



**COUNTY OF KERN  
STATE OF CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended June 30, 2018**

**Mary B. Bedard, CPA**

**Auditor-Controller-County Clerk**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2018**



**COUNTY OF KERN**

**Supervisor Mick Gleason..... First District**  
**Supervisor Zach Scrivner ..... Second District**  
**Supervisor Mike Maggard ..... Third District**  
**Supervisor David Couch..... Fourth District**  
**Supervisor Leticia Perez ..... Fifth District**

**Ryan Alsop – County Administrative Officer**

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



**COUNTY OF KERN**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**  
**Table of Contents**

**INTRODUCTORY SECTION**

LETTER OF TRANSMITTAL .....2  
 DIRECTORY OF ELECTED COUNTY OFFICIALS.....7  
 DIRECTORY OF APPOINTED COUNTY OFFICIALS.....8  
 ORGANIZATIONAL CHART .....9  
 CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING.....10

**FINANCIAL SECTION**

INDEPENDENT AUDITOR’S REPORT .....12  
 MANAGEMENT’S DISCUSSION AND ANALYSIS .....15

**BASIC FINANCIAL STATEMENTS:**

**Government-Wide Financial Statements:**

Statement of Net Position .....27  
 Statement of Activities.....28

**Fund Financial Statements:**

Governmental Funds

Balance Sheet.....30  
 Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement  
 of Net Position – Governmental Activities.....32  
 Statement of Revenues, Expenditures, and Changes in Fund Balances .....33  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
 of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities .....35

Proprietary Funds

Statement of Net Position .....36  
 Statement of Revenues, Expenses, and Changes in Net Position .....37  
 Statement of Cash Flows .....38

Fiduciary Funds

Statement of Net Position .....40  
 Statement of Changes in Net Position .....41

Discretely Presented Component Units

Statement of Net Position .....42  
 Statement of Activities.....43

**Notes to the Financial Statements:**

Note I. Summary of Significant Accounting Policies .....45  
 Note II. Restatements of Net Position.....53  
 Note III. Stewardship, Compliance and Accountability.....54  
 Note IV. Cash and Investments.....55  
 Note V. Receivables .....58  
 Note VI. Interfund Transactions .....60

**COUNTY OF KERN**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**  
**Table of Contents**

Note VII. Capital Assets.....	62
Note VIII. Leases.....	64
Note IX. Long-Term Debt.....	65
Note X. Pension Plan.....	71
Note XI. Other Postemployment Benefits (OPEB).....	77
Note XII. Risk Management.....	80
Note XIII. Commitments and Contingencies.....	81
Note XIV. Landfills.....	82
Note XV. Pollution Remediation.....	84
Note XVI. Deferred Outflows and Inflows of Resources/Advances from Others.....	84
Note XVII. Fund Balances/Net Position.....	86
Note XVIII. Other Information.....	88
Note XIX. Subsequent Events.....	90
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>	
Budgetary Comparison Schedules – Major Governmental Funds	
General Fund.....	92
Behavioral Health & Recovery Services.....	93
Community Development.....	94
County Local Revenue Fund.....	95
Human Services.....	96
Roads.....	97
Structural Fire.....	98
Notes to Required Supplementary Information.....	99
Pension and Other Postemployment Benefits	
Pensions:	
Schedule of the County’s Proportionate Share of the Net Pension Liability.....	102
Schedule of the County’s Contributions.....	102
Other Postemployment Benefits:	
Schedule of the County’s Proportionate Share of the Net OPEB Liability.....	103
<b>OTHER SUPPLEMENTARY INFORMATION:</b>	
<b>COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:</b>	
<b>Non-major Governmental Funds:</b>	
Combining Balance Sheet.....	107
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	108

**COUNTY OF KERN**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**  
**Table of Contents**

Special Revenue Funds

Special Revenue Funds Descriptions .....	109
Combining Balance Sheet .....	114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	132
Budgetary Comparison Schedules:	
Abatement Cost .....	150
Aging and Adult Services .....	150
Alcohol Abuse .....	150
Alcohol Program.....	150
Asset Forfeiture 15% Probation .....	151
Automated County Warrant System .....	151
Automated Fingerprint.....	151
Board of Trade Advertising.....	151
Building Inspection.....	152
Community Corrections Partnership (CCP) Community Recidivism .....	152
Child Restraint Loaner .....	152
Child Support Services .....	152
Community Correction Performance Incentive .....	153
County Clerk.....	153
County Service Areas.....	153
Criminal Justice Facility.....	153
Criminalistics Laboratories.....	154
DA Court Ordered Penalties .....	154
DA/Sheriff/Probation DNA Fund.....	154
DA Equipment Automation.....	154
DA Federal Forfeitures .....	155
DA Local Forfeitures .....	155
Development Services .....	155
DHS Wraparound Savings .....	155
Disaster Assistance.....	156
DIVCA LCL Franchise Fee.....	156
Domestic Violence.....	156
Drug Program .....	156
Emergency Medical Payments .....	157
Employers' Training Resource.....	157

**COUNTY OF KERN**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**  
**Table of Contents**

Environmental Health Services .....	157
Health-MAA TCM .....	157
IHSS Public Authority .....	158
Juvenile Inmate Welfare .....	158
Kern County Children’s Fund .....	158
KNET Asset Forfeitures .....	158
Library Books.....	159
Local Public Safety .....	159
Micrographics .....	159
NSP Grant .....	159
Off Hwy Motor Vehicle License .....	160
Oil & Gas Program.....	160
Parcel Map In-Lieu Fees.....	160
Parks & Recreation Donation Fund.....	160
Planned Local Drainage .....	161
Planned Sewer .....	161
Planning Administration Surcharge .....	161
Probation Asset Forfeiture.....	161
Probation DJJ Realignment .....	162
Probation Federal Asset Forfeiture .....	162
Probation Training.....	162
Project Impact Mitigation Fund.....	162
Public Health Miscellaneous.....	163
Range Improvement.....	163
Real Estate Fraud.....	163
Recorder .....	163
Recorder’s Electronic Recording.....	164
Recorder Modernization .....	164
Recorder SSN Truncation .....	164
Redemption Systems.....	164
RMA – Hazardous Waste Settlements.....	165
Rural Crimes Environmental Impact Fee.....	165
Shelter Care.....	165
Sheriff Cal I.D. ....	165
Sheriff Civil Automated .....	166

**COUNTY OF KERN**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**  
**Table of Contents**

Sheriff Civil Subpoena.....	166
Sheriff Controlled Substance .....	166
Sheriff Drug Abuse Gang Diversion .....	166
Sheriff Drug Awareness Program .....	167
Sheriff Electronic Monitoring .....	167
Sheriff Facility Training .....	167
Sheriff Inmate Welfare .....	167
Sheriff Judgment Debtor Fee.....	168
Sheriff Rural Crime .....	168
Sheriff Sidearm Conversion .....	168
Sheriff State Asset Forfeitures .....	168
Sheriff Training Fund.....	169
Sheriff's Volunteer Service Group.....	169
Sheriff Work Release .....	169
Sterilization.....	169
Strong Motion Instrumentation.....	170
Timber Harvest .....	170
Tobacco Education Control.....	170
Veterans Grant Fund .....	170
Vital Health Statistics – County Clerk .....	171
Vital Health Statistics .....	171
Vital Health Statistics – Recorder .....	171
Wildlife Resources .....	171
Other Special Revenue Funds.....	171

**Capital Projects Funds**

Capital Project Funds Descriptions.....	172
Combining Balance Sheet .....	173
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	175
Budgetary Comparison Schedules:	
2009 Capital Projects.....	177
7th Standard Road Widening.....	178
AB900 Jail Construction .....	179
Accumulated Capital Outlay Fire .....	180
Accumulated Capital Outlay General .....	181
Tobacco Securitization Proceeds.....	182



**COUNTY OF KERN**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**  
**Table of Contents**

Debt Service Funds

Debt Service Funds Descriptions.....	183
Combining Balance Sheet .....	184
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	185

**Non-major Enterprise Funds:**

Enterprise Funds Descriptions .....	187
Combining Statement of Net Position.....	188
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position .....	189
Combining Statement of Cash Flows.....	190

**Internal Service Funds:**

Internal Service Funds Descriptions.....	192
Combining Statement of Net Position.....	193
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position .....	195
Combining Statement of Cash Flows.....	197

**Fiduciary Funds:**

Agency Funds

Fiduciary Funds Descriptions.....	200
Combining Statement of Changes in Assets and Liabilities .....	201

**STATISTICAL SECTION**

Statistical Section Contents.....	204
Net Position by Component – Last Ten Fiscal Years .....	205
Changes in Net Position – Last Ten Fiscal Years .....	207
Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	211
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	213
Assessed Value of Taxable Property and Actual Value of Property – Last Ten Fiscal Years .....	215
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years .....	216
Principal Property Taxpayers – Current Year and Nine Years Ago.....	218
Property Tax Levies and Collections – Last Ten Fiscal Years .....	219
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	221
Estimated Direct and Overlapping Bonded Debt .....	223
Computation of Legal Debt Margin .....	224
Demographic and Economic Statistics – Last Ten Fiscal Years .....	225
Principal Employers – Current Year and Nine Years Ago.....	227
Full-Time Equivalent County Government Employees by Function / Program – Last Ten Fiscal Years .....	228
Operating Indicators by Function/Program – Last Ten Fiscal Years .....	229
Capital Asset Statistics by Function – Last Ten Fiscal Years .....	233



**INTRODUCTORY SECTION**



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

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**KERN COUNTY AUDITOR-CONTROLLER-COUNTY CLERK**

1115 Truxtun Avenue, 1st and 2nd Floor • Bakersfield, CA 93301-4639

January 30, 2019

Board of Supervisors  
Kern County Administrative Center  
1115 Truxtun Avenue  
Bakersfield, California 93301

Honorable Board Members:

The Comprehensive Annual Financial Report (CAFR) of the County of Kern (County) for the fiscal year ended June 30, 2018 is hereby submitted in compliance with Section 25253 of the Government Code of the State of California and Board of Supervisors' Resolution No. 69-58, dated January 28, 1969. The accompanying financial statements were prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) and audited by a firm of certified public accountants in accordance with auditing standards generally accepted in the United States of America as well as the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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

As the County's goal is to provide reasonable assurance that its financial statements for the fiscal year ended June 30, 2018 are free of material misstatement, the financial statements have been audited by Brown Armstrong Accountancy Corporation, a firm of certified public accountants. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion which states the County's financial statements for the fiscal year ended June 30, 2018 are fairly presented in conformity with GAAP. As such, the independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports will be available in the County's separately issued Single Audit Report.

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

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## *Profile of the Government*

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The County of Kern was organized April 2, 1866, from portions of Los Angeles and Tulare Counties, making it the southernmost county of California's San Joaquin Valley and spans 8,132 square miles. Kern County is organized as a general law county under California law, and is divided into five supervisorial districts. These five supervisorial districts contain 11 incorporated cities. Bakersfield, the County seat, is home to approximately 43 percent of the County's total population of 905,801 while approximately 35 percent of Kern County residents reside in unincorporated areas.

Policymaking and legislative authority is vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of the five districts. The Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and appointing the County Administrative Officer and most non-elected department heads. Supervisors are elected to four-year staggered terms, with three supervisors being elected in the presidential election cycle and two supervisors being elected in the gubernatorial election cycle. The County has elected department heads responsible for the offices of the Assessor-Recorder, Auditor-Controller-County Clerk (Auditor-Controller), District Attorney, Sheriff-Coroner-Public Administrator, and Treasurer-Tax Collector. The County provides a full range of services in the following areas: general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and culture and recreation services.

### **Budgetary and Internal Controls**

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

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

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

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## *Factors Affecting Financial Condition*

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

### **Long-term financial planning**

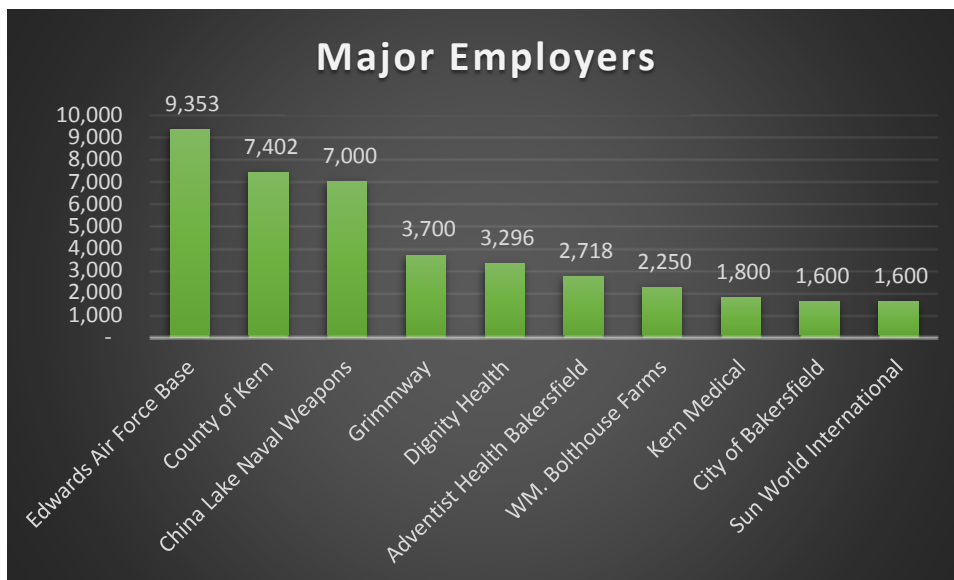
Long-term financial planning is difficult to accomplish given the volatility of the local assessed value of the oil & gas roll in recent years. In addition, the County cannot predict the fiscal outcome of future State budget negotiations, the impact that such budgets will have on County finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. There can be no assurances that actions taken by the State will not materially adversely affect the financial condition of the County. Current and future State budgets will be

affected by national and State economic conditions and other factors, over which the County has no control. Current financial planning for future major outlays is considered on a case-by-case basis by the Board of Supervisors and the County Administrative Office. In the short-term, the County Administrative Office evaluates the necessity for mid-year budgetary adjustments to be made for known shortfalls in budgeted revenue.

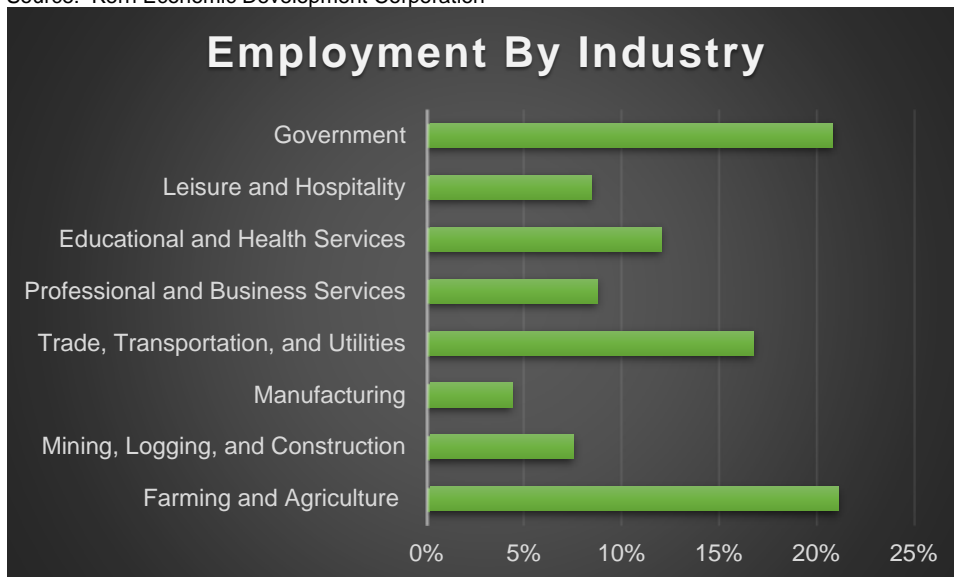
Since 1998-99, the Board of Supervisors has set aside funds for fiscal stability, to address the fluctuations in County discretionary revenue from one fiscal year to the next on a long-term basis. The intent is for the County to set aside funds when available to help mitigate significant service reductions in fiscal years where the amount of property tax or other discretionary revenue is estimated to be severely impacted. As the County plans for the upcoming fiscal year budgets, Board mandates on limited hiring and spending are in place to provide for future increases in benefit costs and potential declines in revenues. For the Fiscal Year 2018-19 budget, most General Fund departments that are supported by an allocation of Net County Cost were reduced by 2.5% from the Fiscal Year 2017-18 budget.

**Local Economy**

Kern County boasts a large workforce and diverse economy. Approximately 353,900 residents of the County are employed, boasting an unemployment rate of 7.7% as of May 2018, a net change of -0.8% from May 2017. Of the workforce, approximately 11.5% are employed by ten major employers, of various industries, as outlined below.



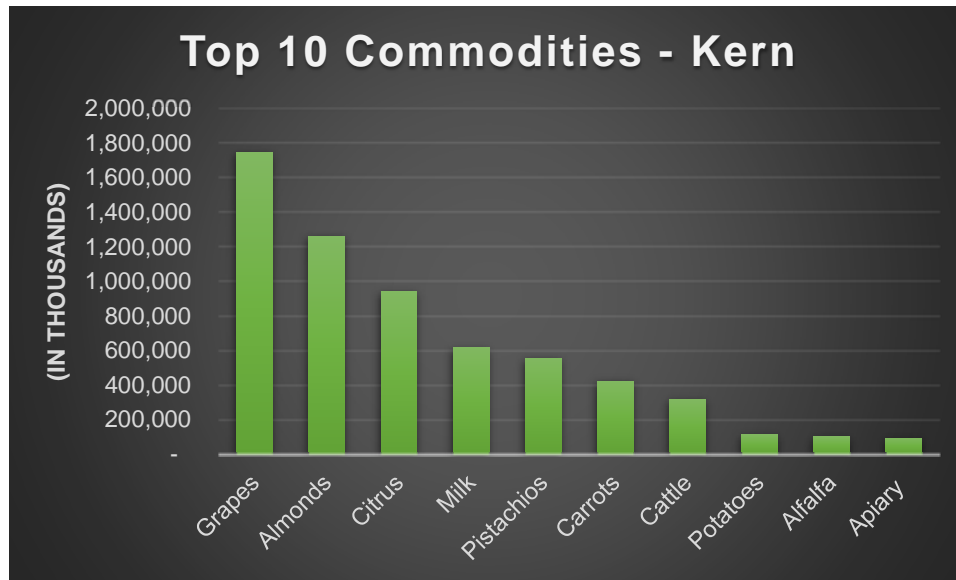
Source: Kern Economic Development Corporation



Source: State of California EDD Bakersfield MSA

Kern County is fortunate to be rich in natural resources. It remains the largest oil-producing County in the State of California, producing an estimated 71% of the State’s oil. Agricultural production continues to remain steady, with the County being

the leading producer of agricultural products in the State.



Source: Kern Agricultural Crop Report – 2017

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### Major Initiatives

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#### County Fiscal Plan

In 2015, the County declared a fiscal emergency in accordance with Government Code Sections 29086 and 29127 as a proactive budgetary measure to better enable the County to meet fiscal challenges posed by the decline in property tax related to oil and gas properties from depressed market prices for oil. With accompanying actions taken in fiscal year 2014-15 and again in fiscal year 2015-16 that included mid-year budgetary reductions to preserve resources, the General Fund was balanced without significant service level impacts to the community.

In Fiscal Year 2016-17, the Board of Supervisors approved the Four-Year Deficit Mitigation Plan for the County's General and Structural Fire Fund. The intention of the plan is to reduce gradually department budgets over four years as needed to resolve structural deficits resulting from the lower property tax revenue related to oil and gas properties. Some use of one-time fund balance and reserves are anticipated over this time to phase-in the reductions and to continue to minimize service level impacts. Growth in property tax revenue, primarily from residential and commercial properties, since fiscal year 2016-17 along with continued reduction of costs under the plan, the budgetary deficit for the General Fund has declined from \$44.5 million to \$17.9 million. The Structural Fire Fund's structural deficit has also declined by more than 57% from \$17.8 million to \$7.5 million. As the deficits have not been fully mitigated, the Board of Supervisors most recently reaffirmed the declaration of fiscal emergency on August 28, 2018.

#### Strategic Initiatives

During 2016-17 the County adopted three countywide strategic initiatives. The 2018-19 Budget supports these initiatives as follows:

- **Enhance Quality of Life for Kern County Residents:** Allocates \$836 million towards public protection with minimal service level impacts to ensure strong public safety efficacy. Provides funding for the third year of a Sheriff Deputy Academy and the full year of operations for the new jail facility. Provides funding to fully staff the Structural Fire Department. Continues to provide In-Home Supportive Services at current levels despite the shift of approximately \$2 million in costs from the State to the County. Includes workforce enhancement through adult education partnerships, employment training classes, and job placement and occupational readiness services. Provides \$3 million in reserves to match up to \$15 million in potential State grants for parks enhancement opportunities. Maintains Library services at current hours of operation and allocates funding to Animal Services for the spay/neuter program.

- **Be a Model of Excellence in Managing our Business and People:** Provides for balanced budgets in the General and Structural Fire Funds consistent with the Four-Year Plan to mitigate the structural deficits, avoid layoffs, and maintain service efficacy. Considers labor negotiations that will result in ongoing cost reductions and promotes retention of critical public safety positions. Makes a priority of encouraging countywide promotional opportunities and regular recruitment announcements to "Hire from Within." Sets aside funding for future retirement cost increases.
- **Fostering a Culture of Innovation:** Allocates funding towards the continuation of the countywide deployment of Lean Six Sigma training to identify opportunities that achieve greater efficiency; replacement of the County's Payroll, Human Resources and Financial Management system; enhanced use of software and social media to increase successful hiring and employee engagement; and the modernization of the County's website through a more user-friendly, transparent and social media connected design. Includes funding to promote Advance Kern that is intended to encourage business development in Kern County through economic development incentives.

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*Awards and Acknowledgments*

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The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Kern for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the twenty-first consecutive year that the County of Kern has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Sincerely,



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

**COUNTY OF KERN  
DIRECTORY OF COUNTY OFFICIALS**

**ELECTED**

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

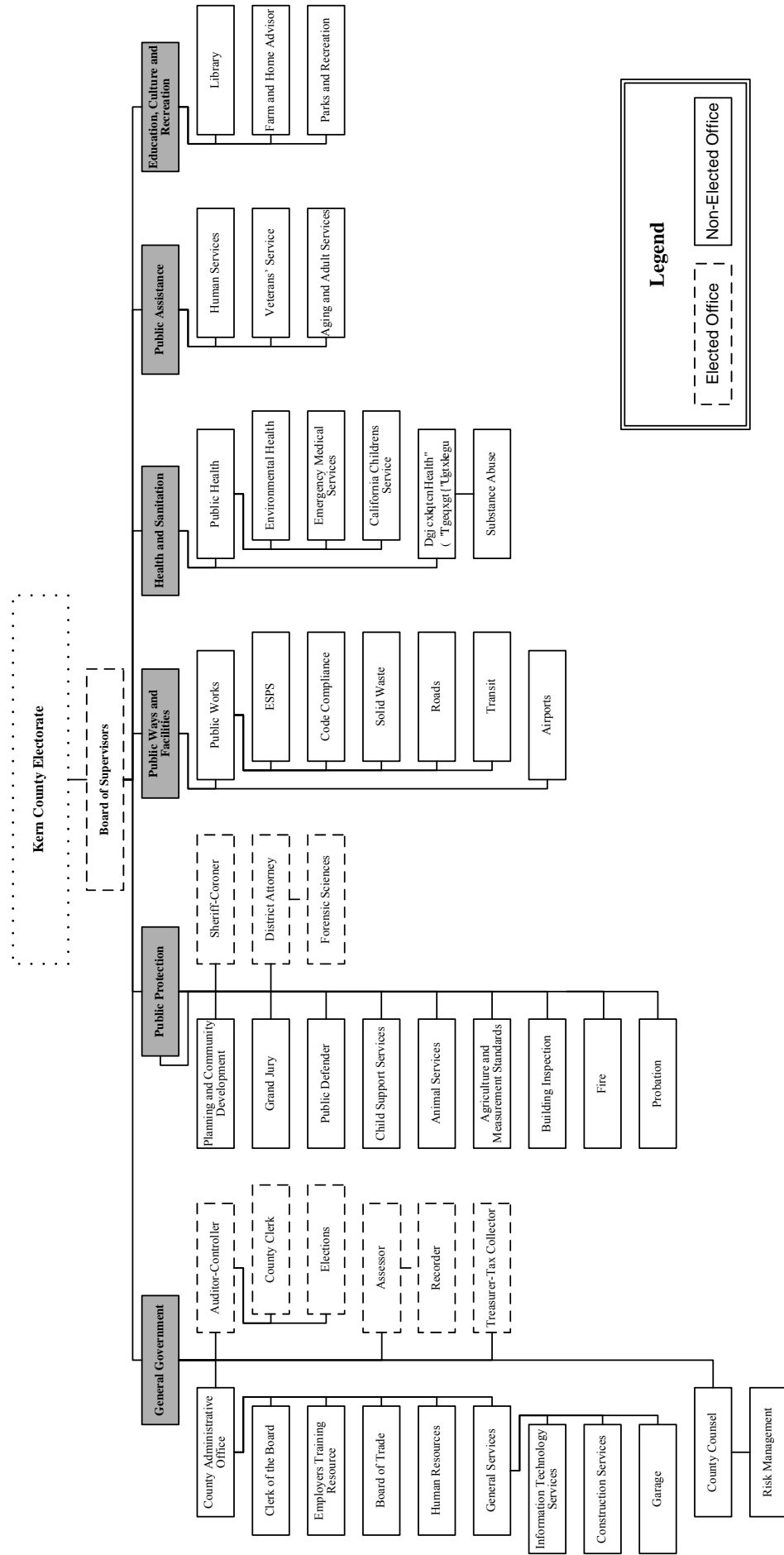


**COUNTY OF KERN**  
**DIRECTORY OF COUNTY OFFICIALS**  
(CONTINUED)

**APPOINTED**

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

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





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Kern  
California**

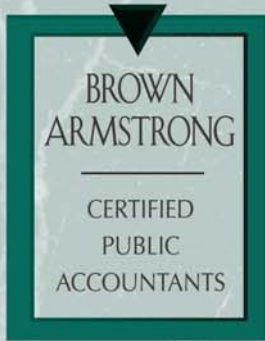
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO





# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Kern, California, (the County) as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Kern County Hospital Authority (Hospital Authority) (discretely presented component unit) and Tejon Ranch Public Facilities Financing Authority (discretely presented component unit), which represent 91% of the total assets and 98% of the total revenues of the County's discretely presented component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Hospital Authority and Tejon Ranch Public Facilities Authority, are based on the report of those auditors.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of a Matter

During the fiscal year ended June 30, 2018, the County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion was not modified with respect to this matter.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15-25; budgetary comparison schedules and related notes for the General Fund and major special revenue funds on pages 92-101; schedules of the County's proportionate share of the net pension liability and schedule of the County's pension contributions on page 102; and schedule of the County's proportionate share of the net other post-employment benefits liability on pages 103, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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

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

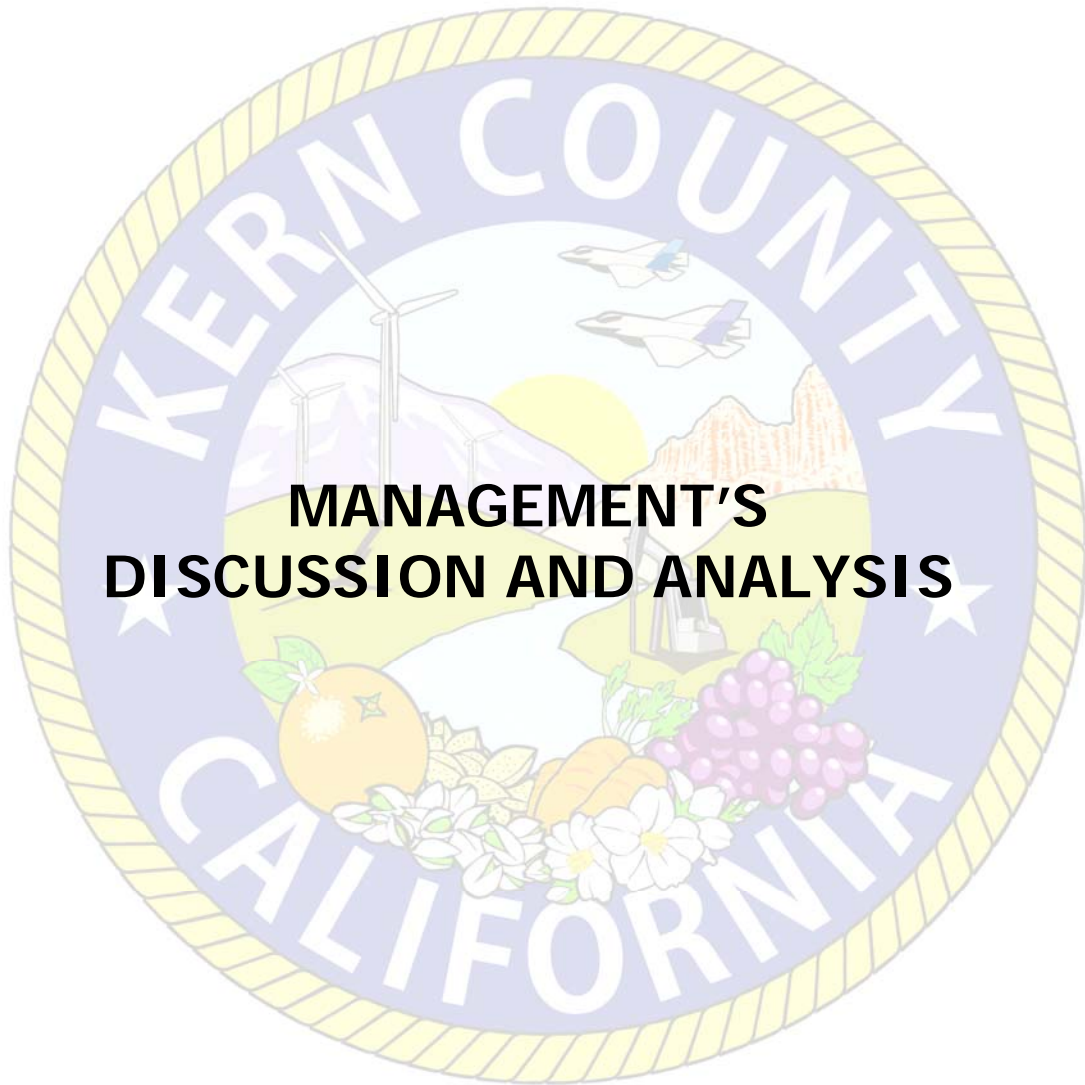
## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Bakersfield, California  
January 30, 2019

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*



**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

**COUNTY OF KERN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**  
**UNAUDITED**

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The management's discussion and analysis section of the County of Kern's (County) Comprehensive Annual Financial Report (CAFR) presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2018. Users of these financial statements should read this section in conjunction with the transmittal letter at the front of the CAFR and the County's basic financial statements following this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

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*Financial Highlights*

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- At June 30, 2018, the County's total net position was \$768,402. Of this total net position, \$2,067,728 is attributed to net investment in capital assets, and \$407,504 is restricted, which may be used for the County's ongoing obligations with external restrictions. (For additional information on Restricted Net Position see Note XVII. B.) The remaining balance of the total net position is a deficit balance of \$1,706,830, representing the unrestricted net position.
- During the current fiscal year, the County's net position increased by \$117,025. The County's net position increased by \$97,376 for governmental activities and \$19,649 for business-type activities.
- At June 30, 2018, the County's governmental funds reported total ending fund balance of \$687,374, an increase of 0.64% compared to prior year's total ending fund balance. Approximately \$666,915 or 97.02% is considered spendable fund balance. See further discussion in the Financial Analysis of the County's Governmental Funds section on page 21.
- At June 30, 2018, the spendable fund balance for the General Fund was \$266,349 or 93.69% of total General Fund expenditures.

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*Overview of the Basic Financial Statements*

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

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

**Government-Wide Financial Statements**

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

The *Statement of Net Position* presents information on all the County's assets and deferred outflows of resources less liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information illustrating how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event takes place regardless of when cash is received or paid. Thus, some revenues and expenses are reported in the CAFR for some items that will only result in cash inflows and outflows in future fiscal years.

Both the *Statement of Net Position* and the *Statement of Activities* distinguish between activities that are primarily financed with taxes and intergovernmental revenues (governmental activities) and those that are intended to



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

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

### **Fund Financial Statements**

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

- Governmental funds
- Proprietary funds
- Fiduciary funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This will allow readers to get a better understanding of the long-term impact of the County's future financing decisions. Both the governmental funds' balance sheet and the governmental funds' statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

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

**Proprietary funds** are reported in two ways: enterprise funds and internal service funds. Enterprise funds are reported as business-type activities in the government-wide financial statements. The County has the following enterprise funds: Airports, County Sanitation Districts, Golf Courses, Public Transportation, Waste Management, and Universal Collection. Internal service funds are used to accumulate and allocate costs internally among the County's various functions.

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

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

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

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

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

### Notes to the Financial Statements

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

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

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## Government-Wide Financial Analysis

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

	Governmental Activities		Business-Type Activities		Total		Total Change	Percent Change
	2018	2017	2018	2017	2018	2017		
Current and Other Assets	\$ 1,042,840	\$ 996,202	\$ 98,786	\$ 94,841	\$ 1,141,626	\$ 1,091,043	\$ 50,583	4.64%
Capital Assets	1,969,042	1,936,224	197,317	189,122	2,166,359	2,125,346	41,013	1.93%
Total Assets	3,011,882	2,932,426	296,103	283,963	3,307,985	3,216,389	91,596	2.85%
Total Deferred Outflows of Resources	447,256	459,036	9,059	9,005	456,315	468,041	(11,726)	(2.51%)
Current and Other Liabilities	262,422	232,410	13,887	17,672	276,309	250,082	26,227	10.49%
Long-Term Liabilities	2,437,884	2,524,511	110,258	114,493	2,548,142	2,639,004	(90,862)	(3.44%)
Total Liabilities	2,700,306	2,756,921	124,145	132,165	2,824,451	2,889,086	(64,635)	(2.24%)
Total Deferred Inflows of Resources	168,055	141,140	3,392	2,827	171,447	143,967	27,480	19.09%
Net Position								
Net Investment in								
Capital Assets	1,875,532	1,842,399	192,196	184,012	2,067,728	2,026,411	41,317	2.04%
Restricted	405,102	397,190	2,402		407,504	397,190	10,314	2.60%
Unrestricted	(1,689,857)	(1,746,188)	(16,973)	(26,036)	(1,706,830)	(1,772,224)	65,394	3.69%
Total Net Position	\$ 590,777	\$ 493,401	\$ 177,625	\$ 157,976	\$ 768,402	\$ 651,377	\$ 117,025	17.97%

As noted earlier, net position may serve as a useful indicator of a government’s financial position over time. At June 30, 2018, the County’s total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$768,402.

**Net Investment in Capital Assets**

The County’s largest portion of total net position is the net investment in capital assets of \$2,067,728. The net investment in capital assets includes land, buildings and improvements, roads, machinery and equipment, intangibles, and construction in progress, less accumulated depreciation and amortization and any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens, and, as a result, these assets are not available for future spending. Because the net investment in capital assets is reported net of related debt, and since the capital assets themselves cannot be used to liquidate the debt liabilities, it should be noted that the resources needed to repay this debt must be provided from other sources.

The increase in net investment in capital assets of \$41,317, or 2.04%, was the result of the current fiscal year capital acquisitions, disposals, depreciation and amortization, and retirement of related long-term debt. In most cases, the disposals of capital assets have no effect on the change in net investment in capital assets, since assets are not typically disposed of until the end of their useful life and would carry no book value when net of associated depreciation or amortization. The largest increase in capital asset activity was in infrastructures. The \$69,883 change, shown in table 3 on page 23, was a result of road construction projects and roads given, by developers, to the County to maintain. Depreciation and Amortization of \$58,854 was the biggest reduction to net investment in capital assets.

**Restricted Net Position**

Of the County’s total net position, \$407,504 is restricted, which represents external restrictions on how these resources may be used. The major portion of the restricted resources, \$363,357, is reserved for capital projects, public protection, public ways & facilities, and health & sanitation. The total restricted balance increased by \$10,314, or 2.60%, predominantly from the increase of \$20,197 to health and sanitation, which is mostly made up of restricted state and federal revenues within Behavioral Health & Recovery Services. Restricted amounts for capital projects, public protection, and public was & facilities all decreased in the current fiscal year.

