

County of Madera

COMPREHENSIVE ANNUAL FINANCIAL REPORT

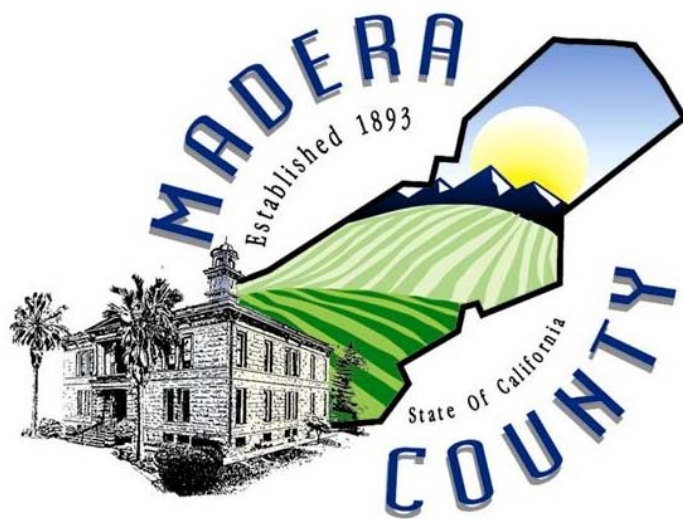
FOR THE YEAR ENDED JUNE 30, 2016

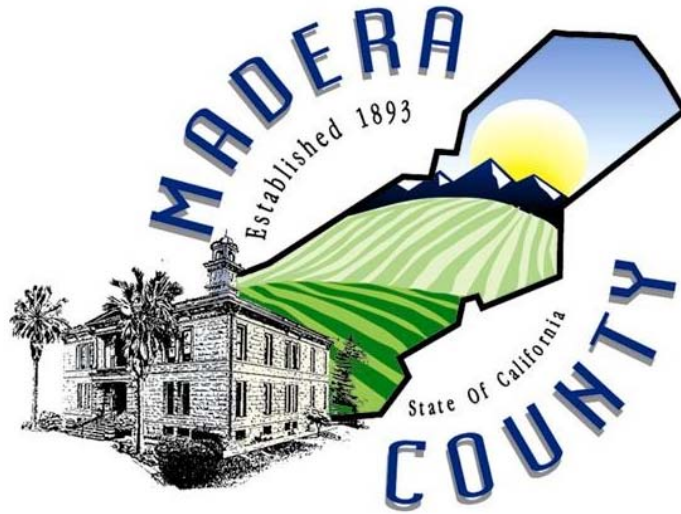


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**TODD E. MILLER, CPA
AUDITOR-CONTROLLER**





County of Madera, California
Comprehensive Annual Financial Report
For the Year Ended June 30, 2016

Prepared under the Supervision of

Todd E. Miller, CPA
Auditor-Controller

COUNTY OF MADERA, CALIFORNIA
Comprehensive Annual Financial Report

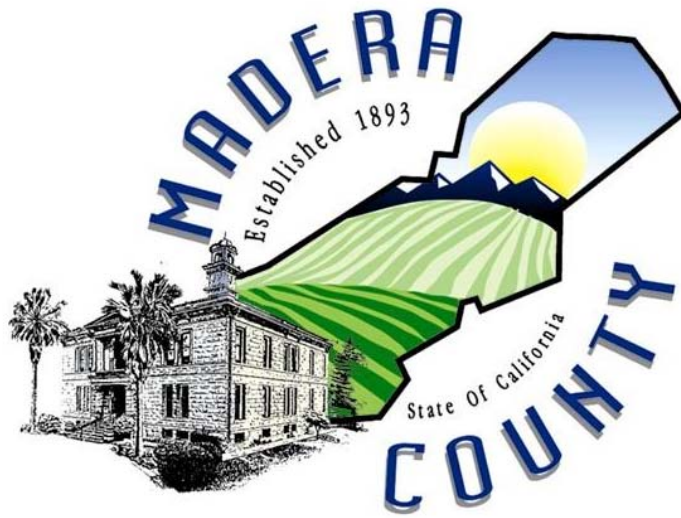
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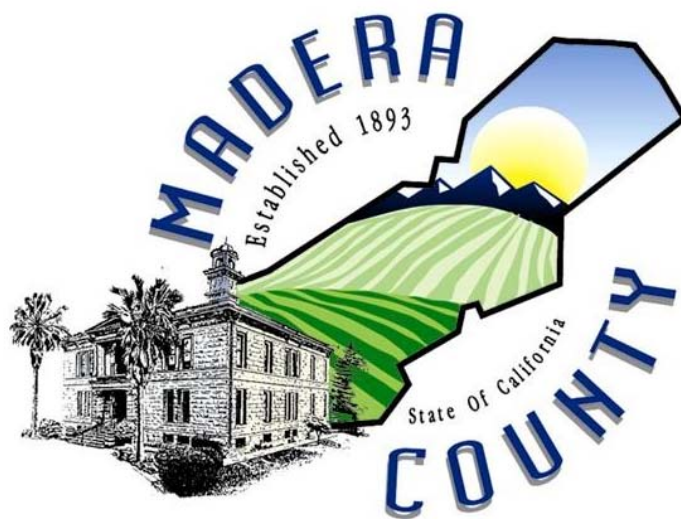
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COUNTY OF MADERA, CALIFORNIA
Comprehensive Annual Financial Report

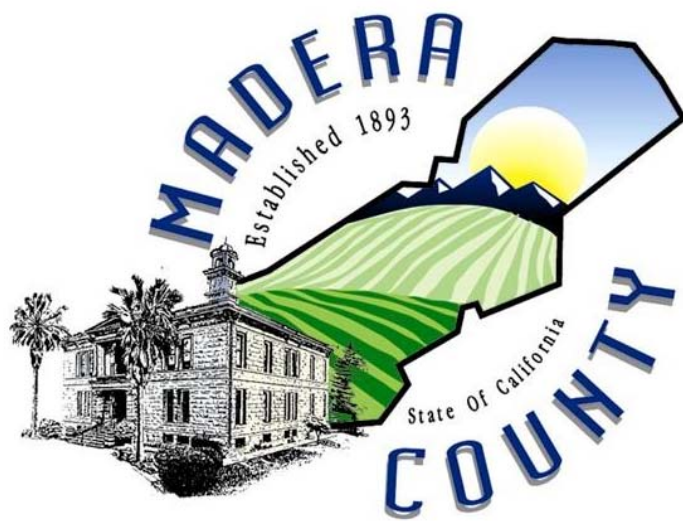
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INTRODUCTORY SECTION





TODD E. MILLER
AUDITOR-CONTROLLER **COUNTY OF MADERA**
200 W FOURTH STREET/MADERA, CALIFORNIA 93637
(559) 675-7707 / FAX (559) 661-3006 / TDD (559) 675-8970

December 30, 2016

To the Honorable Members of the Board of Supervisors,
Citizens of Madera County:

The Comprehensive Annual Financial Report (CAFR) of the County of Madera (County) for fiscal year ended June 30, 2016, is hereby submitted in compliance with Sections 25250 and 25253 of the Government Code of the State of California. These statutes require that the County publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness, accuracy, and reliability of the information contained in this report, based upon a comprehensive internal control framework it established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The independent auditor's report is located at the front of the financial section of this report. Gallina LLP, a registered public accounting firm, rendered an unqualified opinion on the County's financial statements for the year ended June 30, 2016. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the County of Madera

Madera County is located at the geographical center of California and includes the rich, fertile farm lands of the great Central Valley as well as the foothills and mountains of the towering Sierra Nevada mountain range. Madera County was formed in 1893 from the portion of Fresno County north of the San Joaquin River, pursuant to a special election held on May 16, 1893.

Madera is Spanish for wood, and logging was the County's first industry. The County has a colorful heritage with logging, gold mining, cattle-raising, farming, and tourism as successive major industries.

The County includes two incorporated cities, Madera and Chowchilla. The 2010 census counted 150,865 County residents with the current population estimated at 155,000.

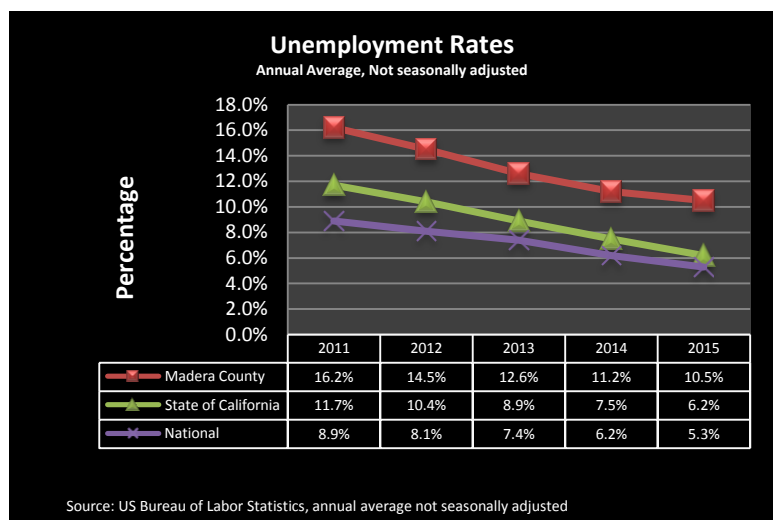
As required by State and federal mandate, the County is responsible at the local level for activities involving public welfare, health, justice (including jails), and for the maintenance of public records. The County also provides services such as law enforcement and public works to the cities and the Chukchansi Gold Resort & Casino within the County on a cost-recovery basis. The County operates recreational and cultural facilities serving both the incorporated and unincorporated areas of the County.

A five-member County Board of Supervisors is the legislative authority for governance of the County. Each supervisor is elected by district to a four year term on a non-partisan basis. The terms are staggered: two supervisors being elected, alternating with three supervisors being elected in the following election year. The Board is responsible for, among other things, establishing County ordinances, adopting the budget, appointing committees, and hiring the County Administrative Office and non-elected department heads. The County Administrative Officer is responsible for carrying out the policies and ordinances of the Board and for overseeing the day-to-day operations of the County. In addition to the five supervisors, the County elects six department heads to four year terms, who are responsible for the offices of Assessor, Auditor-Controller, Clerk-Registrar of Voters, District Attorney, Sheriff-Coroner, and Treasurer-Tax Collector.

State law requires the County to adopt a final budget each year. The annual budget serves as the foundation for the County’s financial planning and control. The County Budget Act, as presented in California Government Code sections 29000 and 30200, establishes the general provisions and requirements for preparing and approving the County budget. All County departments are required to submit budget requests to the County Administrative Office where they are compiled into a proposed budget. The budgets are then submitted for approval by the Board with a recommendation by the County Administrative Officer. Public hearings are set in June with the Board adopting the budget for the next fiscal year. During the year department heads may transfer appropriations within a division with the approval of the County Administrative Officer and Auditor-Controller. Transfers of appropriations between departments or increases in the budget from new revenue sources, reserves and/or contingencies require Board of Supervisors approval.

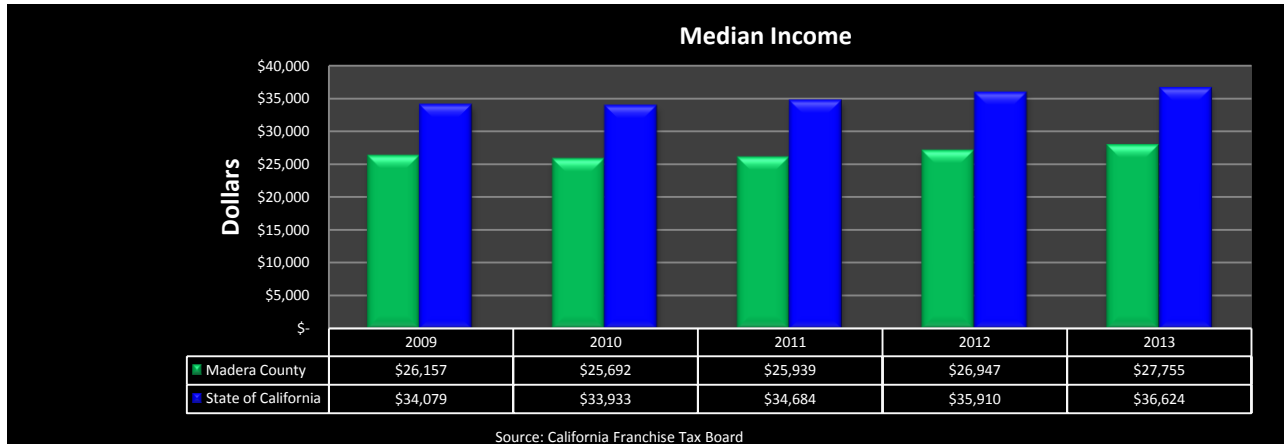
Economic and Financial Overview

As the nation and California continue to recover from the recession, so does Madera County. Revenues from Governmental Activities increased by 3.5 percent. Sales Taxes led the way with a year over year increase of 18.6 percent.

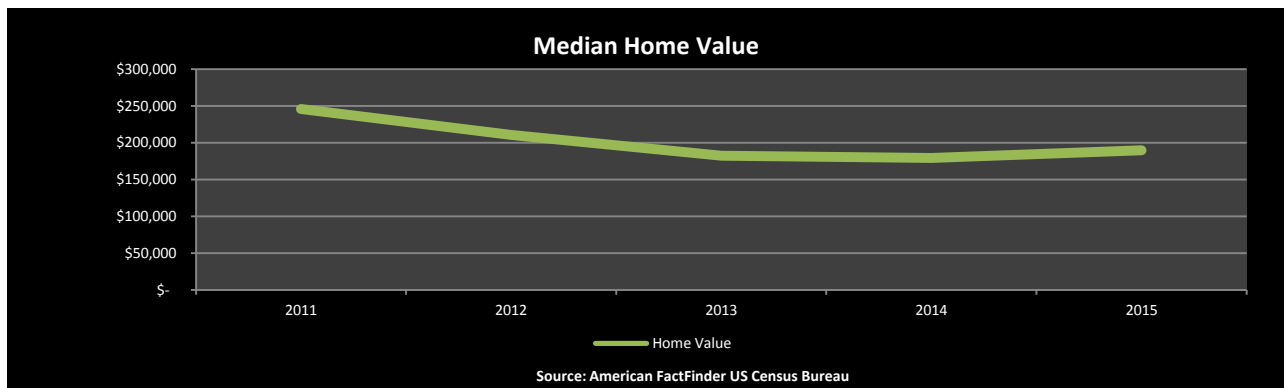


Unemployment rates continued to improve, showing a 6.67 percent decline in 2016.

Median incomes in the County improved by 3.0 percent, while California median incomes increased by 1.99 percent.



The median home value in the County (an indicator of economic recovery) is recovering since the recession, though it remains below levels attained prior to the recent recession.



The County expects to see gains in all sectors of the economy, with continued improvements in new housing and commercial units coming online in 2017 and beyond. The effect on County revenues should be positive, generating anticipated increases in available Fund Balances, departmental spending, and contingency savings.

Property taxes, at \$38.6 million, remain the single largest source of discretionary revenue for Madera County government. The Assessor projects modest gains in the assessed values of properties within the County over the near term, extending the recent trend toward recovery of property tax revenues to the pre-recession highs.

Long-Term Financial Planning and Major Initiatives

The recent economic recession severely impacted County revenues, necessitating significant reductions of personnel and spending to maintain a balanced budget. The County has resolved, as revenues improve, to increase contingency savings to better weather a future downturn in the economy.

The County also has embarked on a plan to upgrade its financial accounting systems and modernize the accounting processes throughout the County. The goal is to provide accurate, timely, and informative financial information to management and citizens.

Acknowledgements

The preparation of the Comprehensive Annual Financial report would not have been possible without the dedication of the staff in the Auditor-Controller's office. We also acknowledge the timely assistance of County departments providing information employed in the preparation of this report.

Additionally, we would like to thank the Board of Supervisors, The County Administrative Officer and staff, and the County departments for their continued efforts in planning and conducting the County's financial operations in a responsible and conservative manner.

Respectfully submitted,



Todd E. Miller, CPA

Auditor-Controller

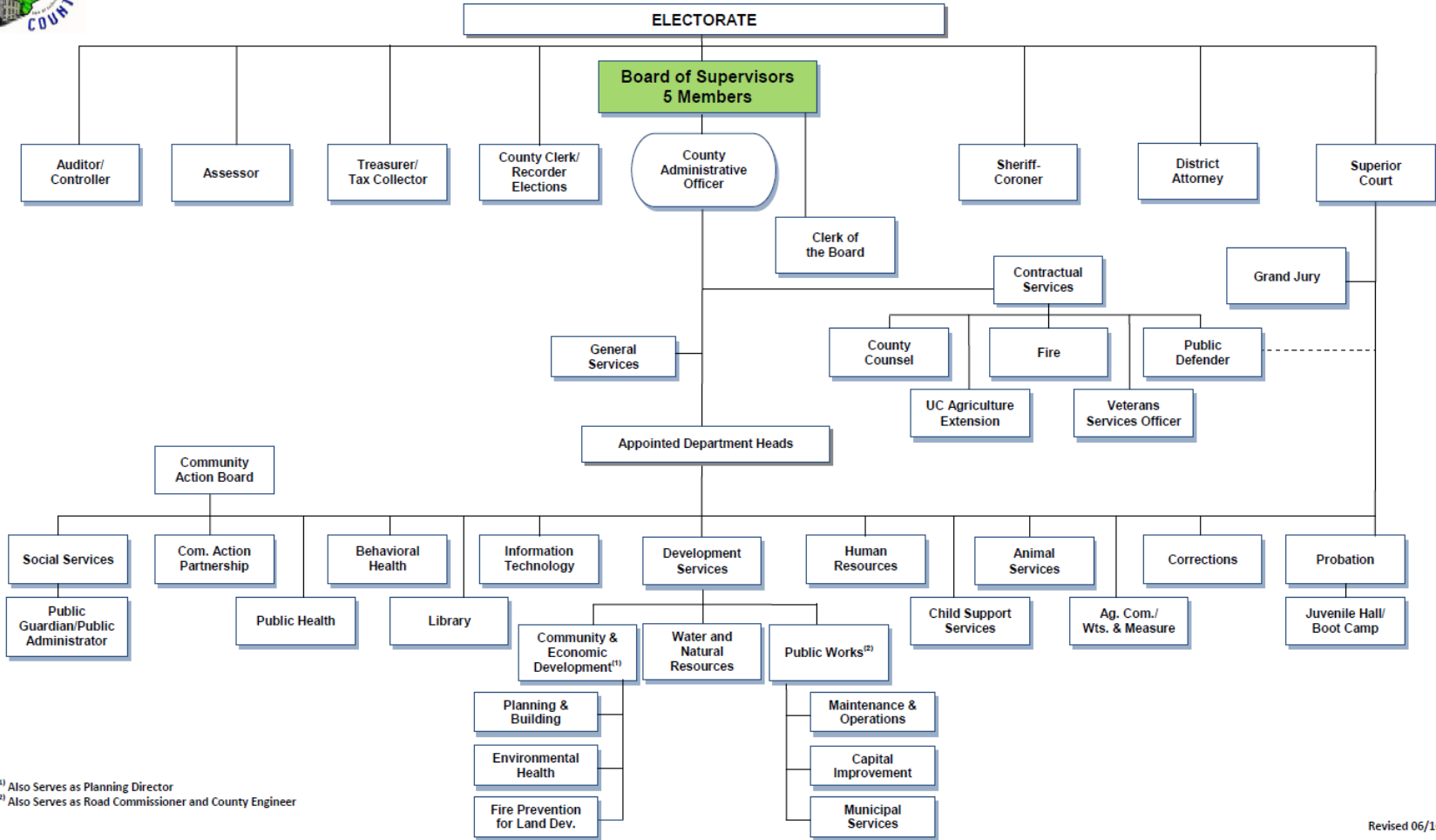


Eric Fleming

County Administrative Officer



MADERA COUNTY GOVERNMENT ORGANIZATION CHART



⁽¹⁾ Also Serves as Planning Director
⁽²⁾ Also Serves as Road Commissioner and County Engineer

COUNTY OF MADERA
COUNTY OFFICIALS
June 30, 2016

OFFICIALS

POSITION

Brett F. Frazier

Supervisor, District 1

David Rogers

Supervisor, District 2

Rick J. Farinelli

Supervisor, District 3

Max Rodriguez

Supervisor, District 4

Worley T. Wheeler

Supervisor, District 5

Gary L. Svanda

Assessor

Todd E. Miller

Auditor-Controller

Rebecca Martinez

County Clerk-Recorder

David A. Linn

District Attorney

Jay A. Varney

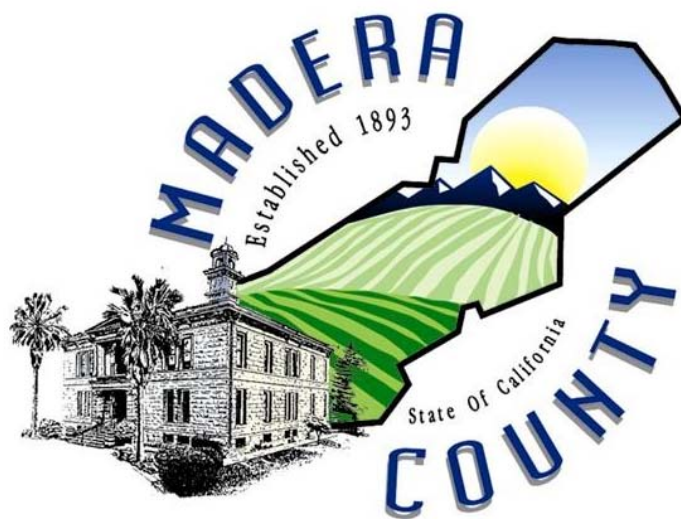
Sherriff

Tracy K. Desmond

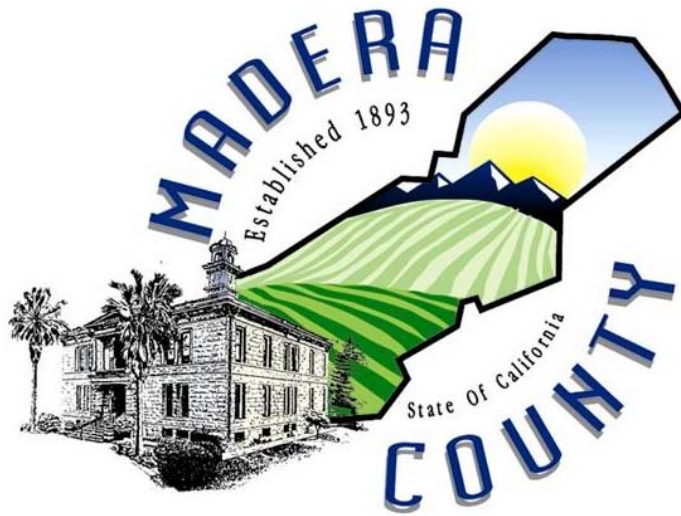
Treasurer-Tax Collector

Eric D. Fleming

County Administrative Officer



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Honorable Board of Supervisors
County of Madera
Madera, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Madera, California (the County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Community Action Partnership (Partnership) of Madera County and Madera County Workforce Investment Corporation (Corporation), which represent 100 percent of the assets, net position, and revenue of the County's discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Partnership and Corporation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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 respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2016, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Honorable Board of Supervisors
County of Madera

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, the schedule of County's proportionate share of net pension liability cost sharing plans, schedule of County's pension contributions, schedule of funding progress – other postemployment benefits, and budgetary comparison 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.

Other Information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

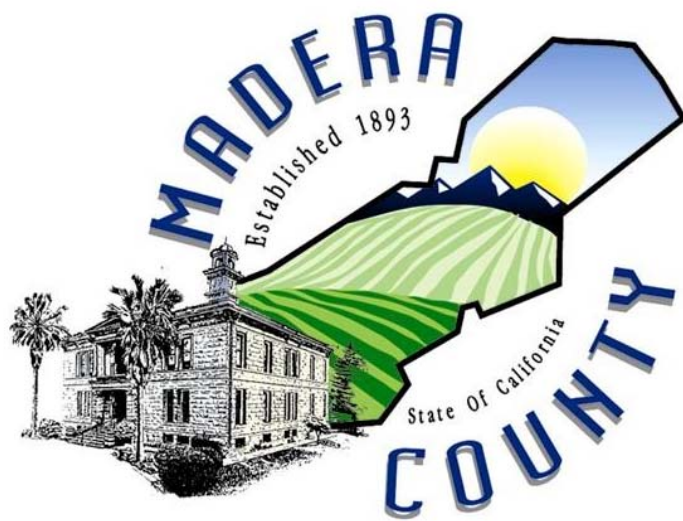
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.



Roseville, California
December 30, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS



COUNTY OF MADERA
Management's Discussion and Analysis
June 30, 2016

Within this section of Madera County's annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2016. Readers are encouraged to consider the information presented here in conjunction with accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, does not include discretely reported component units.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of the most recent fiscal year by \$204,770,329 (*net position*). By definition, unrestricted net position may be used to meet the County's ongoing obligations to the citizens and creditors in accordance with the County's fund designation and fiscal policies. However, since the unrestricted net position is a negative \$189,754,609, this indicates that the County's assets spendable for other than restricted purposes are insufficient to meet its current and long-term obligations. The remaining net position, \$104,482,347, is restricted for specific purpose (*restricted net position*), and \$290,042,591, net investment in capital assets, is not spendable.
- The County's net position, net investment in capital assets increased by \$803,837.
- The County's governmental funds reported combined fund balances of \$125,930,332, an increase of \$6,329,364 in comparison to the prior year.
- The County's unrestricted and spendable fund balance for the governmental funds was \$22,819,509, or 11% of total governmental funds expenditures.

OVERVIEW OF 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 comprise three components: 1) **Government-wide** financial statements; 2) **Fund** financial statements; and 3) **Notes** to the basic financial statements. This report also contains other Supplementary Information in addition to the basic financial statements.

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

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

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a 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, recreation, and interest expense. The business-type activities of the County include the County Landfill, as well as County Maintenance Districts and County Service Areas that provide water and sewer services. Fiduciary activities are not included in the government-wide statements, since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and organizations for which the County is accountable (component units). These organizations are blended into the primary government for financial reporting purposes and include: County special revenue funds, County Flood Control district, lighting districts, road

COUNTY OF MADERA
Management's Discussion and Analysis
June 30, 2016

maintenance districts, County service areas and maintenance districts, and the Madera County Public Financing Authority. The Madera Community Action Agency and Workforce Development Agency are included in the County's overall reporting entity but are reported separately from the primary government. More complete information about the County's component units can be found in Note 1.

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 finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

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

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

The County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Fund, Housing and Community Development Fund, Special Revenue – Public Protection Programs Fund, Capital Projects Fund, and the Other Governmental Funds combined into a single, aggregated column.

Proprietary funds are maintained in two ways. *Enterprise funds* report the same functions presented as *business-type activities* in the government-wide financial statements. The County's enterprise funds account for the water and sewer operations and the landfill. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses three internal service funds to account for its fleet maintenance, risk management, and microwave radio functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Special Districts Water/Sewer and County Landfill are considered to be major funds of the County and are separately presented with combined internal service funds in the proprietary funds financial statements.

Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements, because the resources of those funds are not available to support the County's own programs.

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.

Required Supplementary Information provides the schedule of funding progress for the County Employees Retirement Plan and Other Post-Employment Benefits. Also presented are the County's General Fund and Major Special Revenue Funds budgetary schedules. The County adopts an annual appropriated budget for each fiscal year. A budgetary comparison schedule has been provided for the General Fund, Road Fund, Housing and Community Development Fund, and Public Protection Programs Fund to demonstrate compliance with this budget.

COUNTY OF MADERA
Management's Discussion and Analysis
June 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, combined assets exceeded liabilities by \$204,770,329 at the close of the most recent fiscal year. Of these, combined net position 142% reflects the County's net investment in capital assets. The percentage exceeds 100%, indicating that the County's *net investment in capital assets* exceeds its *total net position* and its *total net position* is insufficient to meet its current and long-term obligations. Another 51% of the County's net position is subject to external restrictions on how it may be used. In addition, a portion of the remaining negative (93%), referred to as unrestricted, is dedicated to spending on specific programs or services.

The County's Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 154,177	\$ 153,153	\$ 23,982	\$ 22,530	\$ 178,159	\$ 175,683
Capital Assets	287,911	298,528	81,088	70,017	368,999	368,545
Total Assets	<u>442,088</u>	<u>451,681</u>	<u>105,070</u>	<u>92,547</u>	<u>547,158</u>	<u>544,228</u>
Deferred Outflows - Pensions	15,179	13,810	-	-	15,179	13,810
Current and Other Liabilities	26,835	30,121	4,241	4,965	31,076	35,086
Long-Term Liabilities	290,111	272,361	26,177	26,680	316,288	299,041
Total Liabilities	<u>316,946</u>	<u>302,482</u>	<u>30,418</u>	<u>31,645</u>	<u>347,364</u>	<u>334,127</u>
Deferred Inflows - Pensions	10,204	20,543	-	-	10,204	20,543
Net Investment in Capital Assets	237,185	241,413	52,857	41,697	290,042	283,110
Restricted	104,482	101,690	-	-	104,482	101,690
Unrestricted	(211,549)	(200,637)	21,795	19,205	(189,754)	(181,432)
Total Net Position	<u>\$ 130,118</u>	<u>\$ 142,466</u>	<u>\$ 74,652</u>	<u>\$ 60,902</u>	<u>\$ 204,770</u>	<u>\$ 203,368</u>

A significant portion of the County's net position, \$290,042,591, reflects the amount invested in capital assets (e.g., land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the County's net position, \$104,482,347, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year the County reported positive balances in all three categories of net position for its separate business-type activities only. For its governmental type activities and for the County as a whole, only the County's net investment in capital assets and restricted net position reported positive balances. For governmental type activities and for the County as a whole the County reported a negative balance of unrestricted net position, indicating that the restricted balance of net position exceeded the actual restricted balances of net position reported as available to meet the County's ongoing obligations to citizens and creditors.

COUNTY OF MADERA
Management's Discussion and Analysis
June 30, 2016

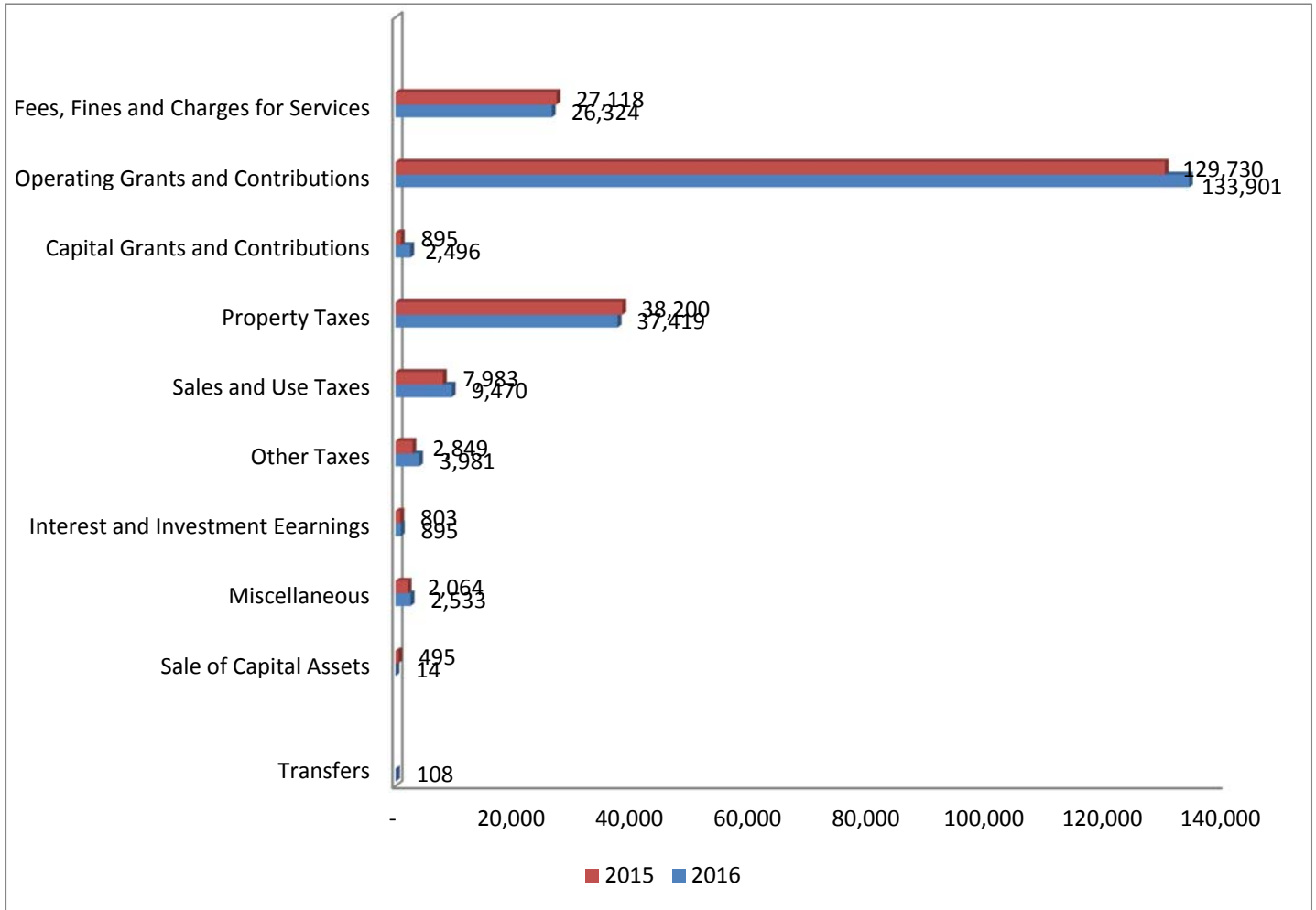
During the current fiscal year the County's net position increased by \$803,837. The net increase in net position represents the degree to which ongoing revenues exceeded ongoing expenses.

