 |
| Transfers out | -- | -- | (71,935) | -- | (14,526) | (86,461) |
| Change in net assets | <u>(51,796)</u> | <u>93,416</u> | <u>(149,786)</u> | <u>133,277</u> | <u>(716,855)</u> | <u>(691,744)</u> |
| Net assets, beginning of year | 3,210,617 | 1,290,210 | 6,025,244 | -- | 10,341,876 | 20,867,947 |
| Prior period adjustments | -- | -- | -- | 464,473 | -- | 464,473 |
| Net assets, beginning of year - restated | <u>3,210,617</u> | <u>1,290,210</u> | <u>6,025,244</u> | <u>464,473</u> | <u>10,341,876</u> | <u>21,332,420</u> |
| Net assets, end of year | <u>\$ 3,158,821</u> | <u>\$ 1,383,626</u> | <u>\$ 5,875,458</u> | <u>\$ 597,750</u> | <u>\$ 9,625,021</u> | <u>\$ 20,640,676</u> |

COUNTY OF MARIN

Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2011

| | County Fair | Marin Ctr. Box Office | Gross Airport |
|--|--------------|--------------------------|------------------|
| Cash Flows from Operating Activities | | | |
| Cash receipts from customers | \$ 1,974,109 | \$ 3,874,610 | \$ 716,358 |
| Cash paid to suppliers for goods and services | (1,743,577) | (3,786,573) | (655,083) |
| Cash paid to employees for salaries and benefits | (375,454) | -- | (166,892) |
| | | | |
| Net cash provided (used) by operating activities | (144,922) | 88,037 | (105,617) |
| Cash Flows from Noncapital Financing Activities | | | |
| Property tax revenues | -- | -- | -- |
| Intergovernmental revenues | 66,981 | -- | 88,379 |
| Deposits with others | -- | -- | 92,225 |
| Loan proceeds | 107,705 | -- | -- |
| Transfers out | -- | -- | (71,935) |
| | | | |
| Net cash provided (used) by noncapital financing activities | 174,686 | -- | 108,669 |
| Cash Flows from Capital and Related Financing Activities | | | |
| Capital contributions | -- | -- | -- |
| Debt issued | -- | -- | -- |
| Payments related to the acquisition of capital assets | -- | -- | -- |
| | | | |
| Net cash provided (used) by capital and related financing activities | -- | -- | -- |
| Cash Flows from Investing Activity | | | |
| Interest and investments earnings received | 2,404 | 5,379 | 1,492 |
| | | | |
| Net increase (decrease) in cash and cash equivalents | 32,168 | 93,416 | 4,544 |
| Cash and cash equivalents, beginning of year | 226,649 | 1,300,756 | 275,508 |
| Cash and cash equivalents, end of year | \$ 258,817 | \$ 1,394,172 | \$ 280,052 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Operating income (loss) | \$ (121,181) | \$ 88,037 | \$ (196,593) |
| Depreciation | 73,745 | -- | 102,942 |
| Changes in assets and liabilities: | | | |
| (Increase) decrease in: | | | |
| Accounts receivable | (206,501) | -- | -- |
| Prepaid items and other assets | (171,401) | -- | -- |
| Increase (decrease) in: | | | |
| Accounts payable | 135,740 | -- | 404 |
| Salaries payable | -- | -- | 956 |
| Deferred revenue | 142,186 | -- | -- |
| Other liabilities | 2,490 | -- | -- |
| Liability for compensated absences | -- | -- | (13,326) |
| | | | |
| Net Cash Provided (Used) by Operating Activities | \$ (144,922) | \$ 88,037 | \$ (105,617) |

continued

COUNTY OF MARIN

Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2011

| | Marin Org | Transit District | Total |
|--|--------------|---------------------|-----------------|
| Cash Flows from Operating Activities | | | |
| Cash receipts from customers | \$ 1,256,483 | \$ 950,177 | \$ 8,771,737 |
| Cash paid to suppliers for goods and services | (967,759) | (15,679,238) | (22,832,230) |
| Cash paid to employees for salaries and benefits | -- | (984,894) | (1,527,240) |
| | 288,724 | (15,713,955) | (15,587,733) |
| Cash Flows from Noncapital Financing Activities | | | |
| Property tax revenues | -- | 3,139,967 | 3,139,967 |
| Intergovernmental revenues | -- | 10,637,003 | 10,792,363 |
| Deposits with others | -- | | 92,225 |
| Loan proceeds | -- | | 107,705 |
| Transfers out | -- | (14,526) | (86,461) |
| | -- | 13,762,444 | 14,045,799 |
| Cash Flows from Capital and Related Financing Activities | | | |
| Capital contributions | -- | 240,260 | 240,260 |
| Debt issued | 201,553 | -- | 201,553 |
| Payments related to the acquisition of capital assets | (414,450) | (1,190,608) | (1,605,058) |
| | (212,897) | (950,348) | (1,163,245) |
| Cash Flows from Investing Activity | | | |
| Interest and investments earnings received | 1,602 | 23,629 | 34,506 |
| Net increase (decrease) in cash and cash equivalents | 77,429 | (2,878,230) | (2,670,673) |
| Cash and cash equivalents, beginning of year | 361,127 | 5,399,206 | 7,563,246 |
| Cash and cash equivalents, end of year | \$ 438,556 | \$ 2,520,976 | \$ 4,892,573 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Operating income (loss) | \$ 138,887 | \$ (18,396,564) | \$ (18,487,414) |
| Depreciation | 77,187 | 511,522 | 765,396 |
| Changes in assets and liabilities: | | | |
| (Increase) decrease in: | | | |
| Accounts receivable | 75,581 | (4,950,237) | (5,081,157) |
| Prepaid items and other assets | -- | | (171,401) |
| Increase (decrease) in: | | | -- |
| Accounts payable | -- | 7,121,324 | 7,257,468 |
| Salaries payable | (2,931) | -- | (1,975) |
| Deferred revenue | -- | -- | 142,186 |
| Other liabilities | -- | -- | 2,490 |
| Liability for compensated absences | -- | -- | (13,326) |
| | \$ 288,724 | \$ (15,713,955) | \$ (15,587,733) |
| Net Cash Provided (Used) by Operating Activities | \$ 288,724 | \$ (15,713,955) | \$ (15,587,733) |

FIDUCIARY FUNDS

This page intentionally left blank

FIDUCIARY FUNDS

INVESTMENT TRUST FUNDS

These funds are used by the County to account for the assets of legally separate entities who deposit cash with the County Treasurer. These include school and community college districts, other special districts governed by local boards, regional boards and authorities, courts and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

School Districts

The school districts are legally separate primary governmental units. The financial reporting for these governmental entities, which are independent of the County of Marin, is limited to the total amount of cash and investments and the related fiduciary responsibilities of the County for disbursement of these assets. Activities of the school districts are administered by boards which are separately elected and which are independent of the County Board of Supervisors and have been excluded from the County's basic financial statements.

Special Districts

The special districts are legally separate primary governmental units. The financial reporting for these governmental entities, which are independent of the County of Marin, is limited to the total amount of cash and investments and the related fiduciary responsibilities of the County for disbursement of these assets. Activities of the local board governed districts are administered by boards which are separately elected and which are independent of the County Board of Supervisors and have been excluded from the County's basic financial statements.

AGENCY FUNDS

Agency funds account for assets held by the County as an agent for various local governments and individuals.