**Unrestricted Net Position**

The remaining balance of net position represents the unrestricted resources, which has a deficit balance of \$1,706,830. This deficit balance is largely due to the inclusion of the long-term debt specifically for the unfunded portions of the pension and Other Post-Employment Benefit (OPEB) liabilities. In the current fiscal year, unrestricted net position increased by \$65,394, or 3.69%; this change is due to the current year debt payments and the reductions of the net liabilities from the pension and OPEB actuarial reports.

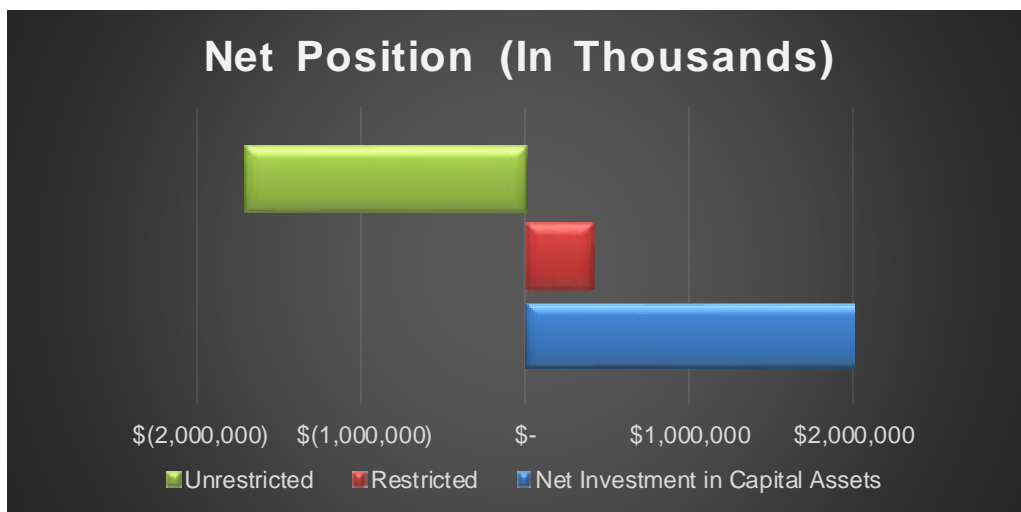


Table 2 - County of Kern's Changes in Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Total		Total Change
	2018	2017	2018	2017	2018	2017	
<b>Revenues</b>							
<b>Program Revenues</b>							
Charges for Services	\$ 270,083	\$ 268,880	\$ 78,283	\$ 73,222	\$ 348,366	\$ 342,102	\$ 6,264
Operating Grants & Contributions	831,071	812,906	3,387	2,974	834,458	815,880	18,578
Capital Grants & Contributions	37,551	87,051	10,344	25,291	47,895	112,342	(64,447)
<b>General Revenues</b>							
Property Taxes	256,436	248,903			256,436	248,903	7,533
Aircraft Taxes	195	271			195	271	(76)
Sales & Use Taxes	41,872	44,699			41,872	44,699	(2,827)
Transient Occupancy Tax	2,700	2,403			2,700	2,403	297
Special Assessments	3,780	3,265			3,780	3,265	515
Transfer Tax	4,489	3,607			4,489	3,607	882
Other Taxes	1,673	1,544			1,673	1,544	129
Vehicle License Taxes	98,609	93,082			98,609	93,082	5,527
Investment Earnings	5,659	10,514	716	432	6,375	10,946	(4,571)
Miscellaneous	6,190	8,519			6,190	8,519	(2,329)
<b>Total Revenues</b>	<b>1,560,308</b>	<b>1,585,644</b>	<b>92,730</b>	<b>101,919</b>	<b>1,653,038</b>	<b>1,687,563</b>	<b>(34,525)</b>
<b>Expenses</b>							
General Government	97,224	108,559			97,224	108,559	(11,335)
Public Protection	564,490	597,476			564,490	597,476	(32,986)
Public Ways & Facilities	51,826	60,666			51,826	60,666	(8,840)
Health & Sanitation	240,493	206,660			240,493	206,660	33,833
Public Assistance	471,462	466,736			471,462	466,736	4,726
Education	7,789	8,403			7,789	8,403	(614)
Culture & Recreation Services	920	777			920	777	143
Interest on Short & Long-Term Debt	28,423	35,566			28,423	35,566	(7,143)
Airports			8,630	7,320	8,630	7,320	1,310
County Sanitation Districts			4,772	4,255	4,772	4,255	517
Golf Courses			331	217	331	217	114
Public Transportation			10,362	10,621	10,362	10,621	(259)
Universal Collection			16,026	13,305	16,026	13,305	2,721
Waste Management			33,265	37,626	33,265	37,626	(4,361)
<b>Total Expenses</b>	<b>1,462,627</b>	<b>1,484,843</b>	<b>73,386</b>	<b>73,344</b>	<b>1,536,013</b>	<b>1,558,187</b>	<b>(22,174)</b>
<b>Excess of Revenues Over Expenses Before Transfers</b>							
	97,681	100,801	19,344	28,575	117,025	129,376	(12,351)
Transfers	(305)	(328)	305	328	-	-	-
Special Item - Transfer of Operations		7,748		282,147		289,895	(289,895)
Increase in Net Position	97,376	108,221	19,649	311,050	117,025	419,271	(302,246)
Net Position at Beginning of Year*	493,401	385,180	157,976	(153,074)	651,377	232,106	419,271
<b>Net Position at End of Year</b>	<b>\$ 590,777</b>	<b>\$ 493,401</b>	<b>\$ 177,625</b>	<b>\$ 157,976</b>	<b>\$ 768,402</b>	<b>\$ 651,377</b>	<b>\$ 117,025</b>

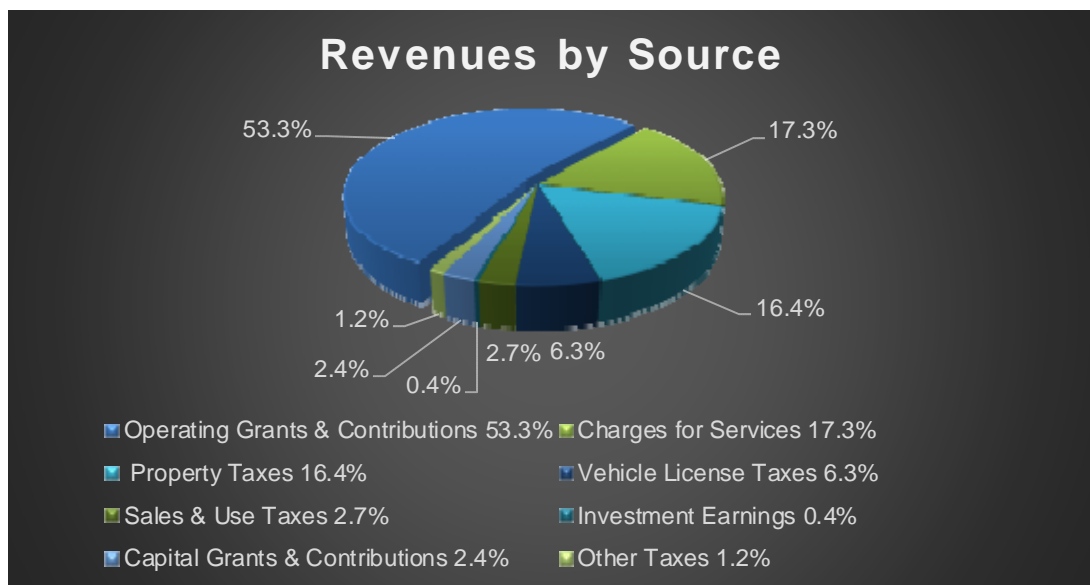
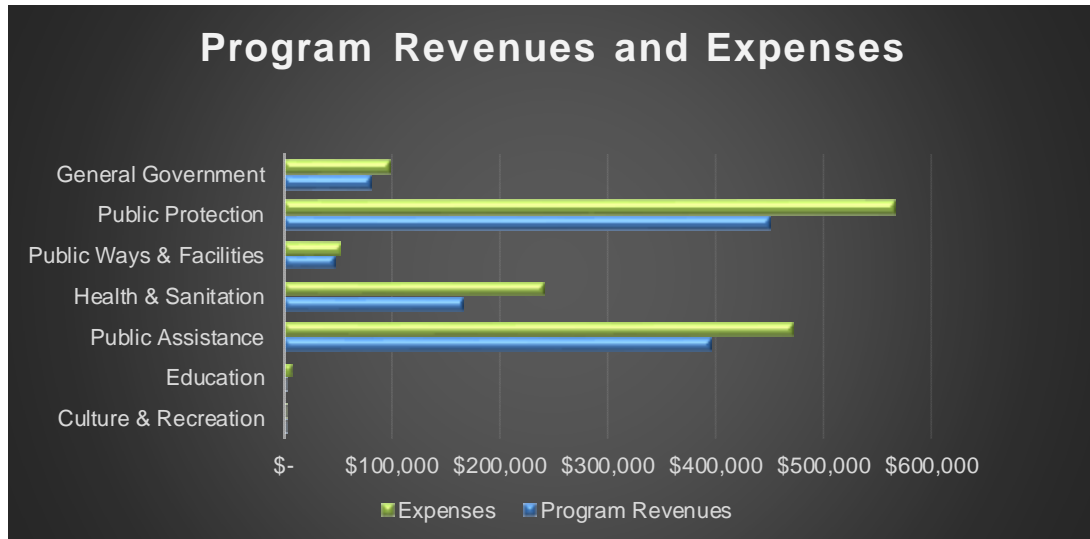
\* As restated. See Note II. A.

### Governmental Activities

The Governmental activities increased the County's net position by \$97,376 for the year ended June 30, 2018:

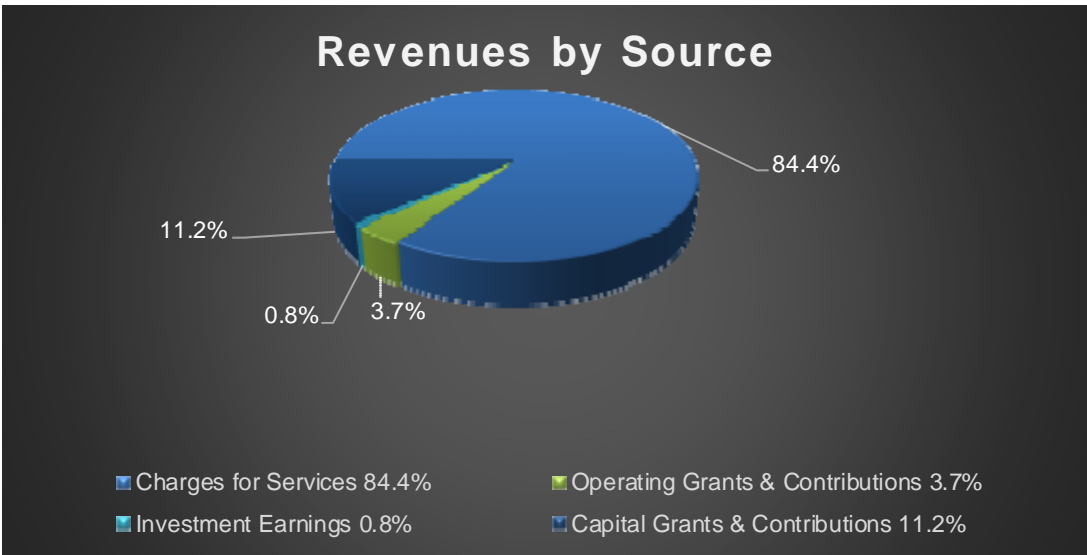
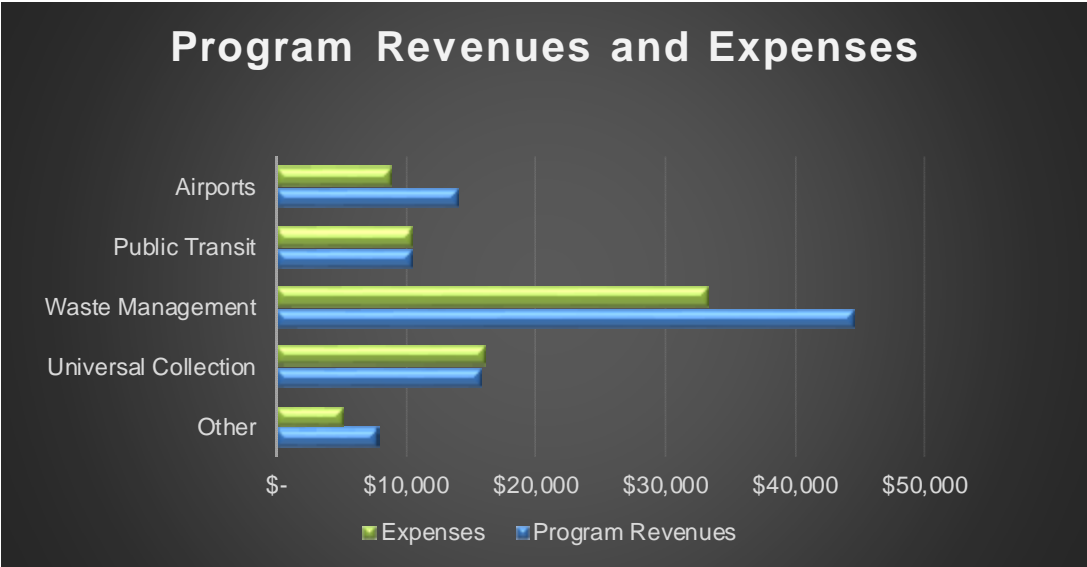
- Total revenues decreased by \$25,336, or 1.60%; the largest drop in revenues was from program revenues for capital grants and contributions, a decrease of \$49,500. The reduction in capital grants and contributions was due to a majority of the reimbursed costs for the new jail facility being in the prior year.
- As an arm of the State government, operating grants and contributions serve multiple programs, representing 72.98% of the County's program revenue for governmental activities, and are tied to the mandated services such as public assistance, public health, and mental health. Funding levels for these revenue sources increased by 2.23% from the prior year.
- Taxes and investment earnings that are generated locally provide the Board of Supervisors (Board) with most of its discretionary spending power. The changes are primarily due to the following:
  - Property Tax* revenues increased by \$7,533, or 3.03%, from prior year due to an increase in property values and oil prices.
  - Investment Earnings* revenues decreased by \$4,855, or 46.18%, from prior year due to the change in fair value of investments at year-end.
- Total expenses decreased by \$22,216, or 1.50%, from prior year largely due to the decrease to the governmental portion of the net pension liability, which gets allocated to functional expenses at the government-wide level. Although the total pension allocation was a reduction, personnel changes caused an increase in costs for Health & Sanitation with the largest decrease happening in Public Protection. The

remining increase in Health & Sanitation came from additional expenses for Behavioral Health & Recovery Services. The increase in Public Assistance resulted from additional benefit payments by Human Services.



### Business-type Activities

Business-type activities' total net position increased the County's net position by \$19,649, or 12.44%. Charges for Services increased by \$5,061 due to higher sewer and universal collection fees. Capital Grants and Contributions decreased by \$14,947 due to less reimbursed costs in the current year for the Airports runway rehabilitation project. Expenses in the government-wide business-type activities remained relatively consistent with a slight increase in Airports expenses due to additional depreciation from the recently completed construction projects and Universal Collections due to additional costs for services provided. Waste Management had a decrease in current year expenses due to a reduction in services and supplies.




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*Financial Analysis of the County's Funds*

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**Governmental Funds**

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

At June 30, 2018, the County's governmental funds reported total fund balances of \$687,374, an increase of 0.64% compared to prior year's total ending fund balance. Approximately \$666,915, or 97.02%, of total fund balance is spendable fund balance, which is a useful measure of the County's resources available for spending in subsequent periods. Spendable fund balance is broken out into the following categories: Restricted, Committed, Assigned, and Unassigned. These categories identify allowable usage of fund balance. The remaining balance of fund balance is nonspendable. Nonspendable fund balance indicates that it is not available for spending because it is either not in spendable form or legally or contractually required to be maintained intact.

The General Fund is the chief operating fund of the County. At June 30, 2018, spendable fund balance of the General Fund was \$266,349. As a measure of the General Fund's liquidity, it may be helpful to compare both spendable fund balance and total fund balance to total fund expenditures. Spendable fund balance represents

43.04% of total General Fund expenditures, while total fund balance represents 45.94% of total General Fund expenditures.

The fund balances for other governmental funds increased by \$7,823, or 1.98%. The following major governmental funds had significant changes in fund balance:

- Behavioral Health & Recovery Services – Fund balance increased by \$18,422, or 12.14%, to a total of \$151,744. Although there was a growth in staffing and services provided this year, Medi-Cal, Realignment, and Mental Health Services Act revenues also increased resulting in the change to fund balance.
- County Local Revenue Fund – Fund balance increased by \$9,869, or 35.29%, to a total of \$37,832. The increase is due to receiving additional revenue for realignment growth funding, which remained in the fund at the end of the year.
- Roads – Fund balance decreased by \$5,167, or 14.77%, to a total of \$29,808. The decrease was in line with County budget, which planned the use of fund balance in order to maintain or exceed the current level of service.
- Structural Fire – Fund balance decreased by \$2,393, or 26.46%, to a total of \$6,652. The reduction was due to an increase in salaries and benefits costs.

The following other governmental funds had significant changes in fund balance:

- Building Inspection – Fund balance decreased by \$1,270, or 7.32%, to a total of \$16,070. Changes to building code saw an increase in residential projects. The budgeted decrease, intending to maintain the level of service, was a result of higher labor reimbursement costs and engineering consultant services than license and permit fees.
- Local Public Safety – Fund balance decreased by \$4,244, or 34.69%, to a total of \$7,990. Fund balance reserves were budgeted to be used based on an anticipated decline to Proposition 172 revenues, generated by a statewide half-cent sales tax for public safety.
- Oil and Gas Program – This newly created special revenue fund accounts for revenues from the previously adopted ordinance for local permitting of oil and gas production.
- Project Impact Mitigation Fund – Fund balance decreased by \$11,121, or 76.62%, to a total of \$3,394. The decrease was for the acquisition of agricultural land easements to provide for the benefit of the Swainson's Hawk.
- Other Special Revenue Funds – Fund balance for nonbudgeted funds increased \$2,366. Most of the increase is due to \$2,125 collected for oil and gas road maintenance.
- Tobacco Securitization Proceeds – Fund balance decreased by \$3,400, or 9.37%, to a total of \$32,898. A majority of the reduction was transferred to reimburse expenditures of the new jail construction project.

### Proprietary Funds

The proprietary funds provide similar information to the government-wide financial statements, but in more detail. The enterprise funds' total net position increased by \$18,066. The net position of Airports increased by \$5,448, Waste Management increased by \$10,578, and the non-major enterprise funds increased by \$2,040. Operating revenues remained constant with prior year for Airports and Waste Management; however, operating expenses for Airports increased by \$1,360, or 18.98%, largely due to an increase in depreciation, of \$1,122, with the completion of Phases I and II of the Meadows Field Runway Rehabilitation Project. Operation expenses for Waste Management decreased this year by \$2,903, or 7.81%, due to the reduction in post closure and net pension liabilities. Operating expenses increased for the non-major enterprise funds by \$3,518, or 12.48%, due to anticipated cost increases associated with contracts. These costs were offset by higher sewer and universal collection fees resulting in an additional \$4,560, or 23.08%, for the non-major enterprise funds' operating revenues.

The internal service funds had an increase in net position of \$35,823. The General Liability Fund's net position increased \$8,538 due to the \$9,490 reduction in the actuarial provided self-insurance liability. The General Services-Garage Fund had an increase in net position of \$2,410 as a result of the current year reduction in the net pension liability. The Group Health Fund increased net position by \$19,019 due to lower than anticipated claims costs and costs savings from programmatic changes. The Public Works Fund's net position increased \$2,368 based on capitalized costs, revenues without associated expenses, and the timing of fringe and overhead rate adjustments. The Workers' Compensation Fund had an increase in net position of \$3,018 due to the reduction in the actuarial provided self-insurance liability.

The remaining internal service funds experienced the following changes as a result of normal operations: The Retiree Group Health Fund increased net position by \$29. The Unemployment Compensation Fund also had an increase to net position of \$441.

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*General Fund Budgetary Variances*

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

- Increase in total General Government appropriations of \$28,776 includes prior year appropriations that consisted of major maintenance and capital projects as well as appropriations transferred from contingencies and reserves. Additionally, the decrease of \$1,244 in the Debt Service function was transferred to the General Government to be used for unanticipated uninsured litigation costs.
- Increase in total Public Protection appropriations of \$9,524 includes additional appropriations for capital assets for the Probation's department as well as an increase in appropriations for salaries & benefits and professional services for the Sheriff's department.
- Miscellaneous increases in appropriations for normal operations in other budgetary functions of the General Fund.

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

- Taxes exceeded budget estimates due to greater secured tax revenues.
- Aid from Other Governmental Agencies was lower than anticipated due to a reduction in state aid for public assistance and other various programs.
- Charges for Current Services relating to prisoner reimbursements were lower than anticipated.
- Other Revenues budgeted was less than actual received by General Services and General Discretionary Revenue.
- General Government excess appropriations are the result of multi-year capital projects and major maintenance projects not completed this year.
- Public Protection excess appropriations are the result unspent funds in District Attorney, Probation, Public Defender, Sheriff, and Planning, with small unspent funds in all other Public Protection departments.
- Health and Sanitation had lower than anticipated salaries and benefits expenditures in the Public Health department due to vacant and unfunded positions.

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*Capital Assets and Debt Administration*

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**Capital Assets**

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

	Governmental Activities		Business - Type Activities		Total		Total Change
	2018	2017	2018	2017	2018	2017	
Land	\$ 27,406	\$ 27,104	\$ 27,793	\$ 27,447	\$ 55,199	\$ 54,551	\$ 648
Land Acquisition in Progress			96	97	96	97	(1)
Construction in Progress	145,811	129,936	9,861	32,677	155,672	162,613	(6,941)
Works of Arts	60	60	198	198	258	258	
Infrastructure	777,019	742,711	87,331	51,756	864,350	794,467	69,883
Structures and Improvements*	463,310	460,131	158,558	156,254	621,868	616,385	5,483
Equipment*	205,558	201,222	31,358	31,452	236,916	232,674	4,242
Intangibles*	1,141,707	1,125,334	944	886	1,142,651	1,126,220	16,431
<b>Total</b>	<b>\$ 2,760,871</b>	<b>\$ 2,686,498</b>	<b>\$ 316,139</b>	<b>\$ 300,767</b>	<b>\$ 3,077,010</b>	<b>\$ 2,987,265</b>	<b>\$ 89,745</b>

\*As restated. See Note II. A.



The County's total net capital assets are \$2,166,359 at June 30, 2018. Capital assets include land, land acquisition in progress, construction in progress, works of art, infrastructure, structures and improvements, equipment, and intangibles. The County's gross capital assets are illustrated in Table 3.

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

- Infrastructure – The Roads Department had many completed infrastructure projects in the current fiscal year. The total infrastructure additions by Roads were \$32,797. Additionally, Airports completed Phases I & II of their runway rehabilitation project, which added \$35,575 to the infrastructure total.
- Structures and Improvements – The most notable completed structure project cost was \$2,052 for the Ridgecrest Crisis Stabilization Unit to assist psychiatric clients in outlying areas.
- Intangibles – The County purchased \$11,394 in agricultural easements for Swainson's Hawk mitigation. Additionally, \$5,013 in right of way easements were recorded for new roads that will be maintained by the County.
- Construction in Progress – Projects without a notice of completion as of the fiscal year end include the new jail facility, an upgrade to the Lerdo water plant, Mary K. Shell building upgrades, and several roads projects.

Additional information regarding the County's capital assets is reported in Note I. H of the Notes to the Financial Statements.

### Long-Term Debt

At June 30, 2018, the County's long-term debt is \$2,408,980, which is mainly comprised of Certificates of Participation (COP) (secured by the County's lease rental payments), tobacco asset backed bonds, net pension liability, and Pension Obligation Bonds. The remaining long-term liabilities include other bonds payable, capital leases, various loans payable, closure/post closure liabilities, compensated absences, and net OPEB liability.

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

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

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

	Governmental Activities		Business - Type Activities		Total		Total Change
	2018	2017	2018	2017	2018	2017	
Compensated Absences*	\$ 58,854	\$ 57,573	\$ 1,889	\$ 1,649	\$ 60,743	\$ 59,222	\$ 1,521
Lease Purchase Agreements	11,340	8,400			11,340	8,400	2,940
Certificates of Participation	82,542	86,188			82,542	86,188	(3,646)
Tobacco - Asset Backed Bonds	86,938	92,439			86,938	92,439	(5,501)
Bonds Payable	11,247	11,964			11,247	11,964	(717)
Loans Payable	3,832	4,205	5,250	5,302	9,082	9,507	(425)
Pension Obligation Bonds	194,902	213,851	3,162	3,473	198,064	217,324	(19,260)
Landfill Closure Liability			29,686	28,510	29,686	28,510	1,176
Post Closure Liability			30,263	35,563	30,263	35,563	(5,300)
Net OPEB Liability*	53,911	61,932	1,284	1,427	55,195	63,359	(8,164)
Net Pension Liability*	1,798,886	1,823,371	34,994	36,024	1,833,880	1,859,395	(25,515)
<b>Total</b>	<b>\$ 2,302,452</b>	<b>\$ 2,359,923</b>	<b>\$ 106,528</b>	<b>\$ 111,948</b>	<b>\$ 2,408,980</b>	<b>\$ 2,471,871</b>	<b>\$ (62,891)</b>

\*As restated. See Note II. A.

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### *Economic Factors and Next Year's Budgets and Rates*

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Governor Brown's approved State budget for the 2018-19 fiscal year (FY) provides for new spending priorities that are primarily one-time in nature and include \$2 billion for infrastructure investments, \$359 million in homeless assistance programs for local governments, \$312 million for mental health services, and an additional \$96 million in Cap and Trade revenue. These investments are made possible through tax revenues exceeding expectations by \$3.8 billion since January estimates, increasing the total state budget surplus to \$8.8 billion. A \$3.5 billion supplemental payment is proposed to be deposited to the Rainy Day Fund, fully funding it at \$13.8 billion. In addition, the May Revision directs \$3.2 billion to the traditional budget reserve fund, tripling its historical size.

The FY 2018-19 recommended County budget totals \$2.7 billion, a decrease of \$71.3 million, or 2.56% from the FY 2017-18 adjusted budget. The General Fund, which funds many County operations, totals \$829.7 million, a decrease of \$38.7 million, or 4.45%. The comparison excludes Budget Savings Incentive (BSI) credits and intrafund reimbursements for the General Fund. A majority of the change in the budget from last fiscal year is related to fewer capital and major maintenance projects, less reserves set aside and one-time program funding for expenditures in the prior year. For FY 2018-19, departments that receive an allocation of Net County Cost were requested to submit budgets with up to a 2.5% reduction of Net County Cost from FY 2017-18 in accordance with the Four-Year Fiscal Deficit Mitigation Plan. The net adjustments to department allocations generated \$6.5 million in savings that helped balance the budget.

Property related revenue of \$387 million primarily consists of funding from property taxes is projected to increase by \$15.8 million, or 4.25% from the FY 2017-18 adjusted budget. This is primarily due to an anticipated increase in the assessed valuation of properties within the County. The January 1, 2018 lien date valuation of \$61 per barrel of oil reflects a noteworthy increase from the eleven year low of \$35 in 2016; however, declining reserves and significant property transfers at historically low prices have limited oil and gas property assessed valuations to a 3% increase from 2017-18.

In the coming years, the following factors will have a significant impact on the County budget: Increasing retirement costs, rising utility costs, continuing deficits by the County's Structural Fire Fund, maintaining service levels for the Sheriff's Office while operating the new justice facility, approaching minimum wage increase to \$15, and cost increases for In-Home Supportive Services Maintenance of Effort being passed along to the local government.

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### *Requests for Information*

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

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



**BASIC FINANCIAL  
STATEMENTS**

**Government-Wide Financial Statements**

**COUNTY OF KERN  
STATEMENT OF NET POSITION  
JUNE 30, 2018 (IN THOUSANDS)**

ASSETS	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Totals	
Pooled Cash and Investments	\$ 683,193	\$ 113,327	\$ 796,520	\$ 89,809
Other Cash and Investments				19,720
Revolving Fund Cash	1,477	10	1,487	11
Restricted Cash and Investments	44,740		44,740	922
Receivables, Net	202,535	9,216	211,751	48,705
Due from Other Agencies	8,998		8,998	
Inventories	3,548		3,548	5,347
Prepaid Expenses				4,129
Housing Loans Receivable	55,629		55,629	
Housing Loans Interest Receivable	14,896		14,896	
Deposits with Others	1,655		1,655	
Internal Balances	26,169	(26,169)		
Investment in Joint Venture		2,402	2,402	
Other Assets				754
Capital Assets:				
Nondepreciable	1,299,906	37,948	1,337,854	13,353
Depreciable, Net	669,136	159,369	828,505	49,218
Total Assets	<u>3,011,882</u>	<u>296,103</u>	<u>3,307,985</u>	<u>231,968</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	9,065	94	9,159	460
Deferred OPEB	2,207	52	2,259	47
Deferred Pensions	435,984	8,913	444,897	70,848
Total Deferred Outflows of Resources	<u>447,256</u>	<u>9,059</u>	<u>456,315</u>	<u>71,355</u>
<b>LIABILITIES</b>				
Accounts Payable	45,974	9,037	55,011	26,672
Salaries and Employee Benefits Payable	49,319	210	49,529	11,273
Due to Other Agencies	671		671	27,967
Accrued Interest Payable	30,123	540	30,663	4,853
Advances from Grantors and Third Parties	39,946	786	40,732	
Long-Term Liabilities:				
Due Within One Year:				
Long-Term Debt	28,150	920	29,070	5,249
Capital Leases	3,398		3,398	2,500
Compensated Absences	39,432	1,435	40,867	10,645
Closure, Post Closure, & Pollution Remediation Liability for Self-Insurance	25,409	959	25,409	4,687
Due After One Year:				
Certificates of Participation	79,013		79,013	2,217
Bonds and Notes Payable	268,848	2,824	271,672	99,095
Loans Payable	3,450	4,667	8,117	
Accrued Interest	102,352	1,710	104,062	17,233
Capital Leases	7,942		7,942	3,683
Compensated Absences	19,422	454	19,876	3,868
Liability for Pollution Remediation		5,125	5,125	
Accrued Landfill Closure/Post Closure Costs		59,200	59,200	
Liability for Self-Insurance	104,060		104,060	12,865
Net OPEB Liability	53,911	1,284	55,195	4,306
Net Pension Liability	1,798,886	34,994	1,833,880	293,255
Total Liabilities	<u>2,700,306</u>	<u>124,145</u>	<u>2,824,451</u>	<u>530,368</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Housing Payments	1,029		1,029	
Deferred OPEB	10,359	247	10,606	2,479
Deferred Pensions	156,667	3,145	159,812	66,768
Total Deferred Outflows of Resources	<u>168,055</u>	<u>3,392</u>	<u>171,447</u>	<u>69,247</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,875,532	192,196	2,067,728	60,354
Restricted (Note XVII. B):				
Debt Service	11,573		11,573	922
Capital Assets				14
Capital Projects	35,502		35,502	
General Government	4,923		4,923	
Public Protection	108,897		108,897	
Public Ways & Facilities	40,121		40,121	
Health and Sanitation	178,837		178,837	
Public Assistance	22,927		22,927	
Education	474		474	
Culture & Recreation Services	246		246	
Other Purposes	1,602	2,402	4,004	9,366
Unrestricted (Deficits)	<u>(1,689,857)</u>	<u>(16,973)</u>	<u>(1,706,830)</u>	<u>(366,948)</u>
Total Net Position	<u>\$ 590,777</u>	<u>\$ 177,625</u>	<u>\$ 768,402</u>	<u>\$ (296,292)</u>

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

**COUNTY OF KERN  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Discretely Presented Component Units
					Governmental Activities	Business-Type Activities	
Governmental Activities:							
General Government	\$ 97,224	\$ 64,126	\$ 16,014	\$ 255	\$ (16,829)	\$ (16,829)	
Public Protection	564,490	107,854	330,172	12,484	(113,980)	(113,980)	
Public Ways and Facilities	51,826	5,483	24,644	15,926	(5,773)	(5,773)	
Health and Sanitation	240,493	78,668	78,171	8,886	(74,768)	(74,768)	
Public Assistance	471,462	13,502	382,062		(75,898)	(75,898)	
Education	7,789	436	8		(7,345)	(7,345)	
Culture and Recreation Services	920	14			(906)	(906)	
Interest on Short and Long-term Debt	28,423				(28,423)	(28,423)	
Total Governmental Activities	<u>1,462,627</u>	<u>270,083</u>	<u>831,071</u>	<u>37,551</u>	<u>(323,922)</u>	<u>(323,922)</u>	
Business-type Activities:							
Airports	8,630	4,225	711	8,896		5,202	
County Sanitation Districts	4,772	7,515				2,743	
Golf Courses	331	200				(131)	
Public Transportation	10,362	7,696	1,186	1,448		(32)	
Universal Collection	16,026	15,706				(320)	
Waste Management	33,265	42,941	1,490			11,166	
Total Business-type Activities	<u>73,386</u>	<u>78,283</u>	<u>3,387</u>	<u>10,344</u>		<u>18,628</u>	
Total Primary Government	<u>\$ 1,536,013</u>	<u>\$ 348,366</u>	<u>\$ 834,458</u>	<u>\$ 47,895</u>	<u>(323,922)</u>	<u>(305,294)</u>	
Discretely Presented Component Units	\$ 396,975	\$ 221,934	\$ 197,867			\$ 22,826	
General Revenues:							
Taxes:							
Property Taxes					256,436	256,436	
Aircraft Taxes					195	195	
Sales and Use Taxes					41,872	41,872	
Transient Occupancy Tax					2,700	2,700	
Special Assessments					3,780	3,780	5,320
Transfer Taxes					4,489	4,489	
Other Taxes					1,673	1,673	
Property Taxes in Lieu of Motor Vehicle License Fees					98,609	98,609	
Grants and Contributions not Restricted to Specific Programs:							
Unrestricted Investment Earnings					5,659	5,659	1,231
Miscellaneous					6,190	6,190	
Transfers					(305)	305	
Total General Revenues, Special Item, and Transfers					<u>421,298</u>	<u>422,319</u>	<u>6,551</u>
Change in Net Position					<u>97,376</u>	<u>117,025</u>	<u>29,377</u>
Net Position--beginning (as restated, Note II. A)					<u>493,401</u>	<u>651,377</u>	<u>(325,669)</u>
Net Position--ending					<u>\$ 590,777</u>	<u>\$ 768,402</u>	<u>(296,292)</u>



**BASIC FINANCIAL  
STATEMENTS**

**Fund Financial Statements**

**COUNTY OF KERN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 1

	<u>GENERAL FUND</u>	<u>BEHAVIORAL HEALTH &amp; RECOVERY SERVICES</u>	<u>COMMUNITY DEVELOPMENT</u>	<u>COUNTY LOCAL REVENUE FUND</u>	<u>HUMAN SERVICES</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 231,974	\$ 166,248	\$ 1,671	\$ 34,321	\$ 233
Revolving Fund Cash	1,303	1			101
Cash and Investments Deposited with Trustee					
Interest Receivable	1,536	681			36
Taxes Receivable	30,849				
Accounts Receivable, Net	5,354	736			5,631
Accrued Revenue	25,913	11,760	2,729	26,365	47,553
Due from Other Funds	35,695	6,830			11,917
Due from Other Agencies	5,846	431			1,956
Housing Loans Receivable			40,685		
Housing Loans Interest Receivable			13,150		
Deposits with Others	136				
Inventory - Materials and Supplies	708				
Total Assets	<u>339,314</u>	<u>186,687</u>	<u>58,235</u>	<u>60,686</u>	<u>67,427</u>
Deferred Outflows of Resources:					
Tobacco Settlement Revenues					
Total Deferred Outflows of Resources					
Total Assets and Deferred Outflows of Resources	<u>\$ 339,314</u>	<u>\$ 186,687</u>	<u>\$ 58,235</u>	<u>\$ 60,686</u>	<u>\$ 67,427</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 17,833	\$ 10,350	\$ 2,563	\$ 471	\$ 1,679
Salaries and Employee Benefits Payable	24,222	4,227			7,792
Due to Other Funds	4,281	220	350	22,383	7,690
Due to Other Agencies		664			
Advances from Grantors and Third Parties	607	113			35,685
Total Liabilities	<u>46,943</u>	<u>15,574</u>	<u>2,913</u>	<u>22,854</u>	<u>52,846</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments			53,618		
Tobacco Settlement Revenues					
Unavailable Revenue - Property Taxes	4,027				
Unavailable Revenue - Reimbursements					5,467
Unavailable Revenue - Other	4,071	947			
Total Deferred Inflows of Resources	<u>8,098</u>	<u>947</u>	<u>53,618</u>		<u>5,467</u>
Fund Balances:					
Nonspendable	17,924	1			101
Restricted	9,753	170,165	1,704	37,832	9,013
Committed	35,528				
Assigned	140,264				
Unassigned	80,804				
Total Fund Balances	<u>284,273</u>	<u>170,166</u>	<u>1,704</u>	<u>37,832</u>	<u>9,114</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 339,314</u>	<u>\$ 186,687</u>	<u>\$ 58,235</u>	<u>\$ 60,686</u>	<u>\$ 67,427</u>