The County's Changes in Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015
Revenues						
Program Revenues:						
Fees, Fines, and Charges for Services	\$ 26,324	\$ 27,118	10,391	10,247	36,715	37,365
Operating grants/contributions	133,901	129,730	321	2,739	134,222	132,469
Capital grants/contributions	2,496	895	4,463	656	6,959	1,551
Property Taxes	37,419	38,200	1,175	422	38,594	38,622
Sales and Use Taxes	9,471	7,983	-	-	9,471	7,983
Other Taxes	3,981	2,849	-	-	3,981	2,849
Interest and Investment earnings	895	803	191	157	1,086	960
Miscellaneous	2,533	2,064	235	198	2,768	2,262
Sale of Capital Assets	14	495	-	-	14	495
Transfers	108	(377)	(108)	378	-	1
Total Revenues	217,142	209,760	16,668	14,797	\$ 233,810	\$ 224,557
Expenses						
General Government	30,277	27,482	-	-	30,277	27,482
Public Protection	74,905	71,347	-	-	74,905	71,347
Public Ways and Facilities	20,904	20,595	-	-	20,904	20,595
Health and Sanitation	28,557	27,708	-	-	28,557	27,708
Public Assistance	61,982	60,060	-	-	61,982	60,060
Education	1,363	1,366	-	-	1,363	1,366
Recreation	973	945	-	-	973	945
Interest on Debt	1,228	889	-	-	1,228	889
Special Districts - Water/Sewer		-	7,323	6,503	7,323	6,503
County Landfill		-	5,498	4,467	5,498	4,467
Total Expenses	220,189	210,392	12,821	10,970	233,010	221,362
Change in Position	(3,047)	(632)	3,847	3,827	800	3,195
Net Position - Beginning, Restated	133,164	143,098	70,806	57,075	203,970	200,173
Net Position - Ending	\$ 130,117	\$ 142,466	\$ 74,653	\$ 60,902	\$ 204,770	\$ 203,368

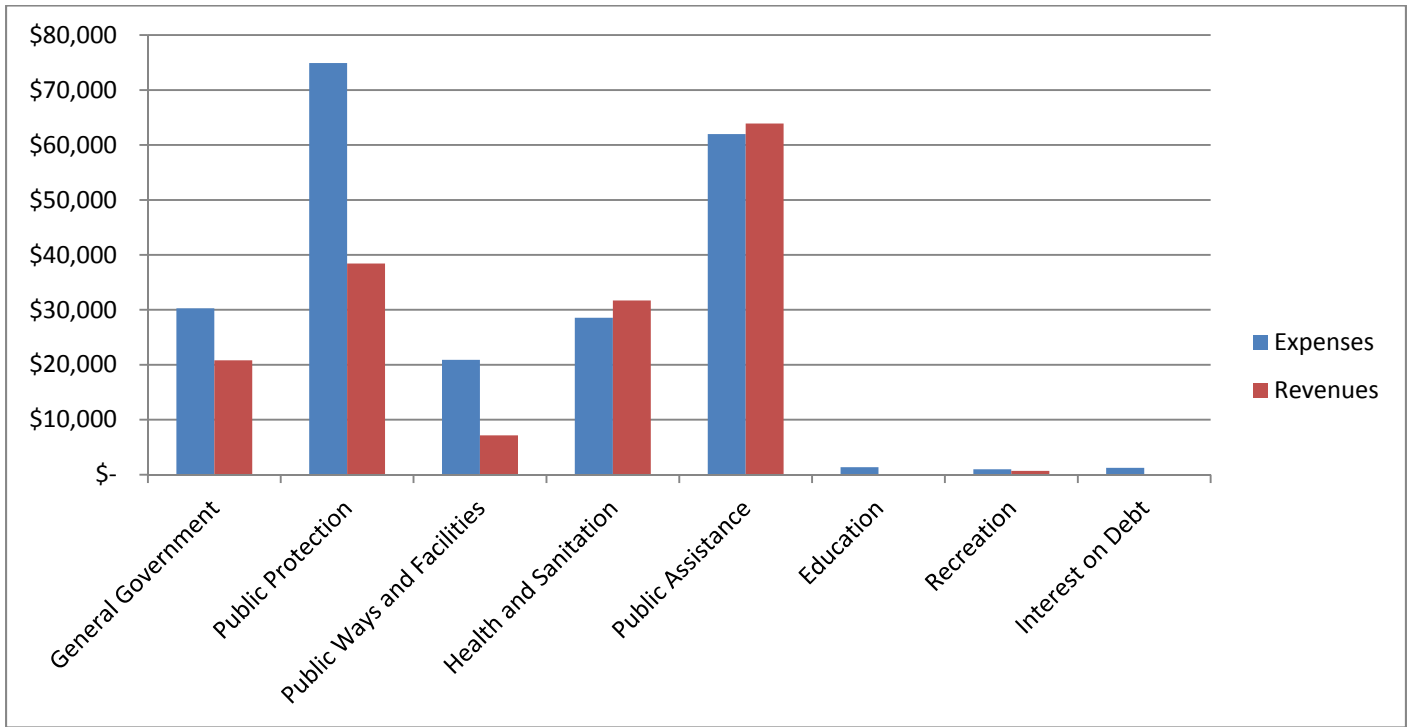
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Revenue by Source – Governmental Activities (\$ in thousands)

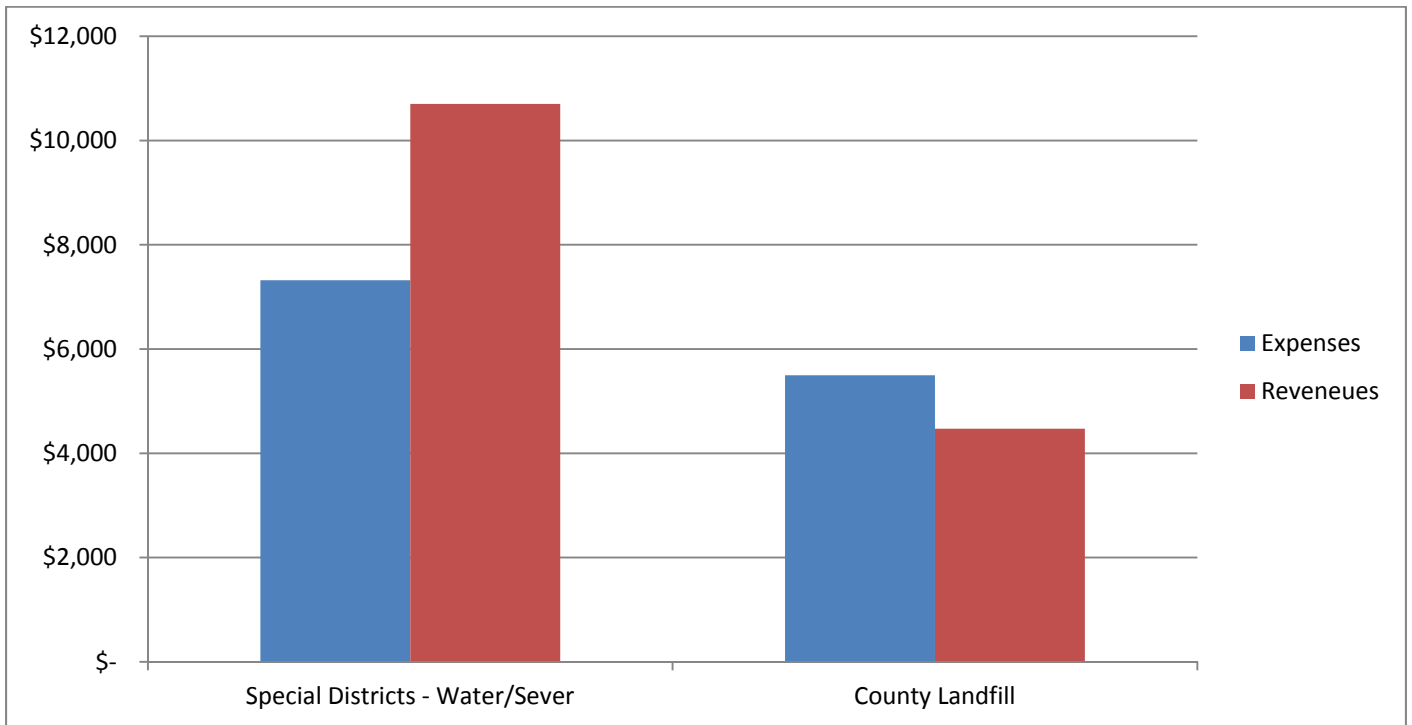


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Program Revenue and Expense – Governmental Activities (\$ in thousands)



Program Revenue and Expense – Business-Type Activities (\$ in thousands)



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FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental funds. The general government functions are contained in the General, Special Revenue, and Capital Project Funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Net Change in Fund Balance
Governmental Funds

	FY 2016	FY2015	Net Change	
			Amount	Percent
Fund Balance - Beginning, Restated	\$ 119,600,968	\$ 114,172,413	\$ 5,428,555	4.54%
Revenues	218,202,316	205,319,538	12,882,778	5.90%
Expenditures	(212,965,370)	(222,350,627)	9,385,257	-4.41%
Other Financing Sources (Uses)	1,092,418	24,440,247	(23,347,829)	-2137.26%
Fund Balance - Ending	<u>\$ 125,930,332</u>	<u>\$ 121,581,571</u>	<u>\$ 4,348,761</u>	

At June 30, 2016 the County's governmental funds reported combined fund balances of \$125,930,332. Of these combined fund balances \$19,474,196 constitutes unrestricted fund balance of the General, Special Revenue, and Capital Projects Funds, which is available to meet the County's current and future needs. The restricted fund balance, \$93,474,196, consists of amounts with constraints put on their use by externally imposed creditors, grantors, laws, regulations, or enabling legislation. The committed fund balance of \$5,726,817 consists of amounts reserved to cover the County's future contractual obligations. The remainder of the fund balance, \$3,806,995 is non-spendable fund balance. These are amounts that are not spendable in form or are legally or contractually required to be maintained intact, such as inventories and prepaid amounts.

The General Fund is the chief operating fund of the County. At June 30, 2016 unrestricted General Fund balance was \$23,224,723, while total fund balance was \$74,153,835. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted and total General Fund balance to total General Fund expenditures. Unrestricted General Fund balance represents 11% of total General Fund expenditures.

The County's management also assigns (earmarks) unrestricted General Fund balance to a particular function, project, or activity. Fund balance may also be assigned for purposes beyond the current year. However, assigned fund balance is available for appropriation at any time. Of the \$23,224,723 General Fund unrestricted fund balance, 14% is assigned.

Total governmental funds Fund Balance, as restated as of June 30, 2016, increased by \$6,329,364 compared to the prior year. The major governmental funds had changes in fund balance as follows: General Fund increased

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\$11,163,700; Roads Fund decreased \$4,196,147; and the Special Revenue – Public Protection fund also increased \$1,212,989. The non-major governmental funds decreased by \$1,851,178.

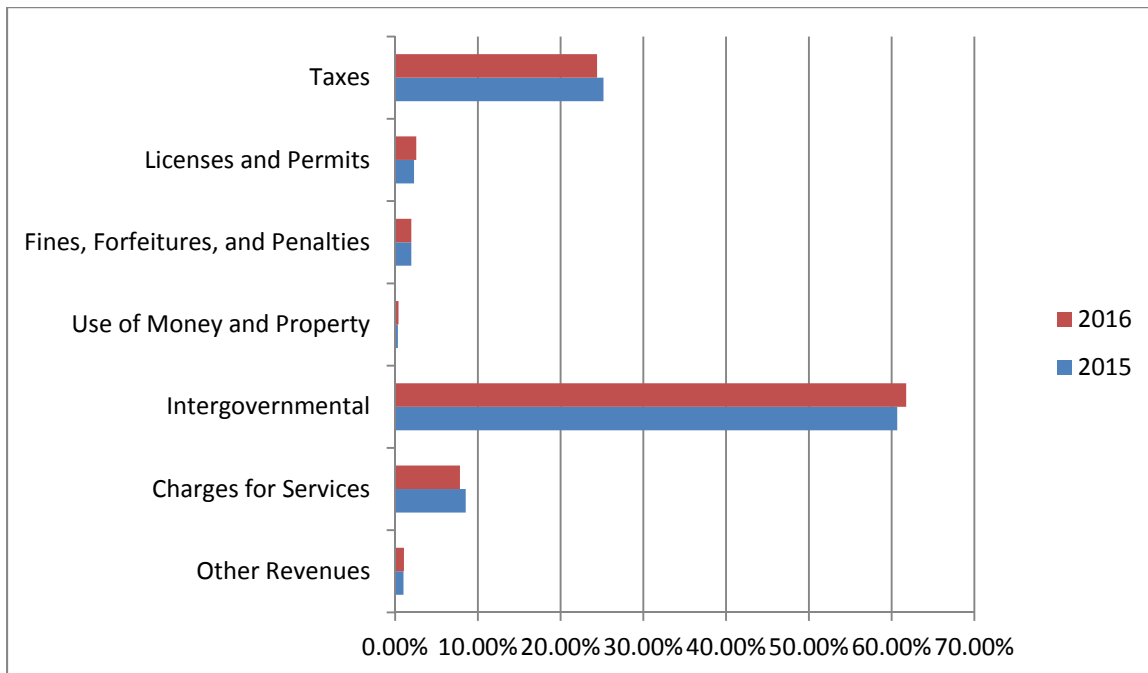
The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year:

Revenues Classified by Source
Governmental Funds

	Fiscal Year 2016		Fiscal Year 2015		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes	\$ 53,256,983	24%	\$ 51,717,880	25.19%	\$ 1,539,103	3%
Licenses and Permits	5,567,012	3%	4,710,488	2.29%	856,524	18%
Fines, Forfeitures & Penalties	4,294,348	2%	4,044,264	1.97%	250,084	6%
Use of Money & Property	909,940	0%	685,545	0.33%	224,395	33%
Intergovernmental	134,753,054	62%	124,578,705	60.68%	10,174,349	8%
Charges for Services	17,090,348	8%	17,518,607	8.53%	(428,259)	-2%
Other Revenues	2,330,631	1%	2,064,049	1.01%	266,582	13%
Total Revenue by Source	\$ 218,202,316	100%	\$ 205,319,538	100.00%	\$ 12,882,778	

The following graph illustrates where the County funds come from:

Revenues by Source – Governmental Activities



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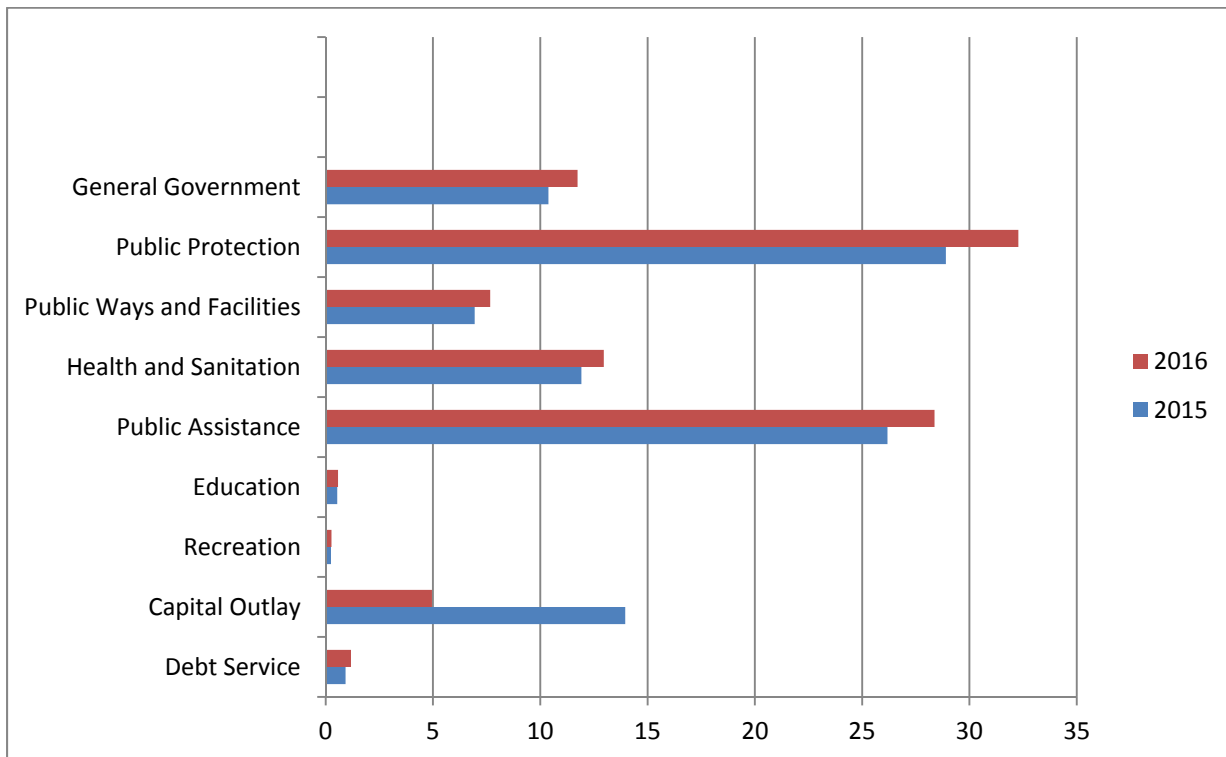
The following table presents expenditures by function compared to prior year amounts:

Expenditures Classified by Function
 Governmental Funds

	Fiscal Year 2016		Fiscal Year 2015		Increase (Decrease)	
	Amount	Percent of	Amount	Percent of	Amount	Percent of
		Total		Total		Change
General Government	\$ 25,008,355	11.74%	\$ 23,084,315	10.38%	\$ 1,924,040	-20.50%
Public Protection	68,755,331	32.28%	64,250,966	28.90%	4,504,365	-47.99%
Public Ways and Facilities	16,344,870	7.67%	15,422,364	6.94%	922,506	-9.83%
Health and Sanitation	27,592,067	12.96%	26,495,540	11.92%	1,096,527	-11.68%
Public Assistance	60,410,086	28.37%	58,218,056	26.18%	2,192,030	-23.36%
Education	1,226,344	0.58%	1,208,367	0.54%	17,977	-0.19%
Recreation	578,931	0.27%	551,020	0.25%	27,911	-0.30%
Capital Outlay	10,539,580	4.95%	31,035,851	13.96%	(20,496,271)	218.39%
Debt Service	2,509,806	1.18%	2,084,148	0.94%	425,658	-4.54%
Total by Function	\$ 212,965,370	100.00%	\$ 222,350,627	100.00%	\$ (9,385,257)	100.00%

The following graph illustrates how County funds were spent:

Expenditures by Function – Governmental Activities



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Other financing sources and uses are presented below to illustrate changes from the prior year:

	Other Financing Sources (Uses)			
	Governmental Funds			
	Fiscal Year 2016	Fiscal Year 2015	Increase (Decrease)	
			Amount	Percent
Transfers In	\$ 22,560,798	\$ 27,756,082	\$ (5,195,284)	-18.72%
Transfers Out	(22,327,814)	(28,008,671)	5,680,857	-20.28%
Payment to Refunding Escrow				
Agent	(13,560,000)	-	(13,560,000)	100.00%
Capital Leases	14,104,617	24,108,690	(10,004,073)	-41.50%
Sales of Capital Assets	304,638	584,146	(279,508)	-47.85%
Insurance Recoveries	10,179	-	10,179	n/a
Net Financing Sources (Uses)	<u>\$ 1,092,418</u>	<u>\$ 24,440,247</u>	<u>\$ (23,347,829)</u>	

Proceeds from Sale of Capital Assets are the result of sale transactions involving property that was not needed for public use by the County.

Proprietary funds reporting focuses on determining operating income, changes in net position (or costs recovery), financial position, and cash flows using the full accrual basis of accounting.

Enterprise funds report the business-type activities of the County. Enterprise funds are used to account for its landfill and special district water and sewer operations.

	Net Change in Net Position			
	Enterprise Funds			
	Fiscal Year 2016	Fiscal Year 2015	Net Change	
			Amount	Percent
Total Net Position - Beginning, Restated	\$ 60,901,519	\$ 53,090,517	\$ 7,811,002	15%
Prior Period Adjustment	9,904,259	3,984,664	5,919,595	0%
Operating Revenues	10,625,898	10,444,612	181,286	2%
Operating Expenses	(12,099,788)	(10,181,843)	(1,917,945)	19%
Non-Operating Income	965,443	2,531,404	(1,565,961)	-62%
Capital Contributions	4,463,324	654,576	3,808,748	582%
Transfers In	18,000	615,541	(597,541)	0%
Transfers Out	(125,984)	(237,952)	111,968	-47%
Total Net Position - Ending	<u>\$ 74,652,671</u>	<u>\$ 60,901,519</u>	<u>\$ 13,751,152</u>	

Net position restricted for net investment in capital assets at fiscal yearend was \$52,857,481. Unrestricted net position of the enterprise funds at fiscal year-end was \$21,795,190.

The net position of the enterprise funds increased \$13,751,152 from prior fiscal year; \$9,904,259 of that increase was due to a prior period adjustment.

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Internal service funds are an accounting device to accumulate and allocate costs internally among the County's various functions. Internal service funds are used to account the County's self-insurance, central garage, and microwave radio functions.

Net Change in Net Position
Internal Service Funds

	Fiscal Year		Net Change	
	2016	2015	Amount	Percent
Total Net Position - Beginning	\$ 793,941	\$ 3,258,461	\$ (2,464,520)	-75.63%
Prior Period Adjustments	\$ (7,842)	\$ -	\$ (7,842)	n/a
Operating Revenues	7,153,064	6,382,181	770,883	12.08%
Operating Expenses	(6,566,795)	(8,741,523)	2,174,728	-24.88%
Non-Operating Revenues	38,032	19,822	18,210	91.87%
Transfers Out	(125,000)	(125,000)	-	0.00%
Total Net Position - Ending	<u>\$ 1,285,400</u>	<u>\$ 793,941</u>	<u>\$ 491,459</u>	

Total net position of the internal service funds at fiscal year end was \$1,285,400 and includes \$4,774,914 invested in capital assets.

The net position of the internal service funds, as restated, as of June 30, 2016 increased \$491,459 over the prior fiscal year. Operating revenues increased 12.08% and operating expenses also decreased 24.88%.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the Board of Supervisors revised the County's budget many times. Each time a grant or specific revenue enhancement is made available to a County program new appropriations and budget amendments are required.

The mid-year review is a formal process by which each department is analyzed for expense and revenue trends. Adjustments are recommended where indicated and monitored for the remainder of the year. Unless there is some unforeseen and unusual circumstance that causes a budget overrun, a draw on the Contingency Reserve is not recommended.

Differences between the original budget and the final amended budget resulted in a \$3,014,182 increase in appropriations. The components of appropriations variance are briefly summarized as follows: \$2,366,921 increase in general government; \$3,614,963 increase in public protection; \$543,283 increase in public assistance; \$1,244,643 increase in health and sanitation; \$107,623 increase in education; \$1,582,598 increase in capital outlay; and \$41,222 increase in debt service.

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Differences between the original budget and the final amended budget are summarized in the table below:

Budgetary Comparison
General Fund

	Original	Final	Net Change	
			Budget	Budget
Total Revenues	\$ 166,997,680	\$ 171,579,831	\$ 4,582,151	3%
Total Expenditures	(197,690,293)	(200,704,475)	\$ (3,014,182)	2%
Other Financing Sources (Uses)	19,242,614	19,677,567	\$ 434,953	2%
Net Change in Fund Balances	<u>\$ (11,449,999)</u>	<u>\$ (9,447,077)</u>	<u>\$ (2,002,922)</u>	

Differences between the final amended budget and actual amounts are summarized in the table below:

Budgetary Comparison
General Fund

	Final	Actual	Net Change	
			Budget	Amounts
Total Revenues	\$ 171,579,831	\$ 170,199,556	\$ (1,380,275)	-1%
Total Expenditures	(200,704,475)	(180,841,810)	\$ 19,862,665	-10%
Other Financing Sources (Uses)	19,677,567	21,154,466	\$ 1,476,899	8%
Total Net Position - Ending	<u>\$ (9,447,077)</u>	<u>\$ 10,512,212</u>	<u>\$ (19,959,289)</u>	

CAPITAL ASSETS

The County' investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounted to \$340,903,035 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, leasehold improvements, equipment, and infrastructure (roads and bridges). The total increase in the County's investment in capital assets for the current fiscal year was \$5,381,491.

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Components of the change in net capital assets are as follows:

		Retirements (Net of Accum. Depreciation)	Transfers & Adjustments	Depreciation	Net Change
General Government	\$ 2,453,468	\$ (13,083)	\$ 60,507	\$ 1,335,534	\$ 1,165,358
Public Protection	5,708,515	(32,567)	3,856,799	2,379,440	\$ 7,153,307
Public Ways and Facilities	1,702,710	(39,432)	(44,842)	4,090,466	\$ (2,472,030)
Health and Sanitation	125,163		(3,884,813)	121,604	\$ (3,881,254)
Public Assistance	248,880			223,655	\$ 25,225
Education	17,180			103,583	\$ (86,403)
Recreation and Cultural	118,867			393,767	\$ (274,900)
Internal Service Funds	753,925	49,282	(39,435)	556,728	\$ 207,044
Enterprise Funds	5,705,979	(254,063)	-	1,906,772	\$ 3,545,144
Total	\$ 16,834,687	\$ (289,863)	\$ (51,784)	\$ 11,111,549	\$ 5,381,491

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Construction of capital assets during the current fiscal year included the following:

		Current	
Major bridge, road, and construction projects:		Year Costs	Total Costs
Governmental Funds:			
	Sheriff Facility	\$ 71,282	\$ 13,367,929
	Madera Library Remodel	17,180	773,659
	Government Center 3rd Floor	78,249	4,454,059
Total Governmental Funds		<u>\$ 166,711</u>	<u>\$ 18,595,647</u>
Construction in Progress at June 30, 2015:			
Major bridge and road projects:			
Governmental Funds:			
	Road Project MA	\$ 236,451	\$ 236,451
	Road 200, Phase 3	-	424,349
	Bridge, Road 200	1,141,332	1,141,332
		<u>\$ 1,377,783</u>	<u>\$ 1,802,132</u>
Building upgrades:			
Governmental Funds:			
	Solar Project	\$ 911,955	\$ 10,116,928
	Jail Phase II Kitchen	3,470,258	4,659,736
	Ahwahnee Hills Regional Park	64,350	456,582
		<u>\$ 4,446,563</u>	<u>\$ 15,233,246</u>
Major construction:			
Enterprise Funds:			
	Maintenance District 10A production wells	\$ 45,447	\$ 2,381,422
	Maintenance District 6 production well	92,410	92,410
	Maintenance District 7 production well	37,971	37,971
	Maintenance District 22A sewer plant expansion	592,963	6,616,365
	Maintenance District 43 water system improvements	2,512,207	2,512,207
		<u>\$ 3,280,998</u>	<u>\$ 11,640,375</u>
Summary of construction in progress at June 30, 2015:			
Total Governmental Funds		\$ 5,991,057	\$ 35,631,024
Total Enterprise Funds		\$ 3,280,998	\$ 11,640,375
Total Construction in Progress		<u>\$ 9,272,055</u>	<u>\$ 47,271,399</u>

Additional information regarding capital assets begins on page 57, note 4.

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DEBT ADMINISTRATION

At the end of the current fiscal year, the County had total debt obligations outstanding of \$79,164,589. Of this amount \$10,699,090 consists of Revenue Bonds, for which the County has pledged a portion of special assessment revenues to debt service of the bonds and secured by property subject to the assessments. \$5,349,635 consists of loans payable of special districts of the County, for which the County has pledged a portion of special assessment revenues to service the loans.

The following table shows the composition of the County's debt obligations outstanding for governmental and proprietary funds:

	Long-Term Debt Obligations					
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Certificates of Participation	\$ -	\$ 14,640,000	\$ -	\$ -	\$ -	\$ 14,640,000
Special District 1915 Act and Revenue Bonds	-	-	10,699,090	13,786,660	10,699,090	13,786,660
Capital Lease Obligations	35,041,118	25,172,493	-	-	35,041,118	25,172,493
Compensated Absences	16,999,044	14,715,907	-	-	16,999,044	14,715,907
Litigation Judgement	207,279	234,360	-	-	207,279	234,360
Liability for Unpaid Claims	10,847,000	11,038,000	-	-	10,847,000	11,038,000
Loans Payable	-	-	5,439,635	2,712,254	5,439,635	2,712,254
Landfill Loan Guarantees	-	-	-	472,875	-	472,875
Unamortized Bond Discout	-	-	(68,577)	(71,694)	(68,577)	(71,694)
Total Debt	63,094,441	65,800,760	16,070,148	16,900,095	79,164,589	82,700,855
Less Current Portion	(10,796,984)	(10,640,814)	(406,467)	(383,352)	(11,203,451)	(11,024,166)
Net Long-Term Debt	<u>\$ 52,297,457</u>	<u>\$ 55,159,946</u>	<u>\$ 15,663,681</u>	<u>\$ 16,516,743</u>	<u>\$ 67,961,138</u>	<u>\$ 71,676,689</u>

Reductions of the County's total outstanding debt included principal payments of \$15,379,111, with \$1,227,821 interest expense for governmental activities and principal payments of \$855,555 and amortization of bond discount of \$3,117, with \$704,444 interest expense for business-type activities.

Other obligations include compensated absences (accrued vacation and sick leave), workers' compensation and general liability claims liability, and the landfill closure/post-closure care costs liability. More detailed information about the County's long-term liabilities is presented in notes to the financial statements, page 59, note 5 and page 61, note 6.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The County's fiscal year 2016-16 budget takes into consideration the overall financial health of the County and related impacts of the California State Budget. The County Executive Officer monitors the State's spending plan and advises the Board of Supervisors of any negative impact on the County's budget and the public we serve. Department heads and their fiscal managers are to be commended for their willingness to manage spending within available resources, while continuing to meet the needs of our community.

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California Economic Indicators

The fiscal year 2016-17 Adopted Budget is predicated on the possibility the State may take back revenues from the County if State revenues fall short of projections. In that event the County could receive significantly less than projected, if the State amends its budget.

The Governor's 2016-17 Budget assumes continued growth through 2017. Consequently, the budget continues prior commitments to pay down the State's substantial burden of debt, invest in education and health care, and increase the "Rainy Day Fund," but without substantial increases to any spending type. The State still faces a looming crisis in deferred maintenance of infrastructure that could impact future budgets, unless alternate financing sources (issuance of additional long-term bonded debt or increased taxes) can be found.

The State Controller's September 2016 Cash Update reported revenues for the second month of Fiscal Year 2016-17 exceeded Budget Act estimates by a slim \$373.4 million, or 8.5 percent, after four months of significant shortfalls of revenues as projected.

The California Department of Finance Bulletin, February 2016 reports that California's labor market was largely unchanged, despite the addition of 60,400 non-farm jobs in December 2015. California's unemployment rate fell to 4.9 percent in January 2016, having dropped 1.3 percent during 2015. Building activity fell as residential permit issuance decline 20 percent in December 2015, while residential valuation grew by 5 percent and nonresidential valuation dropped by 4.8 percent in December, reflecting improving residential values and demand, while reflecting flagging commercial and agricultural property values.

Madera County Budget

The adopted 2016-17 General Fund Budget is \$230.3 million, which represents a \$32.6 million increase over the fiscal year 2015-16 budget. The 2016-17 budget maintained unchanged the County's "Reserve for Future Budgetary Needs" of \$4.1 million established in the 2014-15 fiscal year.

LONG-RANGE PLANNING

The County is experiencing modest improvement to revenues, and the County continues to follow a conservative approach to spending due to the sensitivity of future revenues to a generally modest economic recovery from the recession. Declining agricultural property values are anticipated to be a probable damper on property tax revenues that have been increasing since the 2012-13 fiscal year. The County remained solvent through the worst of the recession, continued to monitor revenues closely, and implemented spending reductions wherever feasible.

Balancing service delivery with available resources will continue to challenge the County for the foreseeable future.

DISCRETIONARY REVENUE

The national, state, and local economic downturn resulted in a decline of property values, lagging sales of consumer goods and services, and a steep decline in interest rates. Madera County continues to suffer from depressed discretionary revenue compared to revenue prior to the economic downturn, despite a modest recovery. Fiscal year 2016-17 recommended discretionary revenue is \$67.7 million, a marginal increase of \$3.1 million over fiscal year 2015-16.

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NONDISCRETIONARY REVENUE

In addition to discretionary sales tax revenues, sales taxes dedicated to public health, mental health, social services, and public safety have declined since the economic downturn but are recovering in recent years.

1991 Realignment (Health and Human Services) sales tax and vehicle license fees (VLF) are dedicated to public health, mental health, and social services and provide the majority of matching funds for numerous state and federal funding sources. After decreasing for several years, VLF reached its base allocation in fiscal year 2012-13 with strong growth, which was received in fiscal year 2013-14 for public health and mental health. However, under AB85, beginning in fiscal year 2013-14, a portion of health realignment and growth has been redirected to support the State's share of cost for CalWORKS payments as well as state and county costs associated with increases to the CalWORKS maximum assistance payment (MAP). This redirection of funding significantly limits the amount of public health growth received in the future. The growth formula in 1991 health realignment has also been changed, since the State has assumed responsibility for much of the indigent health care population through the Medi-Cal expansion implemented January 1, 2015. This change in funding has reduced future VLF and significantly limited its growth potential. Sales tax realignment revenue continued to grow in fiscal years 2014-15 and 2015-16, as the economy continued to improve.

2011 Realignment (Health and Human Services) revenues are being received as anticipated. Under 2011 realignment, social services programs receive payments for costs previously paid by the state general fund, with the majority of sales tax collected in excess of base allocations directed to a \$200 million statewide restoration of funding for child welfare services. Restoration is projected to be complete in fiscal year 2014-15, with growth payments then distributed between protective services and behavioral health. The 2011 realignment structure includes preferential treatment of behavioral health, intended to compensate for financial treatment that favored health and social services under the 1991 realignment mechanism.