This page intentionally left blank

COUNTY OF MARIN

Combining Statement of Fiduciary Net Assets
Investment Trust Funds
June 30, 2011

| | <u>Special Districts</u> | <u>School Districts</u> | <u>Total</u> |
|--|--------------------------|-------------------------|-----------------------|
| ASSETS | | | |
| Cash and investments | \$ 130,049,923 | \$ 335,427,394 | \$ 465,477,317 |
| Total assets | <u>130,049,923</u> | <u>335,427,394</u> | <u>465,477,317</u> |
| | | | |
| NET ASSETS | | | |
| Net assets held in trust for investment pool participants | 130,049,923 | 335,427,394 | 465,477,317 |
| Total net assets | <u>\$ 130,049,923</u> | <u>\$ 335,427,394</u> | <u>\$ 465,477,317</u> |

COUNTY OF MARIN

Statement of Changes in Fiduciary Net Assets
Investment Trust Funds
For the Year Ended June 30, 2011

| | Special Districts | School Districts | Total |
|--|-------------------|------------------|------------------|
| Additions: | | | |
| Contributions to investment pool | \$ 905,344,198 | \$ 1,104,601,902 | \$ 2,009,946,100 |
| Interest | 610,166 | 1,604,597 | 2,214,763 |
| Total additions | 905,954,364 | 1,106,206,499 | 2,012,160,863 |
| Deductions: | | | |
| Distributions from investment pool | 902,326,477 | 1,089,533,359 | 1,991,859,836 |
| Total deductions | 902,326,477 | 1,089,533,359 | 1,991,859,836 |
| Change in net assets | 3,627,887 | 16,673,140 | 20,301,027 |
| Net assets, beginning of the year | 126,422,036 | 318,754,254 | 445,176,290 |
| Net assets, ending of the year | \$ 130,049,923 | \$ 335,427,394 | \$ 465,477,317 |

COUNTY OF MARIN

Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2011

| | Balance July 1, 2010 | Additions | Deductions | Balance June 30, 2011 |
|------------------------------------|-------------------------|---------------------------|-------------------------|--------------------------|
| MCRDA Marin City Mello-Roos | | | | |
| Assets | | | | |
| Cash | \$ 14,989 | \$ 76 | \$ - | \$ 15,065 |
| Cash with fiscal agent | 1,179,923 | | (64,363) | 1,115,560 |
| Total assets | <u>1,194,912</u> | <u>76</u> | <u>(64,363)</u> | <u>1,130,625</u> |
| Agency funds held for others | <u>1,194,912</u> | <u>221</u> | <u>(64,508)</u> | <u>1,130,625</u> |
| Total Liabilities | <u>1,194,912</u> | <u>221</u> | <u>(64,508)</u> | <u>1,130,625</u> |
| County Agency Funds | | | | |
| Assets | | | | |
| Cash | 28,082,707 | 5,784,995,604 | (5,777,717,987) | 35,360,323 |
| Cash with fiscal agent | - | 1,195,302 | | 1,195,302 |
| Taxes receivable | 30,197,738 | 764,591,117 | (768,295,788) | 26,493,067 |
| Due from other govts | 805,575 | | (805,575) | - |
| Notes receivables | 1,000,000 | | (1,000,000) | - |
| Other Receivables | 1,550 | | (1,550) | - |
| Total assets | <u>60,087,570</u> | <u>6,550,782,023</u> | <u>(6,547,820,900)</u> | <u>63,048,693</u> |
| Agency funds held for others | <u>60,087,570</u> | <u>6,550,782,023</u> | <u>(6,547,820,900)</u> | <u>63,048,693</u> |
| Total Liabilities | <u>60,087,570</u> | <u>(6,547,820,900)</u> | <u>6,550,782,023</u> | <u>63,048,693</u> |
| Agency Funds combined | | | | |
| Assets | | | | |
| Cash | 28,097,696 | 5,784,995,679 | (5,777,717,987) | 35,375,388 |
| Cash with fiscal agent | 1,179,923 | 1,195,302 | (64,363) | 2,310,862 |
| Taxes receivable | 30,197,738 | 764,591,117 | (768,295,788) | 26,493,067 |
| Due from other govts | 805,575 | - | (805,575) | - |
| Notes receivables | 1,000,000 | - | (1,000,000) | - |
| Other Receivables | 1,550 | - | (1,550) | - |
| Total assets | <u>61,282,482</u> | <u>6,550,782,099</u> | <u>(6,547,885,263)</u> | <u>64,179,317</u> |
| Agency funds held for others | <u>61,282,482</u> | <u>6,550,782,099</u> | <u>(6,547,885,263)</u> | <u>64,179,316</u> |
| Total Liabilities | <u>\$ 61,282,482</u> | <u>\$ (6,547,885,263)</u> | <u>\$ 6,550,782,099</u> | <u>\$ 64,179,316</u> |

This page intentionally left blank

STATISTICAL SECTION

This page intentionally left blank

Statistical Section

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

CONTENTS

| <u>Financial Trends</u> | Pages |
|---|---------|
| This segment contains trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 155-159 |
| <u>Revenue Capacity</u> | |
| This segment contains information to help the reader assess the County's most significant local revenue source, the property tax. | 160-163 |
| <u>Debt Capacity</u> | |
| This segment contains information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future. | 164-166 |
| <u>Economic and Demographic Information</u> | |
| This segment contains demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 167-168 |
| <u>Operating information</u> | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial reports relates to the services the County provides and the activities it performs. | 169-171 |

Sources: Unless otherwise noted, the information in these schedules is derived from the Basic Financial Statements or Comprehensive Annual Financial Reports for the relevant year.

COUNTY OF MARIN, CALIFORNIA

**Government-wide Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

| | Fiscal Year | | | | | | | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt ¹ | \$ 1,375,392,147 | \$ 1,380,299,286 | \$ 1,369,858,192 | \$ 1,361,328,015 | \$ 1,353,606,333 | \$ 1,366,596,633 | \$ 1,339,735,080 | \$ 1,340,606,232 | \$ 1,323,738,129 | \$ 1,311,853,403 |
| Restricted | 5,476,664 | 30,969,087 | 82,349,488 | 105,940,775 | 95,461,868 | 106,455,016 | 90,025,545 | 96,059,870 | 104,933,566 | 173,980,351 |
| Unrestricted | 131,032,654 | 20,816,083 | -71,068,415 | -45,913,888 | 102,481,396 | 106,421,484 | 120,604,017 | 77,080,634 | 78,853,651 | 11,266,738 |
| Total governmental activities net assets | \$ 1,511,901,465 | \$ 1,432,084,456 | \$ 1,381,139,265 | \$ 1,421,354,902 | \$ 1,551,549,597 | \$ 1,579,473,133 | \$ 1,550,364,642 | \$ 1,513,746,736 | \$ 1,507,525,346 | \$ 1,497,100,492 |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 3,564,275 | \$ 6,624,716 | \$ 6,482,593 | \$ 6,479,735 | \$ 7,945,295 | \$ 26,603,775 | \$ 26,484,886 | \$ 27,414,256 | \$ 28,492,170 | \$ 28,317,111 |
| Restricted | | | | | | 5,504,054 | 8,346,472 | 9,883,350 | 8,565,480 | 9,403,055 |
| Unrestricted | 480,803 | 702,339 | 888,772 | 1,133,630 | 1,298,644 | 8,661,640 | 12,108,240 | 14,933,495 | 12,796,903 | 13,712,010 |
| Total business-type activities net assets | \$ 4,045,078 | \$ 7,327,055 | \$ 7,371,365 | \$ 7,613,365 | \$ 9,243,939 | \$ 40,769,469 | \$ 46,939,598 | \$ 52,231,101 | \$ 49,854,553 | \$ 51,432,176 |
| Primary government | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 1,378,956,422 | \$ 1,386,924,002 | \$ 1,376,340,785 | \$ 1,367,807,750 | \$ 1,361,551,628 | \$ 1,393,200,408 | \$ 1,366,219,966 | \$ 1,368,020,488 | \$ 1,352,230,299 | \$ 1,340,170,514 |
| Restricted | 5,476,664 | 30,969,087 | 82,349,488 | 105,940,775 | 95,461,868 | 111,959,070 | 98,372,017 | 105,943,220 | 113,499,046 | 183,383,406 |
| Unrestricted | 131,513,457 | 21,518,422 | -70,179,643 | -44,780,258 | 103,780,040 | 115,083,124 | 132,712,257 | 92,014,129 | 91,650,554 | 24,978,748 |
| Total primary government net assets² | \$ 1,515,946,543 | \$ 1,439,411,511 | \$ 1,388,510,630 | \$ 1,428,968,267 | \$ 1,560,793,536 | \$ 1,620,242,602 | \$ 1,597,304,240 | \$ 1,565,977,837 | \$ 1,557,379,899 | \$ 1,548,532,668 |
| Percent of increase (decrease) in primary government net assets | N/A | -5.05% | -3.54% | 2.91% | 9.23% | 3.81% | -1.42% | -1.96% | -0.55% | -0.57% |

Notes:

¹ Capital assets include land, easements, infrastructure, construction in progress, structures and improvements, and equipment

² Accounting standards require that net assets be reported in three components in the government-wide financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.