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

KERN COUNTY TOBACCO FUNDING CORP.	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
					<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
\$	\$	\$	\$	\$	Assets:
	29,246	9,624	105,398	578,715	Pooled Cash and Investments
		5	67	1,477	Revolving Fund Cash
9,616			35,124	44,740	Cash and Investments Deposited with Trustee
	110	6	161	2,530	Interest Receivable
		2,285	352	33,486	Taxes Receivable
	425	2,653	486	15,285	Accounts Receivable, Net
	2,716	861	29,366	147,263	Accrued Revenue
	48	936	5,884	61,310	Due from Other Funds
			765	8,998	Due from Other Agencies
			14,944	55,629	Housing Loans Receivable
			1,746	14,896	Housing Loans Interest Receivable
				136	Deposits with Others
	1,334	1,027		3,069	Inventory - Materials and Supplies
<u>9,616</u>	<u>33,879</u>	<u>17,397</u>	<u>194,293</u>	<u>967,534</u>	Total Assets
					Deferred Outflows of Resources:
123,725				123,725	Tobacco Settlement Revenues
<u>123,725</u>				<u>123,725</u>	Total Deferred Outflows of Resources
\$ <u>133,341</u>	\$ <u>33,879</u>	\$ <u>17,397</u>	\$ <u>194,293</u>	\$ <u>1,091,259</u>	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$	\$	\$	\$	\$	Liabilities:
	4,013	21	7,044	43,974	Accounts Payable
		8,623	2,055	46,919	Salaries and Employee Benefits Payable
	58		26,414	61,396	Due to Other Funds
			7	671	Due to Other Agencies
			3,541	39,946	Advances from Grantors and Third Parties
	4,071	8,644	39,061	192,906	Total Liabilities
			16,690	70,308	Deferred Inflows of Resources:
123,725				123,725	Deferred Housing Loan Payments
		2,096	333	6,456	Tobacco Settlement Revenues
				5,467	Unavailable Revenue - Property Taxes
		5		5,023	Unavailable Revenue - Reimbursements
<u>123,725</u>		<u>2,101</u>	<u>17,023</u>	<u>210,979</u>	Unavailable Revenue - Other
					Total Deferred Inflows of Resources
	1,334	1,032	67	20,459	Fund Balances:
9,616	28,474	3,497	110,094	380,148	Nonspendable
		126	25,116	60,770	Restricted
		1,997	2,932	145,193	Committed
				80,804	Assigned
<u>9,616</u>	<u>29,808</u>	<u>6,652</u>	<u>138,209</u>	<u>687,374</u>	Unassigned
					Total Fund Balances
\$ <u>133,341</u>	\$ <u>33,879</u>	\$ <u>17,397</u>	\$ <u>194,293</u>	\$ <u>1,091,259</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances



**COUNTY OF KERN  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
JUNE 30, 2018 (IN THOUSANDS)**

Fund Balances - Total Governmental Funds:	\$	687,374	
Capital assets used in governmental activities are not current financial resources; therefore, the capital assets are not reported in the governmental funds.			1,962,993
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized when earned in governmental activities.			86,225
Deferred outflows and inflows of resources are reported in the Statement of Net Position, but are not recognized in the governmental funds:			
Deferred charge on refunding	\$	9,065	
Deferred OPEB - outflows		2,202	
Deferred OPEB - inflows		(10,336)	
Deferred pensions - outflows		435,517	
Deferred pensions - inflows		<u>(156,486)</u>	279,962
Internal service funds are used by management to charge the costs of management of fleet maintenance, employee benefits, personal injury, and retiree health insurance benefits to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.			6,453
Accrued interest expense does not require the use of current financial resources; therefore, it is not accrued as a liability in the governmental funds.			(132,195)
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:			
Pension Obligation Bonds	\$	(194,692)	
Bonds Payable		(92,322)	
Certificates of Participation		(78,338)	
Net Unamortized Premium/Discount on Long-term Debt		(10,067)	
Capital Leases		(11,340)	
Loan Payable		(3,832)	
Compensated Absences		(58,782)	
Net OPEB Liability		(53,791)	
Net Pension Liability		<u>(1,796,871)</u>	<u>(2,300,035)</u>
Net Position of Governmental Activities	\$		<u><u>590,777</u></u>

**COUNTY OF KERN  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 1

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES
REVENUES:					
Taxes	\$ 309,457	\$	\$	\$	\$
Licenses, Permits and Franchises	11,231				
Fines, Forfeitures and Penalties	12,570				
Revenues from Use of Money and Property	3,625	866	(17)	(319)	158
Aid from Other Governmental Agencies	165,543	53,324	8,223	205,544	250,419
Charges for Current Services	76,842	61,964			379
Other Revenues	5,496	25			2,489
Total Revenues	<u>584,764</u>	<u>116,179</u>	<u>8,206</u>	<u>205,225</u>	<u>253,445</u>
EXPENDITURES:					
Current:					
General Government	119,980				
Public Protection	402,677			2,967	
Public Ways and Facilities					
Health and Sanitation	66,347	154,588			
Public Assistance	14,996		4,245		428,959
Education	7,585				
Culture and Recreation Services					
Capital Outlay	6,300				
Debt Service:					
Principal	664				
Interest	273				
Total Expenditures	<u>618,822</u>	<u>154,588</u>	<u>4,245</u>	<u>2,967</u>	<u>428,959</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(34,058)</u>	<u>(38,409)</u>	<u>3,961</u>	<u>202,258</u>	<u>(175,514)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	172,665	60,090			176,232
Transfers Out	(148,384)	(3,259)	(3,851)	(192,389)	
Inceptions of Capital Leases	6,300				
Total Other Financing Sources (Uses)	<u>30,581</u>	<u>56,831</u>	<u>(3,851)</u>	<u>(192,389)</u>	<u>176,232</u>
Net Changes in Fund Balances	(3,477)	18,422	110	9,869	718
Fund Balances, July 1, 2017 (as previously reported)	288,143	151,744	1,594	27,963	8,396
Prior Period Adjustments	(393)				
Fund Balances, June 30, 2018	<u>\$ 284,273</u>	<u>\$ 170,166</u>	<u>\$ 1,704</u>	<u>\$ 37,832</u>	<u>\$ 9,114</u>

KERN COUNTY TOBACCO FUNDING CORP.	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
\$	\$	\$	\$	\$	REVENUES:
	2,043	94,454	3,780	409,734	Taxes
	2,203	1,191	12,849	27,474	Licenses, Permits and Franchises
		83	9,170	21,823	Fines, Forfeitures and Penalties
471	259	(367)	554	5,230	Revenues from Use of Money and Property
	40,570	6,107	135,476	865,206	Aid from Other Governmental Agencies
	834	42,199	22,954	205,172	Charges for Current Services
8,886	22	551	61,620	79,089	Other Revenues
					Total Revenues
9,357	45,931	144,218	246,403	1,613,728	
					EXPENDITURES:
					Current:
15			3,474	123,469	General Government
		157,899	48,470	612,013	Public Protection
	59,193		2,984	62,177	Public Ways and Facilities
			10,237	231,172	Health and Sanitation
			37,250	485,450	Public Assistance
				7,585	Education
			5	5	Culture and Recreation Services
			16,223	22,523	Capital Outlay
5,235			23,468	29,367	Debt Service:
4,108			37,235	41,616	Principal
					Interest
9,358	59,193	157,899	179,346	1,615,377	Total Expenditures
(1)	(13,262)	(13,681)	67,057	(1,649)	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
	8,095	11,655	34,697	463,434	Transfers In
		(367)	(115,489)	(463,739)	Transfers Out
				6,300	Inceptions of Capital Leases
	8,095	11,288	(80,792)	5,995	Total Other Financing Sources (Uses)
(1)	(5,167)	(2,393)	(13,735)	4,346	Net Changes in Fund Balances
9,617	34,975	9,045	151,944	683,421	Fund Balances, July 1, 2017 (as previously reported)
				(393)	Prior Period Adjustments
\$ 9,616	\$ 29,808	\$ 6,652	\$ 138,209	\$ 687,374	Fund Balances, June 30, 2018

**COUNTY OF KERN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF  
ACTIVITIES - GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Net Changes in Fund Balances - Total Governmental Funds:	\$	4,346
Amounts Reported for Governmental Activities in the Statement of Activities:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense:		
Expenditures for capital assets and other related capital asset adjustments	\$ 80,966	
Less: current year depreciation	(47,846)	
Retirement of capital assets	<u>(1,872)</u>	31,248
Capital contributions of capital assets are not reported on governmental funds but recorded at fair value on the Statement of Net Position.		2,464
Issuance of long-term debt provides current resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:		
Inceptions of capital leases		(6,300)
Governmental fund revenues that do not provide current financial resources are not reported as revenue in the funds. Revenue in the Statement of Activities is not limited by availability and has been included in the Statement of Activities:		
Change in unavailable property tax revenues	\$ 20	
Change in unavailable reimbursements and other revenues	<u>(5,430)</u>	(5,410)
Repayments of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Principal repayments:		
Pension Obligation Bonds	\$ 18,923	
Certificates of Participation	3,357	
Capital Leases	3,360	
Tobacco - Asset Backed Bonds	5,235	
Bonds Payable	717	
Loans Payable	<u>373</u>	31,965
Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds:		
Change in accrued interest payable	\$ 13,237	
Change in compensated absences	(1,273)	
Change in Other Post-Employment Benefits obligation	(139)	
Change in pension expense	<u>(6,992)</u>	4,833
Premiums, discounts, and losses associated with the issuance of long-term debt are included in governmental funds, but deferred and amortized in the Statement of Activities:		
Amortization of bond premiums	\$ 555	
Amortization of losses on refunding	<u>(567)</u>	(12)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported within governmental activities.		<u>34,242</u>
Change in Net Position of Governmental Activities	\$	<u><u>97,376</u></u>

**COUNTY OF KERN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>				<b>GOVERNMENTAL ACTIVITIES</b>
	<b>AIRPORTS</b>	<b>WASTE MANAGEMENT</b>	<b>NON-MAJOR ENTERPRISE FUNDS</b>	<b>TOTAL</b>	<b>INTERNAL SERVICE FUNDS</b>
<b>ASSETS</b>					
Current Assets:					
Pooled Cash and Investments	\$	\$ 93,652	\$ 19,675	\$ 113,327	\$ 104,478
Revolving Fund Cash	1	9		10	
Interest Receivable		407	53	460	414
Accounts Receivable, Net	103	1,504	152	1,759	5
Accrued Revenue	2,754	758	43	3,555	3,552
Due from Other Funds			28	28	209
Inventory - Materials and Supplies					479
Total Current Assets	2,858	96,330	19,951	119,139	109,137
Non-current Assets:					
Taxes Receivable		1,729	1,713	3,442	
Deposits with Others					1,519
Investment in Joint Venture			2,402	2,402	
Capital Assets:					
Non-depreciable:					
Land	10,558	16,567	668	27,793	
Land Acquisition in Progress		96		96	
Works of Art	198			198	
Construction in Progress	6,484	2,687	690	9,861	
Depreciable:					
Structures and Improvements	59,186	82,700	16,672	158,558	
Equipment	2,175	10,528	18,655	31,358	11,247
Intangible		640	304	944	1,789
Infrastructure	76,382		10,949	87,331	
Accumulated Depreciation and Amortization	(46,976)	(47,871)	(23,975)	(118,822)	(6,987)
Total Non-current Assets	108,007	67,076	28,078	203,161	7,568
Total Assets	110,865	163,406	48,029	322,300	116,705
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Amount on Refunding	94			94	
Deferred OPEB	9	35	8	52	5
Deferred Pensions	1,025	6,290	1,598	8,913	467
Total Deferred Outflows of Resources	1,128	6,325	1,606	9,059	472
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	4,743	2,875	1,419	9,037	2,000
Salaries and Employee Benefits Payable	97		113	210	2,400
Due to Other Funds		18	133	151	
Current Portion of Long-Term Debt	568	299	53	920	29
Interest Payable - Current	138	323	79	540	72
Current Portion of Compensated Absences	143	1,062	230	1,435	48
Current Portion of Closure, Post Closure, & Pollution Liabilities		959		959	
Current Portion of Liability for Self-Insurance					25,409
Advances from Grantors and Third Parties		92	694	786	
Total Current Liabilities	5,689	5,628	2,721	14,038	29,958
Non-current Liabilities:					
Loans Payable	4,603	64		4,667	
Compensated Absences Payable	45	335	74	454	24
Long-Term Liability for Self-Insurance					104,060
Long-Term Debt - Pension Obligation Bonds	379	1,999	446	2,824	181
Long-Term - Interest Payable	287	1,150	273	1,710	208
Pollution Remediation Obligation		5,125		5,125	
Accrued Closure Liability		29,686		29,686	
Accrued Post Closure Liability		29,514		29,514	
Net OPEB Liability	228	856	200	1,284	120
Net Pension Liability	4,305	24,277	6,412	34,994	2,015
Total Non-current Liabilities	9,847	93,006	7,405	110,258	106,608
Total Liabilities	15,536	98,634	10,126	124,296	136,566
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred OPEB	44	165	38	247	23
Deferred Pensions	387	2,182	576	3,145	181
Total Deferred Inflows of Resources	431	2,347	614	3,392	204
<b>NET POSITION</b>					
Net Investment in Capital Assets	102,886	65,347	23,963	192,196	6,049
Restricted:					
Deposits					1,519
Inventory					479
Investment in Joint Venture			2,402	2,402	
Unrestricted (Deficit)	(6,860)	3,403	12,530	9,073	(27,640)
Total Net Position	\$ 96,026	\$ 68,750	\$ 38,895	\$ 203,671	\$ (19,593)
Cumulative adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(26,046)	
Net Position of Business-Type Activities				\$ 177,625	

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

**COUNTY OF KERN  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>				<b>GOVERNMENTAL ACTIVITIES</b>
	<b>AIRPORTS</b>	<b>WASTE MANAGEMENT</b>	<b>NON-MAJOR ENTERPRISE FUNDS</b>	<b>TOTAL</b>	<b>INTERNAL SERVICE FUNDS</b>
<b>OPERATING REVENUES:</b>					
Charges for Current Services	\$ 270	\$ 42,643	\$ 24,163	\$ 67,076	\$ 247,757
Revenues from Use of Property	3,327	25	155	3,507	
Other Operating Revenues	85			85	10,070
<b>Total Operating Revenues</b>	<b>3,682</b>	<b>42,668</b>	<b>24,318</b>	<b>70,668</b>	<b>257,827</b>
<b>OPERATING EXPENSES:</b>					
Salaries and Employee Benefits	2,016		2,109	4,125	52,150
Services and Supplies	2,028	29,248	27,533	58,809	26,534
Claims Incurred					136,285
Other Charges	241	1,360	71	1,672	6,688
Depreciation and Amortization	4,241	3,664	2,001	9,906	1,102
<b>Total Operating Expenses</b>	<b>8,526</b>	<b>34,272</b>	<b>31,714</b>	<b>74,512</b>	<b>222,759</b>
<b>Operating Income (Loss)</b>	<b>(4,844)</b>	<b>8,396</b>	<b>(7,396)</b>	<b>(3,844)</b>	<b>35,068</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>					
Taxes and Assessments	542		6,567	7,109	
Fines, Forfeitures and Penalties	1	257	226	484	
Licenses, Permits and Franchises			6	6	
Interest on Bank Deposits and Investments	13	648	71	732	424
Aid from Other Governmental Agencies	574	308	1,186	2,068	
Other Revenues	137	1,182		1,319	306
Interest Expense	(176)	(213)	(50)	(439)	(32)
Gain (Loss) on Disposal of Capital Assets			(18)	(18)	14
<b>Total Non-Operating Revenues, Net</b>	<b>1,091</b>	<b>2,182</b>	<b>7,988</b>	<b>11,261</b>	<b>712</b>
<b>Income (Loss) before Contributions and Transfers</b>	<b>(3,753)</b>	<b>10,578</b>	<b>592</b>	<b>7,417</b>	<b>35,780</b>
Capital Contributions	8,896		1,448	10,344	43
Transfers In	305			305	6,421
Transfers Out					(6,421)
<b>Changes in Net Position</b>	<b>5,448</b>	<b>10,578</b>	<b>2,040</b>	<b>18,066</b>	<b>35,823</b>
<b>Net Position, July 1, 2017 (as previously reported)</b>	<b>91,248</b>	<b>54,361</b>	<b>38,709</b>		<b>(57,199)</b>
<b>Prior Period Adjustments</b>	<b>(670)</b>	<b>3,811</b>	<b>(1,854)</b>		<b>1,783</b>
<b>Net Position, June 30, 2018</b>	<b>\$ 96,026</b>	<b>\$ 68,750</b>	<b>\$ 38,895</b>		<b>\$ (19,593)</b>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				1,581	
Change in Net Position - Business-Type Activities				\$ 19,647	

**COUNTY OF KERN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 2

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received for Current Services	\$ 217	\$ 43,120	\$ 24,246	\$ 67,583	\$ 246,116
Cash Received for Use of Property	3,327	26	155	3,508	
Cash Received for Interfund Services Provided					955
Cash Received for Other Operations	85			85	1,356
Cash Paid for Salaries and Benefits	(2,145)		(1,732)	(3,877)	(52,822)
Cash Paid for Services and Supplies	(1,458)	(17,103)	(22,785)	(41,346)	(25,746)
Cash Paid for Reported Claims					(139,047)
Cash Paid for Interfund Services and Supplies	(385)	(18,680)	(4,725)	(23,790)	
Cash Paid for Other Charges	(241)	(184)	(71)	(496)	(6,688)
Net Cash Provided (Used) by Operating Activities	(600)	7,179	(4,912)	1,667	24,124
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Cash Received from Other Funds					6,421
Cash Received for Other Non-Operations	137	1,218		1,355	305
Cash Received for Taxes and Special Assessments	542		6,567	7,109	
Cash Received as Fines, Forfeitures, and Penalties	1	257	226	484	
Cash Received for Licenses, Permits & Franchises			6	6	
Cash Paid to Other Funds					(6,421)
Aid from Other Governmental Agencies	798	340	3,132	4,270	
Payment of Long-Term Debt - Pension Obligation Bonds	(46)	(215)	(50)	(311)	(27)
Interest Paid on Pension Obligation Bonds	(94)	(359)	(86)	(539)	(71)
Net Cash Provided by Non-Capital Financing Activities	1,338	1,241	9,795	12,374	207
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Proceeds from Sale of Capital Assets			25	25	133
Capital Contributions	11,222		124	11,346	
Acquisition or Construction of Capital Assets	(12,345)	(4,302)	(2,174)	(18,821)	(332)
Proceeds from Long-Term Loan	5,377			5,377	
Cash Paid to Refund Loan	(5,110)			(5,110)	
Principal Paid on Capital Debt	(255)	(64)		(319)	
Interest Paid on Capital Debt	(187)			(187)	
Net Cash Used by Capital and Related Financing Activities	(1,298)	(4,366)	(2,025)	(7,689)	(199)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on Bank Deposits and Investments	13	515	58	586	247
Net Cash Provided by Investing Activities	13	515	58	586	247
Net Increase (Decrease) in Cash and Investments	(547)	4,569	2,916	6,938	24,379
Cash and Investments, July 1, 2017	548	89,092	16,759	106,399	80,099
Cash and Investments, June 30, 2018	\$ 1	\$ 93,661	\$ 19,675	\$ 113,337	\$ 104,478

**COUNTY OF KERN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 2 of 2

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (4,844)	\$ 8,396	\$ (7,396)	\$ (3,844)	\$ 35,068
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	4,241	3,664	2,001	9,906	1,102
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(53)	108	75	130	(5)
(Increase) Decrease in Inventory					(82)
(Increase) Decrease in Accrued Revenue		168		168	(791)
(Increase) Decrease in Taxes Receivable		52	1	53	
(Increase) Decrease in Due from Others		240	8	248	37
(Increase) Decrease in Deferred Outflows of Resources	79	(56)	(35)	(12)	231
(Increase) Decrease in Deposits with Others		(92)		(92)	
(Increase) Decrease in Investment in Joint Venture			166	166	
Increase (Decrease) in Accounts Payable	184	185	(25)	344	1,586
Increase (Decrease) in Salaries & Benefits Payable	(16)		8	(8)	143
Increase (Decrease) in Due to Others		2	(114)	(112)	(716)
Increase (Decrease) in Deferred Inflows of Resources	77	355	132	564	(59)
Increase (Decrease) in Compensated Absences Payable	(13)	209	45	241	9
Increase (Decrease) in Provision for Liability Claims					(11,040)
Increase (Decrease) in Pollution Remediation		(788)		(788)	
Increase (Decrease) in Closure/Post Closure Liability		(4,124)		(4,124)	
Increase (Decrease) in Net OPEB Liability	(49)	(47)	(47)	(143)	(25)
Increase (Decrease) in Net Pension Liability	(206)	(1,093)	269	(1,030)	(1,334)
Total Adjustments	4,244	(1,217)	2,484	5,511	(10,944)
Net Cash Provided (Used) by Operating Activities	\$ (600)	\$ 7,179	\$ (4,912)	\$ 1,667	\$ 24,124
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Capital Contributions - Revenue Recognized	\$	\$	\$ 1,324	\$ 1,324	\$
Capital Contributions - Transfer of Capital Assets					43
Total Non-cash Investing, Capital, and Financing Activities	\$	\$	\$ 1,324	\$ 1,324	\$ 43



**COUNTY OF KERN  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

<u>ASSETS</u>	<u>INVESTMENT TRUST FUND</u>	<u>OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST</u>	<u>AGENCY FUNDS</u>
Cash and Cash Equivalents Held in the Pool	\$ 2,314,503	\$	\$ 227,856
Cash and Cash Equivalents Held in Trust		77,479	
Total Cash and Cash Equivalents	<u>2,314,503</u>	<u>77,479</u>	<u>227,856</u>
Receivables:			
Accounts	214		57
Taxes			60,089
Other		1,218	
Interest and Dividends	8,880		732
Due from Other Agencies			13,979
Capital Assets, Net of Accumulated Depreciation	<u>127</u>		
Total Assets	<u>2,323,724</u>	<u>78,697</u>	<u>\$ 302,713</u>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred Pensions	<u>648</u>		
Total Deferred Outflows of Resources	<u>648</u>		
 <b><u>LIABILITIES</u></b>			
Warrants Payable	49,805		17,850
Accounts Payable	94		
Matured Bonds & Interest Payable			432
Due to Other Agencies	384		284,111
Unapportioned Installment Redemptions			320
Net Pension Liability	<u>2,522</u>		
Total Liabilities	<u>52,805</u>		<u>\$ 302,713</u>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred Pensions	<u>227</u>		
Total Deferred Inflows of Resources	<u>227</u>		
 <b><u>NET POSITION</u></b>			
Net Position Held in Trust for Pool Participants	<u>\$ 2,271,340</u>		
Net Position Held in Trust for OPEB		<u>\$ 78,697</u>	

**COUNTY OF KERN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>INVESTMENT TRUST FUND</u>	<u>OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST</u>
ADDITIONS:		
Contributions	\$ 9,446,849	\$ 8,521
Contributions in Transit		1,218
Use of Money and Property	<u>16,038</u>	<u>4,987</u>
Total Additions	<u>9,462,887</u>	<u>14,726</u>
DEDUCTIONS:		
Distributions	9,385,272	8,702
Fiscal Agent Expense		<u>234</u>
Total Deductions	<u>9,385,272</u>	<u>8,936</u>
Change in Net Position	77,615	5,790
Net Position, July 1, 2017	<u>2,193,725</u>	<u>72,907</u>
Net Position, June 30, 2018	<u>\$ 2,271,340</u>	<u>\$ 78,697</u>

**COUNTY OF KERN  
STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2018 (IN THOUSANDS)**

<b>ASSETS</b>	<b>FIRST 5 KERN</b>	<b>KERN COUNTY HOSPITAL AUTHORITY</b>	<b>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</b>	<b>Totals</b>
Pooled Cash and Investments	\$ 16,702	\$ 73,107	\$	\$ 89,809
Other Cash and Investments	1,574	1,706	16,440	19,720
Revolving Fund Cash		11		11
Restricted Cash and Investments		922		922
Receivables, Net	1,901	46,804		48,705
Inventories		5,347		5,347
Prepaid Expenses	5	4,124		4,129
Other Assets		754		754
Capital Assets:				
Nondepreciable		13,352		13,352
Depreciable, Net	16	49,203		49,219
<b>Total Assets</b>	<b>20,198</b>	<b>195,330</b>	<b>16,440</b>	<b>231,968</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding			460	460
Deferred OPEB		47		47
Deferred Pensions		70,848		70,848
<b>Total Deferred Outflows of Resources</b>		<b>70,895</b>	<b>460</b>	<b>71,355</b>
<b>LIABILITIES</b>				
Accounts Payable	2,186	24,475	11	26,672
Salaries and Employee Benefits Payable	66	11,207		11,273
Due to Other Agencies		27,776	191	27,967
Long-Term Liabilities:				
Due Within One Year:				
Interest Payable		4,853		4,853
Compensated Absences	98	10,547		10,645
Capital Leases		2,500		2,500
Self-Insurance		4,687		4,687
Long-Term Debt		3,974	1,275	5,249
Due After One Year:				
Interest Payable		15,920	1,313	17,233
Compensated Absences	38	3,830		3,868
Capital Leases		3,683		3,683
Self-Insurance		12,865		12,865
Certificates of Participation		1,171		1,171
Bonds and Notes Payable		22,878	77,263	100,141
Net OPEB Liability		4,306		4,306
Net Pension Liability		293,255		293,255
<b>Total Liabilities</b>	<b>2,388</b>	<b>447,927</b>	<b>80,053</b>	<b>530,368</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred OPEB		2,479		2,479
Deferred Pensions		66,768		66,768
<b>Total Deferred Inflows of Resources</b>		<b>69,247</b>		<b>69,247</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	16	60,338		60,354
Restricted:				
Debt Service		922		922
Capital Assets		14		14
Other Purposes	9,366			9,366
Unrestricted (Deficits)	8,428	(312,223)	(63,153)	(366,948)
<b>Total Net Position</b>	<b>\$ 17,810</b>	<b>\$ (250,949)</b>	<b>\$ (63,153)</b>	<b>\$ (296,292)</b>

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

**COUNTY OF KERN  
STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>FIRST 5 KERN</u>	<u>KERN COUNTY HOSPITAL AUTHORITY</u>	<u>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</u>	<u>Totals</u>
Program (Expenses) Revenues:				
Expenses	\$ (10,300)	\$ (381,273)	\$ (5,402)	\$ (396,975)
Program Revenues:				
Charges for Services		221,934		221,934
Operating Grants and Contributions	<u>8,729</u>	<u>189,138</u>		<u>197,867</u>
Net Program (Expenses) Revenues	<u>(1,571)</u>	<u>29,799</u>	<u>(5,402)</u>	<u>22,826</u>
General Revenues:				
Special Assessments			5,320	5,320
Unrestricted Investment Earnings	<u>241</u>	<u>844</u>	<u>146</u>	<u>1,231</u>
Total General Revenues	<u>241</u>	<u>844</u>	<u>5,466</u>	<u>6,551</u>
Change in Net Position	(1,330)	30,643	64	29,377
Net Position, July 1, 2017	19,140	(278,492)	(63,217)	(322,569)
Prior Period Adjustment		<u>(3,100)</u>		<u>(3,100)</u>
Net Position, June 30, 2018	<u>\$ 17,810</u>	<u>\$ (250,949)</u>	<u>\$ (63,153)</u>	<u>\$ (296,292)</u>

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



**NOTES TO THE FINANCIAL  
STATEMENTS**

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

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

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

**B. BLENDED COMPONENT UNITS**

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

**County Service Areas (CSAs)**

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

**Sanitation Districts**

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

**County of Kern Asset Leasing Corporation (Kern Asset Leasing Corporation)**

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

**Kern County Tobacco Funding Corporation (the Corporation)**

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

**Kern Public Services Financing Authority**

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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**C. DISCRETELY PRESENTED COMPONENT UNITS**

The discretely presented component units column in the County's government-wide statements includes all current audited financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County. Using the criteria of GASB Statements No. 14 and No. 39, as amended by GASB Statements No. 61 & No. 80, management has determined that the following component units should be discretely presented:

**First 5 Kern**

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

**Kern County Hospital Authority (Hospital Authority) – Kern Medical**

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

**Tejon Ranch Public Facilities Financing Authority (Authority)**

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

**D. RELATED ORGANIZATION**

**Housing Authority of the County of Kern (Housing Authority)**

The Housing Authority is a legally separate entity from the County established by the Board under the Housing Authorities Law of the State. The Housing Authority consists of seven members, one member nominated by appointment by each Supervisor and two members are

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

tenants who are nominated by the Housing Authority and appointed by the Board. However, the County's accountability does not extend beyond making appointments and no financial benefit/burden relationship exists. The Housing Authority is deemed to be a related organization. The Housing Authority issues a separate financial report that can be obtained by contacting the Housing Authority's Treasurer at 601 24<sup>th</sup> Street, Bakersfield, California 93301.

**E. IMPLEMENTATION OF GASB STATEMENTS**

**New Accounting Pronouncements**

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

**New Accounting Pronouncements Affecting Future Fiscal Years**

Statement No. 83	<i>Certain Asset Retirement Obligations</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.
Statement No. 84	<i>Fiduciary Activities</i>	The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.
Statement No. 87	<i>Leases</i>	For reporting periods beginning after December 15, 2019.
Statement No. 88	<i>Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements</i>	The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.
Statement No. 89	<i>Accounting for Interest Cost Incurred before the End of a Construction Period</i>	The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.
Statement No. 90	<i>Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61</i>	The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

**F. BASIS OF PRESENTATION**

**Government-Wide Financial Statements**

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

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



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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A comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities are presented in the Statement of Activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses are allocated based on the County-wide Cost Allocation Plan, which allocates the cost of central service departments to service user departments. Program revenues include: 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or program. Revenues not classified as program revenues, including all taxes, are presented as general revenue.

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

**Fund Financial Statements**

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

The County reports the following major governmental funds:

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

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

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

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

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

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

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

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

The County reports the following major enterprise funds:

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

The County has opted to report the following enterprise fund as a major fund:

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

The County reports the following additional fund types:

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

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

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

**G. BASIS OF ACCOUNTING**

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

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

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

**H. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCES**

**Cash and Cash Equivalents**

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

**Investments**

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

**Interfund Receivables and Payables**

Transactions between funds with outstanding balances at fiscal year-end are referred to as "due

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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to" or "due from" other funds with long-term balances referred as "advances to" or "advances from" other funds. The outstanding balances at year-end resulted from the time lag in reimbursement from one fund to another or from a lending/borrowing arrangement. See Note VI. for a detailed reconciliation of interfund transactions. These internal balances have been eliminated in the government-wide statements.

**Property Tax**

All jurisdictions within the State derive their taxing authority from the State Constitution and various legislative provisions contained in the California Government Code and Revenue and Taxation Code. Property is assessed at 100% of full cash or market value (with some exceptions) pursuant to Article XIII of the California State Constitution and statutory provisions by the County Assessor and the State Board of Equalization. The total 2017 - 2018 net assessed valuation of the County was \$90,755,798. The property tax levy to support general operations of the various jurisdictions is limited to one percent (1%) of full cash value and is distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are calculated separately and levied each fiscal year. The rates are formally adopted by the Board after approval of city councils or the governing boards of special districts, where applicable. Property taxes are levied on both real and personal property. Secured property taxes are levied on or before the first business day of September of each year and become a lien on real property on March 1 proceeding the fiscal year for which taxes are levied. These tax payments can be made in two equal installments; the first is due on November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10.

Secured property taxes, which are delinquent if unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, costs, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property may be sold at public auction. The proceeds are used to pay the delinquent amounts due, and any excess is remitted, if claimed, to the taxpayer. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1 and become delinquent if unpaid by August 31. In 1983, the Governor signed Senate Bill (SB) 813, which requires County Assessors to appraise property and issue an assessment when new construction is completed or a change in ownership occurs. The supplemental assessment will reflect the change in value for the remainder of the property tax year. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill.

**Inventory - Materials and Supplies**

Inventories in the General Fund, Special Revenue Funds: Roads and Structure Fire, and Internal Service Funds: Garage and Public Works consist of expendable supplies held for consumption. The inventory is valued using the average cost basis. Reported inventories are categorized as nonspendable fund balance as required by GASB Statement No. 54 because these amounts are not available to spend. Other materials and supplies are recorded as expenditures upon acquisition.

**Capital Assets**

Capital assets, which include structures and improvements, equipment, intangibles (software and rights of way/easements), and infrastructure assets (roads, street lighting, bridges, sidewalks, and similar items), are reported under the governmental or business-type activities in the government-wide financial statements. For an asset to be considered a capitalized asset, it must exceed \$5 for equipment and software; \$50 for structures, infrastructures, and all other intangible types, and must have an estimated useful life of at least two years. Intangible assets are amortized based on estimated useful life and will vary by item. All purchased capital assets are valued at cost, and donated capital assets are valued at their estimated acquisition value on the date donated.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

Equipment	5 – 15 years
Computer Equipment	5 – 10 years
Vehicles	5 – 25 years
Software	15 years
Infrastructure (roads, sidewalks, drains, bike paths, other improvements)	5 - 50 years
Structures and Improvements	20 - 60 years

**Deferred Outflows and Inflows of Resources**

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

**Compensated Absences**

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

**Long-Term Obligations**

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

**Pension Plan**

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

**Other Post-Employment Benefits**

For purposes of measuring the net OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's OPEB plan (OPEB Plan) and additions to or deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by Public Agency Retirement Services (PARS). For this purpose, the OPEB Plan recognized benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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**Fund Equity**

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

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

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

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

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

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

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

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

**I. USE OF ESTIMATES**

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

**II. RESTATEMENTS OF NET POSITION**

**A. RESTATEMENT OF EQUITY**

The County's beginning fund balance and net position have been restated to reflect the cumulative effect of prior year adjustments. A summary of the restatements as of June 30, 2018 is as follows:

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Fund Balances – Governmental Funds	
Fund Balances – Governmental Funds at June 30, 2017, as previously reported	\$ 683,421
Prior Period Adjustments:	
Inventory correction - General Fund	788
Realignment correction - General Fund	(823)
Revenue accrual correction - General Fund	(358)
Fund Balances – Governmental Funds at June 30, 2017, as restated	<u>\$ 683,028</u>
Net Position – Proprietary Funds	
Net Position – Proprietary Funds at June 30, 2017, as previously reported	\$ 184,318
Prior Period Adjustments:	
Change in GASB 68 allocation - Airports	(531)
Change in GASB 68 allocation - Waste Management	4,366
Change in GASB 68 allocation - Public Transportation	(1,733)
Change in accounting per GASB 75 - Airports	(139)
Change in accounting per GASB 75 - Waste Management	(467)
Change in accounting per GASB 75 - County Sanitation Districts	(60)
Change in accounting per GASB 75 - Public Transportation	(61)
Correction to Compensated Absences - Waste Management	(88)
Net Position – Proprietary Funds at June 30, 2017, as restated	<u>\$ 185,605</u>
Net Position – Internal Service Fund Activities	
Net Position – Internal Service Funds at June 30, 2017, as previously reported	\$ (57,199)
Prior Period Adjustments:	
Change in GASB 68 allocation - Garage	340
Change in accounting per GASB 75 - Garage	(134)
Correction to Capital Assets - Group Health	1,577
Net Position – Internal Service Funds at June 30, 2017, as restated	<u>\$ (55,416)</u>
Net Position – Governmental Activities - Government-Wide	
Net Position – Governmental Activities at June 30, 2017, as previously reported	\$ 524,711
Prior Period Adjustments:	
Change in GASB 68 allocation - Governmental Funds	(2,485)
Change in accounting per GASB 75 - Governmental Funds	(25,279)
Correction to Capital Assets	(475)
Correction to Compensated Absences	(4,461)
Net change in Governmental Activities noted above	(393)
Change in Internal Service Fund Activities noted above	1,783
Net Position – Governmental Activities at June 30, 2017, as restated	<u>\$ 493,401</u>
Net Position – Business-type Activities - Government-Wide	
Net Position – Business-type Activities at June 30, 2017, as previously reported	\$ 156,689
Prior Period Adjustments:	
Net change from Business-type Activities noted above	1,287
Net Position – Business-type Activities at June 30, 2017, as restated	<u>\$ 157,976</u>

**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. DEFICIT NET POSITION**

The following funds have a deficit net position as of June 30, 2018:

Proprietary Funds	
General Liability	\$ (26,075)
Workers' Compensation	(59,687)
	<u>\$ (85,762)</u>

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**IV. CASH AND INVESTMENTS**

**A. DEPOSITS**

**Cash and Deposits**

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

**B. CASH AND INVESTMENTS DEPOSITED WITH TRUSTEE**

At June 30, 2018, the balance for Cash and Investments Deposited with Trustee consists of the following:

Cash	\$	71
Commercial Paper		9,082
Money Market Account		1,176
Governmental Agency Bond/Notes		34,411
Total Cash and Investments Deposited with Trustee	\$	<u>44,740</u>

Of the \$44,470 total cash and investments deposited with the trustee, \$667 relates to the construction debt refinancing and equipment acquisition funds from Certificates of Participation held by the trustee for the Kern Asset Leasing Corporation and are reported in the Kern Asset Leasing Corporation Debt Service Fund. \$33,319 is in the Tobacco Securitization Proceeds Fund to be utilized for capital projects. \$9,616 is with the Corporation being held in trust for debt service reserves. \$890 resides in the Kern Public Services Financing Authority reserved for debt service. The remaining \$248 is in the Pension Obligation Bond Trustee Debt Service Fund used to service debt payments related to the County's Pension Obligation Bonds. The funds are currently held by Wells Fargo Bank and U.S. Bank.