2011 Realignment (Public Safety) included a major realignment of public safety programs from the state to local governments. The intent of the Community Corrections Partnership Program authorized by AB 109 is to end the revolving door of lower-level offenders and parole violators through the state's prisons.

The County's Community Corrections Partnership Committee, chaired by the Chief Probation Officer, approved its 2016-17 budget at the March 2, 2016 meeting and included it in its respective 2016-17 budget requests. Funding for fiscal year 2016-17 is expected to be \$5.2 million and appropriations are requested at \$11.7 million, balanced by the user of \$6.5 million of AB 109 Restricted fund balance.

Receipts from Public Safety Augmentation (Proposition 172) sales tax have not shown any growth in recent years; receipts year to date are marginally smaller than the prior year to date. The County's pro-rata share of this sales tax has increased slightly from the prior fiscal year to 0.9784307.

EMPLOYEE BENEFITS

The cost of worker's compensation insurance, CalPERS retirement, health insurance rate increases, and retiree health care continue to impact the County. The County maintains a minimum confidence level of 80 percent for its self-insured worker's compensation and general liability insurance programs. Although the County is committed to maintaining this prudent reserve level, it fails to maintain the 80 minimum confidence for worker's compensation. In recent years the reserve funding levels established by the State exceed the County's capacity to fund the program. At the same time the County's actual experience level for worker's compensation

COUNTY OF MADERA
Management's Discussion and Analysis
June 30, 2016

claims is running at significantly lower levels than that which the State contemplates in setting the reserve requirement. Eventually, the State will have to recognize the disparity between actual experience and the reserve requirements and adjust the funding requirements down to a level the County will be able to maintain at the minimum 80 confidence.

The County's employer share of CalPERS retirement had experienced volatility, because of investment losses PERS experienced during the downturn in the financial markets. Since April 2012 PERS has implemented a series of changes in assumptions in discount rates and other actuarial assumptions that are driving employer contribution rates up significantly in future periods. New pension law effective in 2013 reduced retirement benefits for new hires. However, the County will not realize immediate savings from the reduced benefits.

On the local level, the County has successfully negotiated with represented and unrepresented bargaining units for benefit concessions. All active employees, except elected officials and department heads, now pay the employee share of PERS retirement; new hires will be working longer (to age 62 for miscellaneous and 57 for public safety), and their retirement will be based on the average of three highest years instead of the highest year.

Beginning in fiscal year 2014-15 the County's financial statements incorporated changes to pension liability reporting and recognition mandated by the Governmental Accounting Standards Board (GASB) statements No. 67 and 68. The County's June 30, 2016 unfunded Net Pension Liability of \$135.4 million represents the actuarially determined future cost of pension benefits the County must fund over the future funding period. See Note 10 of the financial statements for complete details.

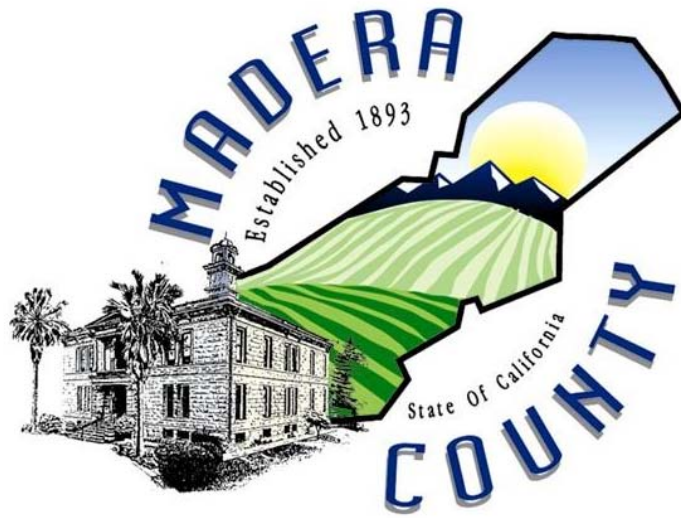
The County of Madera provides post-retirement medical benefits (OPEB) to eligible employees who retire directly from the County. Eligible retirees pay a portion of the medical premium based on the PEHMCA (CalPERS medical program) "unequal method." The remaining premium is shared by the County and active employees in accordance with bargaining agreements. Like most governmental agencies, the County pays for these post-retirement benefits on a "pay-as-you-go" basis. This means that OPEB costs are ignored while an employee renders service and are recognized only after the employee retires.

GASB statement No. 45 requires governmental agencies to conduct an actuarial valuation of the liability for OPEB and report them on their financial statements. The Unfunded Actuarial Accrued Liability is the excess of the Actuarial Accrued Liability over Plan Assets. This represents the amount of the Actuarial Accrued Liability at the valuation date that still must be funded. The County's estimated Unfunded Actuarial Liability as of June 30, 2016 is \$170,475,000. The County has not pre-funded its OPEB liability and has no plans to pre-fund in the foreseeable future.

REQUEST FOR INFORMATION

This financial report is designed to demonstrate accountability of the Madera County government by providing both long-term and near-term view of the County's finances. Questions or comments regarding the information presented in this report or requests for additional financial information should be addressed to the Auditor-Controller, 200 West Fourth Street, Madera, CA 93637.

BASIC FINANCIAL STATEMENTS



COUNTY OF MADERA

Statement of Net Position
June 30, 2016

	Primary Government		Totals	Component Units
	Governmental Activities	Business-Type Activities		
ASSETS				
Current assets:				
Cash and investments	\$ 125,867,172	\$ 17,724,466	\$ 143,591,638	\$ 3,122,629
Restricted assets:				
Cash and investments	--	8,183,904	8,183,904	--
Cash with fiscal agent	103,030	239,662	342,692	--
Accounts receivable	2,444,635	897,649	3,342,284	30,335
Interest receivable	233,547	60,815	294,362	--
Due from other governments	19,416,387	1,841,906	21,258,293	2,227,559
Internal balances	4,966,407	(4,966,407)	--	--
Prepaid expenses	758,902	--	758,902	44,287
Inventories	386,698	--	386,698	28,692
Deposits with others	--	--	--	128,038
Total current assets	154,176,778	23,981,995	178,158,773	5,581,540
Noncurrent assets:				
Taxes receivable	8,852,348	223,826	9,076,174	--
Long-term receivables	--	11,937,037	11,937,037	--
Loan and notes receivable	6,832,902	--	6,832,902	--
Capital assets:				
Nondepreciable	80,359,307	19,662,040	100,021,347	--
Depreciable, net	191,866,921	49,265,589	241,132,510	2,257,038
Total capital assets, net	272,226,228	68,927,629	341,153,857	2,257,038
Total noncurrent assets	287,911,478	81,088,492	368,999,970	2,257,038
Total assets	442,088,256	105,070,487	547,158,743	7,838,578
DEFERRED OUTFLOWS				
Deferred outflows - pensions	15,179,332	--	15,179,332	--
LIABILITIES				
Current liabilities:				
Accounts payable	4,626,673	1,825,974	6,452,647	4,102,190
Salaries and benefits payable	5,168,050	--	5,168,050	103,350
Retention payable	46,852	352,015	398,867	--
Interest payable	256,430	217,446	473,876	--
Due to other governments	1,893,605	90,057	1,983,662	--
Deposits payable	2,107,537	52,498	2,160,035	128
Unearned revenue	1,939,307	1,301,282	3,240,589	524,839
Claims payable	2,592,117	--	2,592,117	--
Compensated absences, due within one year	5,916,021	--	5,916,021	--
Long-term debt, due within one year	2,288,846	406,467	2,695,313	18,996
Total current liabilities	26,835,438	4,245,739	31,081,177	4,749,503
Noncurrent liabilities:				
Claims payable	8,254,883	--	8,254,883	--
Compensated absences, due in more than one year	11,083,023	--	11,083,023	--
Long-term debt, due in more than one year	32,959,551	15,663,681	48,623,232	24,795
Net OPEB obligation	102,385,000	--	102,385,000	--
Liability for landfill closure	--	10,508,396	10,508,396	--
Net pension liability	135,428,034	--	135,428,034	--
Total noncurrent liabilities	290,110,491	26,172,077	316,282,568	24,795
Total liabilities	316,945,929	30,417,816	347,363,745	4,774,298

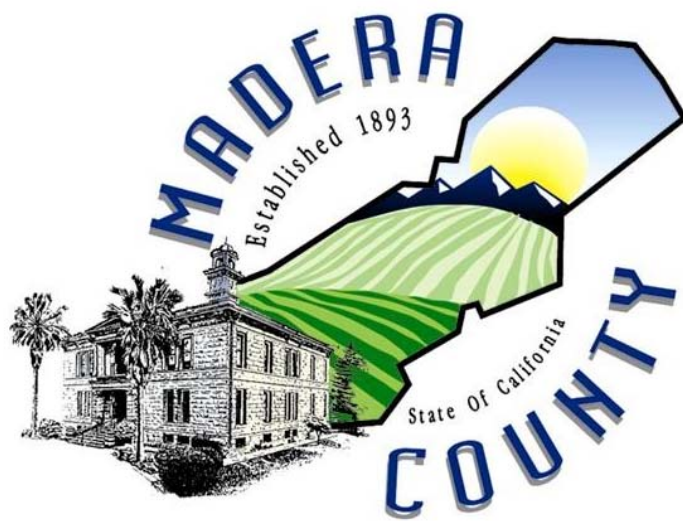
The accompanying notes are an integral part of these financial statements.

COUNTY OF MADERA

Statement of Net Position (continued)
June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Totals	
<u>DEFERRED INFLOWS</u>				
Deferred inflows - pensions	\$ 10,204,001	\$ --	\$ 10,204,001	
<u>NET POSITION</u>				
Net investment in capital assets	237,185,110	52,857,481	290,042,591	2,079,953
Restricted for:				
Public protection	25,157,282	--	25,157,282	--
Public ways and facilities	24,842,306	--	24,842,306	--
Public health and assistance	39,486,286	--	39,486,286	--
Public assistance	13,102,136	--	13,102,136	--
Education	36,556	--	36,556	--
Recreation and culture	77,768	--	77,768	--
Capital projects	155,898	--	155,898	--
Other programs	1,624,115	--	1,624,115	14,797
Unrestricted	(211,549,799)	21,795,190	(189,754,609)	969,530
Total net position	<u>\$ 130,117,658</u>	<u>\$ 74,652,671</u>	<u>\$ 204,770,329</u>	<u>\$ 3,064,280</u>

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



COUNTY OF MADERA

Statement of Activities
For the Year Ended June 30, 2016

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	\$ 30,277,503	\$ 10,612,231	\$ 10,178,099	\$ 5,500
Public protection	74,904,953	9,912,235	26,609,521	1,900,713
Public ways and facilities	20,904,174	1,760,195	4,855,031	525,632
Health and sanitation	28,556,579	3,236,448	28,465,693	--
Public assistance	61,982,201	121,747	63,780,296	--
Education	1,363,112	73,654	12,644	--
Recreation and culture	972,698	607,818	--	64,243
Interest and fiscal charges	1,227,821	--	--	--
Total Governmental Activities	<u>220,189,041</u>	<u>26,324,328</u>	<u>133,901,284</u>	<u>2,496,088</u>
Business-Type Activities:				
Special Districts - Water/Sewer	7,323,057	5,918,698	321,370	4,463,324
County Landfill	5,498,260	4,471,913	--	--
Total Business-type Activities	<u>12,821,317</u>	<u>10,390,611</u>	<u>321,370</u>	<u>4,463,324</u>
Total Madera County	<u>\$ 233,010,358</u>	<u>\$ 36,714,939</u>	<u>\$ 134,222,654</u>	<u>\$ 6,959,412</u>
Component Units:				
Community Action Partnership of Madera County (CAPMC)	\$ 25,023,816	\$ 174,541	\$ 24,834,725	\$ --
Madera County Workforce Investment Corporation (MCWIC)	4,957,299	134,226	4,871,146	646
Total Component Units	<u>\$ 29,981,115</u>	<u>\$ 308,767</u>	<u>\$ 29,705,871</u>	<u>\$ 646</u>

General Revenues:

 Taxes:

 Property taxes

 Sales and use taxes

 Other

 Interest and investment earnings

 Miscellaneous

 Sale of capital assets

Transfers

 Total General Revenues and Transfers

Change in Net Position

 Net Position - Beginning of Year, Restated

 Net Position - End of Year

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

Net (Expense) Revenue and Changes in Net Position			Component Units
Primary Government		Total	
Governmental Activities	Business-Type Activities		
\$ (9,481,673)	\$ --	\$ (9,481,673)	
(36,482,484)	--	(36,482,484)	
(13,763,316)	--	(13,763,316)	
3,145,562	--	3,145,562	
1,919,842	--	1,919,842	
(1,276,814)	--	(1,276,814)	
(300,637)	--	(300,637)	
(1,227,821)	--	(1,227,821)	
<u>(57,467,341)</u>	<u>--</u>	<u>(57,467,341)</u>	
--	3,380,335	3,380,335	
--	(1,026,347)	(1,026,347)	
<u>--</u>	<u>2,353,988</u>	<u>2,353,988</u>	
<u>(57,467,341)</u>	<u>2,353,988</u>	<u>(55,113,353)</u>	
			(14,550)
			<u>48,719</u>
			<u>34,169</u>
37,419,001	1,174,949	38,593,950	--
9,470,428	--	9,470,428	--
3,981,396	--	3,981,396	--
895,303	190,653	1,085,956	1,440
2,532,562	235,287	2,767,849	39,773
14,296	--	14,296	--
107,984	(107,984)	--	--
<u>54,420,970</u>	<u>1,492,905</u>	<u>55,913,875</u>	<u>41,213</u>
(3,046,371)	3,846,893	800,522	75,382
<u>133,164,029</u>	<u>70,805,778</u>	<u>203,969,807</u>	<u>2,988,898</u>
<u>\$ 130,117,658</u>	<u>\$ 74,652,671</u>	<u>\$ 204,770,329</u>	<u>\$ 3,064,280</u>

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

COUNTY OF MADERA

Balance Sheet
Governmental Funds
June 30, 2016

	General	Road	Special Revenue - Public Protection	Other Governmental Funds	Total
<u>Assets</u>					
Cash and investments	\$69,217,576	\$13,373,557	\$17,682,056	\$ 17,475,425	\$117,748,614
Imprest cash	5,675	400	--	--	6,075
Receivables:					
Accounts	1,842,040	36,554	1,684	295,043	2,175,321
Interest	138,106	30,270	8,652	37,501	214,529
Due from other governments	8,247,404	5,198,778	2,557,167	3,413,038	19,416,387
Due from other funds	8,170,873	418,160	--	565,911	9,154,944
Prepays and other assets	444,575	--	233,155	--	677,730
Inventories	--	346,738	--	--	346,738
Taxes receivable	8,845,583	--	1,987	4,778	8,852,348
Loans receivable	--	--	--	6,832,902	6,832,902
Advances to other funds	3,015,682	--	583,136	1,355,360	4,954,178
Total Assets	<u>\$99,927,514</u>	<u>\$19,404,457</u>	<u>\$21,067,837</u>	<u>\$ 29,979,958</u>	<u>\$170,379,766</u>
<u>Liabilities</u>					
Accounts payable	\$ 3,284,495	\$ 501,598	\$ 244,603	\$ 543,047	\$ 4,573,743
Salaries and benefits payable	4,778,480	252,141	120,024	--	5,150,645
Deposits from others	1,377,747	729,640	--	150	2,107,537
Due to other funds	657,265	420,747	4,981,286	1,353,484	7,412,782
Due to other governments	1,596,599	90,720	175,148	31,137	1,893,604
Unearned revenue	1,935,997	3,310	--	--	1,939,307
Advances from other funds	255,360	--	--	1,387,511	1,642,871
Total Liabilities	<u>13,885,943</u>	<u>1,998,156</u>	<u>5,521,061</u>	<u>3,315,329</u>	<u>24,720,489</u>
<u>Deferred Inflows of Resources</u>					
Unavailable revenue	<u>11,887,736</u>	<u>4,956,654</u>	<u>797,298</u>	<u>2,087,257</u>	<u>19,728,945</u>
<u>Fund Balances</u>					
Nonspendable	3,460,257	346,738	--	--	3,806,995
Restricted	42,063,450	12,102,909	14,749,478	24,661,174	93,577,011
Committed	5,405,405	--	--	321,412	5,726,817
Assigned	3,345,313	--	--	--	3,345,313
Unassigned	19,879,410	--	--	(405,214)	19,474,196
Total Fund Balances	<u>74,153,835</u>	<u>12,449,647</u>	<u>14,749,478</u>	<u>24,577,372</u>	<u>125,930,332</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$99,927,514</u>	<u>\$19,404,457</u>	<u>\$21,067,837</u>	<u>\$ 29,979,958</u>	<u>\$170,379,766</u>

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

COUNTY OF MADERA

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position - Governmental Activities
June 30, 2016

Fund Balance - total governmental funds	\$ 125,930,332
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	266,961,865
Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	19,728,945
Deferred outflows of resources reported in the Statement of Net Position	15,130,384
Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Litigation settlement obligation	(207,279)
Capital leases	(34,551,669)
Accrued interest	(256,430)
Compensated absences	(16,951,104)
Other postemployment benefits (OPEB) liability	(101,920,655)
Net pension liability	(134,879,697)
Deferred inflows of resources reported in the Statement of Net Position	(10,152,434)
Internal service funds are used by the County to charge the cost of its central garage, microwave radio services and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>1,285,400</u>
Net position of governmental activities	<u><u>\$ 130,117,658</u></u>

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

COUNTY OF MADERA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

	General	Road	Special Revenue - Public Protection	Other Governmental Funds	Total
Revenues:					
Taxes	\$ 48,198,254	\$ 4,218,232	\$ 180,623	\$ 659,874	\$ 53,256,983
Licenses and permits	5,400,761	166,251	--	--	5,567,012
Fines, forfeitures and penalties	3,724,496	--	343,213	226,639	4,294,348
Use of money and property	703,735	81,714	27,199	97,292	909,940
Intergovernmental	97,505,243	9,089,853	13,102,580	15,055,378	134,753,054
Charges for services	13,548,183	1,451,591	459,993	1,630,581	17,090,348
Other revenues	2,303,578	7,141	13,776	6,136	2,330,631
Total Revenues	171,384,250	15,014,782	14,127,384	17,675,900	218,202,316
Expenditures:					
Current:					
General government	24,924,096	--	--	84,259	25,008,355
Public protection	63,473,364	--	5,268,202	13,765	68,755,331
Public ways and facilities	--	15,815,315	--	529,555	16,344,870
Health and sanitation	27,316,492	--	--	275,575	27,592,067
Public assistance	59,913,126	--	--	496,960	60,410,086
Education	1,226,344	--	--	--	1,226,344
Recreation and cultural services	--	--	--	578,931	578,931
Capital outlay	2,011,788	3,405,793	33,511	5,088,488	10,539,580
Debt Service:					
Principal	1,312,671	--	--	--	1,312,671
Interest	930,048	--	--	--	930,048
Bond issuance costs	267,087	--	--	--	267,087
Total Expenditures	181,375,016	19,221,108	5,301,713	7,067,533	212,965,370
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,990,766)	(4,206,326)	8,825,671	10,608,367	5,236,946
Other Financing Sources (Uses):					
Transfers in	21,392,361	--	--	1,168,437	22,560,798
Transfers out	(1,087,150)	--	(7,612,682)	(13,627,982)	(22,327,814)
Payment to refunding escrow agent	(13,560,000)	--	--	--	(13,560,000)
Capital leases	14,104,617	--	--	--	14,104,617
Sale of capital assets	304,638	--	--	--	304,638
Insurance recoveries	--	10,179	--	--	10,179
Total Other Financing Sources (Uses)	21,154,466	10,179	(7,612,682)	(12,459,545)	1,092,418
Net Changes in Fund Balances	11,163,700	(4,196,147)	1,212,989	(1,851,178)	6,329,364
Fund Balances, Beginning of Year, Restated	62,990,135	16,645,794	13,536,489	26,428,550	119,600,968
Fund Balances, End of Year	\$ 74,153,835	\$ 12,449,647	\$ 14,749,478	\$ 24,577,372	\$ 125,930,332

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

COUNTY OF MADERA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2016

Net change to fund balance - total governmental funds \$ 6,329,364

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 expense.

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	\$ 10,513,707	
Less: current year depreciation	<u>(8,639,948)</u>	1,873,759

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. (1,438,279)

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 position the lease obligation is reported as a liability. (14,104,617)

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		(2,280,433)
Change in OPEB liability		(13,614,028)
Change in interest payable		--
Change in litigation settlement obligation		27,081
Change in net pension liability		4,680,421

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Capital leases	341,060	
Certificates of participation	<u>14,640,000</u>	14,981,060

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities. 499,301

Change in net position of governmental activities \$ (3,046,371)

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

COUNTY OF MADERA

Statement of Net Position
Proprietary Funds
June 30, 2016

ASSETS	Business-Type Activities - Enterprise Funds			Governmental
	Special Districts	County	Total	Internal
	Water/Sewer	Landfill	Enterprise	Service
			Funds	Funds
Current assets:				
Cash and investments	\$ 16,184,007	\$ 1,540,459	\$ 17,724,466	\$ 8,112,483
Cash with fiscal agents	239,662	--	239,662	103,030
Receivables:				
Accounts	314,150	583,499	897,649	269,314
Interest	42,230	18,585	60,815	19,018
Taxes	223,826	--	223,826	--
Due from other funds	21,833	--	21,833	--
Due from other governments	1,841,906	--	1,841,906	--
Prepaid expenses	--	--	--	81,172
Inventories	--	--	--	39,960
Total current assets	<u>18,867,614</u>	<u>2,142,543</u>	<u>21,010,157</u>	<u>8,624,977</u>
Noncurrent assets:				
Restricted cash and investments	1,806,460	6,377,444	8,183,904	--
Advances to other funds	46,200	--	46,200	--
Long-term receivables	11,937,037	--	11,937,037	--
Capital assets:				
Nondepreciable	18,393,781	1,268,259	19,662,040	293,563
Depreciable, net	39,684,991	9,580,598	49,265,589	4,970,800
Total noncurrent assets	<u>71,868,469</u>	<u>17,226,301</u>	<u>89,094,770</u>	<u>5,264,363</u>
Total assets	<u>90,736,083</u>	<u>19,368,844</u>	<u>110,104,927</u>	<u>13,889,340</u>
<u>DEFERRED OUTFLOWS</u> - pension	--	--	--	48,948
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	1,117,219	1,073,921	2,191,140	99,783
Accrued salaries and benefits	--	--	--	17,405
Interest payable	217,446	--	217,446	--
Due to other funds	1,602,510	74,423	1,676,933	87,062
Due to other governments	3,235	73,671	76,906	--
Deposits from others	52,498	--	52,498	--
Unearned revenues	1,301,282	--	1,301,282	--
Claims payable	--	--	--	2,592,117
Long-term debt, due in one year	406,467	--	406,467	189,314
Total current liabilities	<u>4,700,657</u>	<u>1,222,015</u>	<u>5,922,672</u>	<u>2,985,681</u>
Noncurrent liabilities:				
Advances from other funds	2,057,507	1,300,000	3,357,507	--
Compensated absences	--	--	--	47,940
Long-term debt, due in more than one year	15,663,681	--	15,663,681	300,135
Liability for post employment benefits	--	--	--	464,345
Claims payable	--	--	--	8,254,883
Closure/postclosure liability	--	10,508,396	10,508,396	--
Net pension liability	--	--	--	548,337
Total noncurrent liabilities	<u>17,721,188</u>	<u>11,808,396</u>	<u>29,529,584</u>	<u>9,615,640</u>
Total liabilities	<u>22,421,845</u>	<u>13,030,411</u>	<u>35,452,256</u>	<u>12,601,321</u>
<u>DEFERRED INFLOWS</u> - pension	--	--	--	51,567
<u>NET POSITION</u>				
Net investment in capital assets	42,008,624	10,848,857	52,857,481	4,774,914
Unrestricted	26,305,614	(4,510,424)	21,795,190	(3,489,514)
Total net position	<u>\$ 68,314,238</u>	<u>\$ 6,338,433</u>	<u>\$ 74,652,671</u>	<u>\$ 1,285,400</u>

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

COUNTY OF MADERA

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds			Governmental
	Special Districts	County	Total	Internal
	Water/Sewer	Landfill	Enterprise	Service
			Funds	Funds
Operating Revenues:				
Charges for services	\$ 5,918,698	\$ 4,471,913	\$ 10,390,611	\$ 7,091,159
Other revenues	100,989	134,298	235,287	61,905
Total Operating Revenues	<u>6,019,687</u>	<u>4,606,211</u>	<u>10,625,898</u>	<u>7,153,064</u>
Operating Expenses:				
Salaries and benefits	--	--	--	415,595
Services and supplies	1,317,422	4,505,795	5,823,217	2,553,012
Maintenance	2,553,319	1,244	2,554,563	2,409,223
Insurance	101,163	39,785	140,948	20,141
Utilities	1,293,747	35,192	1,328,939	11,685
Claims	--	--	--	598,885
Depreciation	1,373,877	532,897	1,906,774	556,728
Landfill closure/postclosure care costs	--	345,347	345,347	--
Other operating expense	--	--	--	1,526
Total Operating Expenses	<u>6,639,528</u>	<u>5,460,260</u>	<u>12,099,788</u>	<u>6,566,795</u>
Operating Income (Loss)	<u>(619,841)</u>	<u>(854,049)</u>	<u>(1,473,890)</u>	<u>586,269</u>
Non-Operating Revenue (Expenses):				
Taxes	1,174,949	--	1,174,949	--
Investment income	119,624	71,029	190,653	54,422
Intergovernmental	321,370	--	321,370	--
Interest and fiscal charges	(704,444)	--	(704,444)	(30,686)
Gain (Loss) on disposal of capital assets	20,915	--	20,915	14,296
Other non-operating expenses	--	(38,000)	(38,000)	--
Total Non-Operating Revenue (Expenses)	<u>932,414</u>	<u>33,029</u>	<u>965,443</u>	<u>38,032</u>
Income (Loss) Before Contributions and Transfers	312,573	(821,020)	(508,447)	624,301
Capital contributions	4,463,324	--	4,463,324	--
Transfers in	18,000	--	18,000	--
Transfers out	--	(125,984)	(125,984)	(125,000)
Change in Net Position	4,793,897	(947,004)	3,846,893	499,301
Net Position - Beginning of Year, Restated	<u>63,520,341</u>	<u>7,285,437</u>	<u>70,805,778</u>	<u>786,099</u>
Net Position - End of Year	<u>\$ 68,314,238</u>	<u>\$ 6,338,433</u>	<u>\$ 74,652,671</u>	<u>\$ 1,285,400</u>

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

COUNTY OF MADERA

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Special Districts Water/ Sewer	County Landfill	Total Enterprise Funds	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:				
Cash receipts from customers and users	\$ 6,574,052	\$ 5,599,713	\$ 12,173,765	\$ 6,901,072
Cash paid to suppliers	(6,520,537)	(4,696,863)	(11,217,400)	(5,935,061)
Cash paid to employees	--	--	--	(368,395)
	<u>53,515</u>	<u>902,850</u>	<u>956,365</u>	<u>597,616</u>
Net Cash Provided (Used) by Operating Activities				
Cash Flows from Noncapital Financing Activities:				
Intergovernmental	322,151	--	322,151	--
Taxes	1,207,469	--	1,207,469	--
Interfund loans	929,592	(40,341)	889,251	11,723
Other revenue	--	(38,000)	(38,000)	--
Transfers in	18,000	--	18,000	--
Transfers out	--	(125,984)	(125,984)	(125,000)
Advances from other funds	428,395	1,300,000	1,728,395	--
	<u>2,905,607</u>	<u>1,095,675</u>	<u>4,001,282</u>	<u>(113,277)</u>
Net Cash Provided (Used) by Noncapital Financing Activities				
Cash Flows from Capital and Related Financing Activities:				
Purchase of capital assets	(4,575,064)	(876,852)	(5,451,916)	(784,542)
Proceeds from capital contributions	4,120,422	--	4,120,422	--
Principal payments on debt	(379,563)	(472,875)	(852,438)	(179,974)
Proceeds of borrowing	22,493	--	22,493	--
Interest payments	(709,504)	--	(709,504)	(30,686)
Proceeds from sale of capital assets	--	--	--	14,296
	<u>(1,521,216)</u>	<u>(1,349,727)</u>	<u>(2,870,943)</u>	<u>(980,906)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
Cash Flows from Investing Activities:				
Interest received	99,620	63,658	163,278	48,764
Net Cash Provided (Used) by Investing Activities	<u>99,620</u>	<u>63,658</u>	<u>163,278</u>	<u>48,764</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,537,526	712,456	2,249,982	(447,803)
Cash and Cash Equivalents, Beginning of Year - Restated	16,692,603	7,205,447	23,898,050	8,663,316
Cash and Cash Equivalents, End of Year	<u>\$ 18,230,129</u>	<u>\$ 7,917,903</u>	<u>\$ 26,148,032</u>	<u>\$ 8,215,513</u>

continued

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

COUNTY OF MADERA

Statement of Cash Flows (continued)
 Proprietary Funds
 For the Year Ended June 30, 2016

	Special Districts Water/ Sewer	County Landfill	Total Enterprise Funds	Governmental Activities Internal Service Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	(619,841)	\$ (854,049)	\$ (1,473,890)	\$ 586,269
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,373,877	532,897	1,906,774	556,728
Changes in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	(76,772)	993,502	916,730	(251,992)
Deposits from others	17,539	--	17,539	(74,676)
Increase (decrease) in:				
Accounts payable and other liabilities	(1,272,425)	(114,847)	(1,387,272)	(74,878)
Unearned revenue	631,137	--	631,137	--
Compensated absences payable	--	--	--	2,704
Closure/postclosure liability	--	345,347	345,347	--
Net pension liability	--	--	--	(18,510)
Post employment benefits liability	--	--	--	62,971
Claims payable	--	--	--	(191,000)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 53,515</u>	<u>\$ 902,850</u>	<u>\$ 956,365</u>	<u>\$ 597,616</u>

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

COUNTY OF MADERA

Statement of Fiduciary Net Position
June 30, 2016

	Investment Trust Fund	Agency Funds	Private Purpose Trust
	<u> </u>	<u> </u>	<u> </u>
<u>Assets</u>			
Cash and investments	\$ 231,982,808	\$ 7,626,591	\$ 1,170,165
Receivables:			
Accounts receivable	--	11,076	--
Interest receivable	--	13,592	--
Taxes	--	209,766	--
Due from other governments		<u>5,573</u>	
 Total Assets	 <u>\$ 231,982,808</u>	 <u>\$ 7,866,598</u>	 <u>\$ 1,170,165</u>
 <u>Liabilities</u>			
Accounts payable	\$ --	\$ 396,153	\$ --
Due to other governments	--	1,170,590	--
Agency obligations	--	6,299,705	1,170,165
Deposits from others	--	150	--
Total Liabilities	<u> </u>	<u>\$ 7,866,598</u>	<u>\$ 1,170,165</u>
 <u>Net Position</u>			
Net position held in trust for investment pool participants	 <u>231,982,808</u>		
 Total Net Position	 <u>\$ 231,982,808</u>		

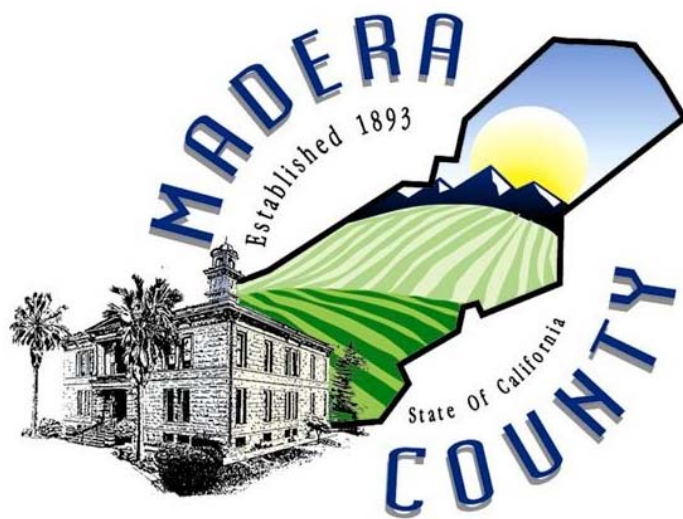
The accompanying notes are an integral part of these financial statements.

COUNTY OF MADERA

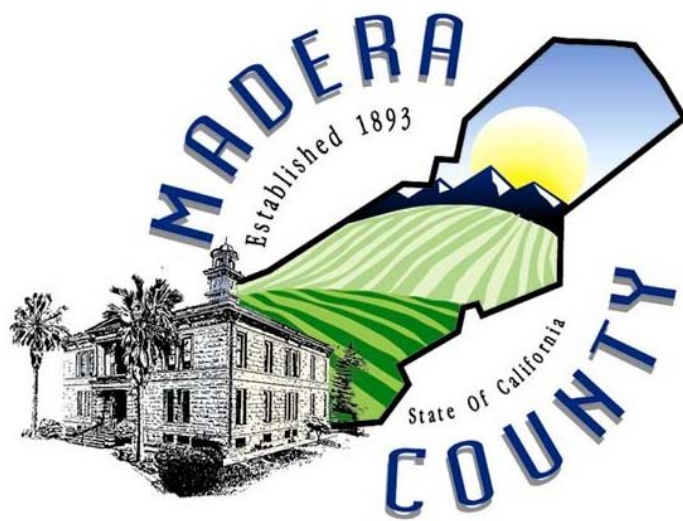
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2016

	<u>Investment Trust Fund</u>
<u>Additions</u>	
Contributions to pooled investments	\$ 470,946,814
Net investment income:	
Investment income	<u>1,248,993</u>
Total Additions	<u>472,195,807</u>
 <u>Deductions</u>	
Distributions from pooled investments	<u>398,179,742</u>
Total Deductions	<u>398,179,742</u>
Change in net position	74,016,065
Net Position - Beginning of Year	<u>157,966,743</u>
Net Position - End of Year	<u><u>\$ 231,982,808</u></u>

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



NOTES TO BASIC FINANCIAL STATEMENTS



COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies

The basic financial statements of the County of Madera, California (the "County") have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County of Madera (the "County") is a General Law county established as a political subdivision of the State of California and as such can exercise the powers specified by the Constitution and laws of the State of California. The County is governed by an elected, five member Board of Supervisors.