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

COUNTY OF MARIN, CALIFORNIA

**Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)**

| | Fiscal Year | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| General government | \$ 70,067,762 | \$ 62,335,548 | \$ 72,130,131 | \$ 69,162,557 | \$ 106,491,393 | \$ 89,662,322 | \$ 95,010,097 | \$ 78,944,173 | \$ 71,617,475 | \$ 78,174,626 |
| Public protection | 121,055,972 | 118,420,904 | 122,909,289 | 121,678,566 | 153,128,925 | 128,292,008 | 159,494,067 | 169,921,297 | 169,011,775 | 160,691,198 |
| Public ways and facilities | 32,910,506 | 27,725,566 | 16,135,911 | 15,768,290 | 17,253,370 | 36,194,234 | 41,518,385 | 40,003,824 | 35,134,260 | 33,946,789 |
| Health and sanitation | 96,362,031 | 101,593,679 | 88,972,261 | 81,599,867 | 105,809,981 | 86,269,400 | 97,826,891 | 96,157,874 | 94,895,462 | 87,682,812 |
| Public assistance | 75,312,039 | 75,733,290 | 50,485,261 | 51,926,504 | 53,549,563 | 53,747,450 | 61,789,547 | 64,310,157 | 73,137,027 | 73,445,107 |
| Education | 802,575 | 651,019 | 660,288 | 9,840,596 | 10,525,176 | 12,685,835 | 13,346,183 | 13,376,491 | 13,025,776 | 13,415,872 |
| Recreational and cultural services | 15,822,679 | 17,065,841 | 16,383,912 | 8,091,660 | 9,106,603 | 14,395,195 | 17,274,181 | 17,060,038 | 15,941,380 | 16,854,659 |
| Debt service: | | | | | | | | | | |
| Interest and fiscal charges | 2,844,217 | 3,167,057 | 11,326,408 | 9,698,538 | 10,713,008 | 8,816,207 | 12,155,613 | 11,312,313 | 11,190,274 | 11,751,268 |
| Total governmental activities expense | 415,177,781 | 406,692,904 | 379,003,461 | 367,766,578 | 466,578,019 | 430,062,651 | 498,414,964 | 491,086,167 | 483,953,429 | 475,962,331 |
| Business-type activities | | | | | | | | | | |
| Housing authority | 0 | 0 | 544,024 | 804,556 | 557,785 | 33,441,426 | 33,585,123 | 36,119,347 | 36,591,718 | 39,403,887 |
| Other business-type activities | 1,569,729 | 1,914,384 | 1,590,404 | 1,544,819 | 1,706,708 | 27,634,512 | 27,413,673 | 30,357,102 | 31,891,178 | 32,205,334 |
| Total business-type activities expenses | 1,569,729 | 1,914,384 | 2,134,428 | 2,349,375 | 2,264,493 | 61,075,938 | 60,998,796 | 66,476,449 | 68,482,896 | 71,609,221 |
| Total primary government expenses | \$ 416,747,510 | \$ 408,607,288 | \$ 381,137,889 | \$ 370,115,953 | \$ 468,842,512 | \$ 491,138,589 | \$ 559,413,760 | \$ 557,562,616 | \$ 552,436,325 | \$ 547,571,552 |
| Program Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | \$ 16,865,312 | \$ 15,345,614 | \$ 14,922,987 | \$ 15,749,638 | \$ 14,530,721 | \$ 27,098,290 | \$ 29,213,708 | \$ 29,853,998 | \$ 24,023,409 | \$ 28,148,514 |
| Public protection | 10,437,216 | 11,545,261 | 12,015,877 | 13,666,453 | 15,379,202 | 23,839,244 | 28,126,901 | 31,585,415 | 38,555,176 | 38,912,554 |
| Other activities | 3,333,124 | 5,808,176 | 6,125,888 | 6,106,578 | 6,197,439 | 10,642,233 | 11,772,651 | 11,220,698 | 15,028,100 | 15,681,773 |
| Operating grants and contributions | 222,609,013 | 226,659,884 | 173,012,145 | 188,916,073 | 200,849,076 | 179,763,216 | 178,914,115 | 165,629,111 | 172,043,483 | 167,332,764 |
| Capital grants and contributions | 564,243 | 0 | 774,259 | 0 | 0 | 0 | 0 | 10,764,586 | 21,165,980 | 15,331,128 |
| Total governmental activities program revenues | 253,808,908 | 259,358,935 | 206,851,156 | 224,438,742 | 236,956,438 | 241,342,983 | 248,027,375 | 249,053,808 | 270,816,148 | 265,406,733 |
| Business-type activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Housing authority | 0 | 0 | 612,294 | 573,632 | 581,770 | 2,492,476 | 2,804,727 | 3,880,406 | 2,960,138 | 4,359,716 |
| Other business-type activities | 1,454,723 | 1,958,522 | 1,466,071 | 1,661,001 | 1,640,641 | 12,020,341 | 11,754,323 | 12,705,975 | 12,119,158 | 13,710,708 |
| Operating grants and contributions | 0 | 0 | 0 | 0 | 0 | 44,180,894 | 47,461,190 | 48,705,910 | 45,471,438 | 50,103,335 |
| Capital grants and contributions | 0 | 0 | 0 | 346,708 | 1,652,309 | 1,085,801 | 548,994 | 13,659,585 | 2,138,810 | 1,628,485 |
| Total business-type activities program revenues | 1,454,723 | 1,958,522 | 2,078,365 | 2,581,341 | 3,874,720 | 59,779,512 | 62,569,234 | 78,951,876 | 62,689,544 | 69,802,244 |
| Total primary government program revenues | \$ 255,263,631 | \$ 261,317,457 | \$ 208,929,521 | \$ 227,020,083 | \$ 240,831,158 | \$ 301,122,495 | \$ 310,596,609 | \$ 328,005,684 | \$ 333,505,692 | \$ 335,208,977 |

Source: Basic financial statements and Comprehensive Annual Financial Reports - County of Marin, California

COUNTY OF MARIN, CALIFORNIA

Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
| Net (Expense)/Revenue ¹ | | | | | | | | | | |
| Governmental activities | \$ (161,368,873) | \$ (147,333,969) | \$ (172,152,305) | \$ (143,327,836) | \$ (229,621,581) | \$ (188,719,668) | \$ (250,387,589) | \$ (242,032,359) | \$ (213,137,281) | \$ (210,555,598) |
| Business-type activities | (115,006) | 44,138 | (54,063) | 231,966 | 1,610,227 | (1,296,426) | 1,570,438 | 1,710,841 | (5,793,352) | (1,806,977) |
| Total primary government net expense | <u>\$ (161,483,879)</u> | <u>\$ (147,289,831)</u> | <u>\$ (172,206,368)</u> | <u>\$ (143,095,870)</u> | <u>\$ (228,011,354)</u> | <u>\$ (190,016,094)</u> | <u>\$ (248,817,151)</u> | <u>\$ (240,321,518)</u> | <u>\$ (218,930,633)</u> | <u>\$ (212,362,575)</u> |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | \$ 88,533,058 | \$ 98,176,244 | \$ 89,009,662 | \$ 96,073,467 | \$ 129,167,317 | \$ 165,848,803 | \$ 195,047,145 | \$ 183,657,725 | \$ 189,146,127 | \$ 181,655,215 |
| Sales and use taxes | 3,019,306 | 3,744,422 | 3,300,049 | 2,610,033 | 2,204,765 | 2,980,581 | 2,920,483 | 2,627,825 | 2,617,299 | 3,843,242 |
| Transient occupancy taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property transfer tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 4,287,897 | 3,864,519 | 20,930,873 | 36,675,385 | 10,221,974 | 9,830,520 | 8,438,480 | 3,952,498 | 3,912,590 | 3,595,633 |
| Motor Vehicle in-lieu taxes ² | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unrestricted interest and investment earnings | 9,958,053 | 6,814,231 | 5,452,762 | 8,084,787 | 12,126,671 | 14,711,655 | 13,928,177 | 9,082,873 | 6,053,144 | 4,785,362 |
| Miscellaneous | 58,605,389 | 39,766,776 | 37,289,448 | 40,099,801 | 83,885,177 | 14,525,509 | 3,538,084 | 2,962,336 | 2,561,688 | 2,036,152 |
| Tobacco Settlement | 0 | (82,655,231) | 0 | 0 | 0 | 2,545,345 | 2,856,389 | 3,131,196 | 2,632,091 | 2,199,785 |
| Transfers | 0 | (197,864) | (56,113) | 0 | 0 | 0 | 0 | 0 | (7,048) | 86,461 |
| Total governmental activities | <u>164,403,703</u> | <u>69,513,097</u> | <u>155,926,681</u> | <u>183,543,473</u> | <u>237,605,904</u> | <u>210,442,413</u> | <u>226,728,758</u> | <u>205,414,453</u> | <u>206,915,891</u> | <u>198,201,850</u> |
| Business-type activities | | | | | | | | | | |
| Taxes | 0 | 0 | 0 | 0 | 0 | 2,906,523 | 3,233,545 | 3,225,852 | 3,258,947 | 3,141,177 |
| Investment earnings | 0 | 0 | 0 | 10,034 | 20,347 | 534,171 | 382,508 | 803,328 | 150,809 | 40,958 |
| Miscellaneous | 63 | 0 | 0 | 0 | 0 | 0 | 510,973 | 64,679 | 0 | 0 |
| Transfers | 0 | 197,864 | 56,113 | 0 | 0 | 0 | 0 | 0 | 7,048 | (86,461) |
| Total business-type activities | <u>63</u> | <u>197,864</u> | <u>56,113</u> | <u>10,034</u> | <u>20,347</u> | <u>3,440,694</u> | <u>4,127,026</u> | <u>4,093,859</u> | <u>3,416,804</u> | <u>3,095,674</u> |
| Total primary government | <u>\$ 164,403,766</u> | <u>\$ 69,710,961</u> | <u>\$ 155,982,794</u> | <u>\$ 183,553,507</u> | <u>\$ 237,626,251</u> | <u>\$ 213,883,107</u> | <u>\$ 230,855,784</u> | <u>\$ 209,508,312</u> | <u>\$ 210,332,695</u> | <u>\$ 201,297,524</u> |
| Change in Net Assets | | | | | | | | | | |
| Governmental activities | \$ 3,034,830 | \$ (77,820,872) | \$ (16,225,624) | \$ 40,215,637 | \$ 7,984,323 | \$ 21,722,745 | \$ (23,658,831) | \$ (36,617,906) | \$ (6,221,390) | \$ (12,353,748) |
| Business-type activities | (114,943) | 242,002 | 2,050 | 242,000 | 1,630,574 | 2,144,268 | 5,697,464 | 5,804,700 | (2,376,548) | 1,288,697 |
| Total primary government | <u>\$ 2,919,887</u> | <u>\$ (77,578,870)</u> | <u>\$ (16,223,574)</u> | <u>\$ 40,457,637</u> | <u>\$ 9,614,897</u> | <u>\$ 23,867,013</u> | <u>\$ (17,961,367)</u> | <u>\$ (30,813,206)</u> | <u>\$ (8,597,938)</u> | <u>\$ (11,065,051)</u> |