**C. INVESTMENTS**

**Interest Rate Risk**

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

**Credit Risk, Concentration and Rating**

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



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

The County of Kern Investment Pool (the Pool) is subject to regulatory oversight by the Treasury Oversight Committee, as required by California Government Code Section 27143. The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2018, to support the value of the shares in the Pool. Management believes that the investments in the Pool are of high quality and that the risk of participation in the Pool is negligible. The Pool will not invest more than 6% of its assets in the Eligible Securities of a single institution, other than U.S. government and agency securities.

Investment	Rating		Weighted Average Maturity
	Moody's	Standard & Poor's (S&P)	
Commercial Paper	P-1	NR, A-1	0.13
Negotiable Certificates of Deposit	P-1	A-1	0.23
U.S. Treasury Securities	Aaa	AA	2.80
Corporate Notes	A, Aa, Aaa	A, AA, AAA	2.04
Federal Agencies	Aaa	AA	1.82
Municipal Bonds	Aa	AA	3.51
Supranationals	Aaa	AAA	2.12
Portfolio Weighted Average Maturity			1.50

**Custodial Credit Risk – Deposits**

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

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Pool will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in that of the County's total bank balance, \$250 is insured by the Federal Depository Insurance Corporation. The remaining amount on deposit, \$97,411, is collateralized with securities held by the pledging financial institution's agent.

**Custodial Credit Risk – Investments**

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

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

The Local Investment Advisory Board has oversight responsibility for LAIF. The Local Investment Advisory Board consists of five members designated by state statute. The County's investment in the LAIF is \$11,103.

The CAMP is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services directed by a seven-member Board of Trustees. The County's investment in the CAMP is \$139,329.

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

Investment	Fair Value	Principal	Maturity Range
State Treasury's Pool (LAIF)	\$ 11,103	\$ 11,092	On Demand
California Asset Management Program (CAMP)	139,329	139,853	On Demand
Commercial Paper	362,668	362,118	07/03/2018-10/05/2018
Negotiable Certificates of Deposit	397,656	400,000	07/30/2018-11/21/2018
U.S. Treasury Securities	320,572	325,667	04/30/2020-05/31/2023
Corporate Notes	561,585	574,300	07/13/2018-02/11/2023
Federal Agencies	1,404,818	1,431,357	08/03/2018-03/10/2023
Municipal Bonds	20,627	20,994	04/01/2021-10/01/2022
Supranationals	112,603	115,142	01/16/2019-06/22/2021
Total Investments	<u>\$ 3,330,961</u>	<u>\$ 3,380,523</u>	
Cash on Hand	66		
Cash in Banks	97,661		
Total Cash and Investments	<u>\$ 3,428,688</u>		

The following represents a condensed statement of net position and changes in net position for the Pool as of June 30, 2018:

Statement of Net Position:	
Total Assets Held for Pool Participants	\$ 3,428,688
Less: Warrants Payable	67,655
Pool Equity, Net	<u>\$ 3,361,033</u>
Equity of Internal Pool Participants	
Equity of External Pool Participants (Voluntary & Involuntary)	\$ 1,089,693
Total Equity	<u>\$ 2,271,340</u>
Statement of Changes in Net Position:	
Net Position at July 1, 2017	\$ 3,263,829
Net Changes in Investments by Pool Participants	97,204
Net Position at June 30, 2018	<u>\$ 3,361,033</u>

**D. DEPOSITS WITH OTHERS**

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**E. FAIR VALUE MEASUREMENTS**

The Pool categorizes its fair value measurement within the fair value hierarchy established by GASB Statement No. 72. The Pool has the following recurring fair value measurements as of June 30, 2018:

Investments by Fair Value Level	6/30/2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Debt Securities</b>				
Commercial Paper	\$ 362,668	\$	\$ 362,668	\$
Corporate Notes	561,585		561,585	
Federal Agencies	1,404,818		1,404,818	
Municipal Bonds	20,627		20,627	
Negotiable Certificates of Deposit	397,656		397,656	
Supranationals	112,603		112,603	
U.S. Treasury Securities	320,572		320,572	
<b>Total Investments by Fair Value Level</b>	<b>3,180,529</b>	<b>\$</b>	<b>\$ 3,180,529</b>	<b>\$</b>
<b>Investments Measured at Amortized Cost</b>				
State Treasury's Pool (LAIF)	11,103			
California Asset Management Program (CAMP)	139,329			
<b>Total Investments Measured at Amortized Cost</b>	<b>150,432</b>			
<b>Total Investments Measured at Fair Value</b>	<b>\$ 3,330,961</b>			

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

**V. RECEIVABLES**

**A. RECEIVABLES**

The County's net receivables for the year ended June 30, 2018 for the individual major funds, non-major funds, and internal service funds are as follows:

Governmental Activities:	Interest	Taxes	Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 1,536	\$ 30,849	\$ 5,421	\$ 25,913	\$ (67)	\$ 63,652
Behavior Health & Recovery Services	681		736	11,760		13,177
Community Development				2,729		2,729
County Local Revenue Fund				26,365		26,365
Human Services	36		5,647	47,553	(16)	53,220
Roads	110		487	2,716	(62)	3,251
Structural Fire	6	2,285	2,653	861		5,805
Other Non-major Governmental Funds	161	352	1,246	29,366	(760)	30,365
Internal Service Funds	414		5	3,552		3,971
<b>Total Governmental Activities</b>	<b>\$ 2,944</b>	<b>\$ 33,486</b>	<b>\$ 16,195</b>	<b>\$ 150,815</b>	<b>\$ (905)</b>	<b>\$ 202,535</b>

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

The receivables category classified as "Other" is composed of receivables from the State and other sources. The total amount of taxes receivable not expected to be collected within one-year totals \$6,456. Of this amount, \$4,027 is recorded in the General Fund, \$2,096 in the Structural Fire Fund and \$333 in the CSAs Non-Major Governmental Fund – Special Revenue Fund.

The County's net receivables for the year ended June 30, 2018 for the enterprise funds are as follows:

Business-type Activities:	Interest	Taxes	Accounts	Other	Allowance for Uncollectibles	Net Receivables
Airports	\$	\$	\$ 103	\$ 2,754		\$ 2,857
Waste Management	407	1,729	1,507	758	(3)	4,398
Non-major Enterprise Funds	53	1,713	152	43		1,961
<b>Total Business-type Activities</b>	<b>\$ 460</b>	<b>\$ 3,442</b>	<b>\$ 1,762</b>	<b>\$ 3,555</b>	<b>\$ (3)</b>	<b>\$ 9,216</b>

**Housing Loans Receivable and Housing Loans Interest Receivable**

A total of \$55,629 was recorded as housing loans receivable and a total of \$14,896 was recorded as housing loans interest receivable at June 30, 2018. These represent low or no interest mortgage notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects, as well as homebuyer assistance for low income families, as part of the County's affordable housing program with loan terms ranging from 15 to 55 years. The County's primary sources of funding for these loans come from grants from the federal HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) programs. The HOME and CDBG grants contain monitoring requirements, reflected in the loan agreements, to ensure grant compliance. Due to the terms of the loans, offsetting deferred inflows of resources of \$70,308 have been established in the Governmental Funds Balance Sheet for the housing loan principal and interest payments. Additionally, \$1,029 of deferred inflows of resources remain in the Government-wide Statement of Net Position for the principal and interest balance of loans with a forgiveness clause since these types of loans are more likely not to be repaid to the County.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**VI. INTERFUND TRANSACTIONS**

**A. DUE FROM/TO OTHER FUNDS**

Due From and Due To Other Funds amounts will be repaid in the following fiscal year. Due From and Due To Other Funds at June 30, 2018 are as follows:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Behavioral Health & Recovery Services	\$ 220	Expenditure Reimbursement
	Community Development	232	Expenditure Reimbursement
	County Local Revenue Fund	4,983	Realignment
	Human Services	7,688	Cash Flow
	Non-major Governmental Funds	22,572	Expenditure Reimbursement, Prop 172 Revenue, Cash Flow
		<u>35,695</u>	
Behavioral Health & Recovery Services	County Local Revenue Fund	6,830	Realignment
Human Services	General Fund	2,770	Realignment
	County Local Revenue Fund	9,147	Realignment
		<u>11,917</u>	
Roads	Community Development	48	Services Provided
Structural Fire	Non-major Governmental Funds	936	Prop 172 Revenue
Non-major Governmental Funds	General Fund	1,492	Realignment
	Community Development	70	Expenditure Reimbursement
	County Local Revenue Fund	1,423	Realignment
	Human Services	2	Expenditure Reimbursement
	Non-major Governmental Funds	2,897	Expenditure Reimbursement
		<u>5,884</u>	
Non-major Enterprise Funds	General Fund	12	Expenditure Adjustment
	Waste Management	4	Expenditure Adjustment
	Non-major Governmental Funds	9	Expenditure Adjustment
	Non-major Enterprise Funds	3	Expenditure Adjustment
		<u>28</u>	
Internal Service Funds	General Fund	7	Services Provided
	Waste Management	14	Services Provided
	Roads	58	Services Provided
	Non-major Enterprise Funds	130	Services Provided
		<u>209</u>	
Total		<u>\$ 61,547</u>	

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**B. TRANSFERS**

Transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them. Transfers also include debt service payments required to be paid out of debt service funds. Other transfers include unrestricted amounts in the General Fund transferred to finance various programs accounted for in other funds as per the budgetary authorizations. Transfers out/in for the year ended June 30, 2018 are as follows:

Transfers Out	Transfers In	Amount
General Fund	Airports	\$ 305
	Behavioral Health & Recovery Services	4,148
	Human Services	109,332
	Roads	200
	Structural Fire	3,989
	Non-Major Governmental Funds	23,989
	Internal Service Fund - Public Works	6,421
		148,384
Behavioral Health & Recovery Services	General Fund	3,259
Community Development	General Fund	2,377
	Roads	1,474
		3,851
County Local Revenue Fund	General Fund	62,852
	Behavioral Health & Recovery Services	55,795
	Human Services	66,553
	Non-Major Governmental Funds	7,189
		192,389
Structural Fire	General Fund	367
Non-Major Governmental Funds	General Fund	103,810
	Behavioral Health & Recovery Services	147
	Human Services	347
	Structural Fire	7,666
	Non-Major Governmental Funds	3,519
		115,489
Internal Service Fund - Public Works	Roads	6,421
Total		\$ 470,160

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**VII. CAPITAL ASSETS**

**A. GOVERNMENTAL CAPITAL ASSETS**

Capital asset governmental activity for the year ended June 30, 2018 is as follows:

	Beginning Balance Restated*	Additions	Deletions	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated:				
Land and Easement	\$ 27,104	\$ 302	\$	\$ 27,406
Construction in Progress	129,936	52,148	36,273	145,811
Intangibles	1,114,677	16,407	4,455	1,126,629
Works of Art	60			60
Total Capital Assets, not being depreciated	1,271,777	68,857	40,728	1,299,906
Capital Assets, being depreciated and amortized:				
Infrastructure	742,711	35,478	1,170	777,019
Structures and Improvements*	460,131	3,259	80	463,310
Equipment*	201,222	11,260	6,924	205,558
Intangibles*	10,657	4,477	56	15,078
Total Capital Assets, being depreciated and amortized	1,414,721	54,474	8,230	1,460,965
Less: Accumulated Depreciation and Amortization for:				
Infrastructure*	388,771	27,902	1,170	415,503
Structures and Improvements*	208,535	9,622	80	218,077
Equipment*	149,881	10,570	6,117	154,334
Intangibles*	3,087	854	26	3,915
Total Accumulated Depreciation and Amortization	750,274	48,948	7,393	791,829
Total Capital Assets, being depreciated and amortized, net	664,447	5,526	837	669,136
Capital Assets, net	\$ 1,936,224	\$ 74,383	\$ 41,565	\$ 1,969,042

\*As restated see Note II. A

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**B. ENTERPRISE AND COMPONENT UNIT CAPITAL ASSETS**

Capital asset business-type activity for the year ended June 30, 2018 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-type Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 27,447	\$ 346	\$	\$ 27,793
Land Acquisition in Progress	97	188	189	96
Construction in Progress	32,677	15,260	38,076	9,861
Works of Art	198			198
Total Capital Assets, not being depreciated	60,419	15,794	38,265	37,948
Capital Assets, being depreciated and amortized:				
Structures and Improvements	156,254	2,304		158,558
Equipment	31,452	2,728	2,822	31,358
Intangibles	886	58		944
Infrastructure	51,756	35,575		87,331
Total Capital Assets, being depreciated and amortized	240,348	40,665	2,822	278,191
Less: Accumulated Depreciation and Amortization for:				
Structures and Improvements	64,379	5,365		69,744
Equipment	15,679	2,173	2,729	15,123
Intangibles	314	14		328
Infrastructure	31,273	2,354		33,627
Total Accumulated Depreciation and Amortization	111,645	9,906	2,729	118,822
Total Capital Assets, being depreciated and amortized, net	128,703	30,759		159,369
Capital Assets, net	\$ 189,122	\$ 46,553	\$ 38,358	\$ 197,317

***Discretely Presented Component Unit***

A summary of capital asset activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2018, were as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Hospital Authority</b>				
<b>Component Unit Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 170	\$ 10	\$	\$ 180
Construction in Progress	5,253	7,919		13,172
Total Capital Assets, not being depreciated	5,423	7,929		13,352
Capital Assets, being depreciated:				
Equipment	46,859	4,515	37	51,337
Structures and Improvements	82,463	2,453		84,916
Intangibles	12,319	1,654		13,973
Total Capital Assets, being depreciated and amortized	141,641	8,622	37	150,226
Less: Accumulated Depreciation	(94,126)	(6,897)		(101,023)
Total Capital Assets, being depreciated and amortized, net	47,515	1,725	37	49,203
Capital Assets, net	\$ 52,938	\$ 9,654	\$ 37	\$ 62,555



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**C. DEPRECIATION**

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

<b>Governmental Activities:</b>	
General	\$ 3,901
Public Protection	11,790
Public Ways and Facilities	28,714
Health and Sanitation	1,096
Public Assistance	571
Education	776
Culture and Recreation Services	998
Depreciation on Capital Assets Held by the County's Internal Service Funds are charged to various functions based on usage of the assets	1,102
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 48,948</u>
<b>Business-type Activities:</b>	
Airports	\$ 4,241
Waste Management	3,664
County Sanitation Districts	477
Golf Course	148
Public Transportation	1,376
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 9,906</u>

**D. CONSTRUCTION IN PROGRESS**

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

**VIII. LEASES**

**A. LONG-TERM OPERATING LEASES**

The County has entered into various long-term lease agreements for buildings and land, which have been classified as operating leases. None of the leases convey rights of ownership or are of a duration approximating useful economic life. The total costs for operating leases for the fiscal year ended June 30, 2018, amounted to \$14,621. The following is a schedule of future minimum long-term operating lease payments for the Governmental Funds:

Year Ending June 30,	Amount
2019	\$ 14,924
2020	13,084
2021	11,474
2022	10,317
2023	8,870
2024 - 2028	36,953
2029 - 2033	5,024
2034 - 2038	112
2039 - 2042	24
Total	<u>\$ 100,782</u>

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**B. CAPITAL LEASES**

The County has entered into several long-term lease purchase agreements for certain major pieces of equipment during the fiscal year ended June 30, 2018. At the end of the lease, when all terms have been met, the related equipment will become property of the County.

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

Year Ending June 30,	Governmental Activities
2019	\$ 3,398
2020	2,897
2021	2,874
2022	2,109
2023	671
Total Minimum Lease Payments	11,949
Less: Amount Representing Interest	(609)
Present Value of Minimum Lease Payments	<u>\$ 11,340</u>

Interest expense for capital leases in Governmental Activities for the current fiscal year was \$146. The interest expense is reported as direct expense in each function.

The following is a schedule of capital assets under capital leases by major classes at June 30, 2018:

Year Ending June 30, 2018	Governmental Activities
Equipment	\$ 23,288
Total Capital Lease Assets, Gross	<u>\$ 23,288</u>

**IX. LONG-TERM DEBT**

**A. LONG-TERM LIABILITIES**

The County is not obligated in any manner for outstanding special assessment debt. However, the County acts in an agency capacity for property owners in collecting overlapping tax and assessment debt, which totals \$1,570,903. These amounts do not appear in the accompanying Financial Statements.

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

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

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

The following is a summary of long-term liabilities and corresponding activity for the year ended June 30, 2018:

	Beginning Balance Restated*	Additions	Deletions	June 30, 2018	Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences*	\$ 57,573	\$ 44,891	\$ 43,610	\$ 58,854	\$ 39,432
Capital Lease	8,400	6,300	3,360	11,340	3,398
Certificates of Participation (COP)	81,695		3,357	78,338	3,529
COP - Unamortized Premium	4,493		289	4,204	
Tobacco - Asset Backed Bonds	86,310		5,235	81,075	2,860
Tobacco - Unamortized Bond Premium	6,129		266	5,863	
Bonds Payable - Qualified Energy Conservation Bonds	2,864		292	2,572	298
Bonds Payable - Kern Public Services	9,100		425	8,675	440
Loans Payable - I Bank	4,205		373	3,832	382
Pension Obligation Bonds (1995)	27,867		6,159	21,708	6,108
Pension Obligation Bonds (2003)	143,699		12,790	130,909	14,533
Pension Obligation Bonds (2008)	42,285			42,285	
Net OPEB Liability*	61,932		8,021	53,911	
Net Pension Liability*	1,823,371		24,485	1,798,886	
Total Governmental Activities	2,359,923	51,191	108,662	2,302,452	70,980
<b>Business-type Activities:</b>					
Compensated Absences*	1,649	1,250	1,010	1,889	1,435
Loans Payable - California Waste Management Board	192		64	128	64
Loan Payable - Airport	5,110	5,377	5,365	5,122	519
Pension Obligation Bonds (1995)	473		104	369	103
Pension Obligation Bonds (2003)	2,318		208	2,110	234
Pension Obligation Bonds (2008)	682			682	
Pollution Remediation	6,124		789	5,335	210
Closure Liability	28,510	1,176		29,686	
Post-Closure Liability	35,563		5,300	30,263	749
Net OPEB Liability*	1,427		143	1,284	
Net Pension Liability*	36,024		1,030	34,994	
Total Business-type Activities	118,072	7,803	14,013	111,862	3,314
Total Government-wide Long-Term Liabilities	\$ 2,477,995	\$ 58,994	\$ 122,675	\$ 2,414,314	\$ 74,294

\*As restated see Note II. A.

***Discretely Presented Component Unit***

Long-term obligations and corresponding activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2018, was as follows:

	Beginning Balance	Additions	Deletions	June 30, 2018	Due Within One Year
Compensated Absences	\$ 15,320	\$	\$ 943	\$ 14,377	\$ 10,547
Capital Lease	1,925	6,323	2,065	6,183	2,500
Certificates of Participation	3,250		1,033	2,217	1,086
COP - Unamortized Premium	60		20	40	
Pension Obligation Bonds	28,441		2,675	25,766	2,888
Net OPEB Liability	4,201	105		4,306	
Net Pension Liability	329,936		36,681	293,255	
Total	\$ 383,133	\$ 6,428	\$ 43,417	\$ 346,144	\$ 17,021

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**B. CERTIFICATES OF PARTICIPATION**

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

The County has outstanding COPs totaling \$78,338 at fixed interest rates. The proceeds of the COPs are being used for the acquisition of equipment, construction, and renovation of certain public facilities within the County. The COPs have been delivered to the trustee, U.S. Bank, for investment and disbursement subject to the terms and conditions of the trust agreements.

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

**2016 Refunding COP, Series A**

On December 14, 2016, the County issued \$80,350 of Certificates of Participation with fixed interest rates ranging from 3.00% to 5.00% with maturity dates from November 1, 2017 – 2034 to advance refund the 2009 COP. The net proceeds plus the 2009 COP reserve account were deposited in an irrevocable trust to provide for all future debt service payments on the 2009 COP with an anticipated prepayment date of February 1, 2019. As a result, the 2009 COP is considered defeased and the liability for those bonds has been removed from the County's long-term debt liabilities. The 2016 COP refunding included a debt service reserve insurance policy to satisfy the reserve requirement. The 2016 Refunding COP has the following schedule of future payments:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 3,080	\$ 3,171	\$ 6,251
2020	3,245	3,013	6,258
2021	3,405	2,847	6,252
2022	3,580	2,672	6,252
2023	3,765	2,489	6,254
2024 - 2028	21,890	9,389	31,279
2029 - 2033	26,435	4,840	31,275
2034 - 2035	12,020	486	12,506
Total	\$ 77,420	\$ 28,907	\$ 106,327

**2011 Refunding COP, Series A – Governmental Portion**

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 449	\$ 30	\$ 479
2020	469	9	478
Total	\$ 918	\$ 39	\$ 957

**C. LOANS PAYABLE**

**2017 Refunding Loan – Airports**

On August 1, 2017, the County issued the 2017 Refunding Private Placement Loan in the amount of \$5,377 to refund the 2011 Airports Private Placement Loan. The purpose of the refunding was

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

to lower the annual debt service payments by extending the maturity date from 2023 to 2027 and reduce the interest rate from a fixed rate of 3.08% to 2.28%. The extension of the loan resulted in an increase in total debt service payments of \$382 and an economic loss of \$79. The 2017 Refunding Loan debt schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 519	\$ 114	\$ 633
2020	531	102	633
2021	543	90	633
2022	555	77	632
2023	568	65	633
2024 - 2027	2,406	125	2,531
Total	\$ 5,122	\$ 573	\$ 5,695

**Fifth District Curb and Gutter Project**

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 382	\$ 108	\$ 490
2020	393	97	490
2021	403	85	488
2022	414	73	487
2023	425	61	486
2024 - 2027	1,815	112	1,927
Total	\$ 3,832	\$ 536	\$ 4,368

**California Integrated Waste Management Board (CIWMB) Loans**

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 64		\$ 64
2020	64		64
Total	\$ 128		\$ 128

**D. BONDS PAYABLE**

**Tobacco Settlement Asset-Backed Refunding Bonds**

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

The Agency issued bonds and loaned the proceeds to the Corporation, which, in turn paid the proceeds to the County. The bonds are limited obligations of the Agency payable solely from payments made by the Corporation from tobacco settlement payments purchased from the

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

County. The bonds do not constitute a charge against the general credit of the Agency (except from loan payments by the Corporation) or the County and neither will the Agency or the County be obligated to pay interest on or principal of these bonds. These bonds do not constitute a legal debt, liability or obligation of the County. For additional information regarding the Tobacco Settlement Revenues see Note XIX. C. The Tobacco Settlement Asset-Backed Bonds debt schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 2,860	\$ 3,899	\$ 6,759
2020	2,950	3,756	6,706
2021	3,050	3,609	6,659
2022	3,565	3,456	7,021
2023	3,600	3,278	6,878
2024 - 2028	3,840	14,721	18,561
2029 - 2033	15,470	12,053	27,523
2034 - 2038	20,590	7,317	27,907
2039 - 2040	25,150	2,515	27,665
Total	\$ 81,075	\$ 54,604	\$ 135,679

**2010 Lease Revenue Refunding**

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 440	\$ 461	\$ 901
2020	460	441	901
2021	480	421	901
2022	505	399	904
2023	525	376	901
2024 - 2028	3,115	1,405	4,520
2029 - 2032	3,150	461	3,611
Total	\$ 8,675	\$ 3,964	\$ 12,639

**2011 Qualified Energy Conservation Bonds**

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 298	\$ 148	\$ 446
2020	304	131	435
2021	311	113	424
2022	318	94	412
2023	325	75	400
2024 - 2026	1,016	106	1,122
Total	\$ 2,572	\$ 667	\$ 3,239

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**E. PENSION OBLIGATION BONDS**

**1995 Pension Obligation Bond**

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

At June 30, 2018, the amount of bonds included, as a component of the County's pension liability, was \$22,077. Of this amount, \$21,708 has been recorded in the governmental activities, and \$369 has been recorded in the proprietary fund types. Debt service for the amount recorded in the governmental activities is reflected in the debt service fund entitled Pension Obligation Bond Trustee Non-Major Governmental Fund. A portion of the 1995 Pension Obligation Bond is being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding debt activity in Note IX. A.

The bonds have various maturity dates between 2001 and 2015 for Current Interest Bonds and between 2016 and 2022 for Capital Appreciation Bonds. The interest ranges from 6.160% to 7.260% for the Current Interest Bonds and 7.560% to 7.610% for the Capital Appreciation Bonds. For the year ended June 30, 2018, interest payments related to the bonds were \$25,375. Of this amount, \$24,951 was paid out of governmental funds and \$424 was paid out of enterprise funds. The following is a summary of the County's total funding requirements of the bonds:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 6,211	\$ 27,672	\$ 33,883
2020	6,199	30,236	36,435
2021	6,239	33,276	39,515
2022	3,428	19,963	23,391
Total	\$ 22,077	\$ 111,147	\$ 133,224

**2003 & 2008 Pension Obligation Bonds**

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

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

At June 30, 2018, the amount of bonds included as a component of the County's pension liability

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

was \$175,986. The following is a summary of the County's total funding requirements of the 2003 Series A bonds:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 14,767	\$ 4,805	\$ 19,572
2020	16,701	4,037	20,738
2021	18,781	3,172	21,953
2022	21,015	2,200	23,215
2023	23,413	1,117	24,530
2024 - 2027	38,342	62,444	100,786
Total	<u>\$ 133,019</u>	<u>\$ 77,775</u>	<u>\$ 210,794</u>

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

Year Ending June 30,	Principal	Interest	Total
2019		\$ 1,798	\$ 1,798
2020		1,798	1,798
2021		1,798	1,798
2022		1,798	1,798
2023		1,798	1,798
2024 - 2028	42,967	7,066	50,033
Total	<u>\$ 42,967</u>	<u>\$ 16,056</u>	<u>\$ 59,023</u>

**X. PENSION PLAN**

**PLAN DESCRIPTION**

The County's Board established KCERA under the provisions of the County Employees' Retirement Law of 1937 on January 1, 1945. All permanent employees of the County and thirteen related agencies are covered by KCERA, which operates as a cost-sharing multi-employer defined benefit plan. It is the responsibility of KCERA to function as an investment and administrative agent for the County with respect to the pension plan. Separate audited financial statements can be obtained from KCERA at 11125 River Run Blvd., Bakersfield, California 93311.

KCERA became independent from the County's supervision and control as a result of the 1992 passage of Proposition 162, which legally established the independent control of the Board of Retirement. The Board of Retirement, consisting of nine members and two alternates, establishes policy for the operation of the plan, considers applications for disability retirement, recommends contributions on the basis of actuarial valuations and controls investment of assets.

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



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

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

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

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

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

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

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

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

The maximum amount of compensation earnable that can be taken into account for 2017 for members with membership dates on or after July 1, 1996 but before January 1, 2013 is \$270,000. For General Tier III members who joined KCERA on or after January 1, 2013, the maximum pensionable compensation that can be taken into account for 2016 is \$118,775 for those enrolled in Social Security. These limits are adjusted on an annual basis. Members are exempt from paying member contributions and employers are exempt from paying employer contributions on compensation in excess of the annual cap.

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

KCERA provides an annual cost-of-living adjustment for all retirees. The cost-of-living adjustment

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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(COLA), based upon the Consumer Price Index for the Los-Angeles-Riverside-Orange County Area, is capped at 2.5%.

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

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

**BASIS OF ACCOUNTING**

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

**CONTRIBUTIONS**

As a condition of participation under the provisions of the County Employees' Retirement Law of 1937 (CERL), members are required to contribute to KCERA a percentage of their salaries. Member contribution rates for fiscal year ended 2017 ranged from 4.45% to 18.48% and were applied to the member's base pay plus compensable special pays. For general members hired prior to 2013, contribution rates were determined by benefit tier and KCERA entry age. For safety members hired prior to 2013, contribution rates were determined by benefit tier and each safety-represented bargaining unit's applicable MOU. Some safety member rates were based on age of entry, whereas other safety members contribute at a flat, average rate. The contribution rates of general and safety members who first joined KCERA, on or after January 1, 2013, are at least 50% of the normal cost rate. Furthermore, the rate of members integrated with Social Security is reduced by one-third on the first \$350 of monthly salary.

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

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**FAIR VALUATION OF INVESTMENTS**

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

Publicly traded stocks	Most recent exchange closing price. International securities reflect currency exchange rates in effect at June 30, 2017.
Short-term investments and bonds	Institutional evaluations or priced at par.
Over the Counter securities	Evaluations based on good faith opinion as to what a buyer in the marketplace would pay for a security.
Commingled funds	Net asset value provided by the investment manager.
Alternative investments	Net asset value provided by the fund manager based on the underlying financial statements and performance of the investments.
Private equity real estate investments	Estimated based on the price that would be received to sell an asset in an orderly transaction between marketplace participants at the measurement date. Investments without a public market are valued based on assumptions made and multiple valuation techniques used by the investment manager.

**ACTUARIAL ASSUMPTIONS**

The total pension liability (TPL) as reported at June 30, 2018 was measured on June 30, 2017. The actuarial assumptions used were based on the results of an experience study for the period July 1, 2013 through June 30, 2016. The following actuarial assumptions were applied to all periods included in the measurement:

Inflation	3.00%
Projected Salary increases	General: 4.00% to 9.00% and Safety: 4.00% to 12.50%. Varies by service, including inflation
Investment Rate of Return	7.25%, net of pension plan investment expenses, including inflation.
Administrative Expenses	0.90% of payroll allocated to both the employer and member based on the components of the total average contribution rate (before expenses) for the employer and member.
Other Assumptions	Same as those used in the June 30, 2017 funding valuation. These assumptions were developed in the analysis of actuarial experience for the period July 1, 2013 through June 30, 2016.

The Entry Age Normal Actuarial Cost method used in KCERA's annual actuarial valuation has also been applied in measuring the service cost and TPL with one exception. For purposes of measuring the service cost and TPL, KCERA has reflected the same plan provisions used in determining the member's actuarial present value of projected benefits. This is different from the

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

version of this method applied in KCERA’s annual funding valuation, where the normal cost and actuarial accrued liability are determined as if the current benefit accrual rate had always been in effect.

The long-term expected rate of return on pension plan investments (7.25%) was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap U.S. Equity	15%	5.61%
Small Cap U.S. Equity	4%	6.37%
Global Equity	6%	6.50%
Developed International Equity	8%	6.96%
Emerging Market Equity	4%	9.28%
U.S. Core Fixed Income	19%	1.06%
High Yield / Specialty	6%	3.65%
Emerging Market Debt	4%	3.85%
Core Real Estate	5%	4.37%
Value-Added Real Estate	5%	6.00%
Commodities	4%	3.76%
Hedge Funds	10%	4.70%
Private Equity	5%	8.70%
Private Credit	5%	5.10%
	<u>100%</u>	

**DISCOUNT RATE**

The discount rate used to measure the TPL was 7.25% as of June 30, 2017. The projection of cash flows used to determine the discount rates assumed member contributions would be made at the current contribution rate and that employer contributions would be made at rates equal to the actuarially determined contribution rates.

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

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

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

The following presents the County’s proportionate share of the Net Pension Liability (NPL) calculated using a discount rate of 7.25%, and what the NPL would be if it were calculated using a discount rate that is one point lower (6.25%) or one point higher (8.25%) than the current rate:

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	1% Decrease 6.25%	Current Rate 7.25%	1% Increase 8.25%
County's Proportionate Share of the Net Pension Liability	\$ 2,496,842	\$ 1,836,402	\$ 1,294,191

**PENSION FUND FIDUCIARY NET POSITION**

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

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At June 30, 2018, the County reported a liability of \$1,836,402 for its proportionate share of the NPL. The NPL was measured as of June 30, 2017, and the TPL used to calculate the NPL was determined by an actuarial valuation as of the measurement date. The NPL for each membership class is the TPL minus the Plan's Fiduciary Net Position (Plan's FNP). The TPL for each membership class is obtained from internal valuation results based on the actual participants in each membership class. The Plan's FNP for each membership was estimated by adjusting the valuation value of assets for each membership class by the ratio of the total KCERA Plan's FNP (excluding the SRBR) to total KCERA valuation value of assets. Based on this methodology, any non-valuation reserves are allocated amongst the membership classes based on each membership class' valuation value of assets. At the June 30, 2017 measurement date, the County's proportion was 77.68%, which was an increase of 0.55% from its proportion measured as of June 30, 2016.

Per the KCERA June 30, 2018 GASB Statement No. 68 Actuarial Valuation, the County recognized pension expense of \$220,899. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	\$ 161,008	
Changes in proportion and differences between County contributions and proportionate share of contributions	36,235	2,149
County contributions subsequent to the measurement date	189,641	
Net difference between projected and actual earnings on retirement plan investments	58,661	
Differences between expected and actual experience in the Total Pension Liability		157,890
	<u>\$ 445,545</u>	<u>\$ 160,039</u>

Deferred outflows of resources and deferred inflows of resources in the previous schedule represent the unamortized portion of changes to NPL to be recognized in future periods in a systematic and rational manner. \$189,641 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pensions will be recognized in pension expense as follows:

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Year Ended June 30,	
2019	\$ 28,357
2020	49,663
2021	26,188
2022	(10,062)
2023	1,719
	<u>\$ 95,865</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability
Governmental Activities	\$ 435,984	\$ 156,667	\$ 1,798,886
Business-Type Activities	8,913	3,145	34,994
Investment Trust Fiduciary Fund	648	227	2,522
Total	<u>\$ 445,545</u>	<u>\$ 160,039</u>	<u>\$ 1,836,402</u>

**XI. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. GENERAL INFORMATION ABOUT THE OPEB PLAN**

**Plan Description**

In addition to the pension benefits described in Note X., eligible County employees are provided post retirement health care benefits through a cost-sharing multiple-employer OPEB plan established in an irrevocable trust administered by Public Agency Retirement Services (PARS). The authority to establish and amend the benefit terms of the OPEB plan comes from union contracts and the Board's order. The OPEB plan does not issue a separate annual financial report.

**Benefits Provided**

The OPEB plan provides post retirement health care through two programs in accordance with union contracts and Board orders.

1. The Retiree Health Premium Supplement Program (RHPSP) provides benefits to employees who: 1) elected to participate or were required to participate, 2) retire on or after July 1, 1990, 3) are between the ages of 50 and 64, and 4) have at least 20 years of continuous County service as a permanent employee. The supplement amount is permanently fixed once determined and, depending on years of service, is equal to 50-100% of the active employee monthly health premium for a single individual at the time of retirement.
2. The Retiree Health Stipend (RHS) provides a stipend to employees who choose continuous County health coverage upon retirement. The monthly stipend paid on behalf of each retiree is a maximum of \$39.75 for single coverage, \$53.69 for two-party coverage and \$61.50 for family coverage, limited to the cost of the plan selected.