As required by generally accepted accounting principles in the United States, the accompanying basic financial statements present the County (the primary government) and its component units. Component units are legally separate entities for which the Board is considered to be financially accountable. Component units are legally separate entities that meet any one of the following tests:

1. The Board appoints the voting majority of the board of the potential component unit and:
 - is able to impose its will on the component unit and/or
 - is in a relationship of financial benefit or burden with the potential component unit
2. The potential component unit is fiscally dependent upon the County.
3. The financial statements of the County would be misleading if data from the potential component unit were omitted.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component units are reported in a separate column in the Government-Wide Financial Statements since they do not have a shared governing body nor are they of exclusive or almost exclusive benefit to the primary government.

Blended Component Units

- Madera County Public Finance Authority (MCPFA)
- Industrial Development Authority of Madera County (IDA)

Discretely Presented Component Units

- Community Action Partnership of Madera County (CAPMC)
- Madera County Workforce Investment Corporation (MCWIC)

B. Basis of Accounting and Measurement Focus

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (continued)

Government–Wide Financial Statements

The County's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the County in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

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.

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 general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (continued)

Fund Financial Statements (continued)

- The *Road Fund* is used to account for the planning, design, construction, maintenance and administration of the County's roads and infrastructure.
- The *Public Protection Fund* is used to account for various grants and taxes received from the federal, state and local governments for the enhancement of public protection activities.
- The *Capital Projects Fund* is used to build up resources and account for major County facility construction projects. A majority of its funding comes from contributions made by the General Fund.

The County reports the following major proprietary funds:

- The *Special Districts – Water/Sewer* accounts for specialized services such as water, sewer, road maintenance, lighting and drainage provided to the residents of the County. This fund also accounts for sewer services provided to both commercial and residential developments in Oakhurst.
- The *County Landfill Fund* accounts for the County's landfill sites, which provide a dumping site for the disposal of solid waste. Revenues are derived from fees generated for the disposal of waste at the site.

The County reports the following additional fund types:

- *Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. These funds include central garage, self-insurance and microwave radio services.
- *Investment Trust Fund* accounts 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 other governments. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.
- *Agency Funds* account for assets held by the County as an agent for various local governments.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements. The County has presented all major funds that met the applicable criteria.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (continued)

Governmental Fund Financial Statements (continued)

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except for those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unavailable revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable revenue is removed from the Balance Sheet and revenue is recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major proprietary fund.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (continued)

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position. The County's fiduciary funds represent agency funds and an Investment Trust Fund. Agency funds, which are custodial in nature (assets equal liabilities), do not involve measurement of results of operations. The Investment Trust Fund accounts for the external portion of the County's Investment Pool which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.

C. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the County's policy is to apply restricted net position first.

D. Cash, Cash Equivalents and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The County participates in an investment pool managed by the State of California titled *Local Agency Investment Fund* (LAIF) which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as well as to change in interest rates.

E. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans)." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

Advances between funds, reported in the fund financial statements, are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not available financial resources.

F. Inventories and Prepaid Items

Inventories within the various fund types consist of materials and supplies which are valued at cost on a first-in, first-out basis. Inventories reported in the prepaid amounts reported in the governmental funds are offset by a corresponding nonspendable portion of fund balance to show that inventories do not constitute "available spendable resources."

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

F. Inventories and Prepaid Items (continued)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid amounts reported in the governmental funds are offset by a corresponding nonspendable portion of fund balance to show that prepaid amounts do not constitute *“available spendable resources.”*

G. Capital Assets

Government-Wide Financial Statements

Capital assets, which include land, construction-in-progress, buildings and improvements, improvements other than buildings, machinery and equipment, autos and trucks, equipment under capitalized lease, and infrastructure assets (e.g., roads, bridges, traffic signals, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. County policy has set the capitalization threshold for reporting capital assets at \$5,000 for machinery and equipment and \$10,000 for the other categories of capital assets. Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at their estimated fair market value on the date donated.

Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Water and Sewer System	15-65 years
Buildings and Improvements	30-50 years
Machinery and Equipment	3–20 years
Infrastructure	20-50 years

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, which requires the inclusion of infrastructure capital assets in local governments’ basic financial statements. In accordance with Statement No. 34, the County has included the value of all infrastructure in the Basic Financial Statements.

The County defines infrastructure as the basic physical assets that allow the County to function. The assets include the streets, sewer collection and treatment system, park and recreation lands and improvement system, storm water conveyance system, and buildings combined with the site amenities such as parking and landscaped areas used by the County in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

G. Capital Assets (continued)

Government-Wide Financial Statements (continued)

For all infrastructure systems, the County elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The County commissioned an appraisal of County owned infrastructure and property as of June 30, 2002. This appraisal determined the estimated historical cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Estimated historical costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or (3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the estimated historical cost.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows or resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has deferred inflows of resources related to unavailable revenues reported under the modified accrual basis of accounting in the governmental funds balance sheet and related to pensions in its proprietary and government-wide statements. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

I. Long-Term Debt

Government-Wide Financial Statements

Long-term debt and other financed obligations are reported as liabilities in the proprietary fund financial statements and government-wide financial statements.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount.

Fund Financial Statements

The governmental fund financial statements do not present long-term debt. As such, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

J. Compensated Absences

Government-Wide Financial Statements

For governmental and business-type activities, compensated absences are recorded as incurred and the related expenses and liabilities are reported.

Fund Financial Statements

In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the County's policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund's share of the unpaid liability is recorded as a long-term liability of the fund. Vested or accumulated compensated absences in proprietary funds are recorded as an expense and liability of those funds as the benefits accrue to employees. The compensated absences liability will generally be liquidated through individual funds.

K. Claims Payable

The County records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers' compensation claims. The estimated liability for workers' compensation claims and general liability claims includes "incurred but not reported" ("IBNR") claims. There is no fixed payment schedule to pay these liabilities.

L. Net Position and Fund Balances

Government-Wide Financial Statements

In the government-wide financial statements, net position is classified in the following:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – These amounts are restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – All other net position that do not meet the definition of "net investment in capital assets" or "restricted net position."

Fund Financial Statements

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for governmental funds consist of the following categories:

- *Nonspendable Fund Balance* – includes amounts that are not in a spendable form (such as inventories or prepaid amounts) or are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – includes amounts that can be spent only for specific purposes stipulated by external parties (such as creditors, grant providers, or contributors) or by law.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

L. Net Position and Fund Balances (continued)

- *Committed Fund Balance* – includes amounts that can be used only for the specific purpose determined by the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action. The formal action must occur prior to the end of the reporting period. The amount which will be subject to the constraint may be determined in the subsequent period.
- *Assigned Fund Balance* – is comprised of amounts intended to be used by the government entity for specific purposes that are neither restricted nor committed. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board delegates the authority. Assigned fund balance can be used to eliminate a projected budgetary deficit in the subsequent year’s budget.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purposes.

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

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

M. Property Tax Levy, Collection and Maximum Rates

The State of California Constitution, Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by the voters. Assessed value is calculated at 100% of market value as defined by Article XIII A and may be increased by no more than 2% per year unless the property is sold or transferred. These general property tax rates do not apply to taxes levied to pay the interest and redemption charges on any indebtedness incurred prior to June 6, 1978, or subsequently approved by the voters. Supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction. The State Legislature has determined the method of distribution among the counties, cities, school districts, and other districts for receipts from the 1% property tax levy.

The County assesses properties, bills for, and collects taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Levy Dates	July 1	July 1
Lien Dates	January 1	January 1
Due Dates	November 1 and February 1	August 1
Delinquent After	December 10 and April 10	August 31
Tax Rate per \$100		
Full Cash Value	\$1	\$1
Late Penalty	10%	10%
Delinquent Interest	1-1.5% per month	1-1.5% per month

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

M. Property Tax Levy, Collection and Maximum Rates (continued)

These taxes are secured by liens on the property being taxed. The Board annually sets the rates of the County and district taxes and levies State, County, and district taxes as provided by law. The term "secured" refers to taxes on land and buildings, while "unsecured" refers to taxes on personal property other than land and buildings. During fiscal year 1993-1994, the Board adopted the Alternative Method of Tax Apportionment (the Teeter Plan). Under this method, the County allocates to all taxing jurisdictions under the County, 100% of the secured property taxes billed, even if it has not yet been collected. In return, the County retains the subsequent delinquent payments and associated penalties and interest. The penalties and interest are accumulated in an Agency Fund. The County may transfer to the General Fund any excess over the reserve required by the Board and the State.

Delinquent property taxes receivable are shown on the balance sheet of the property tax trust funds. Under California law, real property is not subject to sale for reasons of delinquent taxes until the end of the fifth year of delinquency, and the taxpayer may arrange to repay the delinquent taxes over a five year period and any time within the five year period, although the property is subject to a cash redemption up to the time of the sale.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The County apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by ¶4705 of the State of California Revenue and Taxation Code. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll.

Under the alternate apportionment method, specified amounts of penalties and interest collected on delinquent secured taxes are held in trust in the secured tax losses reserve fund to fund specified tax redemption short falls. This reserve is used to fund the apportionment of secured taxes.

N. Use of Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the basic financial statements and the related reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes that the estimates are reasonable.

O. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 1: Summary of Significant Accounting Policies (Continued)

P. New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

Statement No. 72	<i>Fair Value Measurements and Application</i>	The provisions of this statement are effective for financial statement periods beginning after June 15, 2015
Statement No. 73	<i>Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement No. 68, an amendment to Certain Provisions of GASB Statements No. 67 and No. 68.</i>	The provisions of this statement are effective for financial statement periods beginning after June 15, 2015 - except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of of GASB Statement No. 68, which are effective for financial statement periods beginning after June 15, 2016.
Statement No. 76	<i>The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments</i>	The provisions of this statements are effective for financial statement periods beginning after June 15, 2015.

Q. Future Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements will be implemented in future financial statements.

Statement No 74	<i>Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans</i>	The provisions of this statement are effective for financial statement periods beginning after June 15, 2016.
Statement No. 75	<i>Accounting and Financial reporting for Postemployment Benefits Other Than Pension Plans</i>	The provisions of this statement are effective for financial statement periods beginning after June 15, 2017.
Statement No. 76	<i>The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments</i>	The provisions of this statements are effective for financial statement periods beginning after June 15, 2015.
Statement No. 77	Tax Abatement Disclosures	The provisions of this statement are effective for financial statement periods beginning after December 15, 2015
Statement No. 78	Pension Provided through Certain Multiple-Employer Defined Benefit Pension Plans	The provisions of this statement are effective for financial statement periods beginning after December 15, 2015
Statement No. 82	Pension Issues	The provisions of this statement are effective for financial statement periods beginning after June 15, 2016.

Management has not yet completed its assessments on the implementation of these accounting pronouncements.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 2: Cash and Investments

The following is a summary of cash and investments at June 30, 2016:

	Government-Wide Statement of Net Assets		Total Primary Government	Fiduciary Funds	Discretely Presented Component Units	Total
	Governmental Activities	Business-type Activities				
Cash and investments	\$ 125,867,172	\$ 17,724,466	\$ 143,591,638	\$ 240,779,564	\$ 3,122,629	\$ 387,493,831
Restricted assets:						
Cash and investments	--	8,183,904	8,183,904	--	--	8,183,904
Cash with fiscal agents	103,030	239,662	342,692	--	--	342,692
Total	\$ 125,970,202	\$ 26,148,032	\$ 152,118,234	\$ 240,779,564	\$ 3,122,629	\$ 396,020,427

Cash deposits and investments consisted as follows at June 30, 2016:

County of Madera:

Cash and investments:

Imprest Cash	\$ 6,575
Cash in Banks-Department Administered	818,730
Total cash	<u>825,305</u>

In custody of Treasurer:

Cash on hand	7,000
Cash in banks	22,512,152
Total in custody of Treasurer	<u>22,519,152</u>

Investments Held by Treasurer:

Certificates of deposit	7,000,000
LAIF	55,913,513
U.S. Government-Sponsored Enterprise Sec.	194,427,379
Medium Term Corporate Notes	89,767,086
Depository Accounts	11,085,982
Municipal Bonds	11,016,689
Total investments held by Treasurer	<u>369,210,649</u>

Cash Held With Fiscal Agent:

Government Money Market	239,662
Employees' Retirement Trust	103,030
Total cash held with fiscal agent	<u>342,692</u>

 Total cash and investments 392,897,798

Discretely Presented Component Units:

Cash and cash equivalents -	
Community Action Partnership of Madera County	2,896,988
Madera County Workforce Investment Corporation	225,641
Total cash and investments	<u><u>\$ 396,020,427</u></u>

COUNTY OF MADERA

Notes to Basic Financial Statements For the Year Ended June 30, 2016

Note 2: Cash and Investments (Continued)

A. Cash Deposits

The carrying amounts of the County's cash deposits were \$25,587,517 at June 30, 2016. Bank balances at June 30, 2016, were fully insured or collateralized with securities held by the pledging financial institutions in the County's name.

B. Investments

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool.

The Board exercises primary oversight responsibility for the County's investments. In addition, a Madera County Treasury Oversight Committee, which consists of the County Treasurer, the Auditor-Controller and a third member representing the County schools (the primary external pool participant) was established to monitor the Treasury's investments on a regular basis. No regulatory agency outside the County exercises any regulatory responsibilities over the County's investments. The County's pool is not registered with the SEC as an investment company.

School districts and special districts within the County are required to deposit funds with the County Treasurer and participate in the pool. The schools and special districts are not component units of the County and therefore are participants in the County's external investment pool.

The pool values participants' shares on an amortized cost basis. Specifically, the pool distributes income to participants on a quarterly basis based on their relative participation during the quarter that is calculated based on:

1. Realized investment gains and losses calculated on an amortized cost basis,
2. Interest income based on stated rates (both paid and accrued),
3. Amortization of discounts and premiums on a straight-line basis, and
4. Investment and administrative expenses.

This method differs from the fair value method because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair values of the pool's investments.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 2: Cash and Investments (Continued)

B. Investments (continued)

Under the provisions of the County's investment policy, and in accordance with California Government Code, the County is authorized to invest or deposit in the following:

- Local agency bonds
- US Treasury obligations
- State obligations
- California local agency obligations
- Obligations of the U.S. agency, U.S. government sponsored enterprise, participations, and instrumentalities
- Banker's acceptances
- Commercial paper rated A-1 by Standard & Poor's or P-1 by Moody's
- Negotiable certificates of deposit and non-negotiable time certificates of deposits
- Repurchase agreements
- Medium-term corporate notes rated "A" or its equivalent, or better
- Mutual funds and money market mutual funds
- State of California Local Agency Investment Fund
- Joint powers authority pool

At June 30, 2016, the difference between the cost and fair values was not material. Therefore, an adjustment to the fair values was not made (fair value was 99.71% of the carrying value).

COUNTY OF MADERA

Notes to Basic Financial Statements For the Year Ended June 30, 2016

Note 2: Cash and Investments (Continued)

C. Risk Disclosures

The following is a summary of the concentration of credit risk, average maturities, and credit quality distribution by investment type as a percentage of the County Investment Pool's fair value at June 30, 2016:

Investment Type	Cost	Fair Value	Percentage of Portfolio	Average Maturity (in years)	Credit Rating (Moody's)
LAIF	55,913,513	55,913,513	15.14%	-	N/A
Certificates of Deposits	7,000,000	7,002,220	1.90%	0.64	N/A
Depository Accounts	11,085,982	11,085,982	3.00%	0.23	N/A
Government-Sponsored Enterprise Securities	194,427,379	194,972,341	52.66%	1.28	AAA
Municipal Bonds	11,016,689	11,072,450	2.98%	1.00	AA3
Medium Term Corporate Notes					
American Express Credit	4,001,366	3,999,440	1.08%	1.08	A2
Apple Inc.	2,993,516	3,025,976	0.81%	1.62	AA1
Bank of America	4,003,194	4,009,194	1.08%	1.23	A1
Bank of America	3,013,335	3,021,987	0.82%	1.46	A1
Bank of New York Mellon	3,028,301	3,025,950	0.82%	1.00	A1
Bank of New York Mellon	3,025,440	3,066,990	0.82%	1.78	A1
Bank of New York Mellon	3,047,594	3,069,210	0.83%	1.63	A1
Berkshire Hathaway	3,030,160	3,019,980	0.82%	0.87	AA2
Chevron Corp	5,000,000	5,026,100	1.35%	1.33	AA2
Chevron Corp	1,993,971	2,003,300	0.54%	1.29	AA2
Commerce Bank - Merrill	3,998,000	4,007,360	1.08%	0.94	A1
Conoco Phillips Co.	2,990,020	2,981,490	0.81%	1.26	AA2
Costco Wholesale Group	2,992,293	3,017,910	0.81%	1.52	A1
GE Capital Corp	3,009,845	3,026,760	0.82%	1.36	A1
General Electric Capital	3,010,982	3,000,480	0.82%	0.75	A1
Merck & Co. Inc.	2,984,938	3,028,470	0.81%	1.54	A1
Microsoft Corp	3,259,339	3,266,550	0.88%	1.43	AAA
Pfizer, Inc	2,994,203	3,029,940	0.81%	1.58	A1
Toyota	3,009,517	3,028,830	0.82%	1.40	AA3
US Bancorp	3,019,516	3,021,736	0.82%	1.04	A1
US Bancorp	3,031,276	3,063,000	0.82%	1.74	A1
WalMart	3,040,096	3,081,780	0.82%	1.38	AA2
WalMart	3,194,953	3,245,430	0.87%	1.72	AA2
Wells Fargo	2,004,850	2,000,460	0.54%	0.76	A2
Wells Fargo	3,007,560	3,009,240	0.81%	1.21	A2
Wells Fargo	2,985,113	3,064,590	0.81%	2.27	A2
Wells Fargo	3,000,000	3,007,950	0.81%	2.12	A2
Wells Fargo	5,097,708	5,144,908	1.38%	1.97	A2
Total Investments Held by Treasurer	\$ 369,210,649	\$ 370,341,517	100.00%		

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits investments to a maximum maturity of five years. Maturities are selected to anticipate cash need, thereby reducing the possibility of the need for future investment liquidation. The County is in compliance with this provision of the Policy.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 2: Cash and Investments (Continued)

C. Risk Disclosures (continued)

Credit Risk

The County's Policy limits investments in commercial paper to the highest grade of stand alone or enhanced (prime) commercial paper as rated by Moody's Investor Service, Standard & Poor's Corporation, or Fitch Financial Services and requires that the management company of mutual funds must have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

Concentration of Credit Risk

At June 30, 2016, in accordance with State law and the County's Investment Policy, the County did not have 10% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization, nor did it have 15% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations. At June 30, 2016 the County had the following investments in any one issuer that represent 5 percent or more of the total investments.

	<u>% of Portfolio</u>	<u>Amount</u>
Federal Farm Credit	14.08%	\$ 51,996,440
Federal Home Loan Bank	16.12%	59,498,350
Federal Home Loan Mortgage Corp.	11.92%	43,998,503
Federal National Mortgage Association	9.19%	33,937,948

Custodial Credit Risk

The California Government Code requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

The market value of pledged securities must equal at least 110% of the County's cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County's total cash deposits. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 2: Cash and Investments (Continued)

D. Local Agency Investment Fund

The County is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The County's investments with LAIF at June 30, 2016, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options. They are issued by corporations and by government-sponsored enterprises such as the Federal National Mortgage Association and the Federal Home Loan Bank System or an international agency such as the World Bank.

Asset-Backed Securities: entitle the purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables (such as asset-backed commercial securities).

As of June 30, 2016, the County had \$55,913,513 invested in LAIF, which had invested 2.81% of the pool investment funds in Structured Notes and Asset-Backed Securities.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

E. County Investment Pool Summary

The following represents a summary of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2016:

Statement of Net Position:	
Net position held for pool participants	\$ 391,705,663
Equity of internal pool participants	150,926,099
Equity of external pool participants	<u>240,779,564</u>
Total net assets	<u><u>\$ 391,705,663</u></u>
Statement of Changes in Net Position:	
Net position at July 1, 2015	\$ 344,281,056
Net change in investments by pool participants	<u>47,424,607</u>
Net position at June 30, 2016	<u><u>\$ 391,705,663</u></u>

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 2: Cash and Investments (Continued)

E. County Investment Pool Summary (continued)

Fair Value Measurements

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

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

The pool has the following recurring fair value measurements as of June 30, 2016:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
<u>Investments by fair value level</u>				
Corporate Notes	90,295,011	90,295,011		
Negotiable CDs	6,002,220	6,002,220		
Debt securities				
Municipal Bonds	11,072,450	11,072,450	-	-
Government agency bonds	189,972,991	189,972,991	-	-
Government agency discount notes	4,999,350	4,999,350	-	-
Total investments measured at fair value	<u>302,342,022</u>	<u>302,342,022</u>	<u>-</u>	<u>-</u>
Investments measured at amortized cost				
Depository Accounts	11,085,982			
Non-Negotiable CD	1,000,000			
LAIF	<u>55,913,513</u>			
Total pooled and directed investments	<u>370,341,517</u>			

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 3: Interfund Transactions

A. Fund Financial Statements

Due to and Due from Other Funds

The County had the following due to/from other funds as of June 30, 2016:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Internal Service Fund	\$ 87,062	Charges for interfund services
	Special Districts - Water/Sewer	1,478,949	Charges for interfund services
	County Landfill	70,043	Charges for interfund services
	Road Fund	420,526	A-87 cost recovery; interfund services
	Nonmajor Governmental Funds	1,133,591	Cost recovery from Realignment fund
	Special Revenue - Public Protection	4,980,702	Cost recovery from Realignment fund
		<u>8,170,873</u>	
Road Fund	General Fund	70,911	Charges for interfund services
	County Landfill	4,380	Charges for interfund services
	Special Districts - Water/Sewer	123,561	Charges for interfund services
	Special Revenue - Public Protection	584	Charges for interfund services
	Nonmajor Governmental Funds	218,724	Charges for interfund services
		<u>418,160</u>	
Special Districts - Water/Sewer	General Fund	20,664	Charges for interfund services
	Nonmajor Governmental Funds	1,169	Charges for interfund services
		<u>21,833</u>	
Nonmajor Governmental Funds	General Fund	565,690	Repayments of Realignment fund
	Road Fund	221	Charges for interfund services
		<u>565,911</u>	
		<u>\$ 9,176,777</u>	

The interfund balances resulted from the time lag between the dates that interfund goods/services are provided or reimbursable expenditures occur and the dates payments between funds are made.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 3: Interfund Transactions (Continued)

B. Fund Financial Statements

Advances to and Advances from Other Funds

The County had the following advances to/from other funds as of June 30, 2016:

	Advances from Other Funds				
	Governmental Activities		Business-Type Activities		Total
	General Fund	Capital Projects	Special Districts Water/Sewer	County Landfill	
Advances to other funds					
Governmental Activities:					
General fund	\$ -	\$ 1,004,375	\$ 2,011,307	\$ -	\$ 3,015,682
Capital Projects	155,360	-	-	-	155,360
Special Revenue - Public Protection	100,000	383,136	-	100,000	583,136
Nonmajor Governmental Funds	-	-	-	1,200,000	1,200,000
Business-Type Activities:					
Special Districts Water/Sewer	-	-	46,200	-	46,200
Total	<u>\$ 255,360</u>	<u>\$ 1,387,511</u>	<u>\$ 2,057,507</u>	<u>\$ 1,300,000</u>	<u>\$ 5,000,378</u>

Advances are used to record transactions between funds that are representative of lending and borrowing arrangements outstanding at the end of the fiscal year. The General Fund, Tobacco Financing and Non-major Governmental loans were incurred primarily for the acquisition of capital assets.

Transfers in and Transfers out

Transfers are used primarily to fund capital projects and debt service payments, move revenues from funds required by statute or budget and finance various programs accounted for in other funds.

Interfund transfers to/from other funds for the year ended June 30, 2016, were as follows:

Transfer From	Transfer To	Amount	Purpose
Nonmajor Governmental Funds	General Fund	\$ 2,809,275	Expansion of county facilities
County Landfill	General Fund	125,984	LEA Service, pay general fund for loan from Tobacco
General Fund	Nonmajor Governmental Funds	1,069,150	Health & DSS project, morgue project, solar project
General Fund	Special Dist - Water/Sewer	18,000	MD95 well
Nonmajor Governmental Funds	Nonmajor Governmental Funds	25,000	Park Recreation
Special Revenue - Public Protection	General Fund	7,538,395	Reimbursement for costs of sheriff, fire protection, public assistance and administration
Special Revenue - Public Protection	Nonmajor Governmental Funds	74,287	Probation boot camp improvements
Internal Service Fund	General Fund	125,000	LC 4850 TD Cost
Nonmajor Governmental Funds	General Fund	10,793,707	Reimbursement for costs of sheriff, fire protection, health, public assistance and administration
		<u>\$ 22,578,798</u>	

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 4: Capital Assets

A. Government-Wide Financial Statements

The following is a summary of capital assets for governmental activities:

	Restated Balance July 1, 2015	Additions	Retirements	Transfers and Adjustments	Balance June 30, 2016
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 16,965,281	\$ 252,003	\$ --	\$ --	\$ 17,217,284
Construction-in-progress	26,732,156	6,378,145	--	(19,710,864)	13,399,437
Infrastructure (non-depreciable)	49,742,586	--	--	--	49,742,586
Total capital assets, not being depreciated	93,440,023	6,630,148	--	(19,710,864)	80,359,307
Capital assets, being depreciated:					
Infrastructure (depreciable)	166,858,133	251,310	--	5,262,293	172,371,736
Buildings and improvements	155,099,990	339,704	--	4,726,396	160,166,090
Equipment	45,142,960	4,158,856	(1,476,722)	9,722,175	57,547,269
Total capital assets, being depreciated	367,101,083	4,749,870	(1,476,722)	19,710,864	390,085,095
Less accumulated depreciation:					
Infrastructure (depreciable)	(125,476,975)	(3,338,454)	--	--	(128,815,429)
Structures and improvements	(32,458,482)	(3,443,527)	--	--	(35,902,009)
Equipment	(32,466,592)	(2,423,284)	1,449,511	(60,371)	(33,500,736)
Total accumulated depreciation	(190,402,049)	(9,205,265)	1,449,511	(60,371)	(198,218,174)
Total capital assets, being depreciated	176,699,034	(4,455,395)	(27,211)	19,650,493	191,866,921
Total governmental activities	\$ 270,139,057	\$ 2,174,753	\$ (27,211)	\$ (60,371)	\$ 272,226,228

Depreciation expense was charged to governmental functions as follows:

	<u>Total</u>
<u>Governmental Activities</u>	
General government	\$ 1,335,534
Public protection	2,379,440
Public ways and facilities	4,090,954
Health and sanitation	121,604
Public assistance	223,655
Education	103,583
Recreation and culture	393,767
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	556,728
Total	\$ 9,205,265

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 4: Capital Assets (Continued)

A. Government-Wide Financial Statements (continued)

The following is a summary of capital assets for business-type activities:

	Restated Balance July 1, 2015	Additions	Retirements	Transfers	Balance June 30, 2016
Business-Type Activities					
Capital assets, not being depreciated:					
Land	\$ 3,549,012	\$ 156,934	\$ --	\$ --	\$ 3,705,946
Land under roads	8,849,490	--	--	--	8,849,490
Construction-in-progress	12,307,259	4,789,402	(250,748)	(9,739,309)	7,106,604
Total capital assets, not being depreciated	24,705,761	4,946,336	(250,748)	(9,739,309)	19,662,040
Capital assets, being depreciated:					
Infrastructure (depreciable)	6,195,412	--	--	--	6,195,412
Structures and improvements	66,583,512	723,318	(9,689)	9,739,309	77,036,450
Equipment	1,236,961	36,325	--	--	1,273,286
Total capital assets, being depreciated	74,015,885	759,643	(9,689)	9,739,309	84,505,148
Less accumulated depreciation:					
Infrastructure (depreciable)	(5,955,779)	(68,507)	--	--	(6,024,286)
Structures and improvements	(26,789,750)	(1,752,291)	6,374	--	(28,535,667)
Equipment	(593,630)	(85,976)	--	--	(679,606)
Total accumulated depreciation	(33,339,159)	(1,906,774)	6,374	--	(35,239,559)
Total capital assets, being depreciated	40,676,726	(1,147,131)	(3,315)	9,739,309	49,265,589
Total business-type activities	\$ 65,382,487	\$ 3,799,205	\$ (254,063)	\$ --	\$ 68,927,629

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

	<u>Total</u>
<u>Business-Type Activities</u>	
Water and sewer special districts	\$ 1,373,877
County landfill	532,897
Total	\$ 1,906,774

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 5: Leases

Operating Leases

The County has commitments under long-term real property operating lease agreements for facilities used for operations. Total rental expense for these real property operating leases for the year ended June 30, 2016, was approximately \$1,454,402. The following is a schedule of future minimum rental payments required under operating leases entered into by the County that have initial or remaining non-cancelable terms in excess of one year as of June 30, 2016:

Year Ending June 30:	
2017	\$ 1,452,592
2018	1,296,706
2019	1,128,986
2020	1,116,888
2021	<u>1,134,565</u>
Totals	<u><u>\$ 6,129,737</u></u>

The County has also entered into leases for personal property, the majority of which are for equipment maintenance. These lease agreements provide for cancellation in the event the Board of Supervisors does not appropriate funding in subsequent fiscal years; therefore, the County is not obligated beyond the end of any fiscal year.

Capital Leases

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

The following is a summary of equipment leased under capital lease agreements by the County as of June 30, 2016:

	Stated Interest Rate	Present Value of Remaining Payment as of June 30, 2016
DA/CS building	10.10%	\$ 121,865
Microwave/Radio equipment	3.02%	489,449
Dell Computer Equipment	4% - 7.338%	424,504
Capital Lease Solar Equipment	3.49%	10,340,000
Capital Lease New Sheriff Facility	2.44%	9,599,709
DOC Computer Equipment	4.00%	125,271
Gov't Center 200 W 4th St (Refunding)	2.20%	<u>13,940,320</u>
Total		<u><u>\$ 35,041,118</u></u>

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 5: Leases (Continued)

Capital Leases (continued)

The cost of buildings and equipment under capital leases are as follows:

DA/CS building	\$ 1,459,366
Microwave/Radio equipment	1,609,396
Dell Computer Equipment	747,908
Capital Lease Solar Equipment	9,722,175
Capital Lease New Sheriff Facility	9,750,000
DOC Computer Equipment	164,297
Gov't Center 200 W 4th St Madera	40,834,525
Less: accumulated depreciation	<u>(1,265,160)</u>
Total	<u><u>\$ 63,022,507</u></u>

As of June 30, 2016, future minimum lease payments under capital leases was as follows:

<u>Year Ending June 30:</u>	
2017	\$ 3,411,606
2018	3,395,244
2019	3,200,495
2020	2,987,461
2021	2,793,378
2021-2026	20,614,913
2026-2031	3,253,844
2031-2036	5,570,146
Total Future Minimum Lease Payments	45,227,087
Less: Interest	<u>(10,185,969)</u>
Present Value Minimum Lease Payments	<u><u>\$ 35,041,118</u></u>

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 6: Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year ended June 30, 2016:

	Restated Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Amounts Due Within One Year
Governmental Activities					
Certificates of Participation	\$ 14,640,000	\$ --	\$ (14,640,000)	\$ --	\$ --
Capital lease obligations	21,457,535	14,104,617	(521,034)	35,041,118	2,288,848
Compensated absences	14,715,907	8,815,149	(6,532,012)	16,999,044	5,916,021
Litigation judgment	234,360	--	(27,081)	207,279	28,977
Liability for unpaid claims	11,038,000	2,503,408	(2,694,408)	10,847,000	2,592,117
Total Governmental Activities Long-Term Liabilities	\$ 62,085,802	\$ 25,423,174	\$ (24,414,535)	\$ 63,094,441	\$ 10,825,963
Business-Type Activities					
Improvement District 1915 Act Bonds	\$ 10,864,460	\$ --	\$ (241,970)	\$ 10,622,490	\$ 258,480
Unamortized discount	(71,694)	--	3,117	(68,577)	(3,117)
	10,792,766	--	(238,853)	10,553,913	255,363
Revenue Bonds	81,200	--	(4,600)	76,600	4,800
Loans payable	5,553,252	22,493	(136,110)	5,439,635	146,304
Landfill Loan Guarantees	472,875	--	(472,875)	--	--
Total Business-Type Activities Long-Term Liabilities	\$ 16,900,093	\$ 22,493	\$ (852,438)	\$ 16,070,148	\$ 406,467

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 6: Long-Term Liabilities (Continued)

As of June 30, 2016, annual debt service requirements of governmental and business-type activities to maturity are as follows:

Loans Payable			Bonds Payable		
Year Ending June 30:	Principal	Interest	Year Ending June 30:	Principal	Interest
2017	\$ 146,304	\$ 179,429	2017	\$ 258,480	\$ 503,390
2018	151,897	173,676	2018	226,473	491,952
2019	146,332	167,694	2019	235,913	480,911
2020	143,448	162,234	2020	248,063	469,367
2021	142,287	156,784	2021	261,442	457,397
2022-2026	668,260	709,688	2022-2026	1,477,004	2,047,263
2027-2031	782,380	582,825	2027-2031	1,844,004	1,630,371
2032-2036	933,350	427,071	2032-2036	2,362,474	1,132,573
2037-2041	1,069,320	246,464	2037-2041	2,516,526	522,276
2042+	1,256,057	203,965	2042+	1,192,111	65,110
	<u>\$ 5,439,635</u>	<u>\$ 3,009,830</u>		<u>10,622,490</u>	<u>\$ 7,800,610</u>
			Less discount:	<u>(68,577)</u>	
				<u>\$ 10,553,913</u>	

Revenue Bonds		
Year Ending June 30:	Principal	Interest
2017	\$ 4,800	\$ 3,830
2018	5,100	3,590
2019	5,300	3,335
2020	5,600	3,070
2021	5,900	2,790
2022-2026	34,200	9,200
2027-2031	15,700	1,285
	<u>\$ 76,600</u>	<u>\$ 27,100</u>

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 6: Long-Term Liabilities (Continued)

Long-term liabilities at June 30, 2016 consisted of the following:

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2016</u>
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Business-Type Activities

Maintenance District 08A Revenue Bonds

The County issued the Maintenance District 08A Special Tax Bonds to expand the wastewater treatment plant. The County has pledged a portion of special assessments revenue to repay the Maintenance District 08A Revenue Bonds.