Notes:

¹ Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses are net revenues, indicating program revenues were greater than expenses.

² Beginning in 2006, motor vehicle in-lieu fee revenue is reported under property tax due to the Triple-Flip legislation.

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

County of Marin

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands)

| | Fiscal Year | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 ¹ |
| General Fund | | | | | | | | | | |
| Reserved | \$ 72,376 | \$ 68,500 | \$ 41,889 | \$ 62,111 | \$ 46,361 | \$ 18,454 | \$ 16,378 | \$ 28,289 | \$ 32,956 | |
| Unreserved | 27,745 | 60,566 | 78,299 | 88,686 | 162,990 | 125,326 | 142,742 | 143,216 | 156,096 | |
| Total general fund | <u>\$ 100,121</u> | <u>\$ 129,066</u> | <u>\$ 120,188</u> | <u>\$ 150,797</u> | <u>\$ 209,351</u> | <u>\$ 143,780</u> | <u>\$ 159,120</u> | <u>\$ 171,505</u> | <u>\$ 189,052</u> | |
| Capital Projects Fund | | | | | | | | | | |
| Reserved | \$ 24,891 | \$ 2,724 | \$ 993 | \$ 1,500 | \$ 3,429 | \$ 9,178 | \$ 5,155 | \$ - | \$ - | |
| Unreserved | 2,148 | 25,737 | 27,209 | 39,334 | 22,121 | 51,384 | 33,334 | - | - | |
| Total capital projects fund | <u>\$ 27,039</u> | <u>\$ 28,461</u> | <u>\$ 28,202</u> | <u>\$ 40,834</u> | <u>\$ 25,550</u> | <u>\$ 60,562</u> | <u>\$ 38,489</u> | <u>\$ -</u> | <u>\$ -</u> | |
| Flood Control Zones | | | | | | | | | | |
| Reserved | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,225 | \$ 866 | |
| Unreserved | - | - | - | - | - | - | - | 11,828 | 15,446 | |
| Total flood control zones | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,053</u> | <u>\$ 16,312</u> | |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | \$ 2,965 | \$ 1,300 | \$ 954 | \$ 791 | \$ 1,094 | \$ 11,627 | \$ 11,469 | \$ 14,479 | \$ 14,547 | |
| Unreserved, reported in | 22,688 | 23,789 | 31,379 | 34,173 | 36,864 | 78,178 | 85,570 | 4,485 | - | |
| Special revenue funds | - | - | - | - | - | - | - | 61,455 | 76,563 | |
| Capital projects funds | - | - | - | - | - | - | - | 11,865 | 15,968 | |
| Debt service funds | - | - | - | - | - | - | - | 11,699 | 12,209 | |
| Total all other governmental fund | <u>\$ 25,653</u> | <u>\$ 25,089</u> | <u>\$ 32,333</u> | <u>\$ 34,964</u> | <u>\$ 37,958</u> | <u>\$ 89,805</u> | <u>\$ 97,039</u> | <u>\$ 103,983</u> | <u>\$ 119,287</u> | |
| General Fund | | | | | | | | | | \$ 1,765 |
| Nonspendable | | | | | | | | | | 10,097 |
| Restricted | | | | | | | | | | 118,593 |
| Committed | | | | | | | | | | 48,097 |
| Assigned | | | | | | | | | | 14,837 |
| Unassigned | | | | | | | | | | |
| Total general fund | | | | | | | | | | <u>\$ 193,389</u> |
| Miscellaneous Special Revenue Fund | | | | | | | | | | \$ - |
| Nonspendable | | | | | | | | | | 1,637 |
| Restricted | | | | | | | | | | - |
| Committed | | | | | | | | | | - |
| Assigned | | | | | | | | | | - |
| Unassigned | | | | | | | | | | - |
| Total miscellaneous special revenue fund | | | | | | | | | | <u>\$ 1,637</u> |
| Miscellaneous Capital Projects Fund | | | | | | | | | | \$ - |
| Nonspendable | | | | | | | | | | 39,282 |
| Restricted | | | | | | | | | | - |
| Committed | | | | | | | | | | 19,684 |
| Assigned | | | | | | | | | | - |
| Unassigned | | | | | | | | | | - |
| Total miscellaneous capital projects fund | | | | | | | | | | <u>\$ 58,966</u> |
| All Other Governmental Funds | | | | | | | | | | \$ 6,327 |
| Nonspendable | | | | | | | | | | 114,873 |
| Restricted | | | | | | | | | | 1,164 |
| Committed | | | | | | | | | | 20,708 |
| Assigned | | | | | | | | | | - |
| Unassigned | | | | | | | | | | - |
| Total all other governmental fund | | | | | | | | | | <u>\$ 143,072</u> |

¹ GASB Statement No. 54, which became effective in fiscal year 2010-11, requires that fund balance be categorized on a prospective basis as either: nonspendable, restricted, committed, assigned, or unassigned.

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

County of Marin

Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands)