During the fiscal year 2015-2016, the County gave a one-time offer to the Service Employees International Union (SEIU) represented employees and Management, Mid-Management, and Confidential employees to opt out of the postretirement health care benefits. By opting out of the plan: the employee will be ineligible to receive the RHPSP supplement upon retirement, including service connected disability retirement; be ineligible to receive the RHS upon retirement; upon active retirement from the County, the employee will be eligible to receive an employer contribution to a Health Reimbursement Arrangement in the following manner (a lump

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

**Contributions**

The County’s Actuarially Determined Contribution (ADC) rate is based off an employer portion and employee portion with the County contributing all of the RHS portion. The employer contribution is not legally or contractually determined. The employee contribution for the RHPSP is 2.12% of covered payroll for a majority of the employee union contracts. Contributions to the OPEB plan from the County were \$8,507 for the year ended June 30, 2018.

**B. OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATING TO OPEB**

At June 30, 2018, the County reported a liability of \$55,195 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County’s proportion of the net OPEB liability was based on the proportion of total OPEB liability for each group, calculated according to classification in census data. At June 30, 2018, the County’s proportion was 92.76 percent. Prior year deferred outflows of resources and deferred inflows of resources information was not restated, as it was not practical due to financial burden.

For the year ended June 30, 2018, the County recognized an OPEB expense of \$3,973. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between County contributions and proportionate share of contributions	\$ 1,651	\$
Changes in assumptions or other inputs	608	
Net excess of actual over projected earnings on OPEB plan investments		181
Differences between expected and actual experience in the Total OPEB Liability		10,425
	<u>\$ 2,259</u>	<u>\$ 10,606</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2019	\$ (1,453)
2020	(1,453)
2021	(1,453)
2022	(1,453)
2023	(1,408)
2024	(1,127)
	<u>\$ (8,347)</u>

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**Actuarial Methods and Assumptions**

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Payroll Growth	Inflation of 3.00% per year plus "across the board" real salary increases of .50% per year
Salary Increases	<i>General:</i> 4.00% to 9.00%, varying by service, including inflation <i>Safety:</i> 4.00% to 12.50%, varying by service, including inflation
Discount Rate	6.50%. Based on asset allocation in PARS OPEB Trust and understanding that the County of Kern is contributing 100% of the ADC.
Trend Rates:	
Supplement	Actual rate increase for 2018-19, then 7.25% in 2019-20 grading down .25% per year to an ultimate rate of 4.50%.
Stipend	0.00%
Mortality Rate	Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected generationally with two-dimensional MP-2016 projection scale.

The non-health actuarial assumptions used in the June 30, 2018 valuation were based on the KCERA Experience Study dated June 21, 2017 for the period July 1, 2013 through June 20, 2016.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity-Large Cap Core	30%	6.40%
Equity-Mid Cap Core	5%	6.40%
Equity-Small Cap Core	10%	6.40%
Equity-International	10%	7.40%
Fixed Income-Intermediate Term Bond	36%	1.75%
Alternatives	8%	4.10%
Cash	1%	1.10%
<b>Total</b>	<b>100%</b>	

**Discount rate**

The discount rate used to measure the Total OPEB Liability (TOL) was 6.50% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made toward the ADC rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore,



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL as of June 30, 2018.

**Sensitivity of the Net OPEB Liability to changes in the discount rate**

The following presents the County's proportionate share of the net OPEB liability, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current discount rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 66,504	\$ 55,195	\$ 45,065

**Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates**

The following presents the County's proportionate share of the net OPEB liability, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rates*	1% Increase
Net OPEB Liability	\$ 48,795	\$ 55,195	\$ 62,464

\*See assumption table for current trend rate

**XII. RISK MANAGEMENT**

The County is generally self-insured for general liability, unemployment insurance, workers' compensation, professional liability, retiree "under age 65" medical claims and employee medical and dental claims. The Automobile and General Liability policy protects the County and its employees against most legal liabilities arising from automobile liability and contractual liability. The County does not self-insure against liability at its seven airports. Airport Liability insurance is maintained. The amount of settlements in each of the past three years has not exceeded the amount of insurance coverage.

Excess liability insurance is maintained for Automobile and General Liability claims over \$3,000 and are subject to annual aggregate limits. Workers' compensation claims are self-insured up to \$1,250 per occurrence with excess insurance covering claims up to statutory limits.

The liabilities for self-insurance included in the General Liability and Workers' Compensation Internal Service Funds are based upon the results of actuarial studies and include amounts for claims incurred but not reported (IBNR). The liability for self-insurance included in the Group Health Internal Service Fund is based upon historical trend analysis and includes amounts on the IBNR. The liability for self-insurance included in the Unemployment Compensation Internal Service Fund represents unpaid claims incurred as of June 30, 2018.

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

Financial activity of the self-insurance programs is accounted for in separate internal service

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

funds. Internal service funds are maintained for General Liability, Group Health, Retiree Group Health, Unemployment Compensation, and Workers' Compensation. Changes in the Self-Insurance Fund claims liabilities during the fiscal year ended June 30, 2018 are as follows:

	July 1, 2017	Claims & Changes in Estimates	Claims Payments	June 30, 2018	Due Within One Year
General Liability	\$ 53,378	\$ (8,398)	\$ 826	\$ 44,154	\$ 663
Group Health	12,118	125,338	125,053	12,403	12,403
Unemployment Compensation	1,002	2,140	2,117	1,025	1,025
Workers' Compensation	74,011	8,807	10,931	71,887	11,318
Total	\$ 140,509	\$ 127,887	\$ 138,927	\$ 129,469	\$ 25,409

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

**XIII. COMMITMENTS AND CONTINGENCIES**

**Federal and State Grant Programs**

The County participates in a number of federal and state grant programs, which are subject to audit. Audit requirements for most Federal grants will be met by the completion of the County's "Single Audit" as required by Public Law 98-502. For the most part, state grants will be audited by the State in the future. The amount of any disallowed expenditures by grantor agencies, if any, as a result of the audit cannot be determined at this time. The County believes that such disallowance, if any, would not have a material effect on the financial statements.

**Mental Health Department Medicare and Medi-Cal Revenues**

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

**Contingent Property Tax Liability**

At June 30, 2018, assessment appeals are pending before the County Assessment Appeals Board (AAB). The following is a summary of the estimated contingent tax liability as of June 30, 2018:

	Principal	Interest	Impounds	Net Contingent Liability
Contingent Tax Liability:	\$ 104,056	\$ 5,712	\$ (55,476)	\$ 54,292
Total Pending AAB Matters	\$ 104,056	\$ 5,712	\$ (55,476)	\$ 54,292

The County's share of the estimated contingent tax liability is \$32,873. The County and other agencies accumulate and maintain tax impound reserves for disputed property taxes. As of June 30, 2018, the County had a total of \$5,765 accumulated in its tax reserve in the General Fund.

**COUNTY OF KERN  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

The result is a net contingent tax liability of \$13,117 for the General Fund and \$13,991 for the Structural Fire fund.

The disputed assessments involved numerous individual cases. A significant portion of assessment appeals are attributable to oil and gas activity. If all cases were settled at one point in time against the County, the County would fund the \$27,108 liability through a combination of future reserves and the abatement of property tax revenue. The effect on the County would be a reduction in appropriations.

**Other Litigation**

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

**Outstanding Encumbrances**

Outstanding encumbrances can carryover. As of June 30, 2018, the County reported significant encumbrances of \$74,715. These encumbrances included \$40,226 of funds that are already restricted and \$16,612 of funds that are assigned. The remaining \$17,877 are part of the unrestricted balance of the enterprise funds statement. The following is a list of significant encumbrances by fund:

	General Fund	Behavioral Health and Recovery Services	Roads	Airports	Waste Management	County Sanitation Districts	Total
Restricted		\$ 37,913	\$ 2,313				\$ 40,226
Assigned	\$ 16,612						16,612
Unrestricted				\$ 7,377	\$ 9,449	\$ 1,051	17,877

**XIV. LANDFILLS**

Prior to fiscal year 1988-1989, Kern County Solid Waste Management Enterprise Fund was funded entirely by the County General Fund. In fiscal year 1988-1989 the Board approved a solid waste management program land use fee on all parcels of real property, but land use fee revenue continued to be supplemented by a contribution from the General Fund. In fiscal year 1992-1993, the County General Fund contribution to the Solid Waste Management Enterprise Fund was eliminated and the department became entirely fee supported. The Board eliminated the land use fee for non-residential property and approved a tipping fee for non-residential waste beginning in fiscal year 1993-1994. All revenues are placed in the Solid Waste Management Enterprise Fund exclusively for waste management.

State Financial Assurance Mechanism regulations require landfill operators to set aside funds, or provide alternative funding mechanisms, to fund the closure expense and post closure maintenance of landfills. In response, the County established a designated reserve account to fund closure expense and a pledge of future revenue to fund post closure maintenance. As of June 30, 2018, the Solid Waste Management Enterprise Fund had designations of \$25,285 for closure expenses. Estimated closure and post closure maintenance costs are based on the most recent preliminary closure and post closure plans approved by the State. State regulations require the County to prepare detailed preliminary closure and post closure plans for each landfill. For closure expense, the engineer's cost estimate includes closure design, construction of final cover, construction of monitoring systems and other related activities. For post closure maintenance expense, the engineer's cost estimate includes monitoring and erosion control. If, at some future date, these closure and post closure plans and cost estimates change (due to changes in inflation, deflation, technology, regulations, etc.), the County is required to make corresponding changes in the estimated total closure costs and post closure maintenance costs. The liabilities for closure and post closure maintenance are recognized based on the percent of the landfill capacity used to date.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

Estimated closure and post closure liabilities as of June 30, 2018, are \$61,168 and \$47,767, respectively. The County's landfills are listed below, along with their estimated remaining useful lives, total capacity and percentage of capacity used:

Facility Name	Remaining Useful Lives	Capacity in Cubic Yards	Percent Incurred
Arvin <sup>1</sup>	0	N/A	100%
Bena I <sup>1</sup>	0	N/A	100%
Bena II A	27	38,939,952	24%
Boron	26	1,051,895	82%
Buttonwillow <sup>1</sup>	0	N/A	100%
China Grade <sup>1</sup>	0	N/A	100%
Glennville <sup>1</sup>	0	N/A	100%
Kern Valley <sup>1</sup>	0	N/A	100%
Lebec <sup>1</sup>	0	N/A	100%
Lost Hills <sup>1</sup>	0	N/A	100%
McFarland/Delano <sup>1</sup>	0	N/A	100%
Mojave/Rosamond	13	2,515,491	73%
Ridgecrest	31	10,129,636	60%
Shafter/Wasco	41	21,895,179	38%
Taft	53	10,044,765	32%
Tehachapi	5	3,712,022	90%
Total		<u>88,288,940</u>	

<sup>1</sup> Site is closed.

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

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

Each year a portion of the landfill's estimated closure and post closure liabilities are recognized as an expense and liability based on the capacity used to date. As of June 30, 2018, the landfill closure liability is \$29,686 and the post closure liability is \$30,263 as recorded in the liabilities of the Solid Waste Management Enterprise Fund. These represent the cumulative liabilities to date. The remaining \$31,482 and \$17,504 anticipated closure and post closure liabilities, respectively, will be recognized in future years.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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**XV. POLLUTION REMEDIATION**

The Solid Waste Management Enterprise Fund has the following pollution remediation liability for the remediation of 25 burn dumps that were either owned or operated by the County prior to 1971. The County intends to follow the guidelines set forth by the California Integrated Waste Management Board's Local Enforcement Agency (LEA) Advisory #56, dated November 4, 1998, to remediate each burn dump. Site Characterization and Environmental Assessments have been conducted for 23 of the 25 burn dumps. Based on the Site Characterization and Environmental Assessments, a remediation plan has been developed for each burn dump. Costs are based on the remediation plan for each site and on our experience with similar sites, which the Solid Waste Management Enterprise Fund has previously remediated. The Solid Waste Management Enterprise Fund does not anticipate any recoveries regarding these burn dumps. The amount accrued at June 30, 2018 was \$5,335.

**XVI. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES/ADVANCES FROM OTHERS**

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

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

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

For information about the deferred outflows and inflows of resources relating to the deferred pensions, see Note X. The various components of deferred outflows, deferred inflows, and advances from grantors and third parties reported at June 30, 2018 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Advances From Grantors and Third Parties
<b>Governmental Fund Activities:</b>			
Delinquent Property Taxes Receivable			
General Fund	\$	\$ 4,027	\$
Structural Fire		2,096	
Non-major Governmental Fund		333	
Other Long-term Receivables			
General Fund		4,071	
Behavioral Health & Recovery Services		947	
Human Services		5,467	
Structural Fire		5	
Deferred Housing Loan Payments			
Community Development		53,618	
Non-major Governmental Fund		16,690	
Deferred Tobacco Revenues			
Kern County Tobacco Funding Corp.	123,725	123,725	
Advanced Funds			
General Fund			607
Behavioral Health & Recovery Services			113
Human Services			35,685
Non-major Governmental Fund			3,541
Total Governmental Activities	<u>\$ 123,725</u>	<u>\$ 210,979</u>	<u>\$ 39,946</u>
<b>Government-Wide Activities:</b>			
Governmental Activities:			
Deferred OPEB	\$ 2,207	\$ 10,359	\$
Deferred Pensions	435,984	156,667	
Deferred Charge on Refunding			
2016 Advanced Refunding COP	8,003		
2014 Tobacco Refunding	1,062		
Deferred Housing Loan Payments		1,029	
Advanced Funds			39,946
Total Governmental Activities	<u>447,256</u>	<u>168,055</u>	<u>39,946</u>
Business-Type Activities:			
Deferred OPEB			
Airports	9	44	
Waste Management	35	165	
Non-major Enterprise Funds	8	38	
Deferred Pensions			
Airports	1,025	387	
Waste Management	6,290	2,182	
Non-major Enterprise Funds	1,598	576	
Unearned Revenue			
Waste Management			92
Non-major Enterprise Funds			694
Deferred Charge on Refunding			
Airports	94		
Total Business-Type Activities	<u>9,059</u>	<u>3,392</u>	<u>786</u>
Total Government-Wide Activities	<u>\$ 456,315</u>	<u>\$ 171,447</u>	<u>\$ 40,732</u>

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**XVII. FUND BALANCES/NET POSITION**

**A. FUND BALANCE**

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note I. H for a description of these categories). Fund balances for all the major and non-major governmental funds as of June 30, 2018, were distributed as follows:

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS
<b>Nonspendable:</b>									
Receivables/Advances	\$ 15,777	\$	\$	\$	\$	\$	\$	\$	\$
Deposits/Revolving Cash	1,439	1			101			5	67
Inventory	708						1,334	1,027	
<b>Total Nonspendable Fund Balance</b>	<b>17,924</b>	<b>1</b>			<b>101</b>		<b>1,334</b>	<b>1,032</b>	<b>67</b>
<b>Restricted for:</b>									
Aging and Adult Services									1,692
Animal Service Programs									22
Apparatus Replacement								237	
Assessor/Recorder Programs	6								4,777
Automated Fingerprint									478
Automated Warrant System									113
Bakersfield Mitigation							1,742		
Capital Improvement - Fire Stations								1,465	
Capital Projects									32,898
Child Support Enforcement									694
Comm Corr. Performance Incentive									424
Community Development			1,704						51
County Clerk Activities									184
CCP Community Recidivism									5,054
CSAs - Health & Sanitation									1,280
CSAs - Public Protection									406
CSAs - Public Ways									4,177
Criminal Justice Facility									2,249
Criminalistics Lab									319
DA Court Ordered Penalties									1,729
Debt Service						9,616			1,957
DHS-Wraparound									7,187
Human Services					9,013				
District Attorney Equipment									438
DIVCA Franchise Fee									925
DNA Fund									138
Domestic Violence									145
Emergency Medical Services									2,432
Engineering and Survey Services									74
Environmental Health	4								1,007
Fire Activity								840	
Fire Hazard Reduction								124	
Fire Prevention Activities								33	

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS
Forfeitures									850
IHSS Public Authority									697
Industrial Fire Fighting Vehicle							798		
Juvenile Inmate Welfare									209
Kern County Childrens Fund									1,083
Library Books									474
Local Public Safety									7,990
Mental Health - Alcohol Abuse									159
Mental Health - Drug Program									16
Mental Health - Prudent Reserve		16,589							
Mental Health Programs		153,576							
Micrographics									
Off Highway Motor Vehcile License									685
Oil & Gas Programs									2,132
Oildale Revitalization									8
Parks Services									246
Probation Programs									92
Probation Realignment									872
Project Impact Mitigation									3,394
Public Health Programs									69
Range Improvement									97
Realignment				37,832					
Redemption Systems									1,687
Resource Management Agency									857
Roads - Construction Projects							11,900		
Roads - Maintenance									3,132
Roads - Metro Bakersfield Impact							13,903		
Roads - Rosamond Impact							929		
Roads - Tehachapi Impact									2,606
Rural Crime									1,021
Shelter Care									180
Sheriff Programs									7,774
Teeter 1%	9,600								
Vital Health									611
Veterans Services									550
Wildlife Resources									6
Workforce Investment Act	143								1,747
<b>Total Restricted Fund Balance</b>	<b>9,753</b>	<b>170,165</b>	<b>1,704</b>	<b>37,832</b>	<b>9,013</b>	<b>9,616</b>	<b>28,474</b>	<b>3,497</b>	<b>110,094</b>
<b>Committed to:</b>									
Abatement Cost									360
Building Inspection									16,064
Teeter Buyout	35,528								
Engineering and Survery Services									5,729
Firework Safety & Enforcement							126		
Planning Programs									2,908
Sheriff Programs									55
<b>Total Committed Fund Balance</b>	<b>35,528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126</b>	<b>25,116</b>



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS
<b>Assigned to:</b>									
Encumbrances									
General Gov't - Major Maint	12,413								
General Gov't - Capital Proj	2,698								
General Gov't - Other	2,501								
Public Protection - Sheriff	387								
Public Protection - Probation	617								
Public Protection - Other	71								
Health & Sanitation - Health	133								
Board of Trade									328
Capital Projects	2,000								2,604
Fire Department Capital							1,997		
Fire Station Replacement	355								
Human Services	26,453								
Information Technology Projects	269								
Infrastructure Replacement	6,974								
Jail Operations	4,675								
Kern Medical Working Capital	38,823								
PILT/TARP	1,200								
Retirement	29,842								
Safety Retirement	543								
Sheriff Equipment	1,182								
Sheriff									
Stategic Work FRC Plan	125								
Tax Litigation	8,855								
WESTARZ	148								
Total Assigned Fund Balance	140,264						1,997		2,932
<b>Unassigned Fund Balance:</b>	<b>80,804</b>								
Total Fund Balances	<u>\$ 284,273</u>	<u>\$ 170,166</u>	<u>\$ 1,704</u>	<u>\$ 37,832</u>	<u>\$ 9,114</u>	<u>\$ 9,616</u>	<u>\$ 29,808</u>	<u>\$ 6,652</u>	<u>\$ 138,209</u>

**B. RESTRICTED RESOURCES**

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

**XVIII. OTHER INFORMATION**

**A. DEFERRED COMPENSATION PLAN**

The County has made available two deferred compensation plans to its eligible employees under the terms of Section 457 of the Internal Revenue Code. Of the two deferred compensation plans, one covers full-time employees and the other covers part-time, seasonal, and temporary employees. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Amounts accumulated under the plan have been

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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invested in several investment options at the direction of the employees.

The Small Business Job Protection Act of 1996 changed the Internal Revenue Code Section 457 to protect participant assets from the creditors of a bankrupt or financially troubled public jurisdiction. The County has complied with the provisions of this act. As of June 30, 2017, the Deferred Compensation Plans reported a net position of \$492,833 for the full-time employee plan and \$8,228 for the part-time, seasonal, and temporary employee plan, which are not included as part of the County's financial statements. Complete Financial Statements for the Deferred Compensation Plans may be obtained from the office of the Kern County Treasurer Tax Collector located at 1115 Truxtun Avenue, Second Floor, Bakersfield, California 93301.

**B. JOINT VENTURES**

In accordance with the Joint Exercise of Powers agreement between the Ford City – Taft Heights Sanitation District (the District) and the City of Taft (the City) dated May 29, 1950, and amended March 7, 1966, April 24, 1972, and August 20, 1991, the City acts on its own behalf and on behalf of the District to operate and maintain a Wastewater Treatment Plant. Costs to operate and maintain the facility are apportioned 52% to the City and 48% to the District. The District's investment in the Wastewater Treatment Plant decreased by \$167 from \$2,569 to \$2,402 as of their most recent financial statements issued.

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

**C. SECURITIZATION OF TOBACCO SETTLEMENT REVENUES**

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

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

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

In furtherance of its objective to ensure and otherwise protect against the risk of a substantial decline in Tobacco Revenue and to assure a source of funds for County programs, the County formed the Corporation. The Agency loaned the Corporation proceeds from bonds it had issued

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

The bonds are limited obligations of the Agency payable solely from loan payments made by the Corporation. The Corporation funds the loan payments with the tobacco settlement payment purchased from the County. For the year ended June 30, 2018, \$8,886 of tobacco settlement payments was recorded as Other Revenues in the Kern County Tobacco Funding Corporation debt service fund. The bonds do not constitute a charge against the general credit of the Agency or the County and neither the Agency (except from loan payments by the Corporation) nor the County will be obligated to pay the interest on or principal of these bonds. These bonds do not constitute a legal debt, liability or obligation of the County.

**D. TAX ABATEMENTS**

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

Under the provisions of these contracts, land parcels and living improvements are assessed based on the capitalization of income method of the California Revenue and Taxation Code Section 423. For the fiscal year ended June 30, 2018, the reductions in property tax assessments equaled approximately \$12,849 of property tax revenues under the Williamson Act. Of this total, \$8,400 was attributable to the General Fund and \$4,449 to Structural Fire.

**XIX. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through January 30, 2019, which is the date the financial statements were available to be issued. No events have occurred that would require disclosure.



**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Taxes	\$ 304,280	\$ 304,280	\$ 309,457	\$ 5,177
Licenses, Permits, and Franchises	10,625	10,625	11,231	606
Fines, Forfeitures and Penalties	13,074	13,074	12,570	(504)
Revenues from Use of Money and Property	3,349	3,349	3,625	276
Aid from Other Governmental Agencies	175,338	175,338	165,543	(9,795)
Charges for Current Services	78,344	78,344	76,842	(1,502)
Other Revenues	8,381	8,381	5,496	(2,885)
<b>Total Revenues</b>	<u>593,391</u>	<u>593,391</u>	<u>584,764</u>	<u>(8,627)</u>
<b>EXPENDITURES:</b>				
General Government	120,016	148,792	137,526	11,266
Public Protection	412,852	422,376	403,752	18,624
Health and Sanitation	69,022	71,025	66,480	4,545
Public Assistance	16,719	16,932	14,996	1,936
Education	7,803	7,840	7,585	255
Debt Service - General Fund	8,554	7,310	937	6,373
Contingencies and Reserves	6,859	39		39
<b>Total Expenditures</b>	<u>641,825</u>	<u>674,314</u>	<u>631,276</u>	<u>43,038</u>
Deficiency of Revenues Under Expenditures	<u>(48,434)</u>	<u>(80,923)</u>	<u>(46,512)</u>	<u>34,411</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	195,652	195,652	172,665	(22,987)
Transfers Out	(155,454)	(173,974)	(148,384)	25,590
Inception of Capital Lease			6,300	6,300
<b>Total Other Financing Sources (Uses)</b>	<u>40,198</u>	<u>21,678</u>	<u>30,581</u>	<u>8,903</u>
Net Change in Fund Balance	(8,236)	(59,245)	(15,931)	43,314
Fund Balance, July 1, 2017 (as previously reported)	288,143	288,143	288,143	
Prior Period Adjustments (Modified Accrual Basis of Accounting, p. 32)			(393)	(393)
<b>Fund Balance, June 30, 2018</b>	<u>\$ 279,907</u>	<u>\$ 228,898</u>	<u>\$ 271,819</u>	<u>\$ 42,921</u>

Note: The Fund Balance at July 1, 2017 for Budgetary Basis is recorded on the modified accrual basis of accounting, excluding prior year encumbrances.

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

Actual amount budgetary basis from the budgetary comparison schedule	\$ 631,276
Differences - Budget to GAAP	
Encumbrances for supplies and services ordered but not received within the recognition period	(18,754)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	<u>6,300</u>
<b>Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances</b>	<u>\$ 618,822</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 BEHAVIORAL HEALTH & RECOVERY SERVICES  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Revenues from Use of Money and Property	\$ 939	\$ 939	\$ 866	\$ (73)
Aid from Other Governmental Agencies	48,013	48,013	53,324	5,311
Charges for Current Services	73,452	73,452	61,964	(11,488)
Other Revenues	509	509	25	(484)
<b>Total Revenues</b>	<u>122,913</u>	<u>122,913</u>	<u>116,179</u>	<u>(6,734)</u>
<b>EXPENDITURES:</b>				
Health and Sanitation	194,724	228,282	192,501	35,781
<b>Total Expenditures</b>	<u>194,724</u>	<u>228,282</u>	<u>192,501</u>	<u>35,781</u>
Deficiency of Revenues Under Expenditures	<u>(71,811)</u>	<u>(105,369)</u>	<u>(76,322)</u>	<u>29,047</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	103,724	103,724	60,090	(43,634)
Transfers Out	(47,880)	(47,880)	(3,259)	44,621
<b>Total Other Financing Sources (Uses)</b>	<u>55,844</u>	<u>55,844</u>	<u>56,831</u>	<u>987</u>
Net Change in Fund Balance	(15,967)	(49,525)	(19,491)	30,034
Fund Balance, July 1, 2017	151,744	151,744	151,744	
Fund Balance, June 30, 2018	<u>\$ 135,777</u>	<u>\$ 102,219</u>	<u>\$ 132,253</u>	<u>\$ 30,034</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 192,501
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(37,913)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 154,588</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 COMMUNITY DEVELOPMENT  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Revenues from Use of Money and Property	\$ 16,968	\$ 16,968	\$ (17)	\$ (17)
Aid from Other Governmental Agencies	440	440	8,223	(8,745)
Other Revenues	<u>440</u>	<u>440</u>	<u>8,223</u>	<u>(440)</u>
Total Revenues	<u>17,408</u>	<u>17,408</u>	<u>8,206</u>	<u>(9,202)</u>
<b>EXPENDITURES:</b>				
Public Assistance	<u>16,165</u>	<u>14,631</u>	<u>4,459</u>	<u>10,172</u>
Total Expenditures	<u>16,165</u>	<u>14,631</u>	<u>4,459</u>	<u>10,172</u>
Excess of Revenues Over Expenditures	<u>1,243</u>	<u>2,777</u>	<u>3,747</u>	<u>970</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	5	5		(5)
Transfers Out	<u>(2,643)</u>	<u>(4,182)</u>	<u>(3,851)</u>	<u>331</u>
Total Other Financing Sources (Uses)	<u>(2,638)</u>	<u>(4,177)</u>	<u>(3,851)</u>	<u>326</u>
Net Change in Fund Balance	(1,395)	(1,400)	(104)	1,296
Fund Balance, July 1, 2017	<u>1,594</u>	<u>1,594</u>	<u>1,594</u>	
Fund Balance, June 30, 2018	<u>\$ 199</u>	<u>\$ 194</u>	<u>\$ 1,490</u>	<u>\$ 1,296</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 4,459
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(214)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 4,245</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 COUNTY LOCAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 189,972	\$ 189,972	\$ (319)	\$ (319)
Aid from Other Governmental Agencies	<u>189,972</u>	<u>189,972</u>	<u>205,544</u>	<u>15,572</u>
Total Revenues	<u>189,972</u>	<u>189,972</u>	<u>205,225</u>	<u>15,253</u>
EXPENDITURES:				
Public Protection	<u>2,521</u>	<u>3,224</u>	<u>2,967</u>	<u>257</u>
Total Expenditures	<u>2,521</u>	<u>3,224</u>	<u>2,967</u>	<u>257</u>
Excess of Revenues Over Expenditures	<u>187,451</u>	<u>186,748</u>	<u>202,258</u>	<u>15,510</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	890	890		(890)
Transfers Out	<u>(190,212)</u>	<u>(194,344)</u>	<u>(192,389)</u>	<u>1,955</u>
Total Other Financing Sources (Uses)	<u>(189,322)</u>	<u>(193,454)</u>	<u>(192,389)</u>	<u>1,065</u>
Net Change in Fund Balance	(1,871)	(6,706)	9,869	16,575
Fund Balance, July 1, 2017	<u>27,963</u>	<u>27,963</u>	<u>27,963</u>	
Fund Balance, June 30, 2018	<u>\$ 26,092</u>	<u>\$ 21,257</u>	<u>\$ 37,832</u>	<u>\$ 16,575</u>



**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 HUMAN SERVICES  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Revenues from Use of Money and Property	\$ 36	\$ 36	\$ 158	\$ 122
Aid from Other Governmental Agencies	275,621	275,621	250,419	(25,202)
Charges for Current Services	436	436	379	(57)
Other Revenues	<u>2,106</u>	<u>2,106</u>	<u>2,489</u>	<u>383</u>
Total Revenues	<u>278,199</u>	<u>278,199</u>	<u>253,445</u>	<u>(24,754)</u>
<b>EXPENDITURES:</b>				
Public Assistance	<u>440,543</u>	<u>441,817</u>	<u>429,214</u>	<u>12,603</u>
Total Expenditures	<u>440,543</u>	<u>441,817</u>	<u>429,214</u>	<u>12,603</u>
Deficiency of Revenues Under Expenditures	<u>(162,344)</u>	<u>(163,618)</u>	<u>(175,769)</u>	<u>(12,151)</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers In	<u>162,344</u>	<u>162,344</u>	<u>176,232</u>	<u>13,888</u>
Total Other Financing Sources	<u>162,344</u>	<u>162,344</u>	<u>176,232</u>	<u>13,888</u>
Net Change in Fund Balance		(1,274)	463	1,737
Fund Balance, July 1, 2017	<u>8,396</u>	<u>8,396</u>	<u>8,396</u>	
Fund Balance, June 30, 2018	<u>\$ 8,396</u>	<u>\$ 7,122</u>	<u>\$ 8,859</u>	<u>\$ 1,737</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 429,214
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(255)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 428,959</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE  
ROADS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Taxes	\$ 2,460	\$ 2,460	\$ 2,043	\$ (417)
Licenses, Permits and Franchises			2,203	2,203
Revenues from Use of Money and Property	121	121	259	138
Aid from Other Governmental Agencies	48,411	48,411	40,570	(7,841)
Charges for Current Services	1,952	1,952	834	(1,118)
Other Revenues	10	10	22	12
<b>Total Revenues</b>	<u>52,954</u>	<u>52,954</u>	<u>45,931</u>	<u>(7,023)</u>
<b>EXPENDITURES:</b>				
Public Ways and Facilities	66,450	75,430	61,506	13,924
<b>Total Expenditures</b>	<u>66,450</u>	<u>75,430</u>	<u>61,506</u>	<u>13,924</u>
Deficiency of Revenues Under Expenditures	<u>(13,496)</u>	<u>(22,476)</u>	<u>(15,575)</u>	<u>6,901</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	12,621	12,621	8,095	(4,526)
Transfers Out	(6,000)	(6,000)		6,000
<b>Total Other Financing Sources (Uses)</b>	<u>6,621</u>	<u>6,621</u>	<u>8,095</u>	<u>1,474</u>
<b>Net Change in Fund Balance</b>	<u>(6,875)</u>	<u>(15,855)</u>	<u>(7,480)</u>	<u>8,375</u>
Fund Balance, July 1, 2017	34,975	34,975	34,975	
<b>Fund Balance, June 30, 2018</b>	<u>\$ 28,100</u>	<u>\$ 19,120</u>	<u>\$ 27,495</u>	<u>\$ 8,375</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 61,506
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(2,313)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 59,193</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE  
STRUCTURAL FIRE  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Taxes	\$ 93,174	\$ 93,174	\$ 94,454	\$ 1,280
Licenses, Permits and Franchises	1,100	1,100	1,191	91
Fines, Forfeitures and Penalties	180	180	83	(97)
Revenues from Use of Money and Property	(63)	(63)	(367)	(304)
Aid from Other Governmental Agencies	6,425	6,425	6,107	(318)
Charges for Current Services	43,512	43,512	42,199	(1,313)
Other Revenues	432	432	551	119
<b>Total Revenues</b>	<u>144,760</u>	<u>144,760</u>	<u>144,218</u>	<u>(542)</u>
<b>EXPENDITURES:</b>				
Public Protection	141,915	159,791	158,041	1,750
<b>Total Expenditures</b>	<u>141,915</u>	<u>159,791</u>	<u>158,041</u>	<u>1,750</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,845	(15,031)	(13,823)	1,208
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	13,692	13,692	11,655	(2,037)
Transfers Out	(2,038)	(2,957)	(367)	2,590
<b>Total Other Financing Sources (Uses)</b>	<u>11,654</u>	<u>10,735</u>	<u>11,288</u>	<u>553</u>
Net Change in Fund Balance	14,499	(4,296)	(2,535)	1,761
Fund Balance, July 1, 2017	9,045	9,045	9,045	
Fund Balance, June 30, 2018	<u>\$ 23,544</u>	<u>\$ 4,749</u>	<u>\$ 6,510</u>	<u>\$ 1,761</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 158,041
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(142)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 157,899</u>

**COUNTY OF KERN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**I. BUDGETARY BASIS OF ACCOUNTING**

**A. BUDGETARY INFORMATION**

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

The major funds for which annual budgets are adopted are presented in the budgetary comparison schedules and include the General Fund, Behavioral Health & Recovery Services, Community Development, County Local Revenue Fund, Human Services, Roads, and Structural Fire. The County also budgets for the following non-major funds: Abatement Cost, Aging & Adult Services, Alcohol Abuse, Alcohol Program, Asset Forfeiture 15% Probation, Automated Co. Warrant System, Automated Fingerprint, Board of Trade Advertising, Building Inspection, CCP Community Recidivism, Child Restraint Loaner, Child Support Services, Community Corr. Performance Incentive, County Clerk, County Service Areas, Criminal Justice Facility, Criminalistics Laboratories, DA Court Ordered Penalties, DA/Sheriff/Probation DNA Fund, DA Equipment Automation, DA Federal Forfeitures, DA Local Forfeitures, Development Services, DHS Wraparound Savings, Disaster Assistance, DIVCA LCL Franchise Fee, Domestic Violence, Drug Program, Emergency Medical Payments, Employers' Training Resource, Environmental Health Services, Health-MAA TCM, IHSS Public Authority, Juvenile Inmate Welfare, Kern County Children's Fund, KNET Asset Forfeitures, Library Books, Local Public Safety, Micrographics, NSP Grant, Off Hwy. Motor Vehicle License, Oil & Gas Program, Parcel Map In-Lieu Fees, Parks & Recreation Donation Fund, Planned Local Drainage, Planned Sewer, Planning Admin. Surcharge, Probation Asset Forfeiture, Probation DJJ Realignment, Probation Federal Asset Forfeiture, Probation Training, Project Impact Mitigation Fund, Public Health Misc., Range Improvement, Real Estate Fraud, Recorder, Recorder's Electronic Recording, Recorder Modernization, Recorder SSN Truncation, Redemption Systems, RMA-Hazardous Waste Settlements, Rural Crimes Environmental Impact Fee, Shelter Care, Sheriff Cal I.D., Sheriff Civil Automated, Sheriff Civil Subpoena, Sheriff Controlled Substance, Sheriff Drug Abuse Gang Diversion, Sheriff Drug Awareness Program, Sheriff Electronic Monitoring, Sheriff Facility Training, Sheriff Inmate Welfare, Sheriff Judgment Debtor Fee, Sheriff Rural Crime, Sheriff Sidearm Conversion, Sheriff State Asset Forfeitures, Sheriff Training Fund, Sheriff's Volunteer Service Group, Sheriff Work Release, Sterilization, Strong Motion Instrumentation, Timber Harvest, Tobacco Education Control, Veterans Grant Fund, Vital Health Statistics County Clerk, Vital Health Statistics, Vital Health Statistics Recorder, Wildlife Resources, 2009 Capital Projects, 7<sup>th</sup> Standard Road Widening, AB900 Jail Construction, Accumulative Capital Outlay Fire, Accumulative Capital Outlay General, and Tobacco Securitization Proceeds.

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

**COUNTY OF KERN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

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

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

There were no material excess expenditures over the related appropriations in any object level within any fund. Final budget amounts, as reported, represent adjusted figures at year-end. The Board must approve transfers of appropriations between departments. The Board must also approve supplemental appropriations necessary and normally financed by unanticipated revenue during the year. Unanticipated revenues of \$31,161 were added to appropriations in the General Fund during the fiscal year.