Maintenance District 08A Revenue Bonds	3/15/1988	2026	5%	\$3,800 - \$7,800	\$ 147,000	<u>\$ 76,600</u>
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Improvement District 1915 Act Bonds

The County assists various dependent special districts to issue improvement bonds which are supported by assessments for principal, interest, and handling charges placed as direct charges on current secured tax bills for property within the assessment/improvement area.

County Service Area 01	9/23/2003	2042	4.25%	\$8,830 - \$32,170	\$ 632,140	\$ 482,490
County Service Area 03	6/22/2005	2017	5%	\$17,000 - \$22,000	178,000	23,000
County Service Area 05	12/31/2009	2021	5%	\$4,000 - \$7,000	66,000	38,000
County Service Area 19	3/2/2009	2038	5.18%	\$55,000 - \$225,000	3,410,677	2,985,000
Improvement District 19	6/30/1978	2017	5%	\$12,000 - \$16,700	378,800	17,000
Maintenance District 22A	9/2/2004	2044	4.5%	\$121,900 - \$331,900	8,471,064	<u>7,077,000</u>
						<u>\$ 10,622,490</u>

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 6: Long-Term Liabilities (Continued)

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2016</u>
<u>Business-Type Activities</u> (continued)						
<i>Loans Payable</i>						
The County has contracted with various State and Federal agencies for loans to reimburse dependent special districts for construction costs. Principal and interest are repaid by charging property owners within the geographical boundaries of the district. The County has pledged a portion of special assessments revenue to repay the loans payable. For the Maintenance District 22A Rural Utility Service loan, the County has pledged a portion of special assessments revenue to repay the Maintenance District 08A Revenue Bonds.						
Maintenance District 01 - Dept. of Water Resources	6/1/1993	2021	7.125%	\$10,755 - \$18,830	\$ 249,191	\$ 92,169
Maintenance District 01 - State Water Resources	6/1/2016	2021	0.00%	\$4,499	22,493	22,493
Maintenance District 08A - State Clean Water	10/1/1994	2020	2.965%	\$5,199 - \$6,394	114,450	24,408
Maintenance District 27 - Rural Utility Services	6/30/2000	2040	3.25%	\$3,200 - \$7,600	175,190	86,300
Maintenance District 32 - USDA Rural Dev Loan	10/24/2000	2018	5.12%	\$15,010 - \$19,320	344,445	60,214
Maintenance District 01 - Rural Utility Services	9/3/2003	2043	4.25%	\$2,700 - \$9,410	185,000	141,371
Maintenance District 22A - Rural Utility Services	3/24/2004	2041	4.5%	\$41,500 - 111,380	3,091,782	2,217,680
Maintenance District 22A - Rural Utilities Services	12/1/2014	2054	2.25%	\$45,000 - \$108,000	2,886,000	<u>2,795,000</u>
						<u>\$ 5,439,635</u>

Compensated Absences

The total of the earned compensated absences and early retirement incentive as of June 30, 2016 for the Governmental Activities (including the Internal Service funds) is \$16,999,044.

The above amount includes \$14,172,732, which covers the earned compensated absences due for vacation, holiday compensation, and overtime. According to County policy and appropriate laws, this amount must be paid in full whether the County's employees take it as leave time while still employed or at the time their employment is terminated. The remaining \$2,826,312 covers the earned compensated absences due for sick leave. According to County policy, this amount is payable in full when the County's employees use it as leave time while still employed. However, at termination, the amount payable may be an amount, which is less than the full amount earned. Sick leave has been valued at the maximum payoff based on 20 years' service, which allows 50% of the first 75 days, 25% of the next 75 days, and 10% of the balance.

COUNTY OF MADERA

Notes to Basic Financial Statements For the Year Ended June 30, 2016

Note 6: Long-Term Liabilities (Continued)

D. 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. The County has hired a consultant to perform calculations of excess investment earnings on various bonds and financings.

Note 7: Landfill Closure and Post-Closure Costs

In 1991 the U.S. Environmental Protection Agency established rules and regulations (Solid Waste Disposal Facility Criteria) governing municipal (and other governmental and nongovernmental) waste landfills. The rules establish closure requirements for landfills that accept solid waste after October 9, 1991, ground water monitoring and corrective action requirements, and financial assurance requirements for landfills receiving solid waste after October 9, 1993. The County operates the Fairmead Landfill under this rule and has opened a second landfill site.

The estimated liability for closure and post closure care costs of the Fairmead Landfill and the expansion landfill site, as presented in these financial statements, is based on the amount of landfill used to date. The Fairmead Landfill has been used to 100% of capacity and the landfill expansion site has been used to 59.72% of capacity. The Fairmead Landfill has no estimated remaining life, and the expansion landfill has an estimated remaining life of 11 years.

The liability for landfill closure and post closure care is \$10,508,396 (\$2,515,880 for the Fairmead Landfill and \$7,992,516 for the expansion landfill). The estimated total current cost of the landfill closure and post closure care remaining to be recognized is \$5,391,151. The actual cost of closure and post closure care may vary from the estimate due to inflation, changes in technology, or changes in applicable laws and regulations.

At June 30, 2016, \$6,377,444 was available for closure and monitoring.

Note 8: Deficit Net Position

The Self Insurance Internal Service Fund reported a deficit net position at June 30, 2016 of (\$3,893,537). This deficit will be financed through future charges of the fund. The Capital Projects Fund reported a deficit fund balance of (\$405,214) which is expected to be eliminated through recognition of intergovernmental revenue which was unavailable at year-end.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 9: Net Position/Fund Balance

Classification

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned and unassigned. A detailed schedule of fund balances at June 30, 2016 is as follows:

	General Fund	Road Fund	Special Revenue - Public Protection	Other Governmental Funds	Total
Nonspendable					
Advances	\$ 3,015,682	\$ --	\$ --	\$ --	\$ 3,015,682
Prepays and inventory	444,575	346,738	--	--	791,313
Total Nonspendable	3,460,257	346,738	--	--	3,806,995
Committed for:					
Tobacco securitization	--	--	--	321,412	321,412
Other	5,405,405	--	--	--	5,405,405
Total Committed	5,405,405	--	--	321,412	5,726,817
Restricted for:					
General government	749,209	--	--	877,125	1,626,334
Public protection	2,513,979	--	14,749,478	--	17,263,457
Public ways and facilities	--	12,102,909	--	12,739,397	24,842,306
Health and sanitation	33,966,532	--	--	2,686,910	36,653,442
Public assistance	4,677,128	--	--	8,244,122	12,921,250
Education	68	--	--	36,488	36,556
Recreation	636	--	--	77,132	77,768
Capital projects	155,898	--	--	--	155,898
Total Restricted	42,063,450	12,102,909	14,749,478	24,661,174	93,577,011
Assigned to:					
Capital projects	3,345,313	--	--	--	3,345,313
Total Assigned	3,345,313	--	--	--	3,345,313
Unassigned	19,879,410	--	--	(405,214)	19,474,196
Total Fund Balance	\$ 74,153,835	\$ 12,449,647	\$ 14,749,478	\$ 24,577,372	\$ 125,930,332

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 9: Net Position/Fund Balance (Continued)

Restatement of Beginning Fund Balance/ Net Position

Adjustments resulting from errors or a change to comply with the provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net assets or fund balances.

The following restatements were made during the current year.

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Road</u>
Net position at July 1, 2015, as previously reported	\$ 142,465,716	\$ 62,717,335	\$ 16,605,233
Pension liability adjustment	417	-	-
Adjust accounts receivable	(877,481)	(913,186)	-
Adjust capital assets	(7,251,646)	7,651	-
Fund reclassification	(2,454,659)	(62,786)	-
Record unearned/unavailable revenue	<u>1,281,682</u>	<u>1,241,121</u>	<u>40,561</u>
Net position at July 1, 2015, as restated	<u>\$ 133,164,029</u>	<u>\$ 62,990,135</u>	<u>\$ 16,645,794</u>
	<u>Other Governmental Funds</u>	<u>Internal Service Funds</u>	
Net position at July 1, 2015, as previously reported	\$ 28,722,514	\$ 793,941	
Pension liability adjustment	-	417	
Adjust accounts receivable	35,805	-	
Record additional expenses in prior year	62,204	(62,204)	
Eliminate deposits payable for revenue earned in prior year	-	53,945	
Fund reclassification	<u>(2,391,873)</u>	<u>-</u>	
Net position at July 1, 2015, as restated	<u>\$ 26,428,650</u>	<u>\$ 786,099</u>	
	<u>Business-type Activities</u>	<u>Special Districts - Water/Sewer</u>	<u>County Landfill</u>
Net position at July 1, 2015, as previously reported	\$ 60,901,519	\$ 54,184,804	\$ 6,716,715
Adjust accounts receivable	298,605	(282,496)	581,101
Record additional expenses in prior year	(521,963)	(49,088)	(472,875)
Adjust long-term debt	472,875	-	472,875
Adjust capital assets	(52,018)	(39,639)	(12,379)
Adjust utilities receivable	(14,839)	(14,839)	-
Fund reclassification	<u>9,721,599</u>	<u>9,721,599</u>	<u>-</u>
Net position at July 1, 2015, as restated	<u>\$ 70,805,778</u>	<u>\$ 63,520,341</u>	<u>\$ 7,285,437</u>

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 10: Pension Plans

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the Public Agency Agent Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (peace) and a Miscellaneous risk pool (all other). Accordingly, rate plan of the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan. The County of Madera sponsors four rate plans (two miscellaneous and two safety). Benefit provisions under the Plan are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the Misc Plan are applied as specified by the Public Employees’ Retirement Law.

The Public Employees’ Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. Pursuant to PEPRA, the Miscellaneous and Safety "Classic" plans are closed to new entrants as of January 1, 2013.

The rate plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2.0% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.000% to 2.700%	1.000% to 2.500%
Required employee contribution rates	8.000%	6.250%
Required employer contribution rates	23.080%	23.080%

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 10: Pension Plans (Continued)

A. General Information about the Pension Plans (continued)

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3.0% @ 55	2.7% at 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.400% to 3.000% 3.000%	2.000% to 2.700%
Required employee contribution rates	9.000%	10.750%
Required employer contribution rates	25.932%	25.932%

Employees Covered – At June 30, 2016, the following employees were covered by the benefit terms for the Plan based on CalPERS annual valuation reports as of June 30, 2014:

Inactive employees or beneficiaries currently receiving benefits	1,184
Inactive employees entitled to but not yet receiving benefits	1,055
Active employee	<u>1,222</u>
Total	<u><u>3,461</u></u>

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Misc Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The County of Madera's contributions to the Plan for the year ended June 30, 2016 was \$13,809,287.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 10: Pension Plans (Continued)

B. Net Pension Liability

The County's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2014 actuarial valuation were determined using the following actuarial assumptions:

Valuation Date	June 30, 2014
Measure Date	June 30, 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.30% - 14.20% (1)
Investment Rate of Return	7.65% (2)

Derived using CalPERS' Membership data
for all Funds (3)

Mortality

- (1) Depending on age and service.
- (2) Net of pension plan investment expenses, including inflation.
- (3) The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions – GASB 68, paragraph 68 states that the long long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 10: Pension Plans (Continued)

B. Net Pension Liability

Discount Rate – The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees’ Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equity	51.0%	5.25%	5.71%
Global Debt Securities	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Equity	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100.0%		

¹ An expected inflation of 2.5% used for this period

² An expected inflation of 3.0% used for this period

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 10: Pension Plans (Continued)

C. Changes in the Net Pension Liability

The changes in Net Pension Liability for the Plan are as follows:

<u>Total Plan</u>	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2015	\$ 428,635,995	\$ 300,143,030	\$ 128,492,965
Changes in the year:			
Service cost	10,846,545	-	10,846,545
Interest on the total pension liability	31,671,170	-	31,671,170
Changes in assumptions	(7,855,714)	-	(7,855,714)
Differences between actual and expected experience	(2,936,521)	-	(2,936,521)
Plan to plan resource movement	-	5,796	(5,796)
Contributions - employer	-	13,471,893	(13,471,893)
Contributions - employee (paid by employer)	-	392,044	(392,044)
Contributions - employee	-	4,540,712	(4,540,712)
Net investment income	-	6,723,110	(6,723,110)
Administrative expenses	-	(343,144)	343,144
Benefit payments, including refunds of employee contributions	(20,463,696)	(20,463,696)	-
Net changes	<u>11,261,784</u>	<u>4,326,715</u>	<u>6,935,069</u>
Balance at June 30, 2016	\$ <u>439,897,779</u>	\$ <u>304,469,745</u>	\$ <u>135,428,034</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the County for the Plan, calculated using the discount rate for the Plan, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.65%	Discount Rate 7.65%	1% Increase 8.65%
Net Pension Liability	\$ 195,441,856	\$ 135,428,034	\$ 85,996,954

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 10: Pension Plans (Continued)

D. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended June 30, 2016, the County recognized pension expense of \$10,480,818. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 15,179,332	\$ -
Change in assumptions	-	(5,713,721)
Differences between actual and expected experience	-	(2,023,010)
Net differences between projected and actual earnings on plan investments	-	(2,467,270)
Total	<u>\$ 15,179,332</u>	<u>\$ (10,204,001)</u>

\$15,179,332 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ (4,944,308)
2017	(4,944,308)
2018	(2,789,084)
2019	2,858,556
2020	(349,869)
Thereafter	(34,988)
	<u>\$ (10,204,001)</u>

E. Payable to the Pension Plan

At June 30, 2016, the County reported a payable of \$1,862,817 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

Note 11: Other Post-Employment Health Care Benefits

Plan Description

The County of Madera retiree healthcare plan is a single-employer defined benefit healthcare plan administered by the County. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the County, its management employees, and the union representing County employees.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 11: Other Post- Employment Health Care Benefits (continued)

Plan Description (continued)

The County provides eligible employees who retire with a monthly retiree allowance, currently provided through the California Public Employees' Retirement System ("CalPERS") Health Benefits Program under the Public Employees' Medical and Hospital Care Act ("PEMHCA"). Under the 2016 basic health plan, the County's monthly contribution per eligible pre-Medicare retiree is \$511.70, \$789.95, and \$956.43 for single, two-party, and family coverage, respectively. The County's employer contribution for each employee shall be the minimum required by PEMHCA. The County pays this contribution directly to CalPERS. No dental, vision, or life insurance benefits are provided.

Eligibility

Employees are eligible for retiree health benefits if they retire from the County on or after age 50 and 5 years of CalPERS service or disability. The benefits are available only to employees who retire from the County. Membership of the plan consisted of the following at June 30, 2016:

	<u>No. of Employees</u>
Eligible active employees	1,219
Enrolled eligible retirees	512

Funding Policy

There is no statutory requirement for the County to pre-fund its other postemployment benefit ("OPEB") obligation. The County has currently chosen to pay plan benefits on a pay-as-you-go basis. There are no employee contributions. The County fixed dollar benefit cannot be less than PEMHCA minimum (unequal method) for PEMHCA retirees.

For fiscal year 2015-16, the County paid \$2,654,857 to CalPERS for the County's health premium contributions under PEMHCA. PEMHCA is, for most employers, a community rated plan and is not required to value implied subsidies for retirees under GASB 45.

The Annual Required Contribution (the "ARC") is an amount actuarially determined in accordance with the parameters of GASB 45. The ARC is equal to the normal cost plus a 30-year amortization of the unfunded actuarial liability.

Annual Other Postemployment Benefits (OPEB) Cost and Net OPEB Obligations

The County's annual other postemployment benefit cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) not to exceed thirty years.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 11: Other Post-Employment Health Care Benefits (Continued)

Plan Description (continued)

Annual Other Postemployment Benefits (OPEB) Cost and Net OPEB Obligations (continued)

The following table, based on the County's actuarial valuation as of June 30, 2015, shows 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:

<u>Fiscal Year End</u>	<u>Beginning Balance Net OPEB Obligation</u>	<u>Annual Required Contribution</u>	<u>Accrued Interest</u>	<u>Amortization</u>	<u>Actual Contribution</u>	<u>Ending Balance Net OPEB Obligation</u>
June 30, 2014	73,786,000	12,915,000	2,951,000	(6,166,000)	(2,459,000)	81,028,000
June 30, 2015	81,028,000	14,000,000	3,241,000	(7,031,000)	(2,530,000)	88,708,000
June 30, 2016	88,708,000	21,871,000	3,548,000	(8,007,000)	(3,735,000)	102,385,000

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2013-14, 2014-15, and 2015-16 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2014	\$ 9,701,000	25.3%	\$ 81,028,001
June 30, 2015	10,210,000	24.8%	88,708,001
June 30, 2016	17,412,000	21.5%	102,385,000

Funded Status and Progress

As of June 30, 2015, the most recent actuarial valuation date, the plan was not funded in its initial year of implementation. The actuarial accrued liability for benefits was \$170,475,000 and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability ("UAAL") of \$170,475,000 and a funded ratio (actuarial value of assets as a percentage of the actuarial liability) of zero percent.

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 11: Other Post Employment Health Care Benefits(Continued)

Plan Description (continued)

Actuarial Methods and Assumptions (continued)

In the June 30, 2015 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.00% discount rate, a 3% general inflation assumption, an annual aggregate payroll increase rate of 3.25%, plus merit increases per CalPERS 1997-2011 experience study. PEMHCA minimum trend rate is 8.0% in 2015 and decreases to 5% for 2021 and beyond, not less than PEMHCA minimum. PEMHCA is a community rated plan not required to value implied subsidies to retirees. The plan is not funded in a segregated restricted trust. The UAAL is being amortized as a level percentage of projected payroll over 25 years on a closed basis, starting June 30, 2009.

Most Recent Actuarial Study – Schedule of Funding Progress

The funding status of the plan as of June 30, 2015 (the most recent actuarial valuation date) was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Actuarial Liability as Percentage of Covered Payroll</u>
June 30, 2015	\$ -	\$ 170,475,000	\$ 170,475,000	0.00%	\$ 62,298,000	273.64%

Note 12: Deferred Compensation Plan

The County has maintained an IRS Section 457 deferred compensation plan for all full-time employees who elect to participate. Employees are allowed to designate a portion of their compensation up to a maximum of \$18,000 annually for deferral. For those over the age of 50, an additional \$6,000 each year is permitted. The deferred income is not taxable to the employee until retirement distributions begin. The employees' contributions are invested by a Trustee, ICMA.

At June 30, 2016, the Plan's assets are not presented in the accompanying financial statements as they are deposited with ICMA, the third party administrator independent of the County.

Note 13: Commitments and Contingencies

A. Litigation

There are several lawsuits and unresolved disputes involving the County or its employees in which the County is represented by the County counsel and outside counsel. However, in the opinion of the County counsel and outside counsel these actions will not, in the aggregate, have a material adverse effect upon the operations or financial position of the County.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 13: Commitments and Contingencies (Continued)

B. Federal and State Grants

The County participates in a number of Federal and State grant programs subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. However, management does not believe that audit disallowances, if any, would have a significant effect on the financial position of the County.

C. Medicare and Medi-Cal Reimbursements

The County’s Medicare and Medi-Cal cost reports for certain prior years are in various stages of review by the third-party intermediaries and have not been settled as a result of certain unresolved reimbursement issues. The County believes that it has adequately provided for any potential liabilities which may arise from the intermediaries’ review.

Note 14: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions, injuries to employees, natural disasters, medical malpractice, unemployment coverage, and dental and vision benefits to employees.

The County established a self-insurance program (reported in the County’s Self-Insurance Fund, an internal service fund) to provide partial coverage for various types of risks:

- Worker’s Compensation
- General Public Liability, including errors and omissions, malpractice, automobile liability
Employee’s Dental and Vision programs.

The amount of self-insured retention is as follows:

<u>Type</u>	<u>Each Occurrence</u>
Workers' Compensation	\$ 125,000
General Public Liability	\$ 100,000
Dental	N/A
Vision	N/A

The minimum reserve levels for the workman’s compensation and public liability programs are established based upon an actuarial review of each program, and excess insurance coverage is purchased for both types of coverage. The County has maintained conservative general liability and workman’s compensation reserves.

Excess coverage for workers’ compensation and general public liability is provided by the California State Association of Counties (CSAC) Excess Insurance Authority (Insurance Authority), a joint powers authority whose purpose is to develop and fund programs of excess insurance for its member counties. The Insurance Authority is governed by a Board of Directors consisting of representatives of the member counties. The reserve levels are established for the Authority Joint Powers Agreement as a whole and are not available to the County separately.

COUNTY OF MADERA

Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Note 14: Risk Management (Continued)

The amount of excess insurance coverage is as follows:

	<u>Coverage</u>
Workers' Compensation	
First level	\$ 125,000 to \$ 5,000,000
Second level	\$ 5,000,000 to \$ 50,000,000
Third level	\$ 50,000,000 to Statutory Limit
General Public Liability	\$ 100,000 to \$ 25,000,000

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

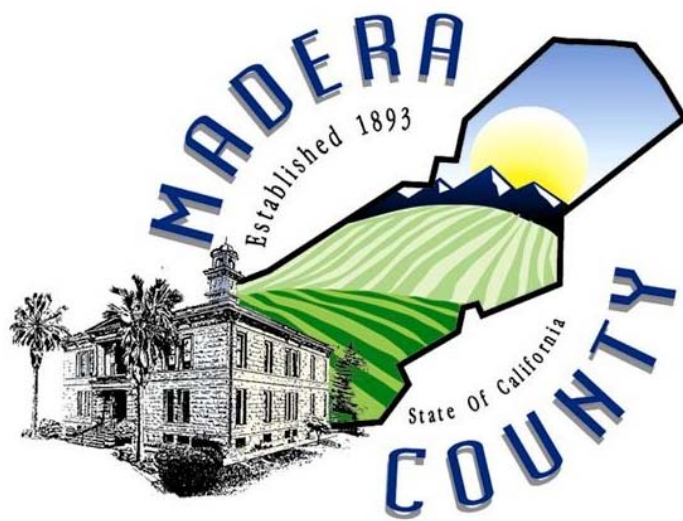
	<u>2016</u>	<u>2015</u>
Unpaid claims and claim adjustment expenses, beginning of the fiscal year	\$ 11,038,000	\$ 10,118,000
Incurred claims and claim adjustment expenses	2,503,408	3,435,940
Claim payments	<u>(2,694,408)</u>	<u>(2,515,940)</u>
Unpaid claims and claim adjustment expenses, end of the fiscal year	<u>\$ 10,847,000</u>	<u>\$ 11,038,000</u>

The long-term liability for claims and catastrophic losses is as follows:

<u>Type</u>	<u>Total Actuarially Determined Liability</u>
Workers' Compensation	\$ 10,065,000
General Public Liability	<u>782,000</u>
 Total	 <u>\$ 10,847,000</u>

Property, employee health, unemployment insurance, and blanket crime coverage are provided entirely by outside carriers and are, therefore, not accounted for in the self-insurance funds. Since internal service funds predominantly serve the governmental funds, the above mentioned liabilities are included in governmental activities.

REQUIRED SUPPLEMENTARY INFORMATION



COUNTY OF MADERA

Required Supplementary Information
For the Year Ended June 30, 2016

1. BUDGETARY INFORMATION

Budgets for the operating funds and proprietary fund operations are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be issued. The Debt Service fund budget is prepared to provide funding for debt service when liabilities are due for payment. The budget and actual financial statements are prepared on these basis. Unencumbered appropriation for annually budgeted funds lapse at fiscal year-end.

Budget Policy and Practice

County Administration submits an annual budget to the Board of Supervisors in accordance with the County code and State of California law. This proposed budget is the spending authority from July 1 until budget hearings are held the end of August and the Board of Supervisors formally adopts the budget in early September. Once approved, the Board of Supervisors may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and objects as follows: salaries and benefits, services and supplies, other charges, capital outlay, operating transfers, residual equity transfers, and intrafund transfers out. This constitutes the legal level of control. Expenditures may not exceed appropriations for travel, transportation and education. Budget revisions between object levels, for travel, transportation, and education, or specific capital outlays are subject to final approval by Board of Supervisors. Revisions less than \$5,000 within object levels (excluding transportation, travel & education and specific capital outlays) can be approved by the County Administrative Officer. Revisions to the budget were made throughout the year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies and recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary accounting in the General and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. Encumbrances at year-end are rebudgeted in the new year.

Expenditures Exceeding Appropriations

For the year ended June 30, 2016, expenditures exceeded appropriations in the following functions of the respective funds:

General Fund	Debt Service	\$ 375,254
Housing and Community Development	Public Assistance	381,360
Tourism	Recreation and Cultural Services	169,973
Public Assistance	Public Assistance	115,584

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 45,738,512	\$ 45,923,145	\$ 47,272,243	\$ 1,349,098
Licenses and permits	4,233,740	4,233,740	5,209,917	976,177
Fines, forfeitures and penalties	3,515,381	3,630,200	1,788,947	(1,841,253)
Use of money and property	125,017	125,017	441,902	316,885
Intergovernmental	102,043,978	103,740,457	100,793,961	(2,946,496)
Charges for services	9,537,333	11,754,641	13,389,209	1,634,568
Miscellaneous	1,803,719	2,172,631	1,303,377	(869,254)
Total revenues	166,997,680	171,579,831	170,199,556	(1,380,275)
Expenditures:				
General Government:				
Board of Supervisors				
Salaries and benefits	1,256,314	1,313,489	1,316,887	(3,398)
Services and supplies	196,536	186,536	169,036	17,500
Total Board of Supervisors	1,452,850	1,500,025	1,485,923	14,102
Administrative Management/ Purchasing				
Salaries and benefits	711,587	755,814	754,214	1,600
Services and supplies	32,788	43,788	42,433	1,355
Total Administrative Management/ Purchasing	744,375	799,602	796,647	2,955
Auditor Controller				
Salaries and benefits	1,589,391	1,539,391	1,489,801	49,590
Services and supplies	222,139	272,139	213,071	59,068
Total Auditor Controller	1,811,530	1,811,530	1,702,872	108,658
Assessor				
Salaries and benefits	2,074,927	2,074,927	2,030,067	44,860
Services and supplies	372,765	516,480	245,385	271,095
Total Assessor	2,447,692	2,591,407	2,275,452	315,955
Treasurer - Tax Collector				
Salaries and benefits	758,920	738,920	736,808	2,112
Services and supplies	220,477	240,477	233,449	7,028
Total Treasurer - Tax Collector	979,397	979,397	970,257	9,140
County Counsel				
Salaries and benefits	--	4,657	4,665	(8)
Services and supplies	732,550	1,834,162	1,836,965	(2,803)
Total County Counsel	732,550	1,838,819	1,841,630	(2,811)
Human Resources				
Salaries and benefits	962,809	990,740	1,089,741	(99,001)
Services and supplies	101,623	155,939	107,261	48,678
Total Human Resources	1,064,432	1,146,679	1,197,002	(50,323)

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
General Government (continued)				
Elections				
Salaries and benefits	\$ 359,287	\$ 413,920	\$ 414,566	\$ (646)
Services and supplies	348,726	373,052	375,644	(2,592)
Total Elections	<u>708,013</u>	<u>786,972</u>	<u>790,210</u>	<u>(3,238)</u>
General Services				
Salaries and benefits	150,567	154,496	157,600	(3,104)
Services and supplies	96,736	56,086	50,992	5,094
Total General Services	<u>247,303</u>	<u>210,582</u>	<u>208,592</u>	<u>1,990</u>
PW - Engineering				
Salaries and benefits	914,172	914,172	781,630	132,542
Services and supplies	192,178	192,178	151,782	40,396
Total PW - Engineering	<u>1,106,350</u>	<u>1,106,350</u>	<u>933,412</u>	<u>172,938</u>
Building Operations				
Services and supplies	323,128	337,128	335,313	1,815
Total Building Operations	<u>323,128</u>	<u>337,128</u>	<u>335,313</u>	<u>1,815</u>
Building Maintenance				
Salaries and benefits	667,224	742,000	749,122	(7,122)
Services and supplies	375,126	649,463	654,572	(5,109)
Total Building Maintenance	<u>1,042,350</u>	<u>1,391,463</u>	<u>1,403,694</u>	<u>(12,231)</u>
PW - Special Districts Services				
Salaries and benefits	1,904,833	1,904,833	1,643,745	261,088
Services and supplies	608,069	609,940	497,368	112,572
Total PW - Special Districts Services	<u>2,512,902</u>	<u>2,514,773</u>	<u>2,141,113</u>	<u>373,660</u>
Grounds Maintenance				
Salaries and benefits	246,081	318,741	318,197	544
Services and supplies	68,828	75,249	73,264	1,985
Total Grounds Maintenance	<u>314,909</u>	<u>393,990</u>	<u>391,461</u>	<u>2,529</u>
Utilities				
Services and supplies	599,806	649,306	635,852	13,454
Total Utilities	<u>599,806</u>	<u>649,306</u>	<u>635,852</u>	<u>13,454</u>
Insurance				
Salaries and benefits	189,883	195,950	196,171	(221)
Services and supplies	3,168,046	3,168,046	3,076,014	92,032
Total Insurance	<u>3,357,929</u>	<u>3,363,996</u>	<u>3,272,185</u>	<u>91,811</u>
Central Services				
Salaries and benefits	45,680	45,680	40,278	5,402
Services and supplies	529,054	530,176	440,849	89,327
Total Insurance	<u>574,734</u>	<u>575,856</u>	<u>481,127</u>	<u>94,729</u>

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
General Government (continued)				
311 Customer Service Center				
Salaries and benefits	\$ 138,667	\$ 148,063	\$ 147,304	\$ 759
Services and supplies	27,580	27,330	20,814	6,516
Total 311 Customer Service Center	<u>166,247</u>	<u>175,393</u>	<u>168,118</u>	<u>7,275</u>
Information Technology				
Salaries and benefits	2,166,136	2,039,291	2,024,681	14,610
Services and supplies	604,847	844,585	823,553	21,032
Total Information Technology	<u>2,770,983</u>	<u>2,883,876</u>	<u>2,848,234</u>	<u>35,642</u>
Special Payments				
Services and supplies	736,102	1,003,359	1,000,873	2,486
Total Special Payments	<u>736,102</u>	<u>1,003,359</u>	<u>1,000,873</u>	<u>2,486</u>
Total General Government	<u>23,693,582</u>	<u>26,060,503</u>	<u>24,879,967</u>	<u>1,180,536</u>
Public Protection:				
Child Support Services				
Salaries and benefits	2,471,153	2,482,550	2,264,128	218,422
Services and supplies	498,987	635,061	388,475	246,586
Total Child Support Services	<u>2,970,140</u>	<u>3,117,611</u>	<u>2,652,603</u>	<u>465,008</u>
District Attorney				
Salaries and benefits	2,177,837	2,269,164	2,262,823	6,341
Services and supplies	554,173	560,358	517,277	43,081
Total District Attorney	<u>2,732,010</u>	<u>2,829,522</u>	<u>2,780,100</u>	<u>49,422</u>
District Attorney - COPS				
Salaries and benefits	92,963	99,689	100,341	(652)
Services and supplies	771	771	768	3
Total District Attorney - COPS	<u>93,734</u>	<u>100,460</u>	<u>101,109</u>	<u>(649)</u>
District Attorney - Rape Prosecution Grant				
Salaries and benefits	121,384	131,692	132,413	(721)
Services and supplies	2,451	2,451	946	1,505
Total District Attorney - Rape Prosecution Grant	<u>123,835</u>	<u>134,143</u>	<u>133,359</u>	<u>784</u>
District Attorney - DUI Program				
Salaries and benefits	100,090	116,463	114,624	1,839
Services and supplies	45,811	49,136	27,373	21,763
Total District Attorney - DUI Program	<u>145,901</u>	<u>165,599</u>	<u>141,997</u>	<u>23,602</u>

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection (continued):				
District Attorney - Crime Prosecution Unit				
Salaries and benefits	\$ 113,817	\$ 128,139	\$ 125,429	\$ 2,710
Services and supplies	3,149	3,149	1,474	1,675
Total District Attorney - Crime Prosecution Unit	116,966	131,288	126,903	4,385
District Attorney - DA - Fed Vert Pros				
Salaries and benefits	136,262	136,654	136,660	(6)
Services and supplies	16,135	16,135	13,068	3,067
Total District Attorney - DA - Fed Vert Pros	152,397	152,789	149,728	3,061
District Attorney - Welfare Fraud				
Salaries and benefits	902,017	902,017	782,283	119,734
Services and supplies	163,789	179,795	161,988	17,807
Total District Attorney - Welfare Fraud	1,065,806	1,081,812	944,271	137,541
Trial Court Operations (Gen Fund Contribution)				
Services and supplies	1,421,987	1,421,987	1,352,550	69,437
Total Trial Court Operations (Gen Fund Contribution)	1,421,987	1,421,987	1,352,550	69,437
Grand Jury				
Services and supplies	71,700	74,400	62,498	11,902
Total Grand Jury	71,700	74,400	62,498	11,902
Public Defender				
Services and supplies	2,616,019	2,916,019	2,854,515	61,504
Total Public Defender	2,616,019	2,916,019	2,854,515	61,504
Sheriff - Coroner				
Salaries and benefits	7,653,176	7,876,876	7,907,710	(30,834)
Services and supplies	3,505,061	3,618,709	3,615,959	2,750
Total Sheriff - Coroner	11,158,237	11,495,585	11,523,669	(28,084)
Sheriff - EMPG Emergency Planning				
Salaries and benefits	269,754	317,410	310,392	7,018
Services and supplies	38,246	45,266	41,901	3,365
Total Sheriff - EMPG Emergency Planning	308,000	362,676	352,293	10,383
Sheriff - Bass Lake Operations				
Salaries and benefits	113,415	113,415	116,214	(2,799)
Services and supplies	49,409	50,909	37,242	13,667
Total Sheriff - Bass Lake Operations	162,824	164,324	153,456	10,868