| | Fiscal Year | | | | | | | | | |
|---|----------------|------------------|-----------------|------------------|------------------|------------------|-----------------|-------------------|------------------|------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 95,840 | \$ 105,785 | \$ 113,241 | \$ 135,359 | \$ 141,594 | \$ 177,646 | \$ 206,032 | \$ 190,740 | \$ 195,676 | \$ 189,886 |
| Licenses, fees and permits | 7,678 | 8,823 | 8,504 | 9,037 | 9,631 | 8,921 | 9,272 | 9,280 | 10,385 | 11,395 |
| Fines, forfeits and penalties | 8,097 | 7,321 | 9,021 | 9,276 | 8,861 | 8,177 | 7,566 | 176,194 | 188,421 | 13,768 |
| Use of money and property | 9,593 | 6,547 | 5,282 | 7,822 | 11,555 | 14,712 | 13,928 | 54,587 | 56,828 | 4,785 |
| Aid from other governments | 223,173 | 226,670 | 173,786 | 188,916 | 200,849 | 170,387 | 188,291 | 9,559 | 12,695 | 182,664 |
| Charges for services | 13,637 | 15,439 | 15,537 | 16,266 | 17,616 | 41,554 | 52,907 | 9,083 | 6,053 | 58,234 |
| Contributions and donations | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | 58,606 | 39,767 | 37,289 | 40,100 | 83,885 | 17,050 | 6,394 | 6,093 | 4,726 | 4,181 |
| Total revenues | 416,624 | 410,352 | 362,660 | 406,776 | 473,991 | 438,447 | 484,390 | 455,536 | 474,784 | 464,913 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| General government | 70,359 | 59,246 | 63,881 | 63,276 | 99,450 | 84,264 | 83,507 | 62,051 | 54,432 | 59,576 |
| Public protection | 120,168 | 117,300 | 119,368 | 121,202 | 149,988 | 125,217 | 145,944 | 153,674 | 155,404 | 154,993 |
| Public ways and facilities | 23,692 | 19,610 | 6,673 | 6,111 | 7,937 | 26,947 | 29,552 | 27,787 | 24,321 | 23,885 |
| Health and sanitation | 96,384 | 101,207 | 88,454 | 81,457 | 104,075 | 85,683 | 93,272 | 90,416 | 91,008 | 85,285 |
| Public assistance | 74,602 | 75,614 | 50,272 | 51,892 | 52,128 | 53,709 | 57,190 | 59,671 | 68,972 | 67,638 |
| Education | 802 | 770 | 537 | 9,734 | 10,161 | 12,689 | 12,276 | 12,589 | 12,136 | 12,898 |
| Recreational and cultural studies | 15,351 | 16,409 | 15,812 | 7,768 | 8,329 | 13,830 | 15,411 | 15,116 | 14,722 | 15,869 |
| Capital outlay | 25,176 | 10,706 | 5,586 | 4,812 | 4,712 | 29,087 | 28,837 | 25,312 | 4,550 | 5,575 |
| Debt service: | | | | | | | | | | |
| Principal | 2,310 | 2,355 | 3,399 | 3,754 | 3,901 | 3,893 | 4,243 | 4,657 | 4,744 | 5,259 |
| Interest | 2,562 | 2,461 | 9,340 | 10,896 | 10,732 | 8,496 | 10,313 | 10,227 | 10,162 | 10,590 |
| Bond issuance costs | - | - | - | - | - | - | - | - | - | 1,062 |
| Administration and arbitrage fees | - | 1,053 | - | - | - | 628 | - | - | - | - |
| Total expenditures | 431,406 | 406,731 | 363,322 | 360,902 | 451,413 | 444,443 | 480,545 | 461,500 | 440,451 | 442,630 |
| Excess of revenue over (under) expenditures | (14,782) | 3,621 | (662) | 45,874 | 22,578 | (5,996) | 3,845 | (5,964) | 34,333 | 22,283 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Inception of capital lease | 608 | 1,472 | 56 | - | 974 | - | - | - | 96 | 1,689 |
| Tobacco tax proceeds | - | 27,171 | - | - | - | - | - | - | - | - |
| Pension (MCERA) payment | - | (109,826) | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | 20 | 5 | - | - | - |
| Debt refunding to escrow agent | - | - | - | - | - | (32,767) | - | - | - | (17,465) |
| Proceeds from borrowing | 14,100 | 112,805 | - | - | - | 48,937 | - | 858 | 682 | 63,885 |
| Transfers in | 16,665 | 16,463 | 13,649 | 19,010 | 35,698 | 78,075 | 41,235 | 21,824 | 33,776 | 136,668 |
| Transfers out | (16,665) | (16,661) | (13,705) | (19,010) | (35,698) | (78,075) | (41,235) | (21,824) | (33,778) | (136,577) |
| Total other financing sources (uses) | 14,708 | 31,424 | - | - | 974 | 16,190 | 5 | 858 | 776 | 48,200 |
| Net change in fund balances | \$ (74) | \$ 35,045 | \$ (662) | \$ 45,874 | \$ 23,552 | \$ 10,194 | \$ 3,850 | \$ (5,106) | \$ 35,109 | \$ 70,483 |
| Debt service as a percentage of noncapital expenditures | 1.20% | 1.22% | 3.56% | 4.11% | 3.28% | 2.98% | 3.22% | 3.41% | 3.42% | 3.63% |

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

County of Marin

**Assessed Valuation of Taxable Property
Last Ten Fiscal Years
(in thousands)**

| Fiscal Year | Secured¹ | Unsecured² | Exempt³ | Total Taxable Assessed Value | Total Direct Tax Rate |
|--------------------|----------------------------|------------------------------|---------------------------|-------------------------------------|------------------------------|
| 2001-02 | 33,518,969 | 1,361,765 | 1,215,438 | 33,665,296 | 1.00% |
| 2002-03 | 35,949,965 | 1,409,348 | 1,274,278 | 36,085,035 | 1.00% |
| 2003-04 | 38,529,253 | 1,447,403 | 1,324,645 | 38,652,011 | 1.00% |
| 2004-05 | 41,305,379 | 1,455,846 | 1,397,808 | 41,363,417 | 1.00% |
| 2005-06 | 45,027,710 | 1,475,509 | 1,480,652 | 45,022,567 | 1.00% |
| 2006-07 | 49,034,110 | 1,429,601 | 1,591,866 | 48,871,845 | 1.00% |
| 2007-08 | 52,421,716 | 1,409,966 | 1,669,047 | 52,162,635 | 1.00% |
| 2008-09 | 55,451,069 | 1,449,359 | 1,731,004 | 55,169,424 | 1.00% |
| 2009-10 | 56,421,874 | 1,488,475 | 1,825,610 | 56,084,739 | 1.00% |
| 2010-11 | 55,762,678 | 1,467,396 | 1,850,867 | 55,379,207 | 1.00% |

Notes:

¹ Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines

² Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.

³ Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.

Source: Marin County Director of Finance

County of Marin

**Direct and Overlapping Property Tax Rates¹
Last Ten Fiscal Years
(rate per \$100 of assessed value)**

| Fiscal Year | County Direct Rate | Overlapping Rates² | | | Total Direct and Overlapping² |
|--------------------|-----------------------------------|--|----------------|---------------|---|
| | | Local Special Districts | Schools | Cities | |
| 2001-02 | 1.0000% | 0.3500% | 0.3884% | 0.2076% | 1.9460% |
| 2002-03 | 1.0000% | 0.3550% | 0.5324% | 0.2363% | 2.1237% |
| 2003-04 | 1.0000% | 0.4610% | 0.5284% | 0.2336% | 2.2230% |
| 2004-05 | 1.0000% | 0.6010% | 0.6010% | 0.2606% | 2.4626% |
| 2005-06 | 1.0000% | 0.6258% | 0.5872% | 0.2508% | 2.4638% |
| 2006-07 | 1.0000% | 0.6782% | 0.6230% | 0.2679% | 2.5691% |
| 2007-08 | 1.0000% | 0.6924% | 0.6186% | 0.2778% | 2.5888% |
| 2008-09 | 1.0000% | 0.7121% | 0.5836% | 0.2734% | 2.5691% |
| 2009-10 | 1.0000% | 0.6741% | 0.6468% | 0.2757% | 2.5966% |
| 2010-11 | 1.0000% | 0.7677% | 0.7423% | 0.2860% | 2.7960% |

Notes:

¹ California voters, on June 6, 1978, approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies, may not levy property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978 and that each County will levy the maximum tax permitted by Article XIII A of \$1 per \$100 of full cash value. Assessed value is equal to full cash value, pursuant to Senate Bill 1656, Statutes of 1978. The rates shown above are percentages of assessed valuation.

² These rates represent the maximum rate charged to taxpayers if all rates applied to them. In reality, the rates applicable to tax rate areas will vary at amounts lower than these totals.