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

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

**COUNTY OF KERN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**B. RECONCILIATION OF BUDGETARY BASIS TO GAAP**

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

	Fund Balances (Budgetary Basis)	Basis Differences		Fund Balances (Modified Accrual Basis of Accounting)
		Capital Leases Capital Outlay	Outstanding Encumbrances for Budgeted Funds	
General Fund	\$ 271,819	\$ (6,300)	\$ 18,754	\$ 284,273
Behavior Health & Recovery Services	132,253		37,913	170,166
Community Development	1,490		214	1,704
Human Services	8,859		255	9,114
Roads	27,495		2,313	29,808
Structural Fire	6,510		142	6,652
Aging and Adult Services	1,669		27	1,696
Building Inspection	15,847		223	16,070
CCP Community Recidivism	4,519		535	5,054
AB900 Jail Construction	(239)		239	-
Total	<u>\$ 470,222</u>	<u>\$ (6,300)</u>	<u>\$ 60,615</u>	<u>\$ 524,537</u>

COUNTY OF KERN  
KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION - PENSION SCHEDULES  
FOR THE YEAR ENDING JUNE 30, 2018 (IN THOUSANDS)

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

Last 10 Fiscal Years\*

Reporting Fiscal Year	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	County's Covered-employee Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered-employee Payroll	Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2014	6/30/2013	91.682%	\$ 1,947,691	\$ 465,506	418.40%	59.59%
6/30/2015	6/30/2014	91.914%	1,901,916	482,159	394.46%	63.49%
6/30/2016	6/30/2015	91.290%	2,011,197	477,224	421.44%	62.36%
6/30/2017	6/30/2016	90.800%	2,191,581	479,889	456.68%	59.82%
6/30/2018†	6/30/2017	77.683%	1,836,402	407,334	450.83%	62.97%

Notes to Schedule:

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

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Last 10 Fiscal Years\*

Fiscal Year of Contribution	Actuarially Determined Contribution	County's Contribution	Contribution Deficiency (Excess)	County's Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
6/30/2014	\$ 201,221	\$ 201,221	\$ -	\$ 482,159	41.73%
6/30/2015	194,907	194,907	-	477,224	40.84%
6/30/2016	198,049	198,049	-	479,889	41.27%
6/30/2017	174,267	174,267	-	407,334	42.78%
6/30/2018‡	188,408	188,408	-	448,020	42.05%

Notes to Schedule:

<b>Valuation Date:</b>	June 30, 2017
<b>Methods and assumptions used to determine contribution rates:</b>	
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Remaining Amortization Period</b>	18.5 years as of June 30, 2017
<b>Asset Valuation Method</b>	Market value basis, recognized over a five year-period
<b>Inflation</b>	3.00%
<b>Projected Salary Increase</b>	General: 4.00% to 9.00% and Safety: 4.00% to 12.50%, varying by service, including inflation
<b>Investment Rate of Return</b>	7.25%, net of pension plan investment expense, including inflation
<b>Retirement Age</b>	General Age: 57, Safety Age: 53
<b>Mortality</b>	RP-2000 Combined Healthy Mortality Table projected with Scale BB to 2023

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

† As of the June 30, 2018 actuarial report, the Hospital Authority was no longer included in the County's portion of pension values.

‡ Current year County values based on a calculation of the most recent proportionate share of net pension liability by the plan's contribution totals.

COUNTY OF KERN  
 OTHER POST-EMPLOYMENT BENEFITS  
 FOR THE YEAR ENDING JUNE 30, 2018 (IN THOUSANDS)

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

Last 10 Fiscal Years\*

Fiscal Year	Measurement Date	Proportion of the Net OPEB Liability	Proportionate Share of Net OPEB Liability	County's Covered-employee Payroll†	Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-employee Payroll	Plan's Fiduciary Net Position as a Percentage of the Total OPEB Liability
2018	6/30/2018	92.763%	\$ 55,195	\$ 356,748	15.47%	56.56%

† Based on the total covered-employee payroll for employees classified as County in the census data.

\* GASB Statement No. 75 was implemented as of June 30, 2018. Additional years will be presented as they are available.





**OTHER  
SUPPLEMENTARY  
INFORMATION**



**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND  
SCHEDULES**



**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

	<b>SPECIAL REVENUE FUNDS</b>	<b>CAPITAL PROJECTS FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Pooled Cash and Investments	\$ 100,277	\$ 5,080	\$ 41	\$ 105,398
Revolving Fund Cash	67			67
Cash and Investments Deposited with Trustee		33,319	1,805	35,124
Interest Receivable	161			161
Taxes Receivable	352			352
Accounts Receivable, Net	486			486
Accrued Revenue	19,655	9,589	122	29,366
Due from Other Funds	2,987	2,897		5,884
Due from Other Agencies	765			765
Housing Loans Receivable	14,944			14,944
Housing Loans Interest Receivable	1,746			1,746
Total Assets	<u>141,440</u>	<u>50,885</u>	<u>1,968</u>	<u>194,293</u>
Total Assets and Deferred Outflows of Resources	\$ <u>141,440</u>	\$ <u>50,885</u>	\$ <u>1,968</u>	\$ <u>194,293</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 5,086	\$ 1,947	\$ 11	\$ 7,044
Salaries and Employee Benefits Payable	2,055			2,055
Due to Other Funds	12,978	13,436		26,414
Due to Other Agencies	7			7
Advances from Grantors and Third Parties	3,541			3,541
Total Liabilities	<u>23,667</u>	<u>15,383</u>	<u>11</u>	<u>39,061</u>
Deferred Inflows of Resources:				
Deferred Housing Loan Payments	16,690			16,690
Unavailable Revenue - Property Taxes	333			333
Total Deferred Inflows of Resources	<u>17,023</u>			<u>17,023</u>
Fund Balances:				
Nonspendable	67			67
Restricted	75,239	32,898	1,957	110,094
Committed	25,116			25,116
Assigned	328	2,604		2,932
Total Fund Balances	<u>100,750</u>	<u>35,502</u>	<u>1,957</u>	<u>138,209</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ <u>141,440</u>	\$ <u>50,885</u>	\$ <u>1,968</u>	\$ <u>194,293</u>

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<b>SPECIAL REVENUE FUNDS</b>	<b>CAPITAL PROJECTS FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</b>
<b>REVENUES:</b>				
Taxes	\$ 3,780	\$	\$	\$ 3,780
Licenses, Permits and Franchises	12,849			12,849
Fines, Forfeitures and Penalties	9,170			9,170
Revenues from Use of Money and Property	457	59	38	554
Aid from Other Governmental Agencies	122,992	12,484		135,476
Charges for Current Services	22,954			22,954
Other Revenues	6,951		54,669	61,620
<b>Total Revenues</b>	<b>179,153</b>	<b>12,543</b>	<b>54,707</b>	<b>246,403</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	2,729	74	671	3,474
Public Protection	48,470			48,470
Public Ways and Facilities	2,984			2,984
Health and Sanitation	10,237			10,237
Public Assistance	37,250			37,250
Culture and Recreation Services	5			5
Capital Outlay		16,223		16,223
Debt Service:				
Principal			23,468	23,468
Interest			37,235	37,235
<b>Total Expenditures</b>	<b>101,675</b>	<b>16,297</b>	<b>61,374</b>	<b>179,346</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	77,478	(3,754)	(6,667)	67,057
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	25,080	2,897	6,720	34,697
Transfers Out	(112,190)	(3,299)		(115,489)
<b>Total Other Financing Sources (Uses)</b>	<b>(87,110)</b>	<b>(402)</b>	<b>6,720</b>	<b>(80,792)</b>
Net Changes in Fund Balances	(9,632)	(4,156)	53	(13,735)
Fund Balances, July 1, 2017 (as previously reported)	110,382	39,658	1,904	151,944
Prior Period Adjustment				
Fund Balances, June 30, 2018	\$ 100,750	\$ 35,502	\$ 1,957	\$ 138,209

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUND DESCRIPTIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**County Clerk** – This fund is responsible for issuing marriage licenses and fictitious business names, and accepting filings of notary public bonds, environmental impact reports, County loyalty oaths, and other miscellaneous filings.

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

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

**Criminalistics Laboratories** – This fund uses revenues received from a \$50 fine on each conviction for controlled

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

substance offense to defray costs of providing controlled substances analysis in the County.

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

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

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

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

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

**Development Services** – This fund, a division of the Public Works Department, is responsible for reviewing and processing tract and parcel maps, reviewing construction and grading plans for code and regulation compliance, and oversees drainage, floodplain, and geologic activities related to land-development permits.

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

**Disaster Assistance** – This fund accounts for funding received from the California Governor's Office of Emergency Services for the purchase of temporary modular housing units for families affected by the Erskine Fire.

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

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

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

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

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

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

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

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

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

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

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

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

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

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

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

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

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

**Oil and Gas Program** – This fund accounts for fees from permits issued for the drilling and production of oil and gas.

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

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

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

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

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

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

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

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

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

**Project Impact Mitigation Fund** – This fund accounts for monies received from project impact mitigation measures that must be used to satisfy the required mitigation.

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



## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

- Range Improvement** – This fund accounts for grazing fees used to support range improvement costs.
- Real Estate Fraud** – This fund accounts for recording of real estate instrument fees to fund the deterrence, investigation, and prosecution of real estate fraud crimes.
- Recorder** – This fund accounts for recording fees used for the operations of the Recorder's office.
- Recorder's Electronic Recording** – This fund accounts for recording fees used to maintain the County's system of recorded documents.
- Recorder Modernization** – This fund accounts for monies collected through a \$1 fee added per recorded document to pay for the County's electronic recording delivery system.
- Recorder SSN Truncation** – This fund accounts for recording fees used to protect social security numbers on public records.
- Redemption Systems** – This fund accounts for the requirement under the Revenue and Taxation Code Section 4710.
- RMA-Hazardous Waste Settlements** – This fund accounts for monies to be used only for the enforcement of laws pertaining to Hazardous Waste Control.
- Rural Crimes Environmental Impact Fee** – This fund accounts for fees collected from permits to be used to supplement general funds allocated to staffing the Rural Crimes Unit, for the prevention and investigation of rural crimes.
- Shelter Care** – This fund accounts for donations received for the purchase of emergency items, arts and crafts supplies, and entertainment and recreation for the benefit of the children at the Jamison Center.
- Sheriff Cal I.D.** – This fund accounts for monies collected through a \$1 fee added to all vehicle registrations to the County with the cost of purchase and replacement of automated fingerprint equipment.
- Sheriff Civil Automated** – This fund allocates a portion of fees obtained from the service of Civil Process for the exclusive use of the Sheriff's Civil Division for implementation, maintenance, and purchase of auxiliary equipment for automated systems.
- Sheriff Civil Subpoena** – This fund is used to account for funds that cover the expense of County employees obligated by subpoena to attend civil action. Funding is provided by parties requesting subpoenas.
- Sheriff Controlled Substance** – This fund holds monies forfeited to the Sheriff to reimburse the Sheriff's department for expenditures made or incurred in connection with forfeiture proceedings and criminal convictions.
- Sheriff Drug Abuse Gang Diversion** – This fund is used to support programs designed to combat drug abuse and divert gang activity.
- Sheriff Drug Awareness Program** – This fund accounts for donations received for the sole purpose of benefiting the drug awareness efforts of the Sheriff's department.
- Sheriff Electronic Monitoring** – This fund is used to collect administrative and registration fees in accordance with Penal Code section 1208.2(b)(1). The fees collected would be used for the Electronic Monitoring Program.
- Sheriff Facility Training** – This fund accounts for the training and recruitment of Sheriff personnel in order to adhere to the California Penal Code.
- Sheriff Inmate Welfare** – This fund accounts for monies derived from the commissary sales and telephone charges at the County Jail. Funds are used for the welfare and benefit of inmates housed in the County Jail.

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUND DESCRIPTIONS (Continued)

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

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

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

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

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

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

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

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

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

**Timber Harvest** – This fund accounts for payments received to harvest timber to be used for improvement projects in County parks.

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

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

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

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

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

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

**Other Special Revenue Funds** – These funds account for revenues received for various activities and programs including: County-wide Crime Prevention, High Intensity Drug Trafficking Areas (HIDTA) – State Asset Forfeiture, Juvenile Justice Facility, Oil and Gas Road Maintenance, Oildale Revitalization, Public Improvement Districts, Tehachapi Transportation Impact Fee Core, and Tehachapi Transportation Impact Fee Non-Core.

**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 9

	<u>TOTAL</u>	<u>ABATEMENT COST</u>	<u>AGING &amp; ADULT SERVICES</u>	<u>ALCOHOL ABUSE</u>	<u>ALCOHOL PROGRAM</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 100,277	\$ 197	\$ 4	\$ 40	\$ 104
Revolving Fund Cash	67	5			
Interest Receivable	161				
Taxes Receivable	352				
Accounts Receivable, Net	486	189			
Accrued Revenue	19,655	7	3,096		
Due from Other Funds	2,987		336		
Due from Other Agencies	765			6	9
Housing Loans Receivable	14,944				
Housing Loans Interest Receivable	1,746				
Total Assets	<u>141,440</u>	<u>398</u>	<u>3,436</u>	<u>46</u>	<u>113</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 141,440</u>	<u>\$ 398</u>	<u>\$ 3,436</u>	<u>\$ 46</u>	<u>\$ 113</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 5,086	\$ 33	\$ 122	\$	\$
Salaries and Employee Benefits Payable	2,055		633		
Due to Other Funds	12,978		955		
Due to Other Agencies	7				
Advances from Grantors and Third Parties	3,541		30		
Total Liabilities	<u>23,667</u>	<u>33</u>	<u>1,740</u>		
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	16,690				
Unavailable Revenue - Property Taxes	333				
Total Deferred Inflows of Resources	<u>17,023</u>				
Fund Balances:					
Nonspendable	67	5	4		
Restricted	75,239		1,692	46	113
Committed	25,116	360			
Assigned	328				
Total Fund Balances	<u>100,750</u>	<u>365</u>	<u>1,696</u>	<u>46</u>	<u>113</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 141,440</u>	<u>\$ 398</u>	<u>\$ 3,436</u>	<u>\$ 46</u>	<u>\$ 113</u>

<u>ASSET FORFEITURE 15% PROBATION</u>	<u>AUTOMATED CO. WARRANT SYSTEM</u>	<u>AUTOMATED FINGERPRINT</u>	<u>BOARD OF TRADE ADVERTISING</u>	<u>BUILDING INSPECTION</u>	
\$ 11	\$ 109	\$ 457	\$ 328	\$ 15,918	<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
				6	Assets:
				71	Pooled Cash and Investments
				138	Revolving Fund Cash
				26	Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
	4	21			Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>11</u>	<u>113</u>	<u>478</u>	<u>328</u>	<u>16,159</u>	Total Assets
<u>\$ 11</u>	<u>\$ 113</u>	<u>\$ 478</u>	<u>\$ 328</u>	<u>\$ 16,159</u>	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$	\$	\$	\$	\$ 89	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
				<u>89</u>	Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
				6	Fund Balances:
					Nonspendable
					Restricted
				16,064	Committed
					Assigned
<u>11</u>	<u>113</u>	<u>478</u>	<u>328</u>	<u>16,070</u>	Total Fund Balances
<u>\$ 11</u>	<u>\$ 113</u>	<u>\$ 478</u>	<u>\$ 328</u>	<u>\$ 16,159</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 2 of 9

	<u>CCP COMMUNITY RECIDIVISM</u>	<u>CHILD RESTRAINT LOANER</u>	<u>CHILD SUPPORT SERVICES</u>	<u>COMM CORR PERFORMANCE INCENTIVE</u>	<u>COUNTY CLERK</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 4,651	\$ 30	\$ 1,234	\$ 424	\$ 212
Revolving Fund Cash			48		
Interest Receivable			7		
Taxes Receivable					
Accounts Receivable, Net					
Accrued Revenue			554		
Due from Other Funds	668				
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>5,319</u>	<u>30</u>	<u>1,843</u>	<u>424</u>	<u>212</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 5,319</u>	<u>\$ 30</u>	<u>\$ 1,843</u>	<u>\$ 424</u>	<u>\$ 212</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 265	\$	\$ 164	\$	\$ 28
Salaries and Employee Benefits Payable			937		
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities	<u>265</u>	<u></u>	<u>1,101</u>	<u></u>	<u>28</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Fund Balances:					
Nonspendable			48		
Restricted	5,054	30	694	424	184
Committed					
Assigned					
Total Fund Balances	<u>5,054</u>	<u>30</u>	<u>742</u>	<u>424</u>	<u>184</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,319</u>	<u>\$ 30</u>	<u>\$ 1,843</u>	<u>\$ 424</u>	<u>\$ 212</u>

COUNTY SERVICE AREAS	CRIMINAL JUSTICE FACILITY	CRIMINALISTICS LABORATORIES	DA COURT ORDERED PENALTIES	DA/SHERIFF/ PROBATION DNA FUND	
\$ 5,995	\$ 2,038	\$ 319	\$ 1,729	\$ 103	<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
352					Assets:
2	211			35	Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>6,349</u>	<u>2,249</u>	<u>319</u>	<u>1,729</u>	<u>138</u>	Total Assets
<u>\$ 6,349</u>	<u>\$ 2,249</u>	<u>\$ 319</u>	<u>\$ 1,729</u>	<u>\$ 138</u>	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$ 137	\$	\$	\$	\$	Liabilities:
9					Accounts Payable
7					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
<u>153</u>					Total Liabilities
					Deferred Inflows of Resources:
<u>333</u>					Deferred Housing Loan Payments
<u>333</u>					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
					Fund Balances:
5,863	2,249	319	1,729	138	Nonspendable
					Restricted
					Committed
					Assigned
<u>5,863</u>	<u>2,249</u>	<u>319</u>	<u>1,729</u>	<u>138</u>	Total Fund Balances
<u>\$ 6,349</u>	<u>\$ 2,249</u>	<u>\$ 319</u>	<u>\$ 1,729</u>	<u>\$ 138</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 3 of 9

	<u>DA EQUIPMENT AUTOMATION</u>	<u>DA FEDERAL FORFEITURES</u>	<u>DA LOCAL FORFEITURES</u>	<u>DEVELOPMENT SERVICES</u>	<u>DHS WRAPAROUND SAVINGS</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 438	\$ 231	\$ 136	\$ 184	\$ 7,194
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable, Net				40	
Accrued Revenue				8	
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>438</u>	<u>231</u>	<u>136</u>	<u>232</u>	<u>7,194</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 438</u>	<u>\$ 231</u>	<u>\$ 136</u>	<u>\$ 232</u>	<u>\$ 7,194</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	7
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities					<u>7</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	438	231	136		7,187
Committed				232	
Assigned					
Total Fund Balances	<u>438</u>	<u>231</u>	<u>136</u>	<u>232</u>	<u>7,187</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 438</u>	<u>\$ 231</u>	<u>\$ 136</u>	<u>\$ 232</u>	<u>\$ 7,194</u>

DISASTER ASSISTANCE	DIVCA LCL FRANCHISE FEE	DOMESTIC VIOLENCE	DRUG PROGRAM	EMERGENCY MEDICAL PAYMENTS	
					<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
\$	\$ 925	\$ 142	\$ 16	\$ 2,426	Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
					Due from Other Funds
		3		226	Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
	925	145	16	2,652	Total Assets
\$	\$ 925	\$ 145	\$ 16	\$ 2,652	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$	\$	\$	\$	\$ 220	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
				220	Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
	925	145	16	2,432	Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
	925	145	16	2,432	Total Fund Balances
\$	\$ 925	\$ 145	\$ 16	\$ 2,652	Total Liabilities, Deferred Inflows of Resources, and Fund Balances



**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

Page 4 of 9

	<u>EMPLOYERS' TRAINING RESOURCE</u>	<u>ENVIRONMENTAL HEALTH SERVICES</u>	<u>HEALTH-MAA TCM</u>	<u>IHSS PUBLIC AUTHORITY</u>	<u>JUVENILE INMATE WELFARE</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 1,616	\$ 1,345	\$ 16	\$ 1,544	\$ 209
Revolving Fund Cash					
Interest Receivable	5	10			
Taxes Receivable					
Accounts Receivable, Net	105				
Accrued Revenue	3,557			127	
Due from Other Funds	56			1,368	
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>5,339</u>	<u>1,355</u>	<u>16</u>	<u>3,039</u>	<u>209</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 5,339</u>	<u>\$ 1,355</u>	<u>\$ 16</u>	<u>\$ 3,039</u>	<u>\$ 209</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 1,473	\$ 38	\$	\$ 2,342	\$
Salaries and Employee Benefits Payable		343			
Due to Other Funds	2,119				
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities	<u>3,592</u>	<u>381</u>		<u>2,342</u>	
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	1,747	974	16	697	209
Committed					
Assigned					
Total Fund Balances	<u>1,747</u>	<u>974</u>	<u>16</u>	<u>697</u>	<u>209</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,339</u>	<u>\$ 1,355</u>	<u>\$ 16</u>	<u>\$ 3,039</u>	<u>\$ 209</u>

KERN COUNTY CHILDREN'S FUND	KNET ASSET FORFEITURES	LIBRARY BOOKS	LOCAL PUBLIC SAFETY	MICROGRAPHICS	
\$ 1,092	\$ 289	\$ 474	\$ 5,497	\$	
			12,227		
<u>1,092</u>	<u>289</u>	<u>474</u>	<u>17,724</u>		
<u>\$ 1,092</u>	<u>\$ 289</u>	<u>\$ 474</u>	<u>\$ 17,724</u>	<u>\$</u>	
					<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
					Total Assets
					Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$ 9	\$	\$	\$	\$	
			9,734		
<u>9</u>			<u>9,734</u>		
					Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
<u>1,083</u>	<u>289</u>	<u>474</u>	<u>7,990</u>		
<u>1,083</u>	<u>289</u>	<u>474</u>	<u>7,990</u>		
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
					Total Fund Balances
					Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 1,092</u>	<u>\$ 289</u>	<u>\$ 474</u>	<u>\$ 17,724</u>	<u>\$</u>	

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 5 of 9

	NSP GRANT	OFF HWY MOTOR VEH LICENSE	OIL & GAS PROGRAM	PARCEL MAP IN-LIEU FEES	PARKS & RECREATION DONATION FUND
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 51	\$ 685	\$ 2,193	\$ 182	\$ 42
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable, Net					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable	14,944				
Housing Loans Interest Receivable	1,746				
Total Assets	<u>16,741</u>	<u>685</u>	<u>2,193</u>	<u>182</u>	<u>42</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 16,741</u>	<u>\$ 685</u>	<u>\$ 2,193</u>	<u>\$ 182</u>	<u>\$ 42</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds			61		
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities			<u>61</u>		
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	16,690				
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources	<u>16,690</u>				
Fund Balances:					
Nonspendable					
Restricted	51	685	2,132	182	42
Committed					
Assigned					
Total Fund Balances	<u>51</u>	<u>685</u>	<u>2,132</u>	<u>182</u>	<u>42</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 16,741</u>	<u>\$ 685</u>	<u>\$ 2,193</u>	<u>\$ 182</u>	<u>\$ 42</u>

PLANNED LOCAL DRAINAGE	PLANNED SEWER	PLANNING ADMIN SURCHARGE	PROBATION ASSET FORFEITURE	PROBATION DJJ REALIGNMENT	
\$ 1,238	\$ 4,259	\$ 2,838	\$ 58	\$ 396	<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
		70		476	Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>1,238</u>	<u>4,259</u>	<u>2,908</u>	<u>58</u>	<u>872</u>	Total Assets
<u>\$ 1,238</u>	<u>\$ 4,259</u>	<u>\$ 2,908</u>	<u>\$ 58</u>	<u>\$ 872</u>	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
<u>1,238</u>	<u>4,259</u>	<u>2,908</u>	<u>58</u>	<u>872</u>	Total Fund Balances
<u>\$ 1,238</u>	<u>\$ 4,259</u>	<u>\$ 2,908</u>	<u>\$ 58</u>	<u>\$ 872</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 6 of 9

	<u>PROBATION FEDERAL ASSET FORFEITURE</u>	<u>PROBATION TRAINING</u>	<u>PROJECT IMPACT MITIGATION FUND</u>	<u>PUBLIC HEALTH MISC</u>	<u>RANGE IMPROVEMENT</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 77	\$ 83	\$ 3,337	\$ 9	\$ 97
Revolving Fund Cash					
Interest Receivable			57		
Taxes Receivable					
Accounts Receivable, Net				14	
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>77</u>	<u>83</u>	<u>3,394</u>	<u>23</u>	<u>97</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 77</u>	<u>\$ 83</u>	<u>\$ 3,394</u>	<u>\$ 23</u>	<u>\$ 97</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities					
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	77	83	3,394	23	97
Committed					
Assigned					
Total Fund Balances	<u>77</u>	<u>83</u>	<u>3,394</u>	<u>23</u>	<u>97</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 77</u>	<u>\$ 83</u>	<u>\$ 3,394</u>	<u>\$ 23</u>	<u>\$ 97</u>

REAL ESTATE FRAUD	RECORDER	RECORDER'S ELECTRONIC RECORDING	RECORDER MODERNIZATION	RECORDER SSN TRUNCATION	
\$ 626	\$ 1,189	\$ 37	\$ 2,582	\$ 320	<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
6	4				Assets:
	47	2	4		Pooled Cash and Investments
	11				Revolving Fund Cash
			250		Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>632</u>	<u>1,251</u>	<u>39</u>	<u>2,836</u>	<u>320</u>	Total Assets
<u>\$ 632</u>	<u>\$ 1,251</u>	<u>\$ 39</u>	<u>\$ 2,836</u>	<u>\$ 320</u>	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$ 150	\$ 17	\$	\$ 20	\$	Liabilities:
	114				Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
<u>150</u>	<u>131</u>	<u></u>	<u>20</u>	<u></u>	Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
	4				Fund Balances:
482	1,116	39	2,816	320	Nonspendable
					Restricted
					Committed
					Assigned
<u>482</u>	<u>1,120</u>	<u>39</u>	<u>2,816</u>	<u>320</u>	Total Fund Balances
<u>\$ 632</u>	<u>\$ 1,251</u>	<u>\$ 39</u>	<u>\$ 2,836</u>	<u>\$ 320</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 7 of 9

	<u>REDEMPTION SYSTEMS</u>	<u>RMA-HAZARDOUS WASTE SETTLEMENTS</u>	<u>RURAL CRIMES ENVIRONMENTAL IMPACT FEE</u>	<u>SHELTER CARE</u>	<u>SHERIFF CAL. I.D.</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 1,687	\$ 857	\$ 1,021	\$ 180	\$ 1,161
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable, Net					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>1,687</u>	<u>857</u>	<u>1,021</u>	<u>180</u>	<u>1,161</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,687</u>	<u>\$ 857</u>	<u>\$ 1,021</u>	<u>\$ 180</u>	<u>\$ 1,161</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties					
Total Liabilities					
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	1,687	857	1,021	180	1,161
Committed					
Assigned					
Total Fund Balances	<u>1,687</u>	<u>857</u>	<u>1,021</u>	<u>180</u>	<u>1,161</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,687</u>	<u>\$ 857</u>	<u>\$ 1,021</u>	<u>\$ 180</u>	<u>\$ 1,161</u>

SHERIFF CIVIL AUTOMATED	SHERIFF CIVIL SUBPOENA	SHERIFF CONTROLLED SUBSTANCE	SHERIFF DRUG ABUSE GANG DIVERSION	SHERIFF DRUG AWARENESS PROGRAM	
\$ 1,167	\$ 13	\$ 915	\$ 202	\$ 923	<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
5					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
<u>1,172</u>	<u>13</u>	<u>915</u>	<u>202</u>	<u>923</u>	Total Assets
<u>\$ 1,172</u>	<u>\$ 13</u>	<u>\$ 915</u>	<u>\$ 202</u>	<u>\$ 923</u>	Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$	\$	\$	\$	\$	Liabilities:
100					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
<u>100</u>					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
1,072	13	915	202	920	Fund Balances:
				3	Nonspendable
					Restricted
					Committed
					Assigned
<u>1,072</u>	<u>13</u>	<u>915</u>	<u>202</u>	<u>923</u>	Total Fund Balances
<u>\$ 1,172</u>	<u>\$ 13</u>	<u>\$ 915</u>	<u>\$ 202</u>	<u>\$ 923</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances



**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 8 of 9

	<u>SHERIFF ELECTRONIC MONITORING</u>	<u>SHERIFF FACILITY TRAINING</u>	<u>SHERIFF INMATE WELFARE</u>	<u>SHERIFF JUDGMENT DEBTOR FEE</u>	<u>SHERIFF RURAL CRIME</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 111	\$ 78	\$ 5,337	\$ 467	\$ 15
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable, Net					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>111</u>	<u>78</u>	<u>5,337</u>	<u>467</u>	<u>15</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 111</u>	<u>\$ 78</u>	<u>\$ 5,337</u>	<u>\$ 467</u>	<u>\$ 15</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties			3,000		
Total Liabilities			<u>3,000</u>		
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	111	78	2,337	467	15
Committed					
Assigned					
Total Fund Balances	<u>111</u>	<u>78</u>	<u>2,337</u>	<u>467</u>	<u>15</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 111</u>	<u>\$ 78</u>	<u>\$ 5,337</u>	<u>\$ 467</u>	<u>\$ 15</u>

SHERIFF SIDEARM CONVERSION	SHERIFF STATE ASSET FORFEITURES	SHERIFF TRAINING FUND	SHERIFF'S VOLUNTEER SERVICE GROUP	SHERIFF WORK RELEASE	
\$ 52	\$ 54	\$ 100	\$ 111	\$ 206	
<u>52</u>	<u>54</u>	<u>100</u>	<u>111</u>	<u>206</u>	
<u>\$ 52</u>	<u>\$ 54</u>	<u>\$ 100</u>	<u>\$ 111</u>	<u>\$ 206</u>	
					<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>
					Assets:
					Pooled Cash and Investments
					Revolving Fund Cash
					Interest Receivable
					Taxes Receivable
					Accounts Receivable, Net
					Accrued Revenue
					Due from Other Funds
					Due from Other Agencies
					Housing Loans Receivable
					Housing Loans Interest Receivable
					Total Assets
					Total Assets and Deferred Outflows of Resources
					<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>
\$	\$	\$	\$	\$	Liabilities:
					Accounts Payable
					Salaries and Employee Benefits Payable
					Due to Other Funds
					Due to Other Agencies
					Advances from Grantors and Third Parties
					Total Liabilities
					Deferred Inflows of Resources:
					Deferred Housing Loan Payments
					Unavailable Revenue - Property Taxes
					Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
					Restricted
					Committed
					Assigned
52	54	100	111	206	Total Fund Balances
<u>52</u>	<u>54</u>	<u>100</u>	<u>111</u>	<u>206</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances
<u>\$ 52</u>	<u>\$ 54</u>	<u>\$ 100</u>	<u>\$ 111</u>	<u>\$ 206</u>	

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 9 of 9

	<u>STERILIZATION</u>	<u>STRONG MOTION INSTRUMENTATION</u>	<u>TIMBER HARVEST</u>	<u>TOBACCO EDUCATION CONTROL</u>	<u>VETERANS GRANT FUND</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 24	\$ 74	\$ 22	\$ 544	\$ 550
Revolving Fund Cash					
Interest Receivable					
Taxes Receivable					
Accounts Receivable, Net					
Accrued Revenue					
Due from Other Funds					
Due from Other Agencies					
Housing Loans Receivable					
Housing Loans Interest Receivable					
Total Assets	<u>24</u>	<u>74</u>	<u>22</u>	<u>544</u>	<u>550</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 24</u>	<u>\$ 74</u>	<u>\$ 22</u>	<u>\$ 544</u>	<u>\$ 550</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$	\$	\$	\$	\$
Salaries and Employee Benefits Payable					
Due to Other Funds					
Due to Other Agencies					
Advances from Grantors and Third Parties				511	
Total Liabilities				<u>511</u>	
Deferred Inflows of Resources:					
Deferred Housing Loan Payments					
Unavailable Revenue - Property Taxes					
Total Deferred Inflows of Resources					
Fund Balances:					
Nonspendable					
Restricted	24	74	22	33	550
Committed					
Assigned					
Total Fund Balances	<u>24</u>	<u>74</u>	<u>22</u>	<u>33</u>	<u>550</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24</u>	<u>\$ 74</u>	<u>\$ 22</u>	<u>\$ 544</u>	<u>\$ 550</u>



**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 9

	TOTAL	ABATEMENT COST	AGING & ADULT SERVICES	ALCOHOL ABUSE	ALCOHOL PROGRAM
REVENUES:					
Taxes	\$ 3,780	\$ 110	\$	\$	
Licenses, Permits and Franchises	12,849				
Fines, Forfeitures and Penalties	9,170	19		74	91
Revenues from Use of Money and Property	457		62		1
Aid from Other Governmental Agencies	122,992		9,717		
Charges for Current Services	22,954	518	1,970		
Other Revenues	6,951	3	269		
Total Revenues	<u>179,153</u>	<u>650</u>	<u>12,018</u>	<u>74</u>	<u>92</u>
EXPENDITURES:					
General Government	2,729				
Public Protection	48,470	2,092			
Public Ways and Facilities	2,984				
Health and Sanitation	10,237				
Public Assistance	37,250		16,143		
Culture and Recreation Services	5				
Total Expenditures	<u>101,675</u>	<u>2,092</u>	<u>16,143</u>		
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>77,478</u>	<u>(1,442)</u>	<u>(4,125)</u>	<u>74</u>	<u>92</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	25,080	1,629	3,808		
Transfers Out	(112,190)			(90)	(45)
Total Other Financing Sources (Uses)	<u>(87,110)</u>	<u>1,629</u>	<u>3,808</u>	<u>(90)</u>	<u>(45)</u>
Net Changes in Fund Balances	(9,632)	187	(317)	(16)	47
Fund Balances, July 1, 2017	110,382	178	2,013	62	66
Fund Balances, June 30, 2018	<u>\$ 100,750</u>	<u>\$ 365</u>	<u>\$ 1,696</u>	<u>\$ 46</u>	<u>\$ 113</u>

ASSET FORFEITURE 15% PROBATION	AUTOMATED CO. WARRANT SYSTEM	AUTOMATED FINGERPRINT	BOARD OF TRADE ADVERTISING	BUILDING INSPECTION	
\$	\$	\$	\$	\$	REVENUES:
				5,660	Taxes
	43	229			Licenses, Permits and Franchises
1		1	5	145	Fines, Forfeitures and Penalties
				69	Revenues from Use of Money and Property
				2	Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>1</u>	<u>43</u>	<u>230</u>	<u>5</u>	<u>5,876</u>	Total Revenues
					EXPENDITURES:
				7,146	General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
				<u>7,146</u>	Total Expenditures
<u>1</u>	<u>43</u>	<u>230</u>	<u>5</u>	<u>(1,270)</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
		(400)			Transfers In
		(400)			Transfers Out
					Total Other Financing Sources (Uses)
1	43	(170)	5	(1,270)	Net Changes in Fund Balances
<u>10</u>	<u>70</u>	<u>648</u>	<u>323</u>	<u>17,340</u>	Fund Balances, July 1, 2017
<u>\$ 11</u>	<u>\$ 113</u>	<u>\$ 478</u>	<u>\$ 328</u>	<u>\$ 16,070</u>	Fund Balances, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 2 of 9

	CCP COMMUNITY RECIDIVISM	CHILD RESTRAINT LOANER	CHILD SUPPORT SERVICES	COMM CORR PERFORMANCE INCENTIVE	COUNTY CLERK
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					261
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property	(26)		21	(1)	
Aid from Other Governmental Agencies	200		21,290		
Charges for Current Services		23	11		489
Other Revenues			2		
Total Revenues	<u>174</u>	<u>23</u>	<u>21,324</u>	<u>(1)</u>	<u>750</u>
EXPENDITURES:					
General Government					
Public Protection	2,314		21,320		714
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services					
Total Expenditures	<u>2,314</u>		<u>21,320</u>		<u>714</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,140)</u>	<u>23</u>	<u>4</u>	<u>(1)</u>	<u>36</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	1,589				148
Transfers Out		(38)			
Total Other Financing Sources (Uses)	<u>1,589</u>	<u>(38)</u>			<u>148</u>
Net Changes in Fund Balances	(551)	(15)	4	(1)	184
Fund Balances, July 1, 2017	<u>5,605</u>	<u>45</u>	<u>738</u>	<u>425</u>	
Fund Balances, June 30, 2018	<u>\$ 5,054</u>	<u>\$ 30</u>	<u>\$ 742</u>	<u>\$ 424</u>	<u>\$ 184</u>