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection (continued):				
Sheriff - CalOES				
Services and supplies	\$ 143,361	\$ 143,361	\$ 55,865	\$ 87,496
Total Sheriff - CalOES	<u>143,361</u>	<u>143,361</u>	<u>55,865</u>	<u>87,496</u>
Sheriff - Fed - Cannabis Eradication				
Salaries and benefits	38,700	29,840	--	29,840
Services and supplies	<u>56,300</u>	<u>75,147</u>	<u>29,215</u>	<u>45,932</u>
Total Sheriff - Fed - Cannabis Eradication	<u>95,000</u>	<u>104,987</u>	<u>29,215</u>	<u>75,772</u>
Sheriff - COPS (SLESF)				
Salaries and benefits	192,379	206,893	215,901	(9,008)
Services and supplies	<u>1,524</u>	<u>1,524</u>	<u>1,596</u>	<u>(72)</u>
Total Sheriff - COPS (SLESF)	<u>193,903</u>	<u>208,417</u>	<u>217,497</u>	<u>(9,080)</u>
Sheriff - Chukchansi Indian Casino				
Salaries and benefits	593,825	640,189	651,079	(10,890)
Services and supplies	<u>20,701</u>	<u>43,063</u>	<u>42,875</u>	<u>188</u>
Total Sheriff - Chukchansi Indian Casino	<u>614,526</u>	<u>683,252</u>	<u>693,954</u>	<u>(10,702)</u>
Sheriff - Rural Crime Prevention Task Force				
Salaries and benefits	212,255	230,636	241,091	(10,455)
Services and supplies	<u>104,347</u>	<u>104,347</u>	<u>95,665</u>	<u>8,682</u>
Total Sheriff - Rural Crime Prevention Task Force	<u>316,602</u>	<u>334,983</u>	<u>336,756</u>	<u>(1,773)</u>
Sheriff - Civil Division				
Salaries and benefits	473,118	530,689	530,511	178
Services and supplies	<u>94,882</u>	<u>94,882</u>	<u>95,995</u>	<u>(1,113)</u>
Total Sheriff - Civi Division	<u>568,000</u>	<u>625,571</u>	<u>626,506</u>	<u>(935)</u>
Sheriff - Off Highway				
Salaries and benefits	50,000	35,000	--	35,000
Services and supplies	<u>20,000</u>	<u>20,000</u>	<u>10,699</u>	<u>9,301</u>
Total Sheriff - Off Highway	<u>70,000</u>	<u>55,000</u>	<u>10,699</u>	<u>44,301</u>
Sheriff - Anti-Drug Program				
Salaries and benefits	453,852	474,514	492,924	(18,410)
Services and supplies	<u>73,722</u>	<u>73,722</u>	<u>34,594</u>	<u>39,128</u>
Total Sheriff - Anti-Drug Program	<u>527,574</u>	<u>548,236</u>	<u>527,518</u>	<u>20,718</u>
Sheriff - Cal - MMET				
Salaries and benefits	206,754	230,525	233,400	(2,875)
Services and supplies	<u>16,872</u>	<u>23,445</u>	<u>17,818</u>	<u>5,627</u>
Total Sheriff - Cal - MMET	<u>223,626</u>	<u>253,970</u>	<u>251,218</u>	<u>2,752</u>

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection (continued):				
Sheriff - JAG Grant				
Services and supplies	\$ 33,000	\$ 38,014	\$ 33,706	\$ 4,308
Total Sheriff - JAG Grant	<u>33,000</u>	<u>38,014</u>	<u>33,706</u>	<u>4,308</u>
Sheriff - Court Security				
Salaries and benefits	1,632,254	1,249,074	1,597,396	(348,322)
Services and supplies	103,624	200,076	149,293	50,783
Total Sheriff - Court Security	<u>1,735,878</u>	<u>1,449,150</u>	<u>1,746,689</u>	<u>(297,539)</u>
Sheriff - OCJP NET Project				
Services and supplies	58,300	58,380	50,532	7,848
Total Sheriff - OCJP NET Project	<u>58,300</u>	<u>58,380</u>	<u>50,532</u>	<u>7,848</u>
Department of Corrections				
Salaries and benefits	7,582,087	9,378,882	8,356,425	1,022,457
Services and supplies	5,088,129	5,286,434	5,205,417	81,017
Total Department of Corrections	<u>12,670,216</u>	<u>14,665,316</u>	<u>13,561,842</u>	<u>1,103,474</u>
Juvenile Hall				
Salaries and benefits	3,489,761	3,647,444	3,609,488	37,956
Services and supplies	1,067,557	938,913	910,424	28,489
Total Juvenile Hall	<u>4,557,318</u>	<u>4,586,357</u>	<u>4,519,912</u>	<u>66,445</u>
Probation				
Salaries and benefits	3,220,993	3,223,905	3,178,770	45,135
Services and supplies	372,583	379,609	338,570	41,039
Total Probation	<u>3,593,576</u>	<u>3,603,514</u>	<u>3,517,340</u>	<u>86,174</u>
Probation - CCP Training				
Services and supplies	172,257	172,257	51,793	120,464
Total Probation - CCP Training	<u>172,257</u>	<u>172,257</u>	<u>51,793</u>	<u>120,464</u>
Probation - Crime Prevention Act of 2000				
Salaries and benefits	470,401	497,401	499,164	(1,763)
Services and supplies	107,223	81,073	26,473	54,600
Total Probation - Crime Prevention Act of 2000	<u>577,624</u>	<u>578,474</u>	<u>525,637</u>	<u>52,837</u>
Probation - Youth Offender Block Grant				
Salaries and benefits	335,226	371,612	333,932	37,680
Services and supplies	197,271	166,434	98,343	68,091
Total Probation - Youth Offender Block Grant	<u>532,497</u>	<u>538,046</u>	<u>432,275</u>	<u>105,771</u>

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection (continued):				
Probation - Proud Parenting Grant				
Salaries and benefits	\$ --	\$ 38,772	\$ 37,458	\$ 1,314
Services and supplies	119,261	80,489	71,218	9,271
Total Probation - Proud Parenting Grant	119,261	119,261	108,676	10,585
Fire Prevention				
Salaries and benefits	554,347	622,753	604,985	17,768
Services and supplies	4,645,936	4,664,337	4,432,729	231,608
Total Fire Prevention	5,200,283	5,287,090	5,037,714	249,376
Fire - Chukchansi Indian Casino				
Services and supplies	778,635	781,635	632,834	148,801
Total Fire - Chukchansi Indian Casino	778,635	781,635	632,834	148,801
Ag. Commissioner/Sealer of Wts. & Measures				
Salaries and benefits	1,311,025	1,316,213	1,305,919	10,294
Services and supplies	138,965	138,965	105,928	33,037
Total Ag. Commissioner/Sealer of Wts. & Measures	1,449,990	1,455,178	1,411,847	43,331
CED - Fire Prevention - Land Development				
Salaries and benefits	222,618	230,727	231,584	(857)
Services and supplies	20,528	20,528	15,958	4,570
Total Ag. Commissioner/Sealer of Wts. & Measures	243,146	251,255	247,542	3,713
CED - Building Inspection				
Salaries and benefits	1,062,801	1,062,801	1,043,028	19,773
Services and supplies	344,799	353,275	340,565	12,710
Total CED - Building Inspection	1,407,600	1,416,076	1,383,593	32,483
County Clerk-Recorder				
Salaries and benefits	562,260	562,650	542,551	20,099
Services and supplies	123,225	163,168	110,424	52,744
Total County Clerk-Recorder	685,485	725,818	652,975	72,843
CED - Planning				
Salaries and benefits	1,282,750	1,389,460	1,391,264	(1,804)
Services and supplies	1,103,420	1,401,560	299,777	1,101,783
Total CED Planning	2,386,170	2,791,020	1,691,041	1,099,979

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection (continued):				
Animal Services				
Salaries and benefits	\$ 739,128	\$ 816,270	\$ 816,325	\$ (55)
Services and supplies	334,248	347,620	346,224	1,396
Total Animal Services	<u>1,073,376</u>	<u>1,163,890</u>	<u>1,162,549</u>	<u>1,341</u>
Predatory Animal Control				
Services and supplies	75,395	75,395	73,341	2,054
Total Predatory Animal Control	<u>75,395</u>	<u>75,395</u>	<u>73,341</u>	<u>2,054</u>
Fish and Game				
Salaries and benefits	5,000	--	--	--
Services and supplies	--	--	--	--
Total Fish and Game	<u>5,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Public Guardian				
Salaries and benefits	238,582	238,582	228,997	9,585
Services and supplies	84,060	84,060	31,089	52,971
Total Public Guardian	<u>322,642</u>	<u>322,642</u>	<u>260,086</u>	<u>62,556</u>
Total Public Protection	<u>63,569,797</u>	<u>67,184,760</u>	<u>63,180,203</u>	<u>4,004,557</u>
Health and Sanitation:				
Behavioral Health Services				
Salaries and benefits	10,287,764	10,380,862	9,073,045	1,307,817
Services and supplies	12,244,589	13,266,049	8,137,375	5,128,674
Total Behavioral Health Services	<u>22,532,353</u>	<u>23,646,911</u>	<u>17,210,420</u>	<u>6,436,491</u>
Health				
Salaries and benefits	8,391,688	8,391,688	7,091,429	1,300,259
Services and supplies	2,340,885	2,451,738	1,698,392	753,346
Total Health	<u>10,732,573</u>	<u>10,843,426</u>	<u>8,789,821</u>	<u>2,053,605</u>
CED Environmental Health				
Salaries and benefits	1,328,233	1,328,233	1,186,771	141,462
Services and supplies	132,672	151,904	129,480	22,424
Total CED Environmental Health	<u>1,460,905</u>	<u>1,480,137</u>	<u>1,316,251</u>	<u>163,886</u>
Total Health and Sanitation	<u>34,725,831</u>	<u>35,970,474</u>	<u>27,316,492</u>	<u>8,653,982</u>
Public Assistance:				
Department of Social Services				
Salaries and benefits	19,557,083	19,907,863	18,930,600	977,263
Services and supplies	8,831,318	8,993,626	5,180,210	3,813,416
Total Department of Social Services	<u>28,388,401</u>	<u>28,901,489</u>	<u>24,110,810</u>	<u>4,790,679</u>
General Relief				
Services and supplies	1,157,394	1,157,394	826,788	330,606
Total General Relief	<u>1,157,394</u>	<u>1,157,394</u>	<u>826,788</u>	<u>330,606</u>

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Assistance (continued):				
Aid for CalWORKS				
Services and supplies	\$ 21,000,000	\$ 22,883,425	\$ 22,883,425	\$ --
Total Aid for CalWORKS	21,000,000	22,883,425	22,883,425	--
Foster Care				
Services and supplies	7,100,000	5,573,255	5,563,946	9,309
Total Foster Care	7,100,000	5,573,255	5,563,946	9,309
Aid for Adopted Children				
Services and supplies	2,200,000	1,461,575	1,400,505	61,070
Total Aid for Adopted Children	2,200,000	1,461,575	1,400,505	61,070
Cal - Learn				
Salaries and benefits				--
Services and supplies	20,000	20,000	5,980	14,020
Total Cal - Learn	20,000	20,000	5,980	14,020
GAIN Support Services (Welfare to Work)				
Services and supplies	700,000	700,000	303,388	396,612
Total GAIN Support Services (Welfare to Work)	700,000	700,000	303,388	396,612
In-home Supportive Service				
Services and supplies	3,343,667	3,350,412	3,350,412	--
Total In-Home Supportive Service	3,343,667	3,350,412	3,350,412	--
CalWORKS Child Care				
Services and supplies	400,000	400,000	229,567	170,433
Total CalWORKS Child Care	400,000	400,000	229,567	170,433
Kin Gap				
Services and supplies	220,000	595,000	565,403	29,597
Total Kin Gap	220,000	595,000	565,403	29,597
Cash Assistance Program for Immigrants				
Services and supplies	32,000	32,000	29,681	2,319
Total Cash Assistance Program for Immigrants	32,000	32,000	29,681	2,319
Housing Assistance/Transitional Program				
Services and supplies	150,000	150,000	145,997	4,003
Total Housing Assistance/ Transitional Program	150,000	150,000	145,997	4,003

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Assistance (continued):				
Veterans Service				
Salaries and benefits	\$ 84,909	\$ 94,349	\$ 94,912	\$ (563)
Services and supplies	67,491	68,451	71,041	(2,590)
Total Veterans Service	<u>152,400</u>	<u>162,800</u>	<u>165,953</u>	<u>(3,153)</u>
Community Action Partnership				
Salaries and benefits	160,248	160,248	158,874	1,374
Services and supplies	18,787	38,581	40,904	(2,323)
Total CommunityAction Partnership	<u>179,035</u>	<u>198,829</u>	<u>199,778</u>	<u>(949)</u>
Total Public Assistance	<u>65,042,897</u>	<u>65,586,179</u>	<u>59,781,633</u>	<u>5,804,546</u>
Education:				
Library				
Salaries and benefits	791,070	868,976	866,859	2,117
Services and supplies	266,359	293,828	286,146	7,682
Total Library Department	<u>1,057,429</u>	<u>1,162,804</u>	<u>1,153,005</u>	<u>9,799</u>
Agricultural Extension Service				
Salaries and benefits	--	2,248	2,253	(5)
Services and supplies	71,100	71,100	71,086	14
Total Agricultural Extension Service	<u>71,100</u>	<u>73,348</u>	<u>73,339</u>	<u>9</u>
Total Education	<u>1,128,529</u>	<u>1,236,152</u>	<u>1,226,344</u>	<u>9,808</u>
Debt service				
Principal	203,817	236,041	1,312,671	(1,076,630)
Interest	1,889,440	1,898,438	929,975	968,463
Debt issuance costs	--	--	267,087	(267,087)
Total Debt Service	<u>2,093,257</u>	<u>2,134,479</u>	<u>2,509,733</u>	<u>(375,254)</u>
Capital outlay	948,330	2,530,928	1,947,438	583,490
Appropriations for Contingencies	<u>2,424,416</u>	<u>1,000</u>	<u>--</u>	<u>1,000</u>
Establish Reserve for Future Budgetary Needs	<u>4,063,654</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Expenditures	<u>197,690,293</u>	<u>200,704,475</u>	<u>180,841,810</u>	<u>19,862,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,692,613)</u>	<u>(29,124,644)</u>	<u>(10,642,254)</u>	<u>18,482,390</u>

continued

COUNTY OF MADERA

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Other financing sources (uses):				
Sale of capital assets	\$ 12,500	\$ 12,500	\$ 304,638	\$ 292,138
Payment to refunding escrow agent			(13,560,000)	13,560,000
Capital leases			14,104,617	
Transfers in	19,423,813	20,994,058	21,392,361	398,303
Transfers out	(193,699)	(1,328,991)	(1,087,150)	241,841
Total other financing sources (uses)	<u>19,242,614</u>	<u>19,677,567</u>	<u>21,154,466</u>	<u>14,492,282</u>
Net change in fund balance	<u>\$ (11,449,999)</u>	<u>\$ (9,447,077)</u>	10,512,212	<u>\$ 32,974,672</u>

Explanation of Differences Between Budgetary Outflows and GAAP Expenditures

Sources/inflows of resources

Actual amounts from the budgetary comparison schedule - Total Revenues	\$ 170,199,556
Revenues for funds not meeting the special revenue fund definition which are presented with the General Fund for financial reporting purposes.	<u>1,184,694</u>

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 171,384,250</u>
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Uses/outflows of resources

Actual amounts from the budgetary comparison schedule - Total Expenditures	\$ 180,841,810
Expenditures for funds not meeting the special revenue fund definition which are presented with the General Fund for financial reporting purposes.	<u>533,206</u>

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 181,375,016</u>
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Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	\$ 11,163,700
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Fund balance - General fund	16,713,920
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Fund Balance for funds not meeting the special revenue fund definition which are presented with the General Fund for financial reporting purposes	<u>46,276,215</u>
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Fund balance - ending	<u>\$ 74,153,835</u>
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COUNTY OF MADERA

Budgetary Comparison Schedule
Road Fund
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,879,701	\$ 1,879,701	\$ 4,218,232	\$ 2,338,531
Licenses and permits	125,000	125,000	166,251	41,251
Use of money and property	17,500	17,500	81,714	64,214
Aid from other governments	15,085,443	15,085,443	9,089,853	(5,995,590)
Charges for services	1,520,000	1,520,000	1,451,591	(68,409)
Other revenues	14,000	14,000	7,141	(6,859)
Total Revenues	<u>18,641,644</u>	<u>18,641,644</u>	<u>15,014,782</u>	<u>(3,626,862)</u>
Expenditures:				
Current:				
Public way and facilities	20,272,537	21,150,675	15,815,315	5,335,360
Capital outlay	<u>3,042,130</u>	<u>4,138,723</u>	<u>3,405,793</u>	<u>732,930</u>
Total Expenditures	<u>23,314,667</u>	<u>25,289,398</u>	<u>19,221,108</u>	<u>6,068,290</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,673,023)</u>	<u>(6,647,754)</u>	<u>(4,206,326)</u>	<u>2,441,428</u>
Other Financing Sources (Uses):				
Insurance recoveries	--	--	10,179	10,179
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>10,179</u>	<u>10,179</u>
Net Change in Fund Balances	(4,673,023)	(6,647,754)	(4,196,147)	2,451,607
Fund Balances - Beginning of Year, Restated	<u>16,645,794</u>	<u>16,645,794</u>	<u>16,645,794</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 11,972,771</u>	<u>\$ 9,998,040</u>	<u>\$ 12,449,647</u>	<u>\$ 2,451,607</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Public Protection Programs Fund
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 170,150	\$ 170,150	\$ 180,623	\$ 10,473
Fines, forfeitures and penalties	355,000	355,000	343,213	(11,787)
Use of money and property	15,716	15,716	27,199	11,483
Aid from other governments	12,565,073	12,586,073	13,102,580	516,507
Charges for services	408,500	408,500	459,993	51,493
Other revenues	522,000	522,000	13,776	(508,224)
Total Revenues	<u>14,036,439</u>	<u>14,057,439</u>	<u>14,127,384</u>	<u>69,945</u>
Expenditures:				
Current:				
Public protection	7,765,985	8,577,492	5,268,202	3,309,290
Capital outlay	--	64,020	33,511	30,509
Total Expenditures	<u>7,765,985</u>	<u>8,641,512</u>	<u>5,301,713</u>	<u>3,339,799</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,270,454</u>	<u>5,415,927</u>	<u>8,825,671</u>	<u>3,409,744</u>
Other Financing Sources (Uses):				
Transfers out	<u>(7,365,378)</u>	<u>(7,723,465)</u>	<u>(7,612,682)</u>	<u>110,783</u>
Total Other Financing Sources (Uses)	<u>(7,365,378)</u>	<u>(7,723,465)</u>	<u>(7,612,682)</u>	<u>110,783</u>
Net Change in Fund Balances	(1,094,924)	(2,307,538)	1,212,989	3,520,527
Fund Balances - Beginning of Year	<u>13,536,489</u>	<u>13,536,489</u>	<u>13,536,489</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 12,441,565</u>	<u>\$ 11,228,951</u>	<u>\$ 14,749,478</u>	<u>\$ 3,520,527</u>

COUNTY OF MADERA

Required Supplementary Information
For the Year Ended June 30, 2016

2. SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years*	Miscellaneous Plan 6/30/2015	Safety Plan 6/30/2015
Total Pension Liability		
Service Cost	\$ 8,157,719	\$ 3,267,969
Interest on total pension liability	22,719,323	7,438,687
Benefit payments, including refunds of employee contributions	(14,759,285)	(4,070,640)
Net change in total pension liability	16,117,757	6,636,016
Total pension liability - beginning	306,225,084	99,583,830
Total pension liability - ending	\$ 322,342,841	\$ 106,219,846
 Plan fiduciary net position		
Contributions- employer	\$ 8,914,032	\$ 3,121,564
Contributions- employee	3,389,966	1,130,044
Net investment income	33,572,837	11,160,703
Benefit payments	(14,759,285)	(4,070,640)
Net change in plan fiduciary net position	31,117,550	11,341,671
Plan fiduciary net position - beginning	194,079,331	63,604,477
Plan fiduciary net position - ending	\$ 225,196,882	\$ 74,946,148
 Net pension liability - ending	\$ 97,145,959	\$ 31,273,698
 Plan fiduciary net percentage as a percentage of the total pension liability	69.86%	70.56%
 Covered - employee payroll	\$ 48,955,277	\$ 13,528,043
 Net pension liability as a percentage of covered-employee payroll	198.44%	231.18%

Notes to Schedule;

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

Change in assumptions: There were no changes in assumptions.

*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

COUNTY OF MADERA

Required Supplementary Information
For the Year Ended June 30, 2016

3. SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years*	Miscellaneous 6/30/2015	Safety 6/30/2015
Actuarially determined contribution	\$ 8,914,032	\$ 3,121,564
Contributions related to the actuarially determined contribution	8,914,032	3,121,564
Contribution deficiency (excess)	\$ -	\$ -
County's covered-employee payroll	\$ 48,955,277	\$ 13,528,043
Contributions as a percentage of covered-employee payroll	18.21%	23.07%

*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

Notes to schedule

Valuation date: 6/30/2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22 years as of valuation date 21 years as of valuation date
Asset valuation method	15-year smoothed market
Inflation	2.75%
Salary increases	3.30% - 14.20% Depending on age, service and type of employment
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

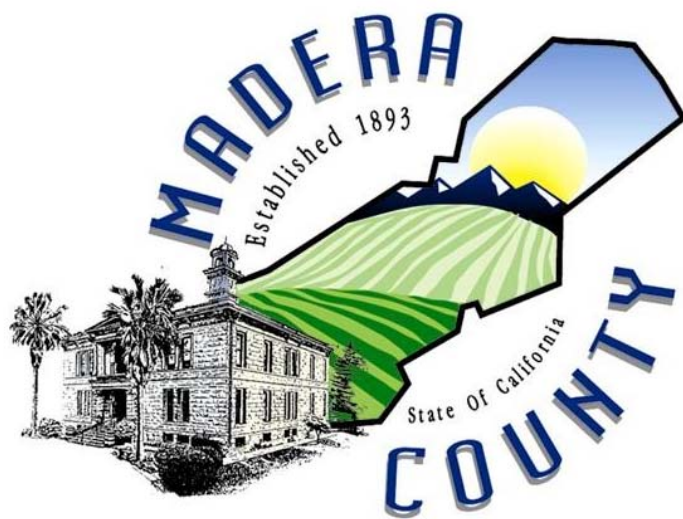
COUNTY OF MADERA

Required Supplementary Information
For the Year Ended June 30, 2016

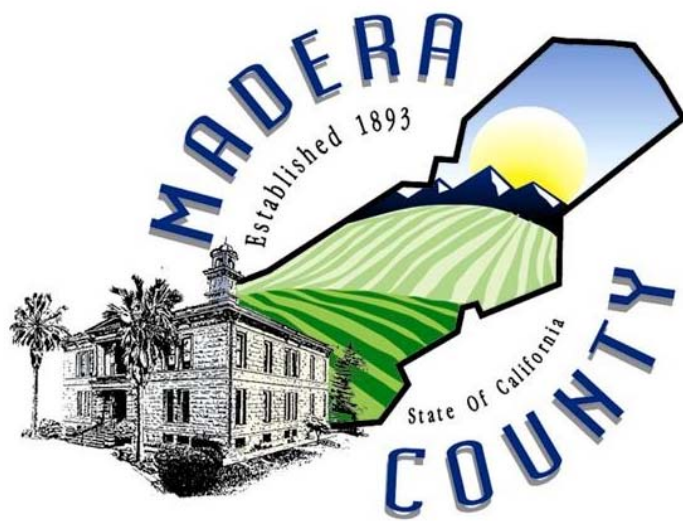
4. OTHER POST EMPLOYMENT BENEFITS

Schedule of Funding Progress

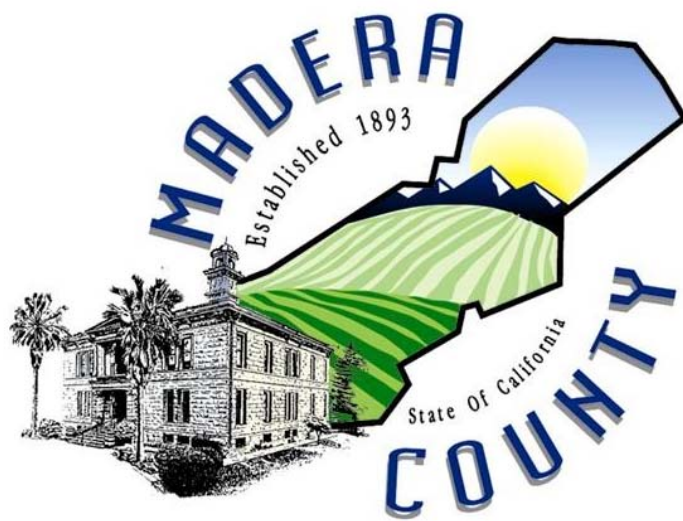
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded AAL (UAAL) (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a % of Covered Payroll [(B-A)/C]
June 30, 2009	\$ --	\$ 114,075,000	\$ 114,075,000	0.00%	\$ 64,026,000	178.17%
June 30, 2011	--	107,385,000	107,385,000	0.00%	55,217,000	194.47%
June 30, 2013	--	109,063,000	109,063,000	0.00%	56,107,000	194.38%



SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS



COUNTY OF MADERA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Special Revenue				
	Tobacco Program	Housing	Madera County Tourism Bid	Special Districts Road/Lighting	Development Impact Fees: Library
<u>Assets</u>					
Cash and investments	\$ 321,412	\$ 1,007,955	\$ 1,873	\$ 6,151,530	\$ 36,403
Receivables:					
Accounts	--	--	195,074	99,708	--
Interest	--	3,847	--	14,444	85
Due from other governments	--	--	--	--	--
Taxes receivable	--	--	--	4,754	--
Due from other funds	--	--	--	221	--
Loans receivable	--	6,159,491	--	--	--
Advances to other funds	--	--	--	--	--
 Total Assets	 <u>\$ 321,412</u>	 <u>\$ 7,171,293</u>	 <u>\$ 196,947</u>	 <u>\$ 6,270,657</u>	 <u>\$ 36,488</u>
<u>Liabilities, Def Inflows and Fund Balances</u>					
Liabilities:					
Accounts payable	--	--	188,781	4,652	--
Due to other funds	--	--	933	99,891	--
Due to other governments	--	--	--	--	--
Deposits from others	--	--	--	150	--
Advances from other funds	--	--	--	--	--
 Total Liabilities	 <u>--</u>	 <u>--</u>	 <u>189,714</u>	 <u>104,693</u>	 <u>--</u>
Deferred Inflows of Resources:					
Unavailable revenue	--	--	--	--	--
Fund Balance					
Restricted	--	7,171,293	7,233	6,165,964	36,488
Committed	321,412	--	--	--	--
Unassigned	--	--	--	--	--
 Total Fund Balances	 <u>321,412</u>	 <u>7,171,293</u>	 <u>7,233</u>	 <u>6,165,964</u>	 <u>36,488</u>
 Total Liabilities, Def Inflows and Fund Balances	 <u>\$ 321,412</u>	 <u>\$ 7,171,293</u>	 <u>\$ 196,947</u>	 <u>\$ 6,270,657</u>	 <u>\$ 36,488</u>

continued

COUNTY OF MADERA

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds
 June 30, 2016

	Special Revenue				
	Development Impact Fees: Parks	General Government	Public Ways & Facilities	Health & Sanitation	Public Assistance
<u>Assets</u>					
Cash and investments	\$ 76,952	\$ 196,660	\$ 5,480,544	\$ 1,740,407	\$ 1,312,651
Receivables:					
Accounts	--	--	--	225	36
Interest	180	461	12,865	2,156	528
Due from other governments	--	--	--	962,681	1,045,943
Taxes receivable	--	--	24	--	--
Due from other funds	--	--	--	565,690	--
Loans receivable	--	673,411	--	--	--
Advances to other funds	--	--	1,200,000	--	--
 Total Assets	<u>\$ 77,132</u>	<u>\$ 870,532</u>	<u>\$ 6,693,433</u>	<u>\$ 3,271,159</u>	<u>\$ 2,359,158</u>
<u>Liabilities, Def Inflows and Fund Balances</u>					
Liabilities:					
Accounts payable	--	640	--	23,940	(2)
Due to other funds	--	--	120,000	28,329	1,104,331
Due to other governments	--	--	--	30,024	1,113
Deposits from others	--	--	--	--	--
Advances from other funds	--	--	--	--	--
 Total Liabilities	<u>--</u>	<u>640</u>	<u>120,000</u>	<u>82,293</u>	<u>1,105,442</u>
Deferred Inflows of Resources:					
Unavailable revenue	<u>--</u>	<u>--</u>	<u>--</u>	<u>501,956</u>	<u>180,887</u>
Fund Balance					
Restricted	77,132	869,892	6,573,433	2,686,910	1,072,829
Committed	--	--	--	--	--
Unassigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
 Total Fund Balances	<u>77,132</u>	<u>869,892</u>	<u>6,573,433</u>	<u>2,686,910</u>	<u>1,072,829</u>
 Total Liabilities, Def Inflows and Fund Balances	<u>\$ 77,132</u>	<u>\$ 870,532</u>	<u>\$ 6,693,433</u>	<u>\$ 3,271,159</u>	<u>\$ 2,359,158</u>

continued

COUNTY OF MADERA

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds
 June 30, 2016

	<u>Capital Projects</u>	<u>Total</u>
<u>Assets</u>		
Cash and investments	\$ 1,149,038	\$ 17,475,425
Receivables:		
Accounts	--	295,043
Interest	2,935	37,501
Due from other governments	1,404,414	3,413,038
Taxes receivable	--	4,778
Due from other funds	--	565,911
Loans receivable	--	6,832,902
Advances to other funds	155,360	1,355,360
	<u>\$ 2,711,747</u>	<u>\$ 29,979,958</u>
<u>Liabilities, Def Inflows and Fund Balances</u>		
Liabilities:		
Accounts payable	325,036	\$ 543,047
Due to other funds	--	1,353,484
Due to other governments	--	31,137
Deposits from others	--	150
Advances from other funds	1,387,511	1,387,511
--		
Total Liabilities	<u>1,712,547</u>	<u>3,315,329</u>
Deferred Inflows of Resources:		
Unavailable revenue	<u>1,404,414</u>	<u>2,087,257</u>
Fund Balance		
Restricted	--	24,661,174
Committed	--	321,412
Unassigned	<u>(405,214)</u>	<u>(405,214)</u>
Total Fund Balances	<u>(405,214)</u>	<u>24,577,372</u>
Total Liabilities, Def Inflows and Fund Balances	<u>\$ 2,711,747</u>	<u>\$ 29,979,958</u>