Source: Marin County Director of Finance

County of Marin

**Principal Revenue Taxpayers
Current Year and Nine Years Ago**

June 30, 2011

| <u>Taxpayer</u> | <u>Type of Business</u> | <u>Total Taxes</u> | <u>Percentage of Total County Taxes¹</u> |
|-------------------------------------|----------------------------|-----------------------|---|
| Pacific Gas and Electric Company | Utilities | \$ 3,859,351 | 0.64% |
| Novato FF Property LLC | Commercial Rental Property | 2,916,593 | 0.48% |
| Skywalker Properties LTD | Film and Entertainment | 2,223,862 | 0.37% |
| SR Corp Center Phase 1&2 LLC | Commercial Rental Property | 1,449,228 | 0.24% |
| Corte Madera Village LLC | Commercial Rental Property | 1,625,093 | 0.27% |
| Northgate Mall Association | Mall | 1,455,583 | 0.24% |
| Spieker Properties | Commercial Rental Property | 1,336,356 | 0.22% |
| Hamilton Marin LLC | Commercial Rental Property | 1,543,055 | 0.25% |
| Biomarin Pharmaceutical Inc. | Pharmaceutical | 1,047,803 | 0.17% |
| Sutter Health | Health Services | 1,155,728 | 0.19% |
| Total | | <u>\$ 18,612,652</u> | |
| Total taxes of all taxpayers | | <u>\$ 606,355,928</u> | |

June 30, 2002

| <u>Taxpayer</u> | <u>Type of Business</u> | <u>Total Taxes</u> | <u>Percentage of Total County Taxes²</u> |
|-------------------------------------|----------------------------|--------------------------|---|
| McVay W H Trust L/L ETAL | Commercial Rental Property | \$ 1,859,522 | 0.53% |
| San Marin Assurance Company | Insurance | 1,658,679 | 0.47% |
| Pacific Gas and Electric Company | Utilities | 1,522,649 | 0.43% |
| Pacific Bell | Utilities | 1,290,064 | 0.37% |
| Macerich CM Village LTD | Mall | 1,237,317 | 0.35% |
| Lucasfilm LTD | Film and Entertainment | 960,155 | 0.27% |
| Northgate Mall Association | Mall | 657,243 | 0.19% |
| 770 Tamalpais Dr. Inc. | Commercial Rental Property | 656,642 | 0.19% |
| AMG Realty Partners LP | Commercial Rental Property | 642,130 | 0.18% |
| Costco Wholesale Corp | Consumer Goods | 606,314 | 0.17% |
| Total | | <u>\$ 11,090,715</u> | |
| Total taxes of all taxpayers | | <u>\$ 350,679,808.00</u> | |

Notes:

¹ Taxable assessed secured amounts

Source: Marin County Director of Finance

County of Marin

**Property Tax Levies and Collections
Last Ten Fiscal Years**

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | | Total Cumulative Uncollected Taxes | |
|---|---|---|-------------------------------|--|----------------------------------|-------------------------------|---|-------------------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy | Amount | Percentage of Levy |
| 2002 | \$ 418,078,957 | \$ 411,689,463 | 98.47% | \$ 6,387,325 | \$ 418,076,788 | 100.00% | \$ 2,169 | 0.00% |
| 2003 | 456,588,194 | 449,392,171 | 98.42% | 7,186,465 | 456,578,636 | 100.00% | 9,558 | 0.00% |
| 2004 | 489,467,224 | 482,841,226 | 98.65% | 6,459,804 | 489,301,030 | 99.97% | 166,194 | 0.03% |
| 2005 | 529,139,506 | 523,219,068 | 98.88% | 5,702,966 | 528,922,034 | 99.96% | 217,472 | 0.04% |
| 2006 | 582,453,699 | 574,813,365 | 98.69% | 7,322,823 | 582,136,188 | 99.95% | 317,511 | 0.05% |
| 2007 | 635,311,778 | 624,278,658 | 98.26% | 10,099,260 | 634,377,918 | 99.85% | 933,860 | 0.15% |
| 2008 | 684,007,251 | 667,706,143 | 97.62% | 14,572,100 | 682,278,243 | 99.75% | 1,729,008 | 0.25% |
| 2009 | 717,958,385 | 696,748,890 | 97.05% | 19,275,537 | 716,024,427 | 99.73% | 1,933,958 | 0.27% |
| 2010 | 746,290,576 | 727,942,762 | 97.54% | 14,629,472 | 742,572,234 | 99.50% | 3,718,342 | 0.50% |
| 2011 | 755,085,588 | 740,943,048 | 98.13% | 11,382,135 | 752,325,183 | 99.63% | 2,760,405 | 0.37% |

Source: Marin County Director of Finance

County of Marin

Ratios of Total Debt Outstanding by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

| Fiscal Year | Revenue Bonds | Pension Obligation Bonds | Asset Backed Bonds | Certificates of Participation | Term Loan Payable | Total | Business-type Term Loan Payable | Total Primary Government | Percentage of Personal Income¹ | Per Capita¹ |
|--------------------|--------------------------|---|-----------------------------------|--|------------------------------|--------------|--|---|--|-----------------------------------|
| 2001-02 | 12,835 | 0 | 0 | 55,030 | 65 | 67,930 | 0 | 67,930 | 0.41% | \$276 |
| 2002-03 | 12,695 | 112,805 | 0 | 52,815 | 65 | 178,380 | 0 | 178,380 | 1.06% | \$728 |
| 2003-04 | 12,535 | 112,805 | 32,824 | 50,300 | 0 | 208,464 | 0 | 208,464 | 1.12% | \$855 |
| 2004-05 | 12,355 | 112,805 | 32,196 | 47,675 | 0 | 205,031 | 0 | 205,031 | 1.03% | \$840 |
| 2005-06 | 12,150 | 112,805 | 31,369 | 44,940 | 213 | 201,477 | 0 | 201,477 | 0.92% | \$825 |
| 2006-07 | 11,925 | 112,805 | 48,999 | 42,085 | 1,803 | 217,617 | 3,998 | 221,615 | 0.98% | \$901 |
| 2007-08 | 11,670 | 112,805 | 48,884 | 39,110 | 1,838 | 214,307 | 5,150 | 219,457 | 0.95% | \$884 |
| 2008-09 | 11,390 | 112,755 | 48,502 | 36,005 | 2,398 | 211,050 | 5,107 | 216,157 | 0.97% | \$862 |
| 2009-10 | 11,080 | 112,325 | 48,481 | 32,760 | 3,062 | 207,708 | 5,674 | 213,382 | unavailable | unavailable |
| 2010-11 | 10,740 | 111,480 | 48,779 | 75,178 | 3,453 | 249,630 | 6,061 | 255,691 | unavailable | unavailable |

Notes:

¹ See the Demographic and Economic Statistics Schedule for personal income and population data used to calculate these ratios. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Source: Marin County Director of Finance

County of Marin

**Legal Debt Margin Information
As of June 30, 2011
(in thousands)**

| | Fiscal Year 2010 | |
|--|-----------------------------|----------------------|
| | <u>1.25%</u> | <u>3.75%</u> |
| Debt limit | \$ 692,240 | \$ 2,076,720 |
| Total net debt applicable to limit | <u>239,892</u> | <u>239,892</u> |
| Legal debt margin | <u>\$ 452,348</u> | <u>\$ 1,836,828</u> |
| | | |
| Total net debt applicable to the limit as a percentage of debt limit | 34.65% | 11.55% |
| Legal Debt Margin Calculation for Fiscal Year 2010 | | |
| Assessed value | \$ 57,230,074 | \$ 57,230,074 |
| Less: Exempt real property | <u>(1,850,867)</u> | <u>(1,850,867)</u> |
| Total assessed value | <u>\$ 55,379,207</u> | <u>\$ 55,379,207</u> |
| CERTIFICATES OF PARTICIPATION | | |
| Debt limit (1.25% and 3.75% of total assessed value) ¹ | <u>\$ 692,240</u> | <u>\$ 2,076,720</u> |
| Debt applicable to limit: | | |
| Certificates of Participation | 73,455 | 73,455 |
| Less: Amount set aside for repayment of outstanding debt | <u>(2,520)</u> | <u>(2,520)</u> |
| Total net debt applicable to limit | <u>70,935</u> | <u>70,935</u> |
| OTHER BONDED DEBT | | |
| Debt applicable to limit: | | |
| Revenue Bonds | 10,740 | 10,740 |
| Pension Obligation Bonds | 111,480 | 111,480 |
| Tobacco Settlement Asset-Backed Bonds | 48,779 | 48,779 |
| Less: Amount set aside for repayment of outstanding debt | <u>(2,042)</u> | <u>(2,042)</u> |
| Total net debt applicable to limit | <u>168,957</u> | <u>168,957</u> |
| Legal debt margin | <u>\$ 452,348</u> | <u>\$ 1,836,828</u> |

Notes:

¹ Using the California Attorney General's Opinion regarding Revenue and Tax Code section 135 and applying that opinion to the California Government Code section 29909, the County of Marin's outstanding bonded debt should not exceed 1.25% of total assessed property value. However, for flood control purposes, Marin County's outstanding bonded debt may exceed 1.25% but shall not exceed 3.75% of the total assessed property value. By law, the bonded debt subject to these limitations may be offset by amounts set aside for repaying bonded debt. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Source: Marin County Director of Finance