COUNTY SERVICE AREAS	CRIMINAL JUSTICE FACILITY	CRIMINALISTICS LABORATORIES	DA COURT ORDERED PENALTIES	DA/SHERIFF/ PROBATION DNA FUND	
\$ 3,670	\$	\$	\$	\$	REVENUES:
66	2,353	27	140	388	Taxes
59	(19)		(8)		Licenses, Permits and Franchises
					Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
4					Other Revenues
<u>3,799</u>	<u>2,334</u>	<u>27</u>	<u>132</u>	<u>388</u>	Total Revenues
					EXPENDITURES:
31			40		General Government
2,984					Public Protection
517					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
<u>3,532</u>			<u>40</u>		Total Expenditures
<u>267</u>	<u>2,334</u>	<u>27</u>	<u>92</u>	<u>388</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
56					Transfers In
(138)	(1,874)	(300)	(700)	(375)	Transfers Out
<u>(82)</u>	<u>(1,874)</u>	<u>(300)</u>	<u>(700)</u>	<u>(375)</u>	Total Other Financing Sources (Uses)
185	460	(273)	(608)	13	Net Changes in Fund Balances
<u>5,678</u>	<u>1,789</u>	<u>592</u>	<u>2,337</u>	<u>125</u>	Fund Balances, July 1, 2017
<u>\$ 5,863</u>	<u>\$ 2,249</u>	<u>\$ 319</u>	<u>\$ 1,729</u>	<u>\$ 138</u>	Fund Balances, June 30, 2018



**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 3 of 9

	DA EQUIPMENT AUTOMATION	DA FEDERAL FORFEITURES	DA LOCAL FORFEITURES	DEVELOPMENT SERVICES	DHS WRAPAROUND SAVINGS
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties		2	93		
Revenues from Use of Money and Property	(1)	3	1	11	(57)
Aid from Other Governmental Agencies					
Charges for Current Services				966	
Other Revenues					1,133
Total Revenues	<u>(1)</u>	<u>5</u>	<u>94</u>	<u>977</u>	<u>1,076</u>
EXPENDITURES:					
General Government				2,717	
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					68
Culture and Recreation Services					
Total Expenditures				<u>2,717</u>	<u>68</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1)</u>	<u>5</u>	<u>94</u>	<u>(1,740)</u>	<u>1,008</u>
OTHER FINANCING SOURCES (USES):					
Transfers In				2,028	
Transfers Out				(56)	(347)
Total Other Financing Sources (Uses)				<u>1,972</u>	<u>(347)</u>
Net Changes in Fund Balances	(1)	5	94	232	661
Fund Balances, July 1, 2017	439	226	42		6,526
Fund Balances, June 30, 2018	<u>\$ 438</u>	<u>\$ 231</u>	<u>\$ 136</u>	<u>\$ 232</u>	<u>\$ 7,187</u>

DISASTER ASSISTANCE	DIVCA LCL FRANCHISE FEE	DOMESTIC VIOLENCE	DRUG PROGRAM	EMERGENCY MEDICAL PAYMENTS	
\$	\$	\$	\$	\$	REVENUES:
	351	109			Taxes
		49	14	2,500	Licenses, Permits and Franchises
8	(4)				Fines, Forfeitures and Penalties
298					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>306</u>	<u>347</u>	<u>158</u>	<u>14</u>	<u>2,500</u>	Total Revenues
	12				EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
1,197				1,553	Health and Sanitation
					Public Assistance
					Culture and Recreation Services
<u>1,197</u>	<u>12</u>			<u>1,553</u>	Total Expenditures
<u>(891)</u>	<u>335</u>	<u>158</u>	<u>14</u>	<u>947</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
	(59)	(150)	(12)	(416)	OTHER FINANCING SOURCES (USES):
	(59)	(150)	(12)	(416)	Transfers In
					Transfers Out
(891)	276	8	2	531	Total Other Financing Sources (Uses)
<u>891</u>	<u>649</u>	<u>137</u>	<u>14</u>	<u>1,901</u>	Net Changes in Fund Balances
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	Fund Balances, July 1, 2017
	925	145	16	2,432	Fund Balances, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 4 of 9

	EMPLOYERS' TRAINING RESOURCE	ENVIRONMENTAL HEALTH SERVICES	HEALTH-MAA TCM	IHSS PUBLIC AUTHORITY	JUVENILE INMATE WELFARE
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises		3,973			
Fines, Forfeitures and Penalties		88			
Revenues from Use of Money and Property	26	49	1	(1)	33
Aid from Other Governmental Agencies	16,027	152		412	
Charges for Current Services	5,442	4,009			
Other Revenues	157	1			
Total Revenues	21,652	8,272	1	411	33
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation		8,135			
Public Assistance	9,899			9,869	
Culture and Recreation Services					
Total Expenditures	9,899	8,135		9,869	
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,753	137	1	(9,458)	33
OTHER FINANCING SOURCES (USES):					
Transfers In	523	97		9,387	
Transfers Out	(12,644)	(12)	(105)		(49)
Total Other Financing Sources (Uses)	(12,121)	85	(105)	9,387	(49)
Net Changes in Fund Balances	(368)	222	(104)	(71)	(16)
Fund Balances, July 1, 2017	2,115	752	120	768	225
Fund Balances, June 30, 2018	\$ 1,747	\$ 974	\$ 16	\$ 697	\$ 209

<u>KERN COUNTY</u> <u>CHILDREN'S FUND</u>	<u>KNET ASSET</u> <u>FORFEITURES</u>	<u>LIBRARY</u> <u>BOOKS</u>	<u>LOCAL PUBLIC</u> <u>SAFETY</u>	<u>MICROGRAPHICS</u>	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
	53				Licenses, Permits and Franchises
4	4		(30)		Fines, Forfeitures and Penalties
40			74,040		Revenues from Use of Money and Property
160					Aid from Other Governmental Agencies
		103			Charges for Current Services
					Other Revenues
<u>204</u>	<u>57</u>	<u>103</u>	<u>74,010</u>		Total Revenues
					EXPENDITURES:
					General Government
69					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
<u>69</u>					Total Expenditures
<u>135</u>	<u>57</u>	<u>103</u>	<u>74,010</u>		Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
	(50)	(100)	(78,254)	(2)	Transfers In
	(50)	(100)	(78,254)	(2)	Transfers Out
					Total Other Financing Sources (Uses)
135	7	3	(4,244)	(2)	Net Changes in Fund Balances
<u>948</u>	<u>282</u>	<u>471</u>	<u>12,234</u>	<u>2</u>	Fund Balances, July 1, 2017
<u>\$ 1,083</u>	<u>\$ 289</u>	<u>\$ 474</u>	<u>\$ 7,990</u>		Fund Balances, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 5 of 9

	NSP GRANT	OFF HWY MOTOR VEH LICENSE	OIL & GAS PROGRAM	PARCEL MAP IN-LIEU FEES	PARKS & RECREATION DONATION FUND
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises			2,161		
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property		(10)	(33)	2	
Aid from Other Governmental Agencies		140			
Charges for Current Services				12	
Other Revenues					2
Total Revenues		130	2,128	14	2
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services				2	3
Total Expenditures				2	3
Excess (Deficiency) of Revenues Over (Under) Expenditures		130	2,128	12	(1)
OTHER FINANCING SOURCES (USES):					
Transfers In			1,124		
Transfers Out	(6)	(31)	(1,120)		
Total Other Financing Sources (Uses)	(6)	(31)	4		
Net Changes in Fund Balances	(6)	99	2,132	12	(1)
Fund Balances, July 1, 2017	57	586		170	43
Fund Balances, June 30, 2018	\$ 51	\$ 685	\$ 2,132	\$ 182	\$ 42

PLANNED LOCAL DRAINAGE	PLANNED SEWER	PLANNING ADMIN SURCHARGE	PROBATION ASSET FORFEITURE	PROBATION DJJ REALIGNMENT	
\$ 8	\$	\$	\$	\$	REVENUES:
9	20	5	2	10	Taxes
	158	708			Licenses, Permits and Franchises
					Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
<u>17</u>	<u>178</u>	<u>713</u>	<u>2</u>	<u>10</u>	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
<u>17</u>	<u>178</u>	<u>713</u>	<u>2</u>	<u>10</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
				3,643	OTHER FINANCING SOURCES (USES):
		(358)	(10)	(3,731)	Transfers In
					Transfers Out
		<u>(358)</u>	<u>(10)</u>	<u>(88)</u>	Total Other Financing Sources (Uses)
17	178	355	(8)	(78)	Net Changes in Fund Balances
<u>1,221</u>	<u>4,081</u>	<u>2,553</u>	<u>66</u>	<u>950</u>	Fund Balances, July 1, 2017
<u>\$ 1,238</u>	<u>\$ 4,259</u>	<u>\$ 2,908</u>	<u>\$ 58</u>	<u>\$ 872</u>	Fund Balances, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 6 of 9

	PROBATION FEDERAL ASSET FORFEITURE	PROBATION TRAINING	PROJECT IMPACT MITIGATION FUND	PUBLIC HEALTH MISC	RANGE IMPROVEMENT
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties	7				
Revenues from Use of Money and Property	1		273		1
Aid from Other Governmental Agencies		248			8
Charges for Current Services				15	
Other Revenues					
Total Revenues	<u>8</u>	<u>248</u>	<u>273</u>	<u>15</u>	<u>9</u>
EXPENDITURES:					
General Government					
Public Protection			11,394		8
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services					
Total Expenditures			<u>11,394</u>		<u>8</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8</u>	<u>248</u>	<u>(11,121)</u>	<u>15</u>	<u>1</u>
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out		(250)		(7)	
Total Other Financing Sources (Uses)		<u>(250)</u>		<u>(7)</u>	
Net Changes in Fund Balances	8	(2)	(11,121)	8	1
Fund Balances, July 1, 2017	<u>69</u>	<u>85</u>	<u>14,515</u>	<u>15</u>	<u>96</u>
Fund Balances, June 30, 2018	<u>\$ 77</u>	<u>\$ 83</u>	<u>\$ 3,394</u>	<u>\$ 23</u>	<u>\$ 97</u>

REAL ESTATE FRAUD	RECORDER	RECORDER'S ELECTRONIC RECORDING	RECORDER MODERNIZATION	RECORDER SSN TRUNCATION	
\$	\$	\$	\$	\$	REVENUES:
	4				Taxes
10	4		(21)		Licenses, Permits and Franchises
947	2,298	166	765		Fines, Forfeitures and Penalties
	1				Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
957	2,307	166	744		Total Revenues
					EXPENDITURES:
150	3,174		78		General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
150	3,174		78		Total Expenditures
807	(867)	166	666		Excess (Deficiency) of Revenues Over (Under) Expenditures
	1,042				OTHER FINANCING SOURCES (USES):
(938)		(159)	(486)	(8)	Transfers In
(938)	1,042	(159)	(486)	(8)	Transfers Out
					Total Other Financing Sources (Uses)
(131)	175	7	180	(8)	Net Changes in Fund Balances
613	945	32	2,636	328	Fund Balances, July 1, 2017
\$ 482	\$ 1,120	\$ 39	\$ 2,816	\$ 320	Fund Balances, June 30, 2018



**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 7 of 9

	REDEMPTION SYSTEMS	RMA-HAZARDOUS WASTE SETTLEMENTS	RURAL CRIMES ENVIRONMENTAL IMPACT FEE	SHELTER CARE	SHERIFF CAL. I.D.
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties	249	194			1,397
Revenues from Use of Money and Property	(14)		(15)		18
Aid from Other Governmental Agencies					
Charges for Current Services			1,229		
Other Revenues				1	
Total Revenues	<u>235</u>	<u>194</u>	<u>1,214</u>	<u>1</u>	<u>1,415</u>
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance				5	
Culture and Recreation Services					
Total Expenditures				<u>5</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>235</u>	<u>194</u>	<u>1,214</u>	<u>(4)</u>	<u>1,415</u>
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out			(654)		(2,052)
Total Other Financing Sources (Uses)			<u>(654)</u>		<u>(2,052)</u>
Net Changes in Fund Balances	235	194	560	(4)	(637)
Fund Balances, July 1, 2017	<u>1,452</u>	<u>663</u>	<u>461</u>	<u>184</u>	<u>1,798</u>
Fund Balances, June 30, 2018	<u>\$ 1,687</u>	<u>\$ 857</u>	<u>\$ 1,021</u>	<u>\$ 180</u>	<u>\$ 1,161</u>

SHERIFF CIVIL AUTOMATED	SHERIFF CIVIL SUBPOENA	SHERIFF CONTROLLED SUBSTANCE	SHERIFF DRUG ABUSE GANG DIVERSION	SHERIFF DRUG AWARENESS PROGRAM	
\$	\$	\$	\$	\$	REVENUES:
		909		131	Taxes
11		(12)	3	4	Licenses, Permits and Franchises
204					Fines, Forfeitures and Penalties
	8				Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
					Other Revenues
215	8	897	3	135	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
215	8	897	3	135	Excess (Deficiency) of Revenues Over (Under) Expenditures
			6		OTHER FINANCING SOURCES (USES):
(221)	(15)	(23)		(18)	Transfers In
(221)	(15)	(23)	6	(18)	Transfers Out
(6)	(7)	874	9	117	Total Other Financing Sources (Uses)
1,078	20	41	193	806	Net Changes in Fund Balances
\$ 1,072	\$ 13	\$ 915	\$ 202	\$ 923	Fund Balances, July 1, 2017
					Fund Balances, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 8 of 9

	SHERIFF ELECTRONIC MONITORING	SHERIFF FACILITY TRAINING	SHERIFF INMATE WELFARE	SHERIFF JUDGMENT DEBTOR FEE	SHERIFF RURAL CRIME
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises					
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property	1		(41)	(7)	
Aid from Other Governmental Agencies					
Charges for Current Services	20	220		265	
Other Revenues			4,560		
Total Revenues	<u>21</u>	<u>220</u>	<u>4,519</u>	<u>258</u>	
EXPENDITURES:					
General Government					
Public Protection					
Public Ways and Facilities					
Health and Sanitation					
Public Assistance					
Culture and Recreation Services					
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>21</u>	<u>220</u>	<u>4,519</u>	<u>258</u>	
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out		(211)	(4,226)	(379)	
Total Other Financing Sources (Uses)		<u>(211)</u>	<u>(4,226)</u>	<u>(379)</u>	
Net Changes in Fund Balances	21	9	293	(121)	
Fund Balances, July 1, 2017	<u>90</u>	<u>69</u>	<u>2,044</u>	<u>588</u>	<u>15</u>
Fund Balances, June 30, 2018	<u>\$ 111</u>	<u>\$ 78</u>	<u>\$ 2,337</u>	<u>\$ 467</u>	<u>\$ 15</u>

SHERIFF SIDEARM CONVERSION	SHERIFF STATE ASSET FORFEITURES	SHERIFF TRAINING FUND	SHERIFF'S VOLUNTEER SERVICE GROUP	SHERIFF WORK RELEASE	
\$	\$	\$	\$	\$	REVENUES:
	47				Taxes
1		1		2	Licenses, Permits and Franchises
					Fines, Forfeitures and Penalties
					Revenues from Use of Money and Property
					Aid from Other Governmental Agencies
					Charges for Current Services
<u>13</u>		<u>175</u>	<u>9</u>	<u>508</u>	Other Revenues
<u>14</u>	<u>47</u>	<u>176</u>	<u>9</u>	<u>510</u>	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
<u>14</u>	<u>47</u>	<u>176</u>	<u>9</u>	<u>510</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
<u>(5)</u>	<u>(6)</u>	<u>(100)</u>	<u>(8)</u>	<u>(400)</u>	Transfers In
<u>(5)</u>	<u>(6)</u>	<u>(100)</u>	<u>(8)</u>	<u>(400)</u>	Transfers Out
					Total Other Financing Sources (Uses)
9	41	76	1	110	Net Changes in Fund Balances
<u>43</u>	<u>13</u>	<u>24</u>	<u>110</u>	<u>96</u>	Fund Balances, July 1, 2017
<u>\$ 52</u>	<u>\$ 54</u>	<u>\$ 100</u>	<u>\$ 111</u>	<u>\$ 206</u>	Fund Balances, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 9 of 9

	STERILIZATION	STRONG MOTION INSTRUMENTATION	TIMBER HARVEST	TOBACCO EDUCATION CONTROL	VETERANS GRANT FUND
REVENUES:					
Taxes	\$	\$	\$	\$	\$
Licenses, Permits and Franchises	35	13			
Fines, Forfeitures and Penalties					
Revenues from Use of Money and Property			1	(5)	(8)
Aid from Other Governmental Agencies				420	
Charges for Current Services					
Other Revenues					
Total Revenues	<u>35</u>	<u>13</u>	<u>1</u>	<u>415</u>	<u>(8)</u>
EXPENDITURES:					
General Government					
Public Protection		6			
Public Ways and Facilities					
Health and Sanitation				32	
Public Assistance					
Culture and Recreation Services					
Total Expenditures		<u>6</u>		<u>32</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35</u>	<u>7</u>	<u>1</u>	<u>383</u>	<u>(8)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out	<u>(33)</u>		<u>(16)</u>	<u>(350)</u>	
Total Other Financing Sources (Uses)	<u>(33)</u>		<u>(16)</u>	<u>(350)</u>	
Net Changes in Fund Balances	2	7	(15)	33	(8)
Fund Balances, July 1, 2017	<u>22</u>	<u>67</u>	<u>37</u>		<u>558</u>
Fund Balances, June 30, 2018	<u>\$ 24</u>	<u>\$ 74</u>	<u>\$ 22</u>	<u>\$ 33</u>	<u>\$ 550</u>

VITAL HEALTH STATISTICS COUNTY CLERK	VITAL HEALTH STATISTICS	VITAL HEALTH STATISTICS RECORDER	WILDLIFE RESOURCES	OTHER SPECIAL REVENUE	
\$	\$	\$	\$	\$	REVENUES:
					Taxes
					Licenses, Permits and Franchises
			4	274	Fines, Forfeitures and Penalties
		(8)		1	Revenues from Use of Money and Property
				(34)	Aid from Other Governmental Agencies
3	81	81		2,125	Charges for Current Services
					Other Revenues
<u>3</u>	<u>81</u>	<u>73</u>	<u>4</u>	<u>2,366</u>	Total Revenues
					EXPENDITURES:
					General Government
					Public Protection
					Public Ways and Facilities
					Health and Sanitation
					Public Assistance
					Culture and Recreation Services
					Total Expenditures
					Excess (Deficiency) of Revenues Over (Under) Expenditures
					OTHER FINANCING SOURCES (USES):
					Transfers In
					Transfers Out
					Total Other Financing Sources (Uses)
(4)	(75)	(74)			Net Changes in Fund Balances
(4)	(75)	(74)			Fund Balances, July 1, 2017
(1)	6	(1)	1	2,366	Fund Balances, June 30, 2018
<u>3</u>	<u>92</u>	<u>512</u>	<u>5</u>	<u>3,451</u>	
<u>\$ 2</u>	<u>\$ 98</u>	<u>\$ 511</u>	<u>\$ 6</u>	<u>\$ 5,817</u>	

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	ABATEMENT COST			AGING AND ADULT SERVICES			ALCOHOL ABUSE			ALCOHOL PROGRAM		
	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget
REVENUES:												
Taxes	30	110	80									
Licenses, Permits and Franchises		19	19									
Fines, Forfeitures and Penalties				38	62	24	63	74	11	66	91	25
Revenues from Use of Money and Property				10,165	9,717	(448)	1		(1)	1	1	
Aid from Other Governmental Agencies	435	518	83	1,912	1,970	58						
Charges for Current Services	3	3		267	269	2						
Other Revenues												
Total Revenues	468	650	182	12,382	12,018	(364)	64	74	10	67	92	25
EXPENDITURES:												
General Government												
Public Protection	2,199	2,092	107									
Public Ways and Facilities				16,424	16,170	254						
Health and Sanitation				16,424	16,170	254						
Public Assistance												
Culture and Recreation Services												
Total Expenditures	2,199	2,092	107	16,424	16,170	254						
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,731)	(1,442)	289	(4,042)	(4,152)	(110)	64	74	10	67	92	25
OTHER FINANCING SOURCES (USES):												
Transfers In	1,562	1,629	67	3,030	3,808	778						
Transfers Out							(120)	(90)	30	(60)	(45)	15
Total Other Financing Sources (Uses)	1,562	1,629	67	3,030	3,808	778	(120)	(90)	30	(60)	(45)	15
Net Changes in Fund Balances	(169)	187	356	(1,012)	(344)	668	(56)	(16)	40	7	47	40
Fund Balances, July 1, 2017	178	178		2,013	2,013		62	62		66	66	
Fund Balances, June 30, 2018	9	365	356	1,001	1,669	668	6	46	40	73	113	40

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	ASSET FORFEITURE 15% PROBATION			AUTOMATED CO. WARRANT SYSTEM			AUTOMATED FINGERPRINT			BOARD OF TRADE ADVERTISING		
	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget
REVENUES:												
Taxes		\$			\$			\$			\$	
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties		1	1									
Revenues from Use of Money and Property				23	43	20	176	229	53		5	5
Aid from Other Governmental Agencies							4	1	(3)			
Charges for Current Services												
Other Revenues												
Total Revenues		1	1	23	43	20	180	230	50	38	5	(38)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures		1	1									
Excess (Deficiency) of Revenues Over (Under) Expenditures				23	43	20	180	230	50	38	5	(38)
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(5)		5	(31)		31	(400)	(400)		(38)		38
Total Other Financing Sources (Uses)	(5)		5	(31)		31	(400)	(400)		(38)		38
Net Changes in Fund Balances	(5)	1	6	(8)	43	51	(220)	(170)	50	5	5	5
Fund Balances, July 1, 2017	10	10		70	70		648	648		323	323	
Fund Balances, June 30, 2018	5	11	6	62	113	51	428	478	50	323	328	5



**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	BUILDING INSPECTION			CCP COMMUNITY RECIDIVISM			CHILD RESTRAINT LOANER			CHILD SUPPORT SERVICES		
	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget
REVENUES:												
Taxes	\$ 4,802	\$ 5,660	\$ 858									
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	100	145	45									
Revenues from Use of Money and Property					(26)	(26)					21	9
Aid from Other Governmental Agencies	46	69	23		200	200					21,290	(1,330)
Charges for Current Services	(2)	2	4								11	1
Other Revenues											2	1
Total Revenues	4,946	5,876	930		174	174		22	23		22,643	(1,319)
EXPENDITURES:												
General Government												
Public Protection	8,467	7,369	1,098	6,018	2,849	3,169				22,665	21,320	1,345
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	8,467	7,369	1,098	6,018	2,849	3,169				22,665	21,320	1,345
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,521)	(1,493)	2,028	(6,018)	(2,675)	3,343		22	23		(22)	26
OTHER FINANCING SOURCES (USES):												
Transfers In				1,589	1,589							
Transfers Out							(64)	(38)				
Total Other Financing Sources (Uses)				1,589	1,589		(64)	(38)				
Net Changes in Fund Balances	(3,521)	(1,493)	2,028	(4,429)	(1,086)	3,343	(42)	(15)	(15)	(22)	4	26
Fund Balances, July 1, 2017	17,340	17,340		5,605	5,605		45	45		738	738	
Fund Balances, June 30, 2018	13,819	15,847	2,028	1,176	4,519	3,343	3	30	30	716	742	26

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	COMMUNITY CORR PERFORMANCE INCENTIVE			COUNTY CLERK			COUNTY SERVICE AREAS			CRIMINAL JUSTICE FACILITY			
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	
REVENUES:													
Taxes	\$	\$		\$	\$		\$	\$		\$	\$		
Licenses, Permits and Franchises				262	261	(1)		3,515	3,670	155	2,700	2,353	(347)
Fines, Forfeitures and Penalties								82	66	(16)		(19)	(19)
Revenues from Use of Money and Property	4	(1)	(5)						59	(23)			
Aid from Other Governmental Agencies				462	489	27		92	4	(88)			
Charges for Current Services													
Other Revenues													
Total Revenues	4	(1)	(5)	724	750	26		3,689	3,799	110	2,700	2,334	(366)
EXPENDITURES:													
General Government													
Public Protection				728	714	14		1,48	31	117			
Public Ways and Facilities								3,905	2,984	921			
Health and Sanitation								1,004	517	487			
Public Assistance													
Culture and Recreation Services													
Total Expenditures				728	714	14		5,057	3,532	1,525			
Excess (Deficiency) of Revenues Over (Under) Expenditures	4	(1)	(5)	(4)	36	40		(1,368)	267	1,635	2,700	2,334	(366)
OTHER FINANCING SOURCES (USES):													
Transfers In				4	148	144		77	56	(21)	(2,700)	(1,874)	826
Transfers Out								(221)	(138)	83			
Total Other Financing Sources (Uses)				4	148	144		(144)	(82)	62	(2,700)	(1,874)	826
Net Changes in Fund Balances	4	(1)	(5)		184	184		(1,512)	185	1,697		460	460
Fund Balances, July 1, 2017	425	425						5,678	5,678		1,789	1,789	
Fund Balances, June 30, 2018	429	424	(5)		184	184		4,166	5,863	1,697	1,789	2,249	460

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	CRIMINALISTICS LABORATORIES			DA COURT ORDERED PENALTIES			DA/SHERIFF/PROBATION DNA FUND			DA EQUIPMENT AUTOMATION		
	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget	Final Budget	Actual on Budgetary Basis	Variance With Final Budget
REVENUES:												
Taxes		\$	\$		\$	\$		\$	\$		\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	100	27	(73)	1,000	140	(860)	375	388	13	1	(1)	(2)
Revenues from Use of Money and Property					(8)	(8)						
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues												
Total Revenues	100	27	(73)	1,000	132	(868)	375	388	13	1	(1)	(2)
EXPENDITURES:												
General Government												
Public Protection					40							
Public Ways and Facilities												
Health and Sanitation					40							
Public Assistance												
Culture and Recreation Services												
Total Expenditures												
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	27	(73)	1,000	92	(908)	375	388	13	1	(1)	(2)
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(354)	(300)	54	(770)	(700)	70	(375)	(375)		(73)		73
Total Other Financing Sources (Uses)	(354)	(300)	54	(770)	(700)	70	(375)	(375)		(73)		73
Net Changes in Fund Balances	(254)	(273)	(19)	230	(608)	(838)		13	13	(72)	(1)	71
Fund Balances, July 1, 2017	592	592		2,337	2,337		125	125		439	439	
Fund Balances, June 30, 2018	338	319	(19)	2,567	1,729	(838)	125	138	13	367	438	71

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	DA FEDERAL FORFEITURES			DA LOCAL FORFEITURES			DEVELOPMENT SERVICES			DHS WRAPAROUND SAVINGS		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes												
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	2	2	3	10	93	83						
Revenues from Use of Money and Property		3	3		1	1		11	11		(57)	(57)
Aid from Other Governmental Agencies								966	(87)			(672)
Charges for Current Services												
Other Revenues												
Total Revenues	2	5	3	10	94	84		1,053	(76)	1,805	1,133	(729)
EXPENDITURES:												
General Government								3,004	287			
Public Protection												
Public Ways and Facilities										197	68	129
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures								3,004	287	197	68	129
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out												
Total Other Financing Sources (Uses)												
Net Changes in Fund Balances	2	5	3	(20)	94	114		232	232	(584)	661	1,245
Fund Balances, July 1, 2017	226	226		42	42					6,526	6,526	
Fund Balances, June 30, 2018	228	231	3	22	136	114		232	232	5,942	7,187	1,245

**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULES**  
**CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	DISASTER ASSISTANCE		DIVVCA LCL FRANCHISE FEE		DOMESTIC VIOLENCE		DRUG PROGRAM	
	Final Budget	Actual on Budgetary Basis	Final Budget	Actual on Budgetary Basis	Final Budget	Actual on Budgetary Basis	Final Budget	Actual on Budgetary Basis
REVENUES:								
Taxes	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises				351		105		
Fines, Forfeitures and Penalties				(4)		45		
Revenues from Use of Money and Property		8					17	14
Aid from Other Governmental Agencies	952	298		(9)			1	(3)
Charges for Current Services								(1)
Other Revenues								
Total Revenues	952	306	335	347	150	158	18	14
EXPENDITURES:								
General Government			83	12				
Public Protection								
Public Ways and Facilities								
Health and Sanitation	1,850	1,197						
Public Assistance								
Culture and Recreation Services	1,850	1,197	83					
Total Expenditures	(898)	(891)	252	335	150	158	18	14
Excess (Deficiency) of Revenues Over (Under) Expenditures								
OTHER FINANCING SOURCES (USES):								
Transfers In			(310)	(59)	(150)	(150)	(16)	(12)
Transfers Out			(310)	(59)	(150)	(150)	(16)	(12)
Total Other Financing Sources (Uses)			(58)	276	8	8	2	2
Net Changes in Fund Balances	(898)	(891)	(58)	276	8	8	2	2
Fund Balances, July 1, 2017	891	891	649	649	137	137	14	14
Fund Balances, June 30, 2018	(7)		591	925	137	145	16	16

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	EMERGENCY MEDICAL PAYMENTS			EMPLOYERS' TRAINING RESOURCE			ENVIRONMENTAL HEALTH SERVICES			HEALTH-MAA TCM		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises			243									
Fines, Forfeitures and Penalties	2,257	2,500	(243)				3,849	3,973	124			
Revenues from Use of Money and Property	3		(3)	19	26	7	65	88	23	2	1	(1)
Aid from Other Governmental Agencies				18,182	16,027	(2,155)	32	49	17			
Charges for Current Services				6,381	5,442	(939)	196	152	(44)			
Other Revenues				185	157	(28)	4,185	4,009	(176)			
Total Revenues	2,260	2,500	240	24,767	21,652	(3,115)	11	1	(10)	2	1	(1)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities	1,672	1,553	119	12,625	9,899	2,726	8,702	8,135	567			
Health and Sanitation												
Public Assistance	1,672	1,553	119	12,625	9,899	2,726	8,702	8,135	567			
Culture and Recreation Services												
Total Expenditures	588	947	359	12,142	11,753	(389)	(364)	137	501	2	1	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In				1,074	523	(551)	441	97	(344)			
Transfers Out	(450)	(416)	34	(14,288)	(12,644)	1,644	(164)	(12)	152	(121)	(105)	16
Total Other Financing Sources (Uses)	(450)	(416)	34	(13,214)	(12,121)	1,093	277	85	(192)	(121)	(105)	16
Net Changes in Fund Balances	138	531	393	(1,072)	(368)	704	(87)	222	309	(119)	(104)	15
Fund Balances, July 1, 2017	1,901	1,901		2,115	2,115		752	752		120	120	
Fund Balances, June 30, 2018	2,039	2,432	393	1,043	1,747	704	665	974	309	1	16	15

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	IHSS PUBLIC AUTHORITY		JUVENILE INMATE WELFARE		KERN COUNTY CHILDREN'S FUND		KNET ASSET FORFEITURES	
	Final Budget	Actual on Budgetary Basis	Final Budget	Actual on Budgetary Basis	Final Budget	Actual on Budgetary Basis	Final Budget	Variance with Final Budget
<b>REVENUES:</b>								
Taxes		\$		\$		\$		\$
Licenses, Permits and Franchises								
Fines, Forfeitures and Penalties	3	(1)	17	33	7	4	38	15
Revenues from Use of Money and Property	357	412			41	40	3	1
Aid from Other Governmental Agencies					127	160		(1)
Charges for Current Services								33
Other Revenues								
Total Revenues	360	411	17	33	175	204	41	16
<b>EXPENDITURES:</b>								
General Government								
Public Protection								
Public Ways and Facilities	11,924	9,869			497	69		428
Health and Sanitation								
Public Assistance	11,924	9,869			497	69		428
Culture and Recreation Services								
Total Expenditures	(11,564)	(9,458)	17	33	(322)	135	41	457
Excess (Deficiency) of Revenues Over (Under) Expenditures								
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers In	11,557	9,387					(50)	
Transfers Out			(49)	(49)				
Total Other Financing Sources (Uses)	11,557	9,387	(49)	(49)			(50)	
Net Changes in Fund Balances	(7)	(71)	(32)	(16)	(322)	135	(9)	16
Fund Balances, July 1, 2017	768	768	225	225	948	948	282	
Fund Balances, June 30, 2018	761	697	193	209	626	1,083	273	16

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	LIBRARY BOOKS			LOCAL PUBLIC SAFETY			MICROGRAPHICS			NSP GRANT		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes		\$	\$		\$	\$		\$	\$		\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	4		(4)			(30)						
Aid from Other Governmental Agencies				70,870		74,040						
Charges for Current Services						3,170						
Other Revenues	162	103	(59)									
Total Revenues	166	103	(63)	70,870	74,010	3,140						
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	166	103	(63)	70,870	74,010	3,140						
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(138)	(100)	38									
Transfers Out	(138)	(100)	38	(78,254)	(78,254)		(2)	(2)		(57)	(6)	51
Total Other Financing Sources (Uses)												
Net Changes in Fund Balances	28	3	(25)	(7,384)	(4,244)	3,140	(2)	(2)		(57)	(6)	51
Fund Balances, July 1, 2017	471	471		12,234	12,234		2	2		57	57	
Fund Balances, June 30, 2018	499	474	(25)	4,850	7,990	3,140					51	51



**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	OFF HWY MOTOR VEHICLE LICENSE			OIL & GAS PROGRAM			PARCEL MAP IN-LIEU FEES			PARKS & RECREATION DONATION FUND		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises				929	2,161	1,232						
Fines, Forfeitures and Penalties		(10)	(10)		(33)	(33)	2	2				
Revenues from Use of Money and Property	132	140	8									
Aid from Other Governmental Agencies							12	12				
Charges for Current Services												
Other Revenues												
Total Revenues	132	130	(2)	929	2,128	1,199	2	14	12		2	2
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities							100	2	98	5	3	2
Health and Sanitation							100	2	98	5	3	2
Public Assistance							(98)	12	110	(5)	(1)	4
Culture and Recreation Services												
Total Expenditures	132	130	(2)	929	2,128	1,199						
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(77)	(31)	46	1,124	1,124	1						
Transfers Out	(77)	(31)	46	(1,121)	(1,120)	1						
Total Other Financing Sources (Uses)				3	4	1						
Net Changes in Fund Balances	55	99	44	932	2,132	1,200	(98)	12	110	(5)	(1)	4
Fund Balances, July 1, 2017	586	586					170	170		43	43	
Fund Balances, June 30, 2018	641	685	44	932	2,132	1,200	72	182	110	38	42	4

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	PLANNED LOCAL DRAINAGE		PLANNED SEWER		PLANNING ADMIN. SURCHARGE		PROBATION ASSET FORFEITURE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:									
Taxes		\$ 8	\$ 8						
Licenses, Permits and Franchises									
Fines, Forfeitures and Penalties									
Revenues from Use of Money and Property	14	9	(5)	40	20	(20)	16	5	(11)
Aid from Other Governmental Agencies				45	158	113	845	708	(137)
Charges for Current Services									
Other Revenues									
Total Revenues	14	17	3	85	178	93	861	713	(148)
EXPENDITURES:									
General Government									
Public Protection	3			24		24			
Public Ways and Facilities									
Health and Sanitation									
Public Assistance									
Culture and Recreation Services									
Total Expenditures	3			24		24			
Excess (Deficiency) of Revenues Over (Under) Expenditures	11	17	6	61	178	117	861	713	(148)
OTHER FINANCING SOURCES (USES):									
Transfers In									
Transfers Out									
Total Other Financing Sources (Uses)									
Net Changes in Fund Balances	11	17	6	61	178	117	(776)	355	1,131
Fund Balances, July 1, 2017	1,221	1,221		4,081	4,081		2,553	2,553	
Fund Balances, June 30, 2018	1,232	1,238	6	4,142	4,259	117	1,777	2,908	1,131

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	PROBATION DJJ REALIGNMENT			PROBATION FEDERAL ASSET FORFEITURE			PROBATION TRAINING			PROJECT IMPACT MITIGATION FUND		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes												
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties				5	7	2						
Revenues from Use of Money and Property	18	10	(8)	1	1		250	248	(2)	153	273	120
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues												
Total Revenues	18	10	(8)	6	8	2	250	248	(2)	153	273	120
EXPENDITURES:												
General Government										11,448	11,394	54
Public Protection												
Public Works and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	18	10	(8)	6	8	2	250	248	(2)	(11,295)	(11,121)	174
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	3,731	3,643	(88)				(250)	(250)		(3,333)		3,333
Transfers Out	(3,731)	(3,731)					(250)	(250)		(3,333)		3,333
Total Other Financing Sources (Uses)												
Net Changes in Fund Balances	18	(78)	(96)	6	8	2		(2)	(2)	(14,628)	(11,121)	3,507
Fund Balances, July 1, 2017	950	950		5	69	(64)	85	85		14,515	14,515	
Fund Balances, June 30, 2018	968	872	(96)	11	77	(62)	85	83	(2)	(113)	3,394	3,507