COUNTY OF MADERA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Special Revenue				Development Impact Fees: Library
	Tobacco Program	Housing	Madera County Tourism	Special Districts Roads/Lighting	
Revenues:					
Taxes	\$ --	\$ --	\$ --	\$ 500,670	\$ --
Fines, forfeitures and penalties	--	--	--	--	--
Use of money and property	(160)	13,090	1	41,165	213
Intergovernmental	--	1,451,249	--	4,964	--
Charges for services	--	--	584,135	638,301	17,796
Miscellaneous	--	--	--	--	--
Total Revenues	<u>(160)</u>	<u>1,464,339</u>	<u>584,136</u>	<u>1,185,100</u>	<u>18,009</u>
Expenditures:					
Current:					
General government	--	--	--	--	--
Public protection	--	--	--	--	--
Public ways and facilities	--	--	--	409,555	--
Health and sanitation	--	--	--	--	--
Public assistance	--	381,360	--	--	--
Recreation and cultural services	--	--	571,473	7,458	--
Capital Outlay	--	--	--	--	--
Total Expenditures	<u>--</u>	<u>381,360</u>	<u>571,473</u>	<u>417,013</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(160)</u>	<u>1,082,979</u>	<u>12,663</u>	<u>768,087</u>	<u>18,009</u>
Other Financing Sources (Uses):					
Transfers in	--	--	--	--	--
Transfers out	--	--	--	(202,307)	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(202,307)</u>	<u>--</u>
Net Change in Fund Balances	(160)	1,082,979	12,663	565,780	18,009
Fund Balances - Beginning of Year, Restated	<u>321,572</u>	<u>6,088,314</u>	<u>(5,430)</u>	<u>5,600,184</u>	<u>18,479</u>
Fund Balances - End of Year	<u>\$ 321,412</u>	<u>\$ 7,171,293</u>	<u>\$ 7,233</u>	<u>\$ 6,165,964</u>	<u>\$ 36,488</u>

continued

COUNTY OF MADERA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Special Revenue				
	Development Impact Fees: Parks	General Government	Public Ways & Facilities	Health & Sanitation	Public Assistance
Revenues:					
Taxes	\$ --	\$ --	\$ 159,204	\$ --	\$ --
Fines, forfeitures and penalties	--	--	--	226,639	--
Use of money and property	578	674	35,390	1,945	1,145
Intergovernmental	--	6,579	1,484	3,231,982	7,428,095
Charges for services	23,554	--	348,916	6,118	11,761
Miscellaneous	--	4,850	--	--	--
Total Revenues	<u>24,132</u>	<u>12,103</u>	<u>544,994</u>	<u>3,466,684</u>	<u>7,441,001</u>
Expenditures:					
Current:					
General government	--	5,313	--	--	--
Public protection	--	--	--	--	--
Public ways and facilities	--	--	120,000	--	--
Health and sanitation	--	--	--	275,575	--
Public assistance	--	--	--	--	115,600
Recreation and cultural services	--	--	--	--	--
Capital Outlay	--	--	--	--	--
Total Expenditures	<u>--</u>	<u>5,313</u>	<u>120,000</u>	<u>275,575</u>	<u>115,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>24,132</u>	<u>6,790</u>	<u>424,994</u>	<u>3,191,109</u>	<u>7,325,401</u>
Other Financing Sources (Uses):					
Transfers in	--	--	--	--	--
Transfers out	(25,000)	--	--	(2,710,933)	(7,880,467)
Total Other Financing Sources (Uses)	<u>(25,000)</u>	<u>--</u>	<u>--</u>	<u>(2,710,933)</u>	<u>(7,880,467)</u>
Net Change in Fund Balances	(868)	6,790	424,994	480,176	(555,066)
Fund Balances - Beginning of Year, Restated	<u>78,000</u>	<u>863,102</u>	<u>6,148,439</u>	<u>2,206,734</u>	<u>1,627,895</u>
Fund Balances - End of Year	<u>\$ 77,132</u>	<u>\$ 869,892</u>	<u>\$ 6,573,433</u>	<u>\$ 2,686,910</u>	<u>\$ 1,072,829</u>

continued

COUNTY OF MADERA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Capital Projects	Total
	<u> </u>	<u> </u>
Revenues:		
Taxes	\$ --	\$ 659,874
Fines, forfeitures and penalties	--	226,639
Use of money and property	3,251	97,292
Intergovernmental	2,931,025	15,055,378
Charges for services	--	1,630,581
Miscellaneous	1,286	6,136
Total Revenues	<u>2,935,562</u>	<u>17,675,900</u>
Expenditures:		
Current:		
General government	78,946	84,259
Public protection	13,765	13,765
Public ways and facilities	--	529,555
Health and sanitation	--	275,575
Public assistance	--	496,960
Recreation and cultural services	--	578,931
Capital Outlay	5,088,488	5,088,488
Total Expenditures	<u>5,181,199</u>	<u>7,067,533</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,245,637)</u>	<u>10,608,367</u>
Other Financing Sources (Uses):		
Transfers in	1,168,437	1,168,437
Transfers out	(2,809,275)	(13,627,982)
Total Other Financing Sources (Uses)	<u>(1,640,838)</u>	<u>(12,459,545)</u>
Net Change in Fund Balances	(3,886,475)	(1,851,178)
Fund Balances - Beginning of Year, Restated	<u>3,481,261</u>	<u>26,428,550</u>
Fund Balances - End of Year	<u>\$ (405,214)</u>	<u>\$ 24,577,372</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Housing and Community Development Fund
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 1,110	\$ 1,110	\$ 13,090	\$ 11,980
Aid from other governments	--	--	1,451,249	1,451,249
Total Revenues	<u>1,110</u>	<u>1,110</u>	<u>1,464,339</u>	<u>1,463,229</u>
Expenditures:				
Current:				
Public assistance	--	--	381,360	(381,360)
Total Expenditures	<u>--</u>	<u>--</u>	<u>381,360</u>	<u>(381,360)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,110</u>	<u>1,110</u>	<u>1,082,979</u>	<u>1,081,869</u>
Net Change in Fund Balances	1,110	1,110	1,082,979	1,081,869
Fund Balances - Beginning of Year, Restated	<u>6,088,314</u>	<u>6,088,314</u>	<u>6,088,314</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 6,089,424</u>	<u>\$ 6,089,424</u>	<u>\$ 7,171,293</u>	<u>\$ 1,081,869</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
 Tourism
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 1	\$ 1
Charges for services	400,000	400,000	584,135	184,135
Total Revenues	<u>400,000</u>	<u>400,000</u>	<u>584,136</u>	<u>184,136</u>
Expenditures:				
Current:				
Recreation and cultural services	401,500	401,500	571,473	(169,973)
Total Expenditures	<u>401,500</u>	<u>401,500</u>	<u>571,473</u>	<u>(169,973)</u>
Net Change in Fund Balances	(1,500)	(1,500)	12,663	14,163
Fund Balances - Beginning of Year	<u>(5,430)</u>	<u>(5,430)</u>	<u>(5,430)</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ (6,930)</u></u>	<u><u>\$ (6,930)</u></u>	<u><u>\$ 7,233</u></u>	<u><u>\$ 14,163</u></u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Special Districts Roads/Lighting
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 920,043	\$ 920,043	\$ 500,670	\$ (419,373)
Use of money and property	39,444	39,444	41,165	1,721
Aid from other governments	8,855	8,855	4,964	(3,891)
Charges for services	774,879	774,879	638,301	(136,578)
Total Revenues	<u>1,743,221</u>	<u>1,743,221</u>	<u>1,185,100</u>	<u>(558,121)</u>
Expenditures:				
Current:				
Public way and facilities	6,679,882	6,685,890	409,555	6,276,335
Recreation and cultural services	13,760	19,512	7,458	12,054
Total Expenditures	<u>6,693,642</u>	<u>6,705,402</u>	<u>417,013</u>	<u>6,288,389</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,950,421)</u>	<u>(4,962,181)</u>	<u>768,087</u>	<u>5,730,268</u>
Other Financing Sources (Uses):				
Transfers out	(195,000)	(195,000)	(202,307)	(7,307)
Total Other Financing Sources (Uses)	<u>(195,000)</u>	<u>(195,000)</u>	<u>(202,307)</u>	<u>(7,307)</u>
Net Change in Fund Balances	(5,145,421)	(5,157,181)	565,780	5,722,961
Fund Balances - Beginning of Year, Restated	<u>5,600,184</u>	<u>5,600,184</u>	<u>5,600,184</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 454,763</u>	<u>\$ 443,003</u>	<u>\$ 6,165,964</u>	<u>\$ 5,722,961</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
 Development Impact Fees - Library
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 50	\$ 50	\$ 213	\$ 163
Charges for services	8,000	8,000	17,796	9,796
Total Revenues	<u>8,050</u>	<u>8,050</u>	<u>18,009</u>	<u>9,959</u>
Net Change in Fund Balances	8,050	8,050	18,009	9,959
Fund Balances - Beginning of Year, Restated	<u>18,479</u>	<u>18,479</u>	<u>18,479</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 26,529</u>	<u>\$ 26,529</u>	<u>\$ 36,488</u>	<u>\$ 9,959</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Development Impact Fees - Parks
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 350	\$ 350	\$ 578	\$ 228
Charges for services	11,000	11,000	23,554	12,554
Total Revenues	<u>11,350</u>	<u>11,350</u>	<u>24,132</u>	<u>12,782</u>
Expenditures:				
Current:				
Recreation and cultural services	500	500	--	500
Total Expenditures	<u>500</u>	<u>500</u>	<u>--</u>	<u>500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,850</u>	<u>10,850</u>	<u>24,132</u>	<u>13,282</u>
Other Financing Sources (Uses):				
Transfers out	--	(25,000)	(25,000)	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>--</u>
Net Change in Fund Balances	10,850	(14,150)	(868)	13,282
Fund Balances - Beginning of Year, Restated	<u>78,000</u>	<u>78,000</u>	<u>78,000</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 88,850</u>	<u>\$ 63,850</u>	<u>\$ 77,132</u>	<u>\$ 13,282</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
 General Government
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 80	\$ 80	\$ 674	\$ 594
Intergovernmental revenues	--	--	6,579	6,579
Other revenues	1,000	1,000	4,850	3,850
Total Revenues	<u>1,080</u>	<u>1,080</u>	<u>12,103</u>	<u>11,023</u>
Expenditures:				
Current:				
General government	<u>5,700</u>	<u>5,700</u>	<u>5,313</u>	<u>387</u>
Total Expenditures				
Net Change in Fund Balances	(4,620)	(4,620)	6,790	11,410
Fund Balances - Beginning of Year, Restated	<u>863,102</u>	<u>863,102</u>	<u>863,102</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 858,482</u>	<u>\$ 858,482</u>	<u>\$ 869,892</u>	<u>\$ 11,410</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Public Ways and Facilities
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 135,000	\$ 135,000	\$ 159,204	\$ 24,204
Use of money and property	20,850	20,850	35,390	14,540
Aid from other governments	1,500	1,500	1,484	(16)
Charges for services	205,000	205,000	348,916	143,916
Total Revenues	<u>362,350</u>	<u>362,350</u>	<u>544,994</u>	<u>182,644</u>
Expenditures:				
Current:				
Public way and facilities	<u>3,621,000</u>	<u>3,621,000</u>	<u>120,000</u>	<u>3,501,000</u>
Total Expenditures	<u>3,621,000</u>	<u>3,621,000</u>	<u>120,000</u>	<u>3,501,000</u>
Net Change in Fund Balances	<u>(3,258,650)</u>	<u>(3,258,650)</u>	<u>424,994</u>	<u>3,683,644</u>
Fund Balances - Beginning of Year, Restated	<u>6,148,439</u>	<u>6,148,439</u>	<u>6,148,439</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,889,789</u>	<u>\$ 2,889,789</u>	<u>\$ 6,573,433</u>	<u>\$ 3,683,644</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Health and Sanitation
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeitures and penalties	\$ 247,678	\$ 247,678	\$ 226,639	\$ (21,039)
Use of money and property	6,607	6,607	1,945	(4,662)
Aid from other governments	2,974,000	2,974,000	3,231,982	257,982
Charges for services	6,250	6,250	6,118	(132)
Total Revenues	<u>3,234,535</u>	<u>3,234,535</u>	<u>3,466,684</u>	<u>232,149</u>
Expenditures:				
Current:				
Health and sanitation	665,793	758,940	275,575	483,365
Total Expenditures	<u>665,793</u>	<u>758,940</u>	<u>275,575</u>	<u>483,365</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,568,742</u>	<u>2,475,595</u>	<u>3,191,109</u>	<u>715,514</u>
Other Financing Sources (Uses):				
Transfers out	(2,969,000)	(2,939,000)	(2,710,933)	228,067
Total Other Financing Sources (Uses)	<u>(2,969,000)</u>	<u>(2,939,000)</u>	<u>(2,710,933)</u>	<u>228,067</u>
Net Change in Fund Balances	(400,258)	(463,405)	480,176	943,581
Fund Balances - Beginning of Year, Restated	<u>2,206,734</u>	<u>2,206,734</u>	<u>2,206,734</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,806,476</u>	<u>\$ 1,743,329</u>	<u>\$ 2,686,910</u>	<u>\$ 943,581</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Public Assistance
For the Year Ended June 30, 2016

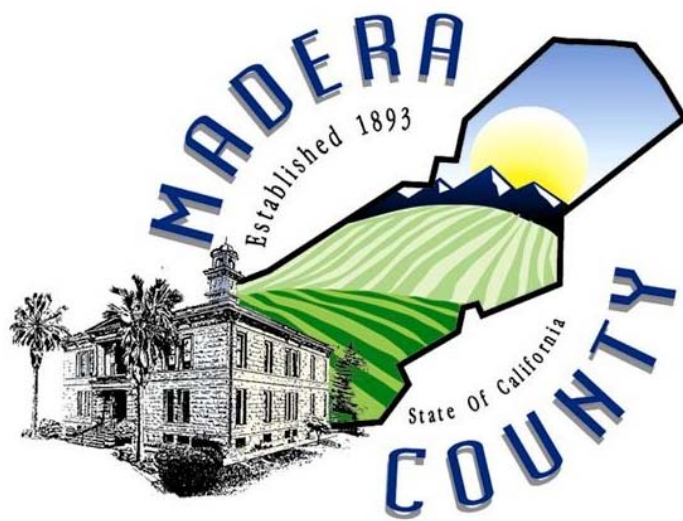
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 1,145	\$ 1,145
Aid from other governments	7,025,150	7,495,150	7,428,095	(67,055)
Charges for services	6,060	6,060	11,761	5,701
Total Revenues	<u>7,031,210</u>	<u>7,501,210</u>	<u>7,441,001</u>	<u>(60,209)</u>
Expenditures:				
Current:				
Public assistance	--	--	115,600	(115,600)
Total Expenditures	<u>--</u>	<u>--</u>	<u>115,600</u>	<u>(115,600)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,031,210</u>	<u>7,501,210</u>	<u>7,325,401</u>	<u>(175,809)</u>
Other Financing Sources (Uses):				
Transfers out	<u>(7,000,539)</u>	<u>(7,985,539)</u>	<u>(7,880,467)</u>	<u>105,072</u>
Total Other Financing Sources (Uses)	<u>(7,000,539)</u>	<u>(7,985,539)</u>	<u>(7,880,467)</u>	<u>105,072</u>
Net Change in Fund Balances	30,671	(484,329)	(555,066)	(70,737)
Fund Balances - Beginning of Year	<u>1,627,895</u>	<u>1,627,895</u>	<u>1,627,895</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,658,566</u>	<u>\$ 1,143,566</u>	<u>\$ 1,072,829</u>	<u>\$ (70,737)</u>

COUNTY OF MADERA

Budgetary Comparison Schedule
Capital Projects
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 500	\$ 500	\$ 3,251	\$ 2,751
Aid from other governments	3,000,000	3,084,771	2,931,025	(153,746)
Other revenues	--	--	1,286	1,286
Total Revenues	<u>3,000,500</u>	<u>3,085,271</u>	<u>2,935,562</u>	<u>(149,709)</u>
Expenditures:				
Current:				
General government	92,448	186,077	78,946	107,131
Public protection	471	65,137	13,765	51,372
Recreation and cultural services	245,668	270,668	--	270,668
Capital outlay	<u>2,382,858</u>	<u>6,391,225</u>	<u>5,088,488</u>	<u>1,302,737</u>
Total Expenditures	<u>2,721,445</u>	<u>6,913,107</u>	<u>5,181,199</u>	<u>1,731,908</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>279,055</u>	<u>(3,827,836)</u>	<u>(2,245,637)</u>	<u>1,582,199</u>
Other Financing Sources (Uses):				
Transfers in	--	471,993	1,168,437	696,444
Transfers out	--	(227,890)	(2,809,275)	(2,581,385)
Total Other Financing Sources (Uses)	<u>--</u>	<u>244,103</u>	<u>(1,640,838)</u>	<u>(1,884,941)</u>
Net Change in Fund Balances	279,055	(3,583,733)	(3,886,475)	(302,742)
Fund Balances - Beginning of Year	<u>3,481,261</u>	<u>3,481,261</u>	<u>3,481,261</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 3,760,316</u>	<u>\$ (102,472)</u>	<u>\$ (405,214)</u>	<u>\$ (302,742)</u>

INTERNAL SERVICE FUNDS



COUNTY OF MADERA

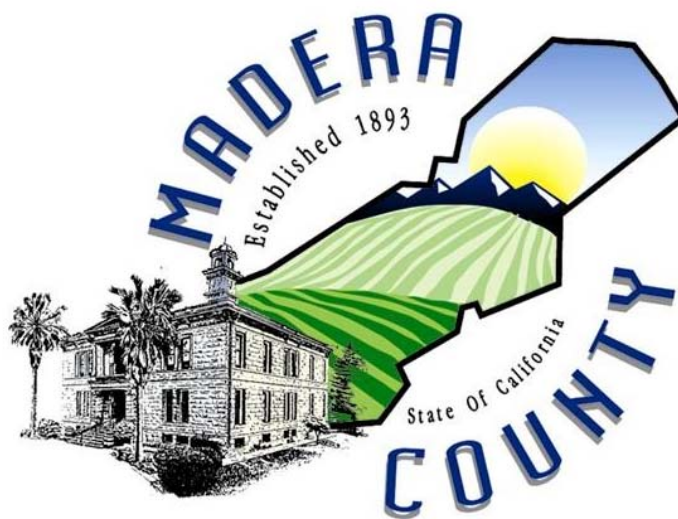
Combining Statement of Fund Net Position
Internal Service Funds
June 30, 2016

	Central Garage	Self Insurance	Microwave Radio Services	Total
<u>Assets</u>				
Current assets:				
Cash and investments	\$ 1,234,931	\$ 6,614,752	\$ 262,800	\$ 8,112,483
Restricted cash and investments				
Cash with fiscal agents	--	103,030	--	103,030
Receivables:				
Accounts	--	269,314	--	269,314
Interest	2,874	15,527	617	19,018
Prepaid items	--	--	81,172	81,172
Inventories	39,960	--	--	39,960
Total current assets	<u>1,277,765</u>	<u>7,002,623</u>	<u>344,589</u>	<u>8,624,977</u>
Noncurrent assets:				
Capital assets:				
Nondepreciable	293,563	--	--	293,563
Depreciable	3,716,050	--	1,254,750	4,970,800
Total noncurrent assets	<u>4,009,613</u>	<u>--</u>	<u>1,254,750</u>	<u>5,264,363</u>
Total assets	<u>5,287,378</u>	<u>7,002,623</u>	<u>1,599,339</u>	<u>13,889,340</u>
<u>Deferred outflows</u>				
Deferred outflows - pension	<u>48,948</u>	<u>--</u>	<u>--</u>	<u>48,948</u>
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	44,652	49,160	5,971	99,783
Accrued salaries and benefits	17,405	--	--	17,405
Due to other funds	87,062	--	--	87,062
Claims payable	--	2,592,117	--	2,592,117
Long-term debt, due in one year	--	--	189,314	189,314
Total current liabilities	<u>149,119</u>	<u>2,641,277</u>	<u>195,285</u>	<u>2,985,681</u>
Noncurrent liabilities:				
Compensated absences	47,940	--	--	47,940
Long-term debt, due in more than one year	--	--	300,135	300,135
Liability for other post employment benefits	464,345	--	--	464,345
Claims payable	--	8,254,883	--	8,254,883
Net pension liability	548,337	--	--	548,337
Total noncurrent liabilities	<u>1,060,622</u>	<u>8,254,883</u>	<u>300,135</u>	<u>9,615,640</u>
Total Liabilities	<u>1,209,741</u>	<u>10,896,160</u>	<u>495,420</u>	<u>12,601,321</u>
<u>Deferred outflows</u>				
Deferred inflows - pension	<u>51,567</u>	<u>--</u>	<u>--</u>	<u>51,567</u>
<u>Net Position</u>				
Net investment in capital assets	4,009,613	--	765,301	4,774,914
Unrestricted	65,405	(3,893,537)	338,618	(3,489,514)
Total Net Position	<u>4,075,018</u>	<u>(3,893,537)</u>	<u>1,103,919</u>	<u>1,285,400</u>
Total Liabilities and Net Position	<u>\$ 5,284,759</u>	<u>\$ 7,002,623</u>	<u>\$ 1,599,339</u>	<u>\$ 13,886,721</u>

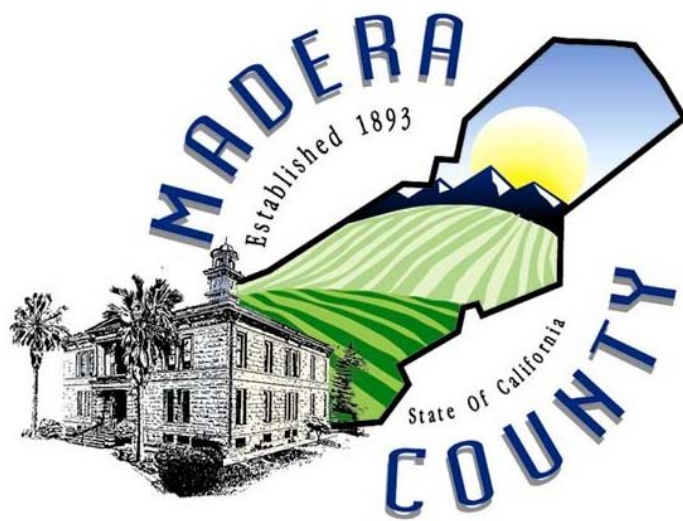
COUNTY OF MADERA

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2016

	Central Garage	Self Insurance	Microwave Radio Services	Total
Operating Revenues:				
Charges for services	\$ 1,690,644	\$ 4,764,029	\$ 636,486	\$ 7,091,159
Other	28,194	33,711	--	61,905
Total Operating Revenues	1,718,838	4,797,740	636,486	7,153,064
Operating Expenses:				
Salaries and benefits	415,595	--	--	415,595
Services and supplies	699,218	1,642,971	210,823	2,553,012
Maintenance	171,321	2,161,487	76,415	2,409,223
Insurance	20,141	--	--	20,141
Utilities	11,685	--	--	11,685
Claims	-	598,885	--	598,885
Depreciation	467,703	--	89,025	556,728
Other operating expense	1,526	--	--	1,526
Total Operating Expenses	1,787,189	4,403,343	376,263	6,566,795
Operating Income (Loss)	(68,351)	394,397	260,223	586,269
Non-Operating Revenue:				
Investment income	7,900	43,951	2,571	54,422
Interest and fiscal charges	--	--	(30,686)	(30,686)
Gain on disposition of capital assets	14,296	--	--	14,296
Total Non-Operating Revenue (Expenses)	22,196	43,951	(28,115)	38,032
Income (Loss) Before Transfers	(46,155)	438,348	232,108	624,301
Transfers	--	(125,000)	--	(125,000)
Change in Net Position	(46,155)	313,348	232,108	499,301
Net Position - Beginning of Year	4,066,811	(4,206,885)	934,015	793,941
Prior period adjustments	54,362	--	(62,204)	(7,842)
Net Position - End of Year	\$ 4,075,018	\$ (3,893,537)	\$ 1,103,919	\$ 1,285,400



STATISTICAL SECTION



STATISTICAL SECTION

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County of Madera Statistical Section

This section of the County of Madera's comprehensive annual financial report presents detailed information as a context for understanding and expanding upon what the information of the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

Contents

Financial Trends

These schedules contain trend information to assist the reader in understanding how the county's financial information and well-being have changed over time.

Revenue Capacity

These schedules contain information to assist the reader in assessing the county's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to assist the reader in assessing the affordability of the county's current level of outstanding debt and the county's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to assist the reader to comprehend the environment within which the county's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to assist the reader in understanding how the information in the county's financial report relates to the services the county provides and the activities it performs.

Note about sources: Unless otherwise noted, the information in the following schedules is derived from the comprehensive annual financial reports for the relevant year. The County of Madera implemented GASB Statement 34 in fiscal year 1999-2000; schedules presenting government-wide information include information beginning in that year.

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FINANCIAL TRENDS

Schedule 1
County of Madera
Net Position by Component
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

	Fiscal Year									
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Governmental Activities										
Invested in Capital Assests,										
net of related debt	\$ 174,601	\$ 197,922	\$ 197,760	\$ 197,768	\$ 209,852	\$ 226,771	\$ 238,910	\$ 242,644	\$ 241,415	\$ 237,185
Restricted	43,855	36,220	37,806	37,863	44,050	91,589	90,499	102,820	101,690	104,482
Unrestricted	41,871	41,901	19,660	1,176	9,530	(42,467)	(52,203)	(67,464)	(200,639)	(211,549)
Total Governmental Activities										
Net Position	<u>\$ 260,327</u>	<u>\$ 276,043</u>	<u>\$ 255,226</u>	<u>\$ 236,807</u>	<u>\$ 263,432</u>	<u>\$ 275,893</u>	<u>\$ 277,206</u>	<u>\$ 278,000</u>	<u>\$ 142,466</u>	<u>\$ 130,118</u>
Business-Type Activities										
Invested in Capital Assests,										
net of related debt	\$ 26,692	\$ 28,120	\$ 28,464	\$ 28,769	\$ 30,192	\$ 30,224	\$ 31,953	\$ 33,495	\$ 41,224	\$ 52,857
Restricted	7,700	6,647	8,758	1,630	1,847	21,313	-	-	-	-
Unrestricted	4,407	4,001	1,754	10,678	16,105	148	20,892	19,596	19,678	21795
Total Business-Type Activities										
Net Position	<u>\$ 38,799</u>	<u>\$ 38,768</u>	<u>\$ 38,976</u>	<u>\$ 41,077</u>	<u>\$ 48,144</u>	<u>\$ 51,685</u>	<u>\$ 52,845</u>	<u>\$ 53,091</u>	<u>\$ 60,902</u>	<u>\$ 74,652</u>
Total Primary Government										
Invested in Capital Assests,										
net of related debt	\$ 201,293	\$ 226,042	\$ 226,224	\$ 226,537	\$ 240,044	\$ 256,995	\$ 270,863	\$ 276,139	\$ 282,639	\$ 290,042
Restricted	51,555	42,867	46,564	39,493	45,897	112,902	90,499	102,820	101,690	\$ 104,482
Unrestricted	46,278	45,902	21,414	11,854	25,635	(42,319)	(31,311)	(47,868)	(180,961)	\$ (189,754)
Total Primary Government										
Net Position	<u>\$ 299,126</u>	<u>\$ 314,811</u>	<u>\$ 294,202</u>	<u>\$ 277,884</u>	<u>\$ 311,576</u>	<u>\$ 327,578</u>	<u>\$ 330,051</u>	<u>\$ 331,091</u>	<u>\$ 203,368</u>	<u>\$ 204,770</u>

Source: Statements of Net Assets, 2006-07 through 2012-13, and Net Position, 2013-14 through 2015-16.

Schedule 2
County of Madera
Changes in Net Position
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

	Fiscal Year									
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Expenses										
Governmental Activities										
General Government	\$ 16,627	\$ 27,853	\$ 27,617	\$ 35,060	\$ 40,626	\$ 41,296	\$ 38,322	\$ 30,530	\$ 27,367	\$ 30,278
Public Protection	51,061	61,014	63,393	63,796	58,354	54,354	56,800	64,077	71,347	74,905
Public Ways and Facilities	13,391	16,156	20,396	19,193	17,854	18,719	18,300	17,905	20,709	20,904
Health and Sanitation	24,001	29,644	28,998	28,390	25,649	27,069	26,437	26,291	27,708	28,556
Public Assistance	48,254	53,381	53,023	54,130	56,544	54,927	53,225	55,979	60,060	61,982
Education	1,698	2,236	2,338	1,992	1,191	1,030	1,010	1,186	1,366	1,363
Recreation	36	58	45	60	51	674	831	934	946	973
Interest and Fiscal Charges	1,096	1,463	873	876	830	859	833	743	889	1,228
Total Governmental Activities Expenses	<u>\$ 156,164</u>	<u>\$ 191,805</u>	<u>\$ 196,683</u>	<u>\$ 203,497</u>	<u>\$ 201,099</u>	<u>\$ 198,928</u>	<u>\$ 195,758</u>	<u>\$ 197,645</u>	<u>\$ 210,392</u>	<u>\$ 220,189</u>
Business-Type Activities										
Maintenance Districts	\$ 1,594	\$ 1,683	\$ 1,953	\$ 1,652	\$ 1,852	\$ -	\$ -	\$ -	\$ -	-
Maintenance District 22A	1,521	989	1,113	1,942	1,648	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	-	-	-	7,323
County Landfill	2,670	3,003	2,818	2,590	2,838	1,817	3,630	4,469	4,467	5,498
Service Areas	-	-	-	1,520	1,475	-	-	-	-	-
Non-major Enterprise Funds	1,762	1,847	2,989	1,154	1,491	6,387	6,680	6,874	6,503	-
Total Business-Type Activities Expenses	<u>7,547</u>	<u>7,522</u>	<u>8,873</u>	<u>8,858</u>	<u>9,304</u>	<u>8,204</u>	<u>10,310</u>	<u>11,343</u>	<u>10,970</u>	<u>12,821</u>
Total Primary Government Expenses	<u>\$ 163,711</u>	<u>\$ 199,327</u>	<u>\$ 205,556</u>	<u>\$ 212,355</u>	<u>\$ 210,403</u>	<u>\$ 207,132</u>	<u>\$ 206,068</u>	<u>\$ 208,988</u>	<u>\$ 221,362</u>	<u>\$ 233,010</u>

Schedule 2
County of Madera
Changes in Net Position (Continued)
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year									
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Program Revenues										
Governmental Activities										
Fees, Fines, Charges for Services										
General Government	\$ 10,786	\$ 7,645	\$ 7,557	\$ 7,551	\$ 8,169	\$ 8,193	\$ 9,211	\$ 9,634	\$ 10,483	\$ 10,612
Public Protection	9,663	7,663	8,410	8,445	7,121	7,901	7,413	8,036	7,078	9,912
Public Ways and Facilities	1,085	2,743	2,263	2,197	2,759	2,101	4,310	2,957	5,737	1,760
Health and Sanitation	2,680	3,300	1,271	2,953	4,979	4,254	2,860	2,024	2,929	3,236
Public Assistance	576	232	150	87	178	149	146	127	270	122
Education	107	187	113	112	71	60	64	59	70	74
Recreation	65	16	180	61	23	598	464	545	550	608
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions										
General Government	5,484	4,910	711	336	22,441	4,588	2,033	1,986	11,571	10,178
Public Protection	16,617	17,031	16,729	16,175	9,815	25,448	26,378	23,839	17,595	26,610
Public Ways and Facilities	7,773	8,552	9,432	8,291	8,698	14,045	7,349	10,413	10,496	4,855
Health and Sanitation	22,653	25,338	22,954	23,153	20,316	24,597	29,995	23,868	26,924	28,466
Public Assistance	45,149	43,513	42,812	51,146	45,286	50,809	50,363	54,341	59,968	63,780
Education	176	77	74	54	-	25	-	6	93	13
Recreation	-	-	-	-	-	195	26	34	-	-
Capital Grants and Contributions										
General Government	372	420	341	74	-	175	110	32	-	-
Public Protection	61	-	-	-	-	14,124	8,434	4,806	1,204	2,496
Public Ways and Facilities	1,005	254	724	5,672	2,444	-	2,176	2,080	2,508	-
Health and Sanitation	-	-	-	-	-	-	-	-	10	-
Public Assistance	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	1,219	-	-	-	-	257	-
Total Governmental Funds	<u>\$ 124,252</u>	<u>\$ 121,881</u>	<u>\$ 113,721</u>	<u>\$ 127,526</u>	<u>\$ 132,300</u>	<u>\$ 157,262</u>	<u>\$ 151,332</u>	<u>\$ 144,787</u>	<u>\$ 157,743</u>	<u>\$ 162,722</u>

Schedule 2
County of Madera
Changes in Net Position (Continued)
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Business-type Activities										
Fees, Fines, Charges for Services										
Maintenance Districts	\$ 1,223	\$ 1,075	\$ 1,463	\$ 1,460	\$ 1,520	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance District 22A	979	1,578	1,592	1,585	1,423	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	-	-	-	5,919
County Landfill	2,960	2,663	2,424	2,693	2,602	2,941	3,859	4,060	3,839	4,472
Service Areas	-	-	-	1,008	1,065	-	-	-	-	-
Non-major Enterprise Fur	1,446	1,842	5,115	878	964	4,268	5,348	5,671	6,408	-
Operating Grants and Contributions										
Maintenance Districts	-	-	-	-	18	-	-	-	-	-
Maintenance District 22A	-	-	-	-	-	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	-	-	-	321
County Landfill	-	-	-	-	-	-	-	-	-	-
Service Areas	-	-	-	-	-	-	-	-	-	-
Non-major Enterprise Fur	-	-	-	-	(3)	261	1,135	862	145	-
Capital Grants and Contributions										
Maintenance Districts	-	-	-	-	-	-	-	-	-	-
Maintenance District 22A	-	-	-	-	-	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	-	-	-	4,463
County Landfill	-	-	-	-	-	-	-	-	-	-
Service Areas	-	-	-	-	31	-	-	-	-	-
Non-major Enterprise Fur	-	-	-	-	97	551	69	87	3,249	-
Total Business-Type Activities										
Revenues	<u>6,608</u>	<u>7,158</u>	<u>10,594</u>	<u>7,624</u>	<u>7,717</u>	<u>8,021</u>	<u>10,411</u>	<u>10,680</u>	<u>13,641</u>	<u>15,175</u>

Schedule 2
County of Madera
Changes in Net Position (Continued)
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year									
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Net (Expense)/Revenues										
Governmental Activities	\$ (31,912)	\$ (69,924)	\$ (82,962)	\$ (75,971)	\$ (68,799)	\$ (41,666)	\$ (44,426)	\$ (52,858)	\$ (52,649)	\$ (57,467)
Business-Type Activities	(939)	(364)	1,721	(1,234)	(1,587)	(183)	101	(663)	2,671	2,354
Total Primary Government										
Net Expense	<u>\$ (32,851)</u>	<u>\$ (70,288)</u>	<u>\$ (81,241)</u>	<u>\$ (77,205)</u>	<u>\$ (70,386)</u>	<u>\$ (41,849)</u>	<u>\$ (44,325)</u>	<u>\$ (53,521)</u>	<u>\$ (49,978)</u>	<u>\$ (55,113)</u>
General Revenue and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property Taxes	\$ 17,547	\$ 20,773	\$ 28,658	\$ 26,567	\$ 34,150	\$ 38,639	\$ 38,962	\$ 40,464	\$ 38,200	\$ 37,419
Sales and Use Taxes	10,182	10,674	10,147	9,147	8,151	9,718	8,835	8,726	7,983	9,470
Motor Vehicle In-lieu	14,850	16,310	16,217	14,718	13,818	-	-	-	-	-
Other Taxes	2,744	2,530	2,426	2,847	1,916	2,984	2,573	3,048	2,849	3,982
Investment Earnings	4,730	2,799	2,292	1,716	1,317	1,009	454	658	803	895
Gain (Loss) on Sale of Assets	(1,135)	(4,098)	23	-	-	112	43	29	495	14
Miscellaneous	408	-	4,867	1,318	1,120	968	-	1,172	2,064	2,533
Contributed Capital	-	122	-	3,294	-	-	-	-	-	-
Transfers	(4)	(4)	(88)	-	-	(25)	-	70	(377)	108
Total Governmental Activities	<u>49,322</u>	<u>49,106</u>	<u>64,542</u>	<u>59,607</u>	<u>60,472</u>	<u>53,405</u>	<u>50,867</u>	<u>54,167</u>	<u>52,017</u>	<u>54,421</u>

(Continued)

Schedule 2
County of Madera
Changes in Net Position (Continued)
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Business-Type Activities										
Taxes:										
Property Taxes	-	-	-	-	367	465	367	376	422	1,175
Other Taxes				396	-	-	-	-	-	-
Investment Earnings	407	(46)	(234)	330	207	190	85	129	157	191
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous	482	615	526	60	83	108	54	206	198	235
Contributed Capital	-	-	-	9	-	-	-	-	-	-
Change in Landfill Closure Estimate	-	-	-	-	-	3,023	-	-	-	-
Transfers	4	4	88	-	-	25	-	(70)	377	(108)
Total Business-Type Activities	<u>893</u>	<u>573</u>	<u>380</u>	<u>795</u>	<u>657</u>	<u>3,811</u>	<u>506</u>	<u>641</u>	<u>1,154</u>	<u>1,493</u>
Total Primary Government	<u>\$ 50,215</u>	<u>\$ 49,679</u>	<u>\$ 64,922</u>	<u>\$ 60,402</u>	<u>\$ 61,129</u>	<u>\$ 57,216</u>	<u>\$ 51,373</u>	<u>\$ 54,808</u>	<u>\$ 53,171</u>	<u>\$ 55,914</u>
Change in Net Position										
Governmental Activities	\$ 17,410	\$ (20,818)	\$ (18,420)	\$ (16,364)	\$ (8,327)	\$ 11,739	\$ 6,441	\$ 1,309	\$ (632)	\$ (3,046)
Business-Type Activities	(46)	209	2,101	(439)	(930)	3,628	607	(22)	3,825	3,847
Total Primary Government	<u>\$ 17,364</u>	<u>\$ (20,609)</u>	<u>\$ (16,319)</u>	<u>\$ (16,803)</u>	<u>\$ (9,257)</u>	<u>\$ 15,367</u>	<u>\$ 7,048</u>	<u>\$ 1,287</u>	<u>\$ 3,193</u>	<u>\$ 801</u>

Schedule 3
County of Madera
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year					
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
General Fund						
Reserved	\$ 10,968	\$ 19,100	\$ 19,552	\$ 16,192	\$ 2,639	\$ 36,678
Unreserved	29,623	12,749	3,703	5,909	57,359	10,733
Total General Fund	\$ 40,591	\$ 31,849	\$ 23,255	\$ 22,101	\$ 59,998	\$ 47,411
All Other Governmental Funds						
Reserved	\$ 6,781	\$ 5,356	\$ 5,732	\$ 14,878	\$ 52,311	\$ 57,480
Unreserved, Reported in:						
Special Revenue Funds	20,371	31,589	35,214	-	(247)	16
Non-Major Funds	-	-	-	38,889	(654)	5,214
Capital Project Funds	8,074	-	-	-	-	-
Total, All Other Governmental Funds	\$ 35,226	\$ 36,945	\$ 40,946	\$ 53,767	\$ 51,410	\$ 62,710

(Continued)

Note: In fiscal year 2011-12 the County implemented GASB Statement 54, which changed the classifications of the fund balance. Fund balance information in years prior to 2011-12 is presented according to the previous guidelines.