County of Marin

Direct and Overlapping Debt
As of June 30, 2011

| | |
|--|--------------------------|
| Assessed Valuation (including unitary utility valuation) | \$ 56,177,522,259 |
| Less: Redevelopment incremental valuation ¹ | 3,821,570,526 |
| Adjusted assessed valuation | <u>\$ 52,355,951,733</u> |

| | Percentage Applicable (1) | County's Share of Overlapping Debt |
|--|------------------------------|---------------------------------------|
| OVERLAPPING TAX AND ASSESSMENT DEBT | | |
| School Districts | | |
| Marin Community College District | 100.000% | \$ 180,400,000 |
| Novato Unified School District | 100.000% | 95,020,000 |
| Shoreline Joint Unified School District | 54.426% | 8,052,327 |
| Petaluma Joint Union High School District | 1.061% | 334,474 |
| San Rafael High School District | 100.000% | 53,510,315 |
| Tamalpais Union High School District | 100.000% | 129,485,000 |
| Kentfield School District | 100.000% | 19,275,000 |
| Mill Valley School District | 100.000% | 39,179,602 |
| Reed Union School District | 100.000% | 42,320,000 |
| San Rafael School District | 100.000% | 52,783,301 |
| Other School Districts | various | 84,708,048 |
| Cities | | |
| Town of Fairfax | 100.000% | 6,214,000 |
| City of Novato | 100.000% | 19,930,000 |
| City of San Anselmo | 100.000% | 8,270,000 |
| City of Sausalito | 100.000% | 15,203,894 |
| Special Districts | | |
| Strawberry Recreation and Park District Zone No. 4 | 100.000% | 1,335,000 |
| Public Utility Districts | 100.000% | 216,877 |
| County Water Districts | 100.000% | 237,000 |
| Community Facilities Districts | 100.000% | 91,647,113 |
| 1915 Act Bonds | 100.000% | 26,653,725 |
| Total Overlapping Tax and Assessment Debt | | <u>874,775,676</u> |
| DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT | | |
| Direct General Fund Obligation Debt | | |
| Marin County General Fund Obligations | 100.000% | \$ 79,984,112 (2) |
| Marin County Pension Obligations | 100.000% | 111,480,000 |
| Total Direct General Fund Obligation Debt | | <u>191,464,112</u> |
| Overlapping General Fund Obligation Debt | | |
| School Districts | | |
| Marin Community College District General Fund Obligations | 100.000% | 2,855,834 |
| Novato Unified School District Certificates of Participation | 100.000% | 495,000 |
| San Rafael School District General Fund Obligations | 100.000% | 4,085,000 |
| Sausalito School District Certificates of Participation | 100.000% | 2,235,000 |
| Other School District General Fund Obligations | various | 82,517 |
| Cities | | |
| Town of Corte Madera General Fund Obligations | 100.000% | 10,258,485 |
| City of Novato Certificates of Participation and Pension Obligations | 100.000% | 19,993,438 |
| City of San Rafael General Fund and Pension Obligations | 100.000% | 14,261,032 |
| Other Cities and Towns General Fund and Pension Obligations | 100.000% | 13,496,235 |
| Special Districts | | |
| Marin County Transit District General Fund Obligations | 100.000% | 219,185 |
| Marinwood Community Services District Certificates of Participation | 100.000% | 849,745 |
| Fire Protection District Certificates of Participation | 100.000% | 7,751,742 |
| Other Special District General Fund Obligations | 100.000% | 880,455 |
| Total Gross Direct and Overlapping General Fund Obligation Debt | | <u>268,927,780</u> |
| Less: City of San Rafael supported obligations | | 6,630,000 |
| Total Net Direct and Overlapping General Fund Obligation Debt | | <u>\$ 262,297,780</u> |
| TOTAL DIRECT DEBT | | \$ 191,464,112 |
| TOTAL GROSS OVERLAPPING DEBT | | \$ 952,239,344 |
| TOTAL NET OVERLAPPING DEBT | | \$ 945,609,344 |
| | | |
| GROSS COMBINED TOTAL DEBT | | \$ 1,143,703,456 (3) |
| NET COMBINED TOTAL DEBT | | \$ 1,137,073,456 |

Notes:

- (1) Percentage of overlapping agency's assessed valuation located within boundaries of the county.
- (2) Includes share of Marin's Emergency Radio Authority Bonds.
- (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratio to 2010-11 Assessed Valuation:

Total Overlapping Tax and Assessment Debt 1.56%

Ratios to Adjusted Assessed Valuation:

Total Direct Debt **0.37%**
Gross Combined Total Debt 2.18%
Net Combined Total Debt 2.17%

Source: California Municipal Statistics, Inc.

County of Marin
Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Population¹ | Personal Income¹ | Per Capita Personal Income¹ | School Enrollment² | Unemployment Rate³ |
|---|-------------------------------|------------------------------------|---|--|--|
| 2002 | 246,332 | \$ 16,663,401,000 | \$ 67,646,108 | 28,709 | 5.20% |
| 2003 | 245,030 | 16,887,249,000 | 68,919,108 | 28,597 | 5.30% |
| 2004 | 243,677 | 18,594,679,000 | 76,308,716 | 28,506 | 4.70% |
| 2005 | 244,024 | 19,919,117,000 | 81,627,696 | 28,429 | 4.00% |
| 2006 | 244,336 | 21,793,982,000 | 89,196,770 | 28,764 | 3.80% |
| 2007 | 246,100 | 22,574,434,000 | 91,728,704 | 29,081 | 3.70% |
| 2008 | 248,345 | 23,161,297,000 | 93,262,586 | 29,100 | 4.70% |
| 2009 | 250,750 | 22,351,575,000 | 89,138,883 | 29,615 | 8.10% |
| 2010 | unavailable | unavailable | unavailable | 30,140 | 8.20% |
| 2011 | unavailable | unavailable | unavailable | 30,574 | 8.10% |

Sources:

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

² California Department of Education, Educational Demographics Office - www.ed-data.k12.ca.us

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

County of Marin

Principal Employers
Current Year and Nine Years Ago

| 2011 | | | 2002 | | |
|----------------------------------|------------------|--|--------------------------------|------------------|--|
| <u>Employer</u> | <u>Employees</u> | <u>Percentage of Total County Employment</u> | <u>Employer</u> | <u>Employees</u> | <u>Percentage of Total County Employment</u> |
| County of Marin | 2,135 | 1.64% | County of Marin | 2,000 | 1.53% |
| San Quentin State Prison | 2,058 | 1.58% | Fireman's Fund | 1,700 | 1.30% |
| Kaiser Permanente Medical Center | 1,330 | 1.02% | San Quentin Prison | 1,550 | 1.18% |
| Safeway, Inc. | 1,200 | 0.92% | Kaiser Permanente | 1,500 | 1.14% |
| Marin General Hospital | 1,090 | 0.84% | Lucasfilm Ltd. | 1,400 | 1.07% |
| Fireman's Fund Insurance Co. | 950 | 0.73% | Marin General Hospital | 1,300 | 0.99% |
| Autodesk, Inc. | 928 | 0.71% | Autodesk, Inc. | 1,100 | 0.84% |
| Novato Unified School District | 832 | 0.64% | Novato Unified School District | 1,097 | 0.84% |
| BioMarin Parmaceutical | 700 | 0.54% | Golden Gate Transit | 900 | 0.69% |
| Comcast | 619 | 0.47% | Safeway, Inc. | 820 | 0.63% |
| Total | 11,842 | 9.08% | | 13,367 | 10.20% |
| | | | | | |
| Total County Employment | <u>130,400</u> | | Total County Employment | <u>131,100</u> | |

Note: Percentage of Total County Employment = Population x (100% - unemployment rate)

Sources:
Community Profile, County of Marin

County of Marin

**Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years**

| Function/program | <u>2001-02</u> | <u>2002-03</u> | <u>2003-04</u> | <u>2004-05</u> | <u>2005-06</u> | <u>2006-07</u> | <u>2007-08</u> | <u>2008-09</u> | <u>2009-10</u> | <u>2010-11</u> |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| General government | 322.15 | 328.65 | 326.52 | 331.92 | 345.87 | 362.12 | 363.12 | 362.82 | 362.57 | 356.73 |
| Public protection | 759.55 | 761.55 | 732.90 | 720.46 | 727.11 | 731.90 | 740.70 | 723.29 | 709.97 | 681.58 |
| Public ways and facilities | 269.33 | 270.33 | 285.93 | 284.93 | 300.08 | 314.58 | 315.83 | 324.10 | 321.03 | 304.53 |
| Health and sanitation | 373.91 | 377.15 | 365.99 | 368.64 | 375.33 | 388.20 | 387.33 | 391.53 | 376.34 | 352.66 |
| Public assistance | 249.28 | 251.44 | 244.00 | 245.76 | 250.22 | 258.80 | 258.22 | 261.02 | 250.89 | 235.10 |
| Education | 80.67 | 81.42 | 81.45 | 89.16 | 89.91 | 92.12 | 95.12 | 96.76 | 95.93 | 94.83 |
| Recreational and cultural studies | 22.50 | 23.50 | 74.00 | 74.00 | 76.00 | 78.00 | 82.25 | 81.75 | 81.00 | 77.50 |
| Total full-time equivalent employees | <u>2,077.39</u> | <u>2,094.04</u> | <u>2,110.79</u> | <u>2,114.87</u> | <u>2,164.52</u> | <u>2,225.72</u> | <u>2,242.57</u> | <u>2,241.27</u> | <u>2,197.73</u> | <u>2,102.93</u> |