(Continued)

Schedule 3
County of Madera
Fund Balances, Governmental Funds (Continued)
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

	Fiscal Year			
	2012-2013	2013-2014	2014-2015	2015-2016
General Fund				
Nonspendable	\$ -	\$ 2,800	\$ 2,134	\$ 3,460
Restricted	39,474	43,439	43,441	42,064
Committed				5,405
Assigned				3,345
Unassigned	11,137	6,221	17,142	19,879
Total General Fund	<u>\$ 50,611</u>	<u>\$ 52,460</u>	<u>\$ 62,717</u>	<u>\$ 74,153</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ 280	\$ 285	\$ 285
Restricted	51,916	59,395	58,263	51,575
Committed	-	-	-	322
Unassigned, Reported in:				
Special Revenue Funds	-	-	-	-
Non-Major Funds	2,193	969	316	(405)
Total, All Other Governmental Funds	<u>\$ 54,109</u>	<u>\$ 60,644</u>	<u>\$ 58,864</u>	<u>\$ 51,777</u>

Schedule 4
County of Madera
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year									
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Revenues:										
Taxes	\$ 46,648	\$ 50,288	\$ 57,449	\$ 53,279	\$ 58,035	\$ 50,058	\$ 48,954	\$ 53,795	\$ 51,718	\$ 53,257
Licenses, Permits, and										
Franchises	3,935	3,788	3,542	3,496	3,346	3,390	3,521	4,136	4,710	5,567
Intergovernmental	98,815	100,503	97,285	109,524	108,733	135,112	122,975	121,824	124,579	134,753
Charges for Services	12,572	13,332	13,598	14,482	16,864	15,679	16,217	14,706	17,519	17,090
Fines, Forfeitures and										
Penalties	4,094	2,378	2,806	3,428	3,090	4,187	3,929	4,541	4,044	4,294
Revenue from Use of Money										
and Property	4,412	3,470	1,976	1,435	1,199	858	414	603	686	910
Miscellaneous Revenues	3,264	2,206	1,359	1,318	1,046	968	1,430	1,172	2,064	2,331
Total Revenues	\$ 173,740	\$ 175,965	\$ 178,015	\$ 186,962	\$ 192,313	\$ 210,252	\$ 197,440	\$ 200,777	\$ 205,320	\$ 218,202

Schedule 4
County of Madera
Changes in Fund Balance, Governmental Funds (Continued)
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)

(Continued)

	Fiscal Year									
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Expenditures										
Current:										
General Government	\$ 21,076	\$ 24,096	\$ 24,265	\$ 29,684	\$ 26,972	\$ 30,998	\$ 29,262	\$ 26,660	\$ 23,084	\$ 25,008
Public Protection	51,268	54,490	56,474	57,178	55,450	52,253	53,893	59,419	64,251	68,755
Public Ways and Facilities	13,415	10,066	13,768	11,907	13,075	14,032	17,161	11,319	15,422	16,345
Health and Sanitation	24,076	26,874	26,244	25,083	24,964	26,447	25,566	24,797	26,496	27,592
Public Assistance	48,959	51,656	51,959	51,432	54,405	53,631	51,894	54,419	58,218	60,410
Education	1,712	1,825	2,000	1,604	1,143	968	929	1,048	1,208	1,226
Recreation and Cultural										
Services	28	32	20	22	17	462	456	544	551	579
Capital Outlay	19,929	11,594	5,722	13,514	10,715	24,235	18,038	15,221	31,036	10,540
Debt Service										
Principal	1,136	1,301	1,021	1,094	940	971	1,021	1,105	1,218	1,313
Interest and Fiscal Charges	1,019	1,175	889	875	824	814	784	705	867	1,197
Total, All Governmental										
Funds	182,618	183,109	182,362	192,393	188,505	204,811	199,004	195,237	222,351	212,965

Schedule 4

(Continued)

County of Madera

Changes in Fund Balance, Governmental Funds (Continued)

Last Ten Fiscal Years

(in Thousands)

(UNAUDITED)

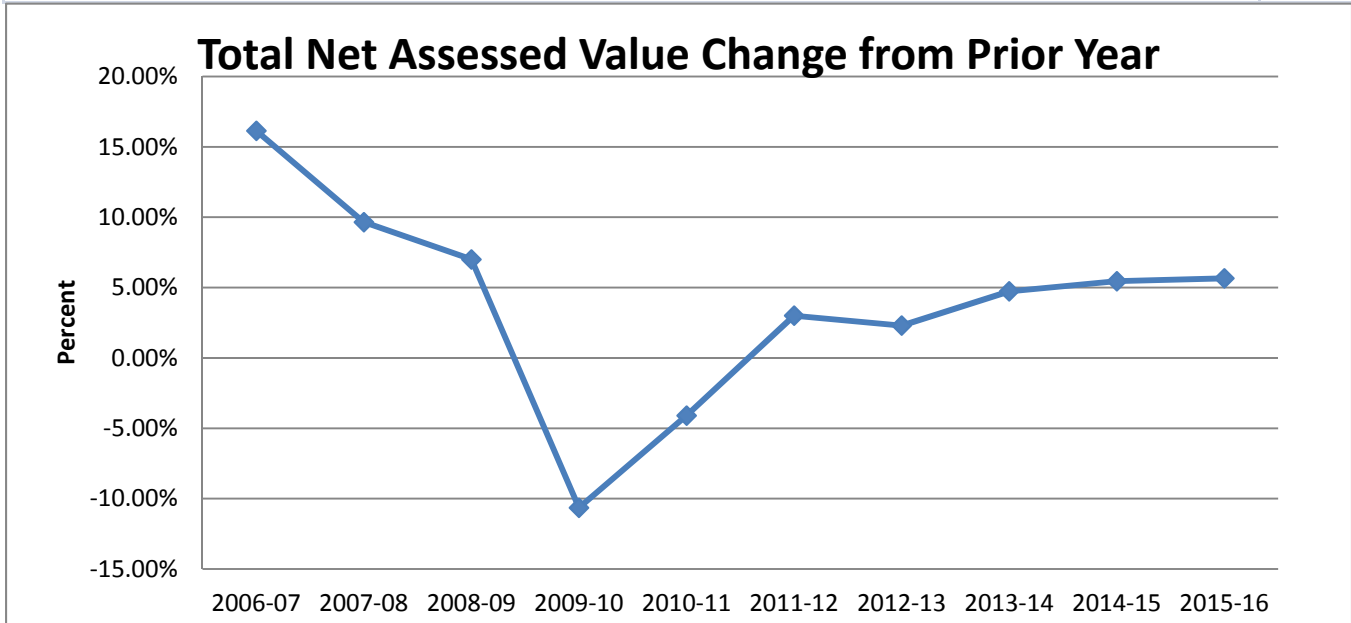
	Fiscal Year									
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Excess (Deficiency) of										
Revenues over (under)										
Total Expenditures	(8,878)	(7,144)	(4,347)	(5,431)	3,808	5,441	(1,564)	5,540	(17,031)	5,237
Other Financing										
Sources (Uses):										
Proceeds from Sale										
of Capital Assets	33	74	2	14	-	67	69	2,109	584	305
Capital Leases	-	-	-	-	-	-	112	332	24,109	14,105
Payment to Refunding										
Escrow Agentd	-	-	-	-	-	-	-	-	-	(13,560)
Insurance Recoveries	-	-	-	-	-	-	-	-	-	10
Transfers In	23,379	2,197	7,173	3,138	2,395	84	13,655	18,710	27,756	22,561
Transfers Out	(23,314)	(2,151)	(7,419)	(6,772)	(2,171)		(13,530)	(18,252)	(28,009)	(22,328)
Total Other Financing										
Sources (Uses):	98	120	(244)	(3,620)	224	151	306	2,899	24,440	1,093
Net Change in Fund Balance	(8,780)	(7,024)	(4,591)	(9,051)	4,032	5,592	(1,258)	8,439	7,409	6,330
Fund Balances:										
Beginning of Year, as restated	84,597	75,817	68,793	84,919	107,376	104,528	105,978	104,664	114,172	119,601
End of Year	\$ 75,817	\$ 68,793	\$ 64,202	\$ 75,868	\$ 111,408	\$ 110,120	\$ 104,720	\$ 113,103	\$ 121,581	\$ 125,931

REVENUE CAPACITY

**Schedule 5
County of Madera
Assessed Valuation^a
Last Ten Fiscal Years
(in Thousands)
(UNAUDITED)**

Fiscal Year	Secured	Unsecured	Exemptions	Net Assessed Avaluations	Percentage Increase from Prior Year	Tax Rate
2006-07	10,650,336	336,754	375,798	10,611,292	16.14%	1.0000
2007-08	11,687,954	354,462	406,832	11,635,584	9.65%	1.0000
2008-09	12,476,358	396,976	423,465	12,449,869	7.00%	1.0000
2009-10	11,124,188	450,117	450,195	11,124,110	-10.65%	1.0000
2010-11	10,711,816	424,323	468,361	10,667,778	-4.10%	1.0000
2011-12	11,080,986	463,885	556,941	10,987,930	3.00%	1.0000
2012-13	11,342,818	490,827	593,072	11,240,573	2.30%	1.0000
2013-14	11,899,485	525,560	652,738	11,772,307	4.73%	1.0000
2014-15	12,534,324	548,143	668,097	12,414,370	5.45%	1.0000
2015-16	13,287,145	550,493	721,797	13,115,841	5.65%	1.0000

Source: Assessor to Auditor Certified Values



For Fiscal Year Ended June 30

a Due to Article XIII-A, added to the California Constitution by Proposition 13 in 1978, the County does not track the estimated actual value of all County properties. Proposition 13 fixed the base for valuation of real property at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect: 1) annual inflation up to two percent; 2) current market value at the time of ownership change; and 3) market value for new construction. As a result, similar properties can have substantially different assessed values based on the date of purchase.

Schedule 6
County of Madera
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (Per \$100 of Assessed Values)
(UNAUDITED)

	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
County Direct Rates										
GENERAL	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Public Utility Unitary and Non-Unitary										
Operating Property	0.999081	0.999211	0.999188	0.999222	0.999051	0.998926	0.998936	0.998771	0.998445	0.998288
Public Utility Unitary Regulated Railroad Property	-	-	-	-	-	-	-	-	1.000000	0.998194
Lower San Joaquin Levee (Negative)	(0.038009)	(0.033650)	(0.031422)	(0.031022)	(0.032830)	(0.033775)	(0.040456)	(0.034433)	(0.043238)	(0.030948)
Cities, Schools, and Special Districts Combined Rates										
Bass Lake ESD Bond 2006	0.030000	0.007862	0.027137	0.023782	0.022270	0.024714	0.028642	0.027111	0.027148	0.028231
Bass Lake ESD Bond 2010	-	-	-	-	0.003119	0.001639	0.000237	0.000340	0.000899	0.000904
Chawanakee USD Bond 2006	0.037101	0.040064	0.035220	0.036683	0.038084	0.031557	0.029429	0.027618	0.027114	-
Chawanakee USD Bond 2008	-	-	0.010214	0.005707	0.011155	0.009641	0.005205	0.008101	0.008191	-
Chawanakee USD Refunding Bond	-	-	-	-	-	-	-	-	-	0.060259
Coarsegold ESD Refinancing Bond	0.011278	0.023197	0.033446	0.029433	0.018615	-	-	-	-	-
Chowchilla UHS Bond 2005	0.019057	0.018567	0.010555	0.019869	0.016118	0.015583	0.014651	0.015056	0.014782	0.004675
Chowchilla UHS Bond 2006	0.004915	0.004990	0.002318	0.006514	0.006177	0.006951	0.006584	0.007299	0.008381	0.007914
Chowchilla UHS Bond 2014	-	-	-	-	-	-	-	-	-	0.011136
Yosemite UHS Bond 1998	0.011997	0.014530	0.011457	0.019337	0.015879	0.015354	-	-	-	-
Yosemite UHS Bond 2000	0.008731	0.010488	0.008543	0.013868	0.011764	0.011553	-	-	-	-
Yosemite UHS Refunding Bond 2000	-	-	-	-	-	-	0.043157	0.009103	0.026243	0.022184
Firebaugh-Las Deltas USD Building	0.094760	0.141978	0.021840	0.080750	0.073788	0.078314	0.000206	-	-	-
Firebaugh-Las Deltas USD Bond 1	0.019410	0.076720	0.024124	0.000484	0.067630	0.068814	0.052224	0.045732	0.041236	0.036286
Firebaugh-Las Deltas USD Bond 2	0.038390	0.057938	0.000002	0.000002	0.007740	0.077418	-	-	-	-
Firebaugh-Las Deltas USD Bond 2	-	0.142908	0.042633	0.037249	0.011412	0.036922	0.063906	0.048390	0.044922	0.038816
Golden Valley USD Refinancing Bond	0.054619	0.054715	0.042224	0.068012	0.067050	0.088803	0.073421	0.074863	0.074717	0.078247
Golden Valley USD Bond 2007 C	-	0.025095	0.015349	0.018877	0.019971	0.024733	0.020622	0.016055	0.016923	0.021121
Golden Valley USD Bond 2007 D	-	0.007903	0.006042	0.008044	0.010608	-	-	-	-	-
Golden Valley USD Bond 2006 B	-	-	0.009531	-	0.005569	0.008127	0.006582	0.005863	0.005595	0.006489
Golden Valley USD Bond 2007 A	-	0.058760	0.040792	0.060000	0.056770	0.049514	0.051295	0.049049	0.050654	0.063393

(Continued)

Schedule 6
County of Madera
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (Per \$100 of Assessed Values) (Continued)
(UNAUDITED)

(continued)

	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Cities, Schools, and Special Districts Combined Rates (Continued)										
Madera USD Bond 2003	0.017650	0.011668	0.009187	0.012509	0.016029	0.016541	-	-	-	-
Madera USD Bond 2005	0.017630	0.023694	0.016537	0.023583	0.028031	0.027784	0.027548	0.030358	0.029905	-
Madera USD Bond 2006	0.003007	0.003127	0.002430	0.004091	0.003950	0.004041	0.004064	0.004370	0.004134	-
Madera USD Bond 2007	-	0.020431	0.018804	0.026878	0.026994	0.028299	0.028414	0.029476	0.029082	0.020836
Madera USD Refunding Bond 2012	-	-	-	-	-	-	0.015708	0.014385	0.009555	0.016049
Madera USD Refunding Bond 2014	-	-	-	-	-	-	-	-	-	0.045962
Madera USD Bond 2015	-	-	-	-	-	-	-	-	-	0.045013
Merced CC Bond 2003	0.040000	0.020000	0.001871	0.003580	0.013700	0.013000	0.012900	0.011800	0.013500	0.011400
State Center CC Bond 2003	0.000898	0.000898	0.000002	0.000708	0.001600	0.001740	0.000806	-	-	-
State Center CC Bond 2007 A	-	-	0.005610	0.010006	0.004384	0.005170	0.004206	0.004670	0.004358	0.000108
State Center CC Bond 2004 A	0.004140	0.004140	0.000002	0.000002	0.000002	0.000002	0.000812	0.001050	-	-
State Center CC Bond 2009 A	-	-	-	0.003548	0.003254	0.000430	0.000754	0.000806	0.000782	0.000448
State Center CC Bond 2009 B	-	-	-	0.001548	0.000810	0.000722	0.000752	0.000726	0.000720	0.000834
State Center CC Refunding Bond 2012	-	-	-	-	-	-	0.002028	0.002350	0.003448	0.002534
State Center CC Refunding Bond 2015	-	-	-	-	-	-	-	-	-	0.004140
West Hills Community College Bond 2001 A	0.003662	0.003662	0.000002	0.000002	0.000002	0.000002	0.007426	-	-	-
West Hills CC Refunding Bond 2005	0.015598	0.015598	0.000002	0.000002	0.000002	0.002158	0.014168	0.009384	0.008644	-
West Hills CC SFID Bond A 2008	-	-	-	0.018458	0.006082	0.007882	0.011108	0.007024	0.006146	0.002996
West Hills CC Refunding Bond 2012	-	-	-	-	-	-	0.002770	0.001722	0.002562	0.001672
West Hills CC SFID Bond B 2008	-	-	-	-	-	-	-	0.011306	0.011292	0.011162
West Hills CC Bond 2014 A	-	-	-	-	-	-	-	-	-	0.011512
West Hills CC Refunding Bond A 2015	-	-	-	-	-	-	-	-	-	0.003574
West Hills CC Refunding Bond B 2015	-	-	-	-	-	-	-	-	-	0.011700

Source: County Auditor-Controller Approved Tax Rates

Schedule 7
County of Madera
Principal Property Tax Payers
Current Year and Nine Years Ago
(UNAUDITED)

Taxpayer	Industry	Fiscal Year 2015-16			Fiscal Year 2006-07		
		Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
PACIFIC GAS AND ELECTRIC COMPANY	PUBLIC UTILITY	336,150	1	2.56%	155,541	1	1.47%
PARAMOUNT FARMS INTERNATIONAL LLC	FARMING	170,658	2	1.30%			
CANANDAIGUA WEST INC	MANUFACTURING	132,667	3	1.01%	134,032	2	1.26%
GILL RANCH STORAGE LLC	FARMING	100,714	4	0.77%			
ARDAGH GLASS INC	MANUFACTURING	96,149	5	0.73%	56,646	4	0.53%
SOUTHERN CALIFORNIA EDISON COMPANY	PUBLIC UTILITY	93,113	6	0.71%	75,933	3	0.72%
PARAMOUNT LAND COMPANY LLC	LAND DEVELOPMENT	90,787	7	0.69%			
CERTAINTED CORPORATION	MANUFACTURING	73,556	8	0.56%	39,352	5	0.37%
PACIFIC ETHANOL MADERA LLC	MANUFACTURING	48,350	9	0.37%			
SAN JOAQUIN RIVER RANCH LLC	FARMING	43,119	10	0.33%			
CANANDAIGUA VINTNERS ACQUISITION CORPORATION	MANUFACTURING				34,943	6	0.33%
SIERRA TELEPHONE COMPANY INC	COMMUNICATIONS				30,366	7	0.29%
JEFFREY A LION ET AL	LAND DEVELOPMENT				30,087	8	0.28%
RIO MESA HOLDINGS LLC	LAND DEVELOPMENT				25,500	9	0.24%
MADERA CAPITAL LP	LAND DEVELOPMENT				20,548	10	0.19%
Total		\$ 1,185,263		9.04%	602,948		5.68%
	Total County Assessed \	\$ 13,115,841			\$ 10,611,292		

Source: Megabyte Property Tax System, County of Madera

**Schedule 8
County of Madera
Property Tax Levies and Collections
Last Ten Fiscal Years
(UNAUDITED)**

Fiscal Year	Total Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year	Delinquent Amount	Percent of Levy Delinquent
		Collected Amount	Percent of Original Levy			
2006-07	113,224,946	107,362,722	94.82%	5,328,805	533,419	0.47%
2007-08	130,899,885	121,905,516	93.13%	8,100,520	893,849	0.68%
2008-09	137,028,225	126,768,613	92.51%	9,433,170	826,442	0.60%
2009-10	130,376,443	124,575,167	95.55%	4,782,265	1,019,011	0.78%
2010-11	120,870,312	115,026,254	95.17%	4,604,892	1,239,166	1.03%
2011-12	125,739,868	120,987,412	96.22%	3,568,517	1,183,939	0.94%
2012-13	127,721,903	123,931,194	97.03%	2,486,914	1,303,795	1.02%
2013-14	132,124,915	129,673,691	98.14%	1,222,758	1,228,466	0.93%
2014-15	142,834,780	139,107,373	97.39%	1,931,977	1,795,430	1.26%
2015-16	152,760,751	149,840,573	98.09%	-	2,920,178	1.91%
Note: Amounts do not include tax collections for bonds and special assessments.						
Source: County property tax statistics						

DEBT CAPACITY

Schedule 9
County of Madera
Ratios of Total Debt Outstanding
Last Ten Fiscal Years
(in thousands)
(UNAUDITED)

	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Governmental Activities										
Mello-Roos Bonds	\$ 745,000	\$ 510,000	\$ 265,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Certificates of Participation	21,740,000	21,055,000	20,300,000	19,475,000	18,575,000	17,645,000	16,680,000	15,680,000	14,640,000	-
Capital Leases	584,972	465,555	439,104	1,390,993	1,130,778	1,511,218	1,410,252	1,482,356	25,172,494	35,041,122
Total Bonds and Notes Payable	<u>\$ 23,069,972</u>	<u>\$ 22,030,555</u>	<u>\$ 21,004,104</u>	<u>\$ 20,865,993</u>	<u>\$ 19,705,778</u>	<u>\$ 19,156,218</u>	<u>\$ 18,090,252</u>	<u>\$ 17,162,356</u>	<u>\$ 39,812,494</u>	<u>\$ 35,041,122</u>
Less Resources Restricted for Principal Repayment	1,803,177	666,818	423,358	210,542	311,261	107,502	98,303	45,237	69,319	-
Net Total Bonds and Notes Payable	<u>\$ 21,266,795</u>	<u>\$ 21,363,737</u>	<u>\$ 20,580,746</u>	<u>\$ 20,655,451</u>	<u>\$ 19,394,517</u>	<u>\$ 19,048,716</u>	<u>\$ 17,991,949</u>	<u>\$ 17,117,119</u>	<u>\$ 39,743,175</u>	<u>\$ -</u>
Business Type										
Bonds Payable	10,368,390	10,074,710	12,467,089	12,244,899	11,928,646	11,722,433	11,580,970	11,237,770	13,786,660	10,630,513
Notes Payable	4,793,522	4,620,499	3,673,888	3,104,759	3,614,691	3,439,989	3,353,292	3,271,228	3,185,127	5,439,635
Total Bonds and Notes Payable	<u>15,161,912</u>	<u>14,695,209</u>	<u>16,140,977</u>	<u>15,349,658</u>	<u>15,543,337</u>	<u>15,162,422</u>	<u>14,934,262</u>	<u>14,508,998</u>	<u>16,971,787</u>	<u>-</u>
Less Resources Restricted for Principal Repayment	-	-	1,630,084	240,534	240,534	240,548	240,525	240,525	240,619	703,001
Net Total Bonds and Notes Payable	<u>\$ 15,161,912</u>	<u>\$ 14,695,209</u>	<u>\$ 14,510,893</u>	<u>\$ 15,109,124</u>	<u>\$ 15,302,803</u>	<u>\$ 14,921,874</u>	<u>\$ 14,693,737</u>	<u>\$ 14,268,473</u>	<u>\$ 16,731,168</u>	<u>\$ 16,070,148</u>
Total Outstanding Debt Less Restricted Resources	<u>\$ 36,428,707</u>	<u>\$ 36,058,946</u>	<u>\$ 35,091,639</u>	<u>\$ 35,764,575</u>	<u>\$ 34,697,320</u>	<u>\$ 33,970,590</u>	<u>\$ 32,685,686</u>	<u>\$ 31,385,592</u>	<u>\$ 56,474,343</u>	<u>\$ 15,367,147</u>
Percentage of Personal Income	1.11%	1.02%	n/a	n/a	0.89%	0.78%	0.69%	0.64%	n/a	n/a
Percentage of Assessed Value of Taxable Property (a)	0.34%	0.31%	0.28%	0.32%	0.33%	0.31%	0.29%	0.27%	0.45%	0.12%
Net Outstanding Debt Per Capita	\$ 254.16	\$ 247.56	\$ 240.92	\$ 237.46	\$ 229.07	\$ 222.14	\$ 214.71	\$ 205.96	\$ 364.36	\$ n/a

Note:

1. See the Demographic Statistics Schedule for detail information on personal income and population.

(a) Pursuant to the amendments to Article XIII-A of the California Constitution by Proposition 13 in 1978, the County does not track estimated actual values for all county properties. Consequently, the ratio of net outstanding debt to the estimate actual value of taxable property is undeterminable. The ratio of net outstanding debt to the assessed value of taxable property is

Schedule 11
County of Madera
Pledged Revenue Coverage
Last Ten Fiscal Years
(UNAUDITED)

Fiscal Year	Gross Revenues	Less:	Net	Debt Service		Coverage
		Operating Expenses	Available Revenues	Principal	Interest	
Public Facilities Bonds/Loans						
2006-07	1,668,649	1,539,455	129,194	168,700	548,692	0.18
2007-08	2,115,799	1,626,424	489,375	145,891	537,880	0.72
2008-09	2,249,404	2,360,797	(111,393)	213,487	653,014	(0.13)
2009-10	2,238,589	2,419,637	(181,048)	279,739	709,011	(0.18)
2010-11	2,219,833	2,372,097	(152,264)	287,037	685,708	(0.16)
2011-12	2,295,275	2,426,259	(130,984)	260,148	669,216	(0.14)
2012-13	2,356,801	2,575,065	(218,264)	286,450	674,699	(0.23)
2013-14	2,431,747	2,235,239	196,508	399,789	654,110	0.19
2014-15	2,535,902	2,150,647	385,255	311,470	626,565	0.41
2015-16	2,821,619	2,397,460	424,159	331,339	640,696	0.44

DEMOGRAPHIC AND ECONOMIC INFORMATION

Schedule 12
County of Madera
Demographic and Economic Statistics
Last Ten Fiscal Years
(UNAUDITED)

Calendar Year	Population (1,a)	Personal Income	Per Capita Income (2,a)	School Enrollment (3,b)	Unemployment				
		(in thousands) (2,a)			Rate (2,a)				
2007	147,944	3,548,057	24,359	29,071	7.5%				
2008	150,887	N/A	26,880	29,394	9.5%				
2009	N/A	N/A	26,790	29,409	13.4%				
2010	150,865	3,901,878	25,761	29,643	16.6%				
2011	152,089	4,378,332	28,631	29,993	16.2%				
2012	152,160	4,770,065	31,334	30,308	14.5%				
2013	152,125	4,920,142	32,287	30,478	12.6%				
2014	152,452	N/A	N/A	30,861	11.2%				
2015	154,998	N/A	N/A	30,865	10.5%				
2016	N/A	N/A	N/A	31,077	9.2%*				
Sources:									
1. U.S. Census Bureau									
2. Employment Development Department									
3. California Department of Education, California Basic Educational Data System (CBEDS)									
Notes:									

OPERATING INFORMATION

Schedule 13
County of Madera
Full Time Equivalent County Government Employees by Function
Last Ten Fiscal Years
(UNAUDITED)

Function/Program	Full Time Equivalent Employees per Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	N/A	209.00	186.33	N/A	225.00	220.33	200.67	201.67	200.33	199.33
Public Protection	N/A	554.67	505.33	N/A	468.33	480.67	466.33	492.00	474.33	496.67
Public Ways and Facilities	N/A	83.00	83.33	N/A	71.33	71.33	74.33	75.67	77.00	76.33
Health and Sanitation	N/A	334.67	320.00	N/A	242.00	236.67	244.00	247.67	253.33	254.33
Public Assistance	N/A	230.00	217.67	N/A	224.33	235.00	258.67	274.67	302.00	314.67
Education	N/A	40.00	24.00	N/A	25.33	26.33	23.33	25.00	24.33	24.33
Recreation	N/A	9.00	7.00	N/A	4.00	4.00	4.00	5.00	5.00	5.00
Total	N/A	<u>1,460.33</u>	<u>1,343.67</u>	N/A	<u>1,260.33</u>	<u>1,274.33</u>	<u>1,271.33</u>	<u>1,321.67</u>	<u>1,336.33</u>	<u>1,370.67</u>

Schedule 14
County of Madera
Operating Indicators by Function
Last Ten Fiscal Years
(UNAUDITED)

Function/Department	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Public Protection										
Planning and Building										
<i>Total Permits Issued</i>	N/A	N/A	N/A	1,179	N/A	657	440	537	913	N/A
Corrections										
<i>Jail Bookings</i>	6,988	6,763	6,819	4850	5,823	5,425	5,381	4,913	4,575	4,537
<i>Average Daily Population</i>	405	400	405	450	408	388	440	482	443	405
Probation										
<i>Juvenile Hall</i>										
<i>Average Daily Population</i>	81	72	80	60	47	50	54	57	49	43
Health and Sanitation										
Environmental Health										
<i>Septic Permits Issued</i>	N/A	N/A	N/A	N/A	N/A	78	99	124	127	104
<i>Wells Permits Issued</i>	N/A	N/A	N/A	N/A	N/A	167	316	296	525	573
Health and Sanitation										
<i>Mental Health</i>										
<i>Services provided to youth</i>	7,362	11,398	10,494	10,494	9,205	8,470	8,729	12,346	16,239	20,350

Schedule 14
County of Madera
Operating Indicators by Function
Last Ten Fiscal Years
(UNAUDITED)

(continued)

Function/Department	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<i>Mental Health (continued)</i>										
<i>Services provided to youth</i>	7,362	11,398	10,494	10,494	9,205	8,470	8,729	12,346	16,239	20,350
<i>Services provided to adults</i>	39,270	57,234	43,286	43,286	37,451	33,669	32,944	31,837	27,665	27,594
<i>Public Health</i>										
<i>Number of Children enrolled in the Healthy Families Program^a</i>	111	108	119	112	140	160	121	N/A	N/A	N/A
<i>Percentage of the State allocated caseload enrolled in the Women, Infants & Children (WIC) Program</i>	105.8%	103.0%	102.9%	101.9%	100.2%	98.8%	98.0%	98.7%	97.9%	97.0%
<i>Percentage of live born infants whose mothers received prenatal care in the first trimester</i>	75%	71%	68%	74%	72%	71%	70%	73%	74%	73%
Solid Waste										
<i>Fairmead Landfill</i>										
<i>Cubic Yards per year</i>	130,140	209,921	229,443	184,353	174,879	176,184	204,854	254,395	350,677	312,420
<i>% of Capacity</i>	52%	58%	66%	72%	77%	83%	53% *	55%	58%	60%

Schedule 14
County of Madera
Operating Indicators by Function
Last Ten Fiscal Years
(UNAUDITED)

(continued)

Function/Department	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Public Assistance										
Social Services										
<i>Rate per 1,000 children entering out-of-home care for the first time (State Rate is 2.8)</i>	4.7	2.7	3.6	3.5	3.3	2.6	5.4	5.6	4.4	5.1
<i>Percentage of child abuse/neglect referrals where a response is required within 10 days that were timely</i>	35%	33%	6%	2%	3%	6%	6%	12%	21%	71%
Education										
Library										
<i>Annual Expenditure per capita for total Library Budget (\$)</i>	11	12	N/A	11	7	5	6	6	7	N/A
* Beginning with the 2012-13 fiscal year the State of California approved an alternative to fill the landfill vertically, which increased its overall capacity.										
^a Medi-Cal Targeted Low Income Program replaced Healthy Families in 2013-14										

Schedule 15
County of Madera
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years
(UNAUDITED)

Function/Department	Fiscal Year									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Recreation and Cultural Services										
Park Acreage	14	14	14	14	14	14	14	325	325	325
Public Protection										
Correctional facility capacities:										
Main Jail	419	419	419	419	419	419	563	563	563	563
Juvenile Hall	70	70	70	70	74	74	74	74	74	74
Juvenile Boot Camp										
Public Ways and Facilities										
Miles of County Roads	1549	1536	1532	1529	1529	1525	1512	1512	1511	1511
Number of Bridges	170	170	170	170	170	170	170	170	170	170
Libraries										
Main and Branches	5	5	5	5	5	5	5	5	5	5
Note: The majority of County assets consist of buildings and equipment classified under the Functional area of General Government										
Source: County management										