Source: Director of Finance - County of Marin, California

**County of Marin
Operating Indicators by Function
Last Four Fiscal Years**

| | Fiscal Year | | | |
|---|-------------|-----------|-----------|-----------|
| | 2007-08 | 2008-09 | 2009-2010 | 2010-11 |
| Public Protection | | | | |
| <u>Sheriff</u> | | | | |
| Jail Bookings | 8,060 | 8,034 | 7,881 | 7,638 |
| Jail Average Daily Population | 302 | 330 | 288 | 295 |
| Average Daily Dispatch Calls | 81 | 87 | 82 | 82 |
| Number of Major Crimes Task Force Cases Assigned | 191 | 243 | 235 | 144 |
| Physical Arrests | 8,060 | 8,034 | 7,881 | 7,638 |
| Parking Violations | 5,752 | 5,466 | 4,442 | 5,454 |
| Traffic Violations | 1,497 | 1,267 | 924 | 1,209 |
| Number of Fire or Emergency Medical Calls Received | 23,174 | 26,747 | 26,661 | 23,718 |
| <u>District Attorney</u> | | | | |
| Number of Felony Referrals | 3,009 | 2,969 | 3,099 | 3,172 |
| Number of Misdemeanor Referrals | 5,749 | 5,875 | 5,795 | 5,374 |
| Number of Felony Cases Filed | 927 | 826 | 883 | 853 |
| Number of Misdemeanor Cases Filed | 4,391 | 4,519 | 4,645 | 4,357 |
| DUI's Cases Referred | 1,610 | 1,593 | 1,544 | 1,436 |
| DUI's Cases Filed | 1,464 | 1,570 | 1,424 | 1,343 |
| Domestic Violence Cases Referred | 775 | 799 | 861 | 828 |
| Domestic Violence Cases Filed | 320 | 336 | 404 | 308 |
| <u>Probation</u> | | | | |
| Probation Investigations and Reports | 952 | 814 | 538 | 582 |
| Juvenile Hall Average Daily Population | 24 | 25 | 22 | 22 |
| Number of Adult Probation Cases Supervised | 2,978 | 3,174 | 2,754 | 2,522 |
| <u>Public Defender</u> | | | | |
| Number of Requests for Public Defender Assistance at Arraignments | 3,000 | 3,009 | 3,029 | 3,091 |
| Number of Cases Settled Through Negotiation at Arraignment | 25 | 6 | 29 | 191 |
| <u>Environmental Health</u> | | | | |
| Food Facility Operating Permits Issued | 1,519 | 1,532 | 1,615 | 1,680 |
| Housing and Institution Operating Permits Issued | 623 | 617 | 630 | 646 |
| Recreational Health Operating Permits Issued | 550 | 552 | 548 | 549 |
| Liquid Waste Operating Permits Issued | 232 | 249 | 265 | 295 |
| Health and Sanitation | | | | |
| <u>Youth and Family Services</u> | | | | |
| Number of Children Assessed who Need Treatment | 475 | 467 | 485 | 435 |
| Number of Children Placed in Residential Treatment | 28 | 29 | 30 | 20 |
| Total Days in Residential Treatment | 6,539 | 5,754 | 5,699 | 3,516 |
| <u>Mental Health</u> | | | | |
| Total Number of Medi-Cal beneficiaries | 19,148 | 19,973 | 21,646 | 22,963 |
| Number of Children and Adolescents Admitted to Psychiatric Emergency Services | 185 | 155 | 118 | 147 |
| Number of Adults Admitted to Psychiatric Emergency Services | 1,200 | 983 | 961 | 931 |
| Public Ways and Facilities | | | | |
| <u>Roads</u> | | | | |
| Street Resurfacing (miles) | 7 | 7 | 2 | 13 |
| Potholes Repaired | 1,800 | 1,800 | 1,800 | 1,800 |
| Public Assistance | | | | |
| <u>Social Services</u> | | | | |
| Number of new applications received for food stamps | 3,742 | 5,056 | 5,285 | 7,713 |
| Percent of new food stamp applications approved | 64% | 62% | 63% | 61% |
| Number of new applications received for Medi-Cal | 8,922 | 9,808 | 9,356 | 13,709 |
| Percent of new Medi-Cal applications approved | 55% | 56% | 57% | 62% |
| Number of Children Served by Child Welfare Services | 98 | 127 | 105 | 99 |
| Number of Adoptive parents served in Adoption Assitant Program Families | 221 | 221 | 221 | 235 |
| Education | | | | |
| <u>Library</u> | | | | |
| Number of virtual visits | 390,000 | 513,900 | 721,361 | 883,862 |
| Number of community outreach activities | 140 | 386 | 359 | 300 |
| Number of community partnerships | 12 | 16 | 34 | 35 |
| Number of items circulated | 1,693,242 | 1,931,476 | 2,081,173 | 2,100,000 |
| Number of visits to all branch libraries | 1,099,000 | 1,143,414 | 1,179,867 | 1,450,000 |
| Recreation and Cultural Services | | | | |
| <u>Parks</u> | | | | |
| Number of Park Passes Issued | 193 | 225 | 291 | 321 |
| Transit District | | | | |
| <u>Buses</u> | | | | |
| Total Number of Passengers | 3,444,300 | 3,406,115 | 3,327,621 | 3,376,520 |
| Service Hours | 175,084 | 189,921 | 192,318 | 188,287 |
| Total Number of Routes | 31 | 32 | 26 | 26 |

County of Marin

**Capital Asset Statistics by Function
Last Four Years**

| Function | Fiscal Year | | | |
|---|-------------|---------|---------|---------|
| | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
| Public Protection | | | | |
| Sheriff | | | | |
| Stations (Headquarters and Substations) | 4 | 4 | 4 | 4 |
| Patrol Units | 31 | 31 | 31 | 31 |
| Marine Crafts | 2 | 2 | 2 | 2 |
| Fire Stations | | | | |
| Stations | 6 | 6 | 6 | 6 |
| Lookouts | 2 | 2 | 2 | 2 |
| Type 1 Fire Engines | 7 | 8 | 7 | 7 |
| Type 3 Fire Engines | 12 | 12 | 11 | 12 |
| Ambulances | 5 | 5 | 5 | 5 |
| Graders | 1 | 1 | 1 | 1 |
| Dozers | 1 | 1 | 1 | 1 |
| Water Tenders | 3 | 3 | 3 | 3 |
| USAR Support Vehicles | 1 | 1 | 1 | 1 |
| Heavy Rescue Vehicles | 2 | 2 | 2 | 2 |
| Transport | 1 | 1 | 1 | 1 |
| Crew Carrier | - | 1 | 1 | 1 |
| Utilities/Support Vehicles | 23 | 23 | 24 | 23 |
| Corrections | | | | |
| Capacity of All Correctional Facilities | 376 | 376 | 376 | 376 |
| Public Ways and Facilities | | | | |
| Roads | | | | |
| Streets (Miles) | 420 | 420 | 420 | 420 |
| Bridges | 65 | 65 | 65 | 65 |
| Street Light | 2,025 | 2,025 | 2,025 | 2,025 |
| Traffic Signals | 13 | 13 | 13 | 13 |
| Education | | | | |
| Library | | | | |
| Number of Library Branches | 10 | 10 | 10 | 10 |
| Recreation and Cultural Services | | | | |
| Parks & Open Space | | | | |
| Number of Open Space Acres Maintained | 15,513 | 15,299 | 15,299 | 15,067 |
| Number of Parks Acres Maintained | 916 | 921 | 923 | 934 |
| Transit District | | | | |
| Buses | | | | |
| Total Number of Buses | 49 | 50 | 49 | 50 |

Notes:

Source: Various Marin County departments