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	PUBLIC HEALTH MISC.			RANGE IMPROVEMENT			REAL ESTATE FRAUD			RECORDER		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes		\$	\$		\$	\$		\$	\$		\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	5		(5)	1	1		8	10	2	8	4	(4)
Aid from Other Governmental Agencies	3	15	12	7	8		1,200	947	(253)	2,338	2,298	(40)
Charges for Current Services											1	1
Other Revenues												
Total Revenues	8	15	7	8	9		1,208	957	(251)	2,351	2,307	(44)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities				8	8		323	150		4,860	3,174	1,686
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	8	15	7	8	1		885	807	(78)	(2,509)	(867)	1,642
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(7)	(7)					(1,000)	(938)		1,586	1,042	(544)
Transfers Out	(7)	(7)					(1,000)	(938)	62	1,586	1,042	(544)
Total Other Financing Sources (Uses)												
Net Changes in Fund Balances	1	8	7		1		(115)	(131)	(16)	(923)	175	1,098
Fund Balances, July 1, 2017	15	15		96	96		613	613		945	945	
Fund Balances, June 30, 2018	16	23	7	96	97		498	482	(16)	22	1,120	1,098

**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULES**  
**CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	RECORDER'S ELECTRONIC RECORDING			RECORDER MODERNIZATION			RECORDER SSN TRUNCATION			REDEMPTION SYSTEMS		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes		\$	\$									
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property	1		(1)			(21)				200	249	49
Aid from Other Governmental Agencies	177	166	(11)	800	765	(35)					(14)	(14)
Charges for Current Services												
Other Revenues												
Total Revenues	178	166	(12)	800	744	(56)				200	235	35
EXPENDITURES:												
General Government				110	78							
Public Protection												
Public Ways and Facilities												
Health and Sanitation				110	78							
Public Assistance												
Culture and Recreation Services												
Total Expenditures	178	166	(12)	690	666	(24)				200	235	35
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In				25	(25)							
Transfers Out	(159)	(159)		(2,190)	(486)	1,704	(10)	(8)	2	(1,023)		1,023
Total Other Financing Sources (Uses)	(159)	(159)		(2,165)	(486)	1,679	(10)	(8)	2	(1,023)		1,023
Net Changes in Fund Balances	19	7	(12)	(1,475)	180	1,655	(10)	(8)	2	(82.3)	235	1,058
Fund Balances, July 1, 2017	32	32		2,636	2,636		328	328		1,452	1,452	
Fund Balances, June 30, 2018	51	39	(12)	1,161	2,816	1,655	318	320	2	629	1,687	1,058

**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULES**  
**CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	RMA-HAZARDOUS WASTE SETTLEMENTS			RURAL CRIMES ENVIRONMENTAL IMPACT FEE			SHELTER CARE			SHERIFF CAL I.D.		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes												
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	100	194	94							1,420	1,397	(23)
Revenues from Use of Money and Property					(15)	(15)				35	18	(17)
Aid from Other Governmental Agencies				550	1,229	679						
Charges for Current Services								1	1			
Other Revenues												
Total Revenues	100	194	94	550	1,214	664		1	1	1,455	1,415	(40)
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities							100	5	95			
Health and Sanitation							100	5	95			
Public Assistance												
Culture and Recreation Services							(100)	(4)	96			
Total Expenditures	100	194	94	550	1,214	664				1,455	1,415	(40)
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out	(344)		344	(654)	(654)					(2,914)	(2,052)	862
Total Other Financing Sources (Uses)	(344)		344	(654)	(654)					(2,914)	(2,052)	862
Net Changes in Fund Balances	(244)	194	438	(104)	560	664	(100)	(4)	96	(1,459)	(637)	822
Fund Balances, July 1, 2017	663	663		461	461		184	184		1,798	1,798	
Fund Balances, June 30, 2018	419	857	438	357	1,021	664	84	180	96	339	1,161	822

**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULES**  
**CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	SHERIFF CIVIL AUTOMATED			SHERIFF CIVIL SUBPOENA			SHERIFF CONTROLLED SUBSTANCE			SHERIFF DRUG ABUSE GANG DIVERSTION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties		9	11	2			36	909	873	2	3	1
Revenues from Use of Money and Property		172	204	32			4	(12)	(16)			
Aid from Other Governmental Agencies												
Charges for Current Services					9	8	(1)					
Other Revenues												
Total Revenues	181	215	34	9	8	(1)	40	897	857	2	3	1
EXPENDITURES:												
General Government												
Public Protection												
Public Works and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	181	215	34	9	8	(1)	40	897	857	2	3	1
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(327)	(221)	106	(15)	(15)		(23)	(23)		3	6	3
Transfers Out	(327)	(221)	106	(15)	(15)		(23)	(23)		3	6	3
Total Other Financing Sources (Uses)	(146)	(6)	140	(6)	(7)	(1)	17	874	857	5	9	4
Net Changes in Fund Balances	1,078	1,078		20	20		41	41		193	193	
Fund Balances, July 1, 2017	932	1,072	140	14	13	(1)	58	915	857	198	202	4
Fund Balances, June 30, 2018												

**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULES**  
**CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	SHERIFF DRUG AWARENESS PROGRAM			SHERIFF ELECTRONIC MONITORING			SHERIFF FACILITY TRAINING			SHERIFF INMATE WELFARE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes												
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties	24	131	107	1	1					20	(41)	(61)
Revenues from Use of Money and Property	7	4	(3)	43	20	(23)	230	220	(10)	2,480	4,560	2,080
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues												
Total Revenues	31	135	104	44	21	(23)	230	220	(10)	2,500	4,519	2,019
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	31	135	104	44	21	(23)	230	220	(10)	2,500	4,519	2,019
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(18)	(18)					(211)	(211)		(4,274)	(4,226)	48
Transfers Out	(18)	(18)					(211)	(211)		(4,274)	(4,226)	48
Total Other Financing Sources (Uses)	13	117	104	44	21	(23)	19	9	(10)	(1,774)	293	2,067
Net Changes in Fund Balances												
Fund Balances, July 1, 2017	806	806		90	90		69	69		2,044	2,044	
Fund Balances, June 30, 2018	819	923	104	134	111	(23)	88	78	(10)	270	2,337	2,067



**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULES**  
**CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	SHERIFF JUDGMENT DEBTOR FEE			SHERIFF RURAL CRIME			SHERIFF SIDEARM CONVERSION			SHERIFF STATE ASSET FORFEITURES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties		(7)	(7)					1	1		47	47
Revenues from Use of Money and Property												
Aid from Other Governmental Agencies	200	265	65			(1)	5	13	8			
Charges for Current Services												
Other Revenues												
Total Revenues	200	258	58	1	1	(1)	5	14	9		47	47
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	200	258	58	1	1	(1)	5	14	9		47	47
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(398)	(379)	19				(5)	(5)		(6)	(6)	
Transfers Out	(398)	(379)	19				(5)	(5)		(6)	(6)	
Total Other Financing Sources (Uses)	(198)	(121)	77	1	1	(1)		9	9	(6)	41	47
Net Changes in Fund Balances												
Fund Balances, July 1, 2017	588	588		15	15		43	43		13	13	
Fund Balances, June 30, 2018	390	467	77	16	15	(1)	43	52	9	7	54	47

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	SHERIFF TRAINING FUND			SHERIFF'S VOLUNTEER SERVICE GROUP			SHERIFF WORK RELEASE			STERILIZATION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes		\$	\$		\$	\$		\$	\$		\$	\$
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties												
Revenues from Use of Money and Property		1	1					1	2	1		
Aid from Other Governmental Agencies												
Charges for Current Services	102	175	73	9	9		404	508	104			
Other Revenues	102	176	74	9	9		405	510	105			
Total Revenues												
EXPENDITURES:												
General Government												
Public Protection												
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	102	176	74	9	9		405	510	105			
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In	(100)	(100)		(15)	(8)	7	(400)	(400)		(33)		
Transfers Out	(100)	(100)		(15)	(8)	7	(400)	(400)		(33)		
Total Other Financing Sources (Uses)												
Net Changes in Fund Balances	2	76	74	(6)	1	7	5	110	105		2	2
Fund Balances, July 1, 2017	24	24		110	110		96	96		22	22	
Fund Balances, June 30, 2018	26	100	(74)	104	111	(7)	101	206	(105)	22	24	2

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	STRONG MOTION INSTRUMENTATION			TIMBER HARVEST			TOBACCO EDUCATION CONTROL			VETERANS GRANT FUND		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:												
Taxes	\$ 35	\$ 13	(22)									
Licenses, Permits and Franchises												
Fines, Forfeitures and Penalties					1	1		(5)	(5)		(8)	(8)
Revenues from Use of Money and Property							893	420	(473)			
Aid from Other Governmental Agencies												
Charges for Current Services												
Other Revenues												
Total Revenues	35	13	(22)		1	1	893	415	(478)		(8)	(8)
EXPENDITURES:												
General Government												
Public Protection	51	6	45					32				
Public Ways and Facilities												
Health and Sanitation												
Public Assistance												
Culture and Recreation Services												
Total Expenditures	51	6	45					32				
	(16)	7	23		1	1	893	383	(510)		(8)	(8)
Excess (Deficiency) of Revenues Over (Under) Expenditures												
OTHER FINANCING SOURCES (USES):												
Transfers In												
Transfers Out				(38)	(16)	22	(882)	(350)	532	(137)		137
Total Other Financing Sources (Uses)				(38)	(16)	22	(882)	(350)	532	(137)		137
Net Changes in Fund Balances	(16)	7	23	(38)	(15)	23	11	33	22	(137)	(8)	129
Fund Balances, July 1, 2017	67	67		37	37					558	558	
Fund Balances, June 30, 2018	\$ 51	\$ 74	\$ 23	\$ (1)	\$ 22	\$ 23	\$ 11	\$ 33	\$ 22	\$ 421	\$ 550	\$ 129

COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULES  
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)

	VITAL HEALTH STATISTICS COUNTY CLERK			VITAL HEALTH STATISTICS			VITAL HEALTH STATISTICS RECORDER			WILDLIFE RESOURCES			OTHER SPECIAL REVENUE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:															
Taxes		\$	\$												
Licenses, Permits and Franchises															
Fines, Forfeitures and Penalties															
Revenues from Use of Money and Property															
Aid from Other Governmental Agencies	3	3	72	81	9	83	81	(8)	(8)	3	4	1	274	1	274
Charges for Current Services															
Other Revenues															
Total Revenues	3	3	72	81	9	83	73	(10)	(10)	3	4	1	2,366	2,125	2,366
EXPENDITURES:															
General Government															
Public Works															
Public Ways and Facilities															
Health and Sanitation															
Public Assistance															
Culture and Recreation Services															
Total Expenditures	3	3	72	81	9	83	73	(10)	(10)	4	3	1			
Excess (Deficiency) of Revenues Over (Under) Expenditures															
OTHER FINANCING SOURCES (USES):															
Transfers In	(4)	(4)	(77)	(75)	2	(91)	(74)	17	17						
Transfers Out	(4)	(4)	(77)	(75)	2	(91)	(74)	17	17						
Total Other Financing Sources (Uses)	(1)	(1)	(5)	6	11	(8)	(1)	7	7	(1)	1	2	2,366	2,366	2,366
Net Changes in Fund Balances	3	3	92	92		512	512			5	5		3,451	3,451	3,451
Fund Balances, July 1, 2017	2	2	87	98	11	504	511	7	7	4	6	2	3,451	5,817	5,817
Fund Balances, June 30, 2018															

## **NON-MAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECTS FUNDS DESCRIPTIONS**

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

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

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

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

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

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

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 1

	<u>TOTAL</u>	<u>2009 CAPITAL PROJECTS</u>	<u>7TH STANDARD ROAD WIDENING</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Pooled Cash and Investments	\$ 5,080	\$	\$
Cash and Investments Deposited with Trustee	33,319		
Accrued Revenue	9,589		
Due From Other Funds	<u>2,897</u>		
Total Assets	<u>50,885</u>		
Total Assets and Deferred Outflows of Resources	\$ <u>50,885</u>	\$ <u>          </u>	\$ <u>          </u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	\$ 1,947	\$	\$
Due To Other Funds	<u>13,436</u>		
Total Liabilities	<u>15,383</u>		
Fund Balances:			
Restricted	32,898		
Assigned	<u>2,604</u>		
Total Fund Balances	<u>35,502</u>		
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ <u>50,885</u>	\$ <u>          </u>	\$ <u>          </u>

<u>AB900 JAIL CONSTRUCTION</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>
\$	\$ 283	\$ 2,321	\$ 2,476
9,589			33,319
<u>2,897</u>			
<u>12,486</u>	<u>283</u>	<u>2,321</u>	<u>35,795</u>
\$ <u>12,486</u>	\$ <u>283</u>	\$ <u>2,321</u>	\$ <u>35,795</u>
\$ 1,947	\$	\$	\$
<u>10,539</u>			<u>2,897</u>
<u>12,486</u>			<u>2,897</u>
	<u>283</u>	<u>2,321</u>	<u>32,898</u>
	<u>283</u>	<u>2,321</u>	<u>32,898</u>
\$ <u>12,486</u>	\$ <u>283</u>	\$ <u>2,321</u>	\$ <u>35,795</u>

**ASSETS AND DEFERRED  
OUTFLOWS OF RESOURCES**

Assets:  
 Pooled Cash and Investments  
 Cash and Investments Deposited with Trustee  
 Accrued Revenue  
 Due From Other Funds  
 Total Assets

Total Assets and Deferred Outflows of Resources

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

Liabilities:  
 Accounts Payable  
 Due To Other Funds  
 Total Liabilities

Fund Balances:  
 Restricted  
 Assigned  
 Total Fund Balances

Total Liabilities, Deferred Inflows of  
Resources, and Fund Balances

**COUNTY OF KERN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

Page 1 of 1

	<u>TOTAL</u>	<u>2009 CAPITAL PROJECTS</u>	<u>7TH STANDARD ROAD WIDENING</u>
REVENUES:			
Revenues From Use of Money and Property	\$ 59	\$	\$ 6
Aid From Other Governmental Agencies	<u>12,484</u>	<u>                    </u>	<u>                    </u>
Total Revenues	<u>12,543</u>	<u>                    </u>	<u>6</u>
EXPENDITURES:			
General Government	74		
Capital Outlay	<u>16,223</u>	<u>                    </u>	<u>335</u>
Total Expenditures	<u>16,297</u>	<u>                    </u>	<u>335</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,754)</u>	<u>                    </u>	<u>(329)</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	2,897		
Transfers Out	<u>(3,299)</u>	<u>(2)</u>	<u>                    </u>
Total Other Financing Sources (Uses)	<u>(402)</u>	<u>(2)</u>	<u>                    </u>
Net Changes in Fund Balances	(4,156)	(2)	(329)
Fund Balances, July 1, 2017	<u>39,658</u>	<u>2</u>	<u>329</u>
Fund Balances, June 30, 2018	<u>\$ 35,502</u>	<u>\$</u>	<u>\$</u>



<u>AB900 JAIL CONSTRUCTION</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>	
\$ 64	\$ 3	\$ 15	\$ (29)	REVENUES:
<u>12,484</u>				Revenues From Use of Money and Property
				Aid From Other Governmental Agencies
<u>12,548</u>	<u>3</u>	<u>15</u>	<u>(29)</u>	Total Revenues
				EXPENDITURES:
<u>15,888</u>			74	General Government
				Capital Outlay
<u>15,888</u>			74	Total Expenditures
<u>(3,340)</u>	<u>3</u>	<u>15</u>	<u>(103)</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
				OTHER FINANCING SOURCES (USES):
<u>2,897</u>			<u>(3,297)</u>	Transfers In
				Transfers Out
<u>2,897</u>			<u>(3,297)</u>	Total Other Financing Sources (Uses)
<u>(443)</u>	<u>3</u>	<u>15</u>	<u>(3,400)</u>	Net Changes in Fund Balances
<u>443</u>	<u>280</u>	<u>2,306</u>	<u>36,298</u>	Fund Balances, July 1, 2017
<u>\$</u>	<u>\$ 283</u>	<u>\$ 2,321</u>	<u>\$ 32,898</u>	Fund Balances, June 30, 2018

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<b>2009 CAPITAL PROJECTS</b>		
	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
OTHER FINANCING USES:			
Transfers Out	\$ (2)	\$ (2)	
Net Change in Fund Balance	(2)	(2)	
Fund Balance, July 1, 2017	2	2	
Fund Balance, June 30, 2018	<u>\$</u>	<u>\$</u>	<u>\$</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**7TH STANDARD ROAD WIDENING**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Revenues From Use of Money and Property	\$ 8	\$ 6	\$ (2)
Aid From Other Governmental Agencies	25,029		(25,029)
Other Revenues	2,262		(2,262)
Total Revenues	<u>27,299</u>	<u>6</u>	<u>(27,293)</u>
EXPENDITURES:			
Capital Outlay	<u>42,334</u>	<u>335</u>	<u>41,999</u>
Total Expenditures	<u>42,334</u>	<u>335</u>	<u>41,999</u>
Deficiency of Revenues Under Expenditures	<u>(15,035)</u>	<u>(329)</u>	<u>14,706</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>14,826</u>		<u>(14,826)</u>
Total Other Financing Sources	<u>14,826</u>		<u>(14,826)</u>
Net Change in Fund Balance	(209)	(329)	(120)
Fund Balance, July 1, 2017	<u>329</u>	<u>329</u>	
Fund Balance, June 30, 2018	<u>\$ 120</u>	<u>\$</u>	<u>\$ (120)</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<b>AB900 JAIL CONSTRUCTION</b>		
	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Revenues From Use of Money and Property	\$	\$	\$
Aid From Other Governmental Agencies	100,000	64 12,484	64 (87,516)
Total Revenues	<u>100,000</u>	<u>12,548</u>	<u>(87,452)</u>
EXPENDITURES:			
Capital Outlay	127,031	16,127	110,904
Total Expenditures	<u>127,031</u>	<u>16,127</u>	<u>110,904</u>
Deficiency of Revenues Under Expenditures	<u>(27,031)</u>	<u>(3,579)</u>	<u>23,452</u>
OTHER FINANCING SOURCES			
Transfers In	27,031	2,897	(24,134)
Total Other Financing Sources	<u>27,031</u>	<u>2,897</u>	<u>(24,134)</u>
Net Change in Fund Balance		(682)	(682)
Fund Balance, July 1, 2017	443	443	
Fund Balance (Deficit), June 30, 2018	<u>\$ 443</u>	<u>\$ (239)</u>	<u>\$ (682)</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

**ACCUMULATED CAPITAL OUTLAY FIRE**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Revenues From Use of Money and Property	\$ 2	\$ 3	\$ 1
Total Revenues	<u>2</u>	<u>3</u>	<u>1</u>
Excess of Revenues Over Expenditures	<u>2</u>	<u>3</u>	<u>1</u>
Net Change in Fund Balance	2	3	1
Fund Balance, July 1, 2017	<u>280</u>	<u>280</u>	
Fund Balance, June 30, 2018	<u><u>\$ 282</u></u>	<u><u>\$ 283</u></u>	<u><u>\$ 1</u></u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<b>ACCUMULATED CAPITAL OUTLAY GENERAL</b>		
	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Revenues From Use of Money and Property	\$ 12	\$ 15	\$ 3
Total Revenues	12	15	3
Excess of Revenues Over Expenditures	12	15	3
OTHER FINANCING SOURCES (USES)			
Transfers In	4,355		(4,355)
Transfers Out	(4,355)		4,355
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	12	15	3
Fund Balance, July 1, 2017	2,306	2,306	
Fund Balance, June 30, 2018	<u>\$ 2,318</u>	<u>\$ 2,321</u>	<u>\$ 3</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE  
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<b>TOBACCO SECURITIZATION PROCEEDS</b>		
	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Revenues From Use of Money and Property	\$ 400	\$ (29)	\$ (429)
Aid From Other Governmental Agencies	25,981		(25,981)
Total Revenues	<u>26,381</u>	<u>(29)</u>	<u>(26,410)</u>
EXPENDITURES:			
General Government		74	(74)
Total Expenditures		<u>74</u>	<u>(74)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>26,381</u>	<u>(103)</u>	<u>(26,484)</u>
OTHER FINANCING USES:			
Transfers Out	<u>(27,981)</u>	<u>(3,297)</u>	<u>24,684</u>
Total Other Financing Uses	<u>(27,981)</u>	<u>(3,297)</u>	<u>24,684</u>
Net Change in Fund Balance	(1,600)	(3,400)	(1,800)
Fund Balance, July 1, 2017	<u>36,298</u>	<u>36,298</u>	
Fund Balance, June 30, 2018	<u>\$ 34,698</u>	<u>\$ 32,898</u>	<u>\$ (1,800)</u>

## NON-MAJOR GOVERNMENTAL FUNDS

### DEBT SERVICE FUNDS DESCRIPTIONS

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

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

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

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



**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR DEBT SERVICE FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Pooled Cash and Investments	\$ 41	\$	\$	\$ 41
Cash and Investments Deposited with Trustee	1,805	667	248	890
Accrued Revenue	<u>122</u>	<u></u>	<u></u>	<u>122</u>
Total Assets	<u>1,968</u>	<u>667</u>	<u>248</u>	<u>1,053</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,968</u>	<u>\$ 667</u>	<u>\$ 248</u>	<u>\$ 1,053</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 11	\$	\$	\$ 11
Total Liabilities	<u>11</u>	<u></u>	<u></u>	<u>11</u>
Fund Balances:				
Restricted	<u>1,957</u>	<u>667</u>	<u>248</u>	<u>1,042</u>
Total Fund Balances	<u>1,957</u>	<u>667</u>	<u>248</u>	<u>1,042</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,968</u>	<u>\$ 667</u>	<u>\$ 248</u>	<u>\$ 1,053</u>

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 38	\$ 4	\$ 28	\$ 6
Other Revenues	54,669		53,068	1,601
Total Revenues	<u>54,707</u>	<u>4</u>	<u>53,096</u>	<u>1,607</u>
EXPENDITURES:				
General Government	671			671
Debt Service:				
Principal	23,468	3,357	19,686	425
Interest	37,235	3,373	33,383	479
Total Expenditures	<u>61,374</u>	<u>6,730</u>	<u>53,069</u>	<u>1,575</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,667)</u>	<u>(6,726)</u>	<u>27</u>	<u>32</u>
OTHER FINANCING SOURCES:				
Transfers In	6,720	6,720		
Total Other Financing Sources	<u>6,720</u>	<u>6,720</u>		
Net Changes in Fund Balances	53	(6)	27	32
Fund Balances, July 1, 2017	<u>1,904</u>	<u>673</u>	<u>221</u>	<u>1,010</u>
Fund Balances, June 30, 2018	<u>\$ 1,957</u>	<u>\$ 667</u>	<u>\$ 248</u>	<u>\$ 1,042</u>



**NON-MAJOR  
ENTERPRISE FUNDS**

## NON-MAJOR ENTERPRISE FUNDS

### FUNDS DESCRIPTIONS

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

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

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

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

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

**COUNTY OF KERN  
COMBINING STATEMENT OF NET POSITION  
NON-MAJOR ENTERPRISE FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

	<b>TOTAL</b>	<b>COUNTY SANITATION DISTRICTS</b>	<b>GOLF COURSES</b>	<b>PUBLIC TRANSPORTATION</b>	<b>UNIVERSAL COLLECTION</b>
<b>ASSETS</b>					
Current Assets:					
Pooled Cash and Investments	\$ 19,675	\$ 14,864	\$ 1,491	\$ 2,035	\$ 1,285
Interest Receivable	53	47	6		
Accounts Receivable - Net	152	152			
Accrued Revenue	43			43	
Due from Other Funds	28	28			
Total Current Assets	19,951	15,091	1,497	2,078	1,285
Non-Current Assets:					
Taxes Receivable	1,713	668			1,045
Investment in Joint Venture	2,402	2,402			
Capital Assets:					
Non-Depreciable:					
Land	668	603	65		
Construction in Progress	690	362		328	
Depreciable:					
Structures and Improvements	16,672	9,330	6,483	859	
Equipment	18,655	2,093		16,562	
Intangible Assets	304	56		248	
Infrastructure	10,949	10,949			
Accumulated Depreciation and Amortization	(23,975)	(12,723)	(3,519)	(7,733)	
Total Non-Current Assets	28,078	13,740	3,029	10,264	1,045
Total Assets	48,029	28,831	4,526	12,342	2,330
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred OPEB	8	5		3	
Deferred Pensions	1,598	951		647	
Total Deferred Outflows of Resources	1,606	956		650	
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	1,419	819		600	
Salaries and Employee Benefits Payable	113	113			
Due to Other Funds	133	3		130	
Current Portion of Long-Term Debt	53	41		12	
Interest Payable - Current	79	60		19	
Current Portion of Compensated Absences	230	127		103	
Advances from Grantors and Third Parties	694	147		547	
Total Current Liabilities	2,721	1,310		1,411	
Non-Current Liabilities:					
Compensated Absences Payable	74	41		33	
Long-Term Debt - Pension Obligation Bonds	446	343		103	
Long-Term - Interest Payable	273	209		64	
Net OPEB Liability	200	120		80	
Net Pension Liability	6,412	3,805		2,607	
Total Non-Current Liabilities	7,405	4,518		2,887	
Total Liabilities	10,126	5,828		4,298	
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred OPEB	38	23		15	
Deferred Pensions	576	342		234	
Total Deferred Inflows of Resources	614	365		249	
<b>NET POSITION</b>					
Net Investment in Capital Assets	23,963	10,670	3,029	10,264	
Restricted	2,402	2,402			
Unrestricted	12,530	10,522	1,497	(1,819)	2,330
Total Net Position	\$ 38,895	\$ 23,594	\$ 4,526	\$ 8,445	\$ 2,330

**COUNTY OF KERN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
<b>OPERATING REVENUES:</b>					
Charges for Current Services	\$ 24,163	\$ 7,357	\$ 200	\$ 1,076	\$ 15,530
Revenues from Use of Property	155	92		53	10
<b>Total Operating Revenues</b>	<b>24,318</b>	<b>7,449</b>	<b>200</b>	<b>1,129</b>	<b>15,540</b>
<b>OPERATING EXPENSES:</b>					
Salaries and Employee Benefits	2,109	2,109			
Services and Supplies	27,533	2,216	157	9,152	16,008
Other Charges	71	25	26		20
Depreciation and Amortization	2,001	477	148	1,376	
<b>Total Operating Expenses</b>	<b>31,714</b>	<b>4,827</b>	<b>331</b>	<b>10,528</b>	<b>16,028</b>
<b>Operating Income (Loss)</b>	<b>(7,396)</b>	<b>2,622</b>	<b>(131)</b>	<b>(9,399)</b>	<b>(488)</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>					
Taxes and Assessments	6,567			6,567	
Fines, Forfeitures and Penalties	226	60			166
Licenses, Permits and Franchises	6	6			
Interest on Bank Deposits and Investments	71	62	15	9	(15)
Aid from Other Governmental Agencies	1,186			1,186	
Interest Expense	(50)	(38)		(12)	
Loss on Disposal of Capital Assets	(18)			(18)	
<b>Total Non-Operating Revenues, Net</b>	<b>7,988</b>	<b>90</b>	<b>15</b>	<b>7,732</b>	<b>151</b>
<b>Income (Loss) before Contributions</b>	<b>592</b>	<b>2,712</b>	<b>(116)</b>	<b>(1,667)</b>	<b>(337)</b>
Capital Contributions	1,448			1,448	
<b>Changes in Net Position</b>	<b>2,040</b>	<b>2,712</b>	<b>(116)</b>	<b>(219)</b>	<b>(337)</b>
<b>Net Position, July 1, 2017 (as previously reported)</b>	<b>38,709</b>	<b>20,942</b>	<b>4,642</b>	<b>10,458</b>	<b>2,667</b>
Prior Period Adjustment	(1,854)	(60)		(1,794)	
<b>Net Position, June 30, 2018</b>	<b>\$ 38,895</b>	<b>\$ 23,594</b>	<b>\$ 4,526</b>	<b>\$ 8,445</b>	<b>\$ 2,330</b>

**COUNTY OF KERN**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	TOTAL	COUNTY SANITATION DISTRICTS	GOLF COURSES	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash Received for Current Services	\$ 24,246	\$ 7,218	\$ 200	\$ 1,183	\$ 15,645
Cash Received for Use of Property	155	92		53	10
Cash Paid for Salaries and Benefits	(1,732)	(1,732)			
Cash Paid for Services and Supplies	(22,785)	(1,070)	(157)	(5,600)	(15,958)
Cash Paid for Interfund Services and Supplies	(4,725)	(1,069)		(3,606)	(50)
Cash Paid for Other Charges	(71)	(25)	(26)		(20)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(4,912)</b>	<b>3,414</b>	<b>17</b>	<b>(7,970)</b>	<b>(373)</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
Cash Received for Other Non-Operations					
Cash Received for Taxes and Special Assessments	6,567			6,567	
Cash Received as Fines, Forfeitures, and Penalties	226	60			166
Cash Received for Licenses, Permits & Franchises	6	6			
Aid from Other Governmental Agencies	3,132			3,132	
Payment of Long-Term Debt - Pension Obligation Bonds	(50)	(38)		(12)	
Interest Paid on Pension Obligation Bonds	(86)	(66)		(20)	
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>9,795</b>	<b>(38)</b>		<b>9,667</b>	<b>166</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Proceeds from Sale of Capital Assets	25			25	
Capital Contributions	124			124	
Acquisition or Construction of Capital Assets	(2,174)	(787)		(1,387)	
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(2,025)</b>	<b>(787)</b>		<b>(1,238)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest on Bank Deposits and Investments	58	43	9	16	(10)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>58</b>	<b>43</b>	<b>9</b>	<b>16</b>	<b>(10)</b>
<b>Net Increase (Decrease) in Cash and Investments</b>	<b>2,916</b>	<b>2,632</b>	<b>26</b>	<b>475</b>	<b>(217)</b>
Cash and Investments, July 1, 2017	16,759	12,232	1,465	1,560	1,502
<b>Cash and Investments, June 30, 2018</b>	<b>\$ 19,675</b>	<b>\$ 14,864</b>	<b>\$ 1,491</b>	<b>\$ 2,035</b>	<b>\$ 1,285</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ (7,396)	\$ 2,622	\$ (131)	\$ (9,399)	\$ (488)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	2,001	477	148	1,376	
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	75	(33)		108	
(Increase) Decrease in Accrued Revenue					
(Increase) Decrease in Taxes Receivable	1	(114)			115
(Increase) Decrease in Due from Other Funds	8	8			
(Increase) Decrease in Deferred Outflows of Resources	(35)	(23)		(12)	
(Increase) Decrease in Investment in Joint Venture	166	166			
Increase (Decrease) in Accounts Payable	(25)	74		(99)	
Increase (Decrease) in Salaries & Benefits Payable	8	8			
Increase (Decrease) in Due to Other Funds	(114)	3		(117)	
Increase (Decrease) in Deferred Inflows of Resources	132	78		54	
Increase (Decrease) in Compensated Absences Payable	45	27		18	
Increase (Decrease) in Net OPEB Liability	(47)	(25)		(22)	
Increase (Decrease) in Net Pension Liability	269	146		123	
<b>Total Adjustments</b>	<b>2,484</b>	<b>792</b>	<b>148</b>	<b>1,429</b>	<b>115</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (4,912)</b>	<b>\$ 3,414</b>	<b>\$ 17</b>	<b>\$ (7,970)</b>	<b>\$ (373)</b>
<b>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>					
Capital Contributions - Revenue Recognized	\$ 1,324			\$ 1,324	
<b>Total Non-cash Investing, Capital, and Financing Activities</b>	<b>\$ 1,324</b>			<b>\$ 1,324</b>	



**INTERNAL SERVICE FUNDS**



## INTERNAL SERVICE FUNDS DESCRIPTIONS

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

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

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

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

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

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

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

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

**COUNTY OF KERN  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2018 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
<b>ASSETS</b>				
Current Assets:				
Pooled Cash and Investments	\$ 104,478	\$ 17,993	\$ 7,268	\$ 54,813
Interest Receivable	414	86	29	210
Accounts Receivable	5			
Accrued Revenue	3,552			2,923
Due from Other Funds	209			
Inventory- Materials and Supplies	479		83	
Total Current Assets	<u>109,137</u>	<u>18,079</u>	<u>7,380</u>	<u>57,946</u>
Non-Current Assets:				
Deposits with Others	1,519			1,519
Equipment	11,247		11,046	
Intangible Assets	1,789		37	1,752
Accumulated Depreciation and Amortization	<u>(6,987)</u>		<u>(6,671)</u>	<u>(292)</u>
Total Non-Current Assets	<u>7,568</u>		<u>4,412</u>	<u>2,979</u>
Total Assets	<u>116,705</u>	<u>18,079</u>	<u>11,792</u>	<u>60,925</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Pensions	467		467	
Deferred OPEB	5		5	
Total Deferred Outflows of Resources	<u>472</u>		<u>472</u>	
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	2,000		122	1,519
Salaries and Employee Benefits Payable	2,400		46	
Current Portion of Long-Term Debt	29		29	
Interest Payable - Current	72		72	
Current Portion of Compensated Absences	48		48	
Current Portion of Liability for Self-Insurance	<u>25,409</u>	<u>663</u>		<u>12,403</u>
Total Current Liabilities	<u>29,958</u>	<u>663</u>	<u>317</u>	<u>13,922</u>
Non-Current Liabilities				
Compensated Absences Payable	24		24	
Long-Term Liability for Self-Insurance	104,060	43,491		
Long-Term Debt - Pension Obligation Bonds	181		181	
Long-Term - Interest Payable	208		208	
Net OPEB Liability	120		120	
Net Pension Liability	<u>2,015</u>		<u>2,015</u>	
Total Non-Current Liabilities	<u>106,608</u>	<u>43,491</u>	<u>2,548</u>	
Total Liabilities	<u>136,566</u>	<u>44,154</u>	<u>2,865</u>	<u>13,922</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Pensions	181		181	
Deferred OPEB	23		23	
Total Deferred Inflows of Resources	<u>204</u>		<u>204</u>	
<b>NET POSITION</b>				
Net Investment in Capital Assets	6,049		4,412	1,460
Restricted:				
Deposits	1,519			1,519
Inventory	479		83	
Unrestricted (Deficit)	<u>(27,640)</u>	<u>(26,075)</u>	<u>4,700</u>	<u>44,024</u>
Total Net Position	<u>\$ (19,593)</u>	<u>\$ (26,075)</u>	<u>\$ 9,195</u>	<u>\$ 47,003</u>

<u>PUBLIC WORKS</u>	<u>RETIREE GROUP HEALTH</u>	<u>UNEMPLOYMENT COMPENSATION</u>	<u>WORKERS' COMPENSATION</u>	
\$ 6,903	\$ 3,274	\$ 2,613	\$ 11,614	<b>ASSETS</b>
16		13	60	Current Assets:
2		3		Pooled Cash and Investments
88			541	Interest Receivable
209				Accounts Receivable
396				Accrued Revenue
				Due from Other Funds
				Inventory- Materials and Supplies
<u>7,614</u>	<u>3,274</u>	<u>2,629</u>	<u>12,215</u>	Total Current Assets
				Non-Current Assets:
201				Deposits with Others
(24)				Equipment
177				Intangible Assets
				Accumulated Depreciation and Amortization
<u>7,791</u>	<u>3,274</u>	<u>2,629</u>	<u>12,215</u>	Total Non-Current Assets
				Total Assets
				<b>DEFERRED OUTFLOWS OF RESOURCES</b>
				Deferred Pensions
				Deferred OPEB
				Total Deferred Outflows of Resources
				<b>LIABILITIES</b>
				Current Liabilities:
344			15	Accounts Payable
2,354				Salaries and Employee Benefits Payable
				Current Portion of Long-Term Debt
				Interest Payable - Current
		1,025	11,318	Current Portion of Compensated Absences
				Current Portion of Liability for Self-Insurance
<u>2,698</u>		<u>1,025</u>	<u>11,333</u>	Total Current Liabilities
				Non-Current Liabilities
			60,569	Compensated Absences Payable
				Long-Term Liability for Self-Insurance
				Long-Term Debt - Pension Obligation Bonds
				Long-Term - Interest Payable
				Net OPEB Liability
				Net Pension Liability
			<u>60,569</u>	Total Non-Current Liabilities
<u>2,698</u>		<u>1,025</u>	<u>71,902</u>	Total Liabilities
				<b>DEFERRED INFLOWS OF RESOURCES</b>
				Deferred Pensions
				Deferred OPEB
				Total Deferred Inflows of Resources
				<b>NET POSITION</b>
177				Net Investment in Capital Assets
				Restricted:
396				Deposits
4,520	3,274	1,604	(59,687)	Inventory
				Unrestricted (Deficit)
\$ <u>5,093</u>	\$ <u>3,274</u>	\$ <u>1,604</u>	\$ <u>(59,687)</u>	Total Net Position

**COUNTY OF KERN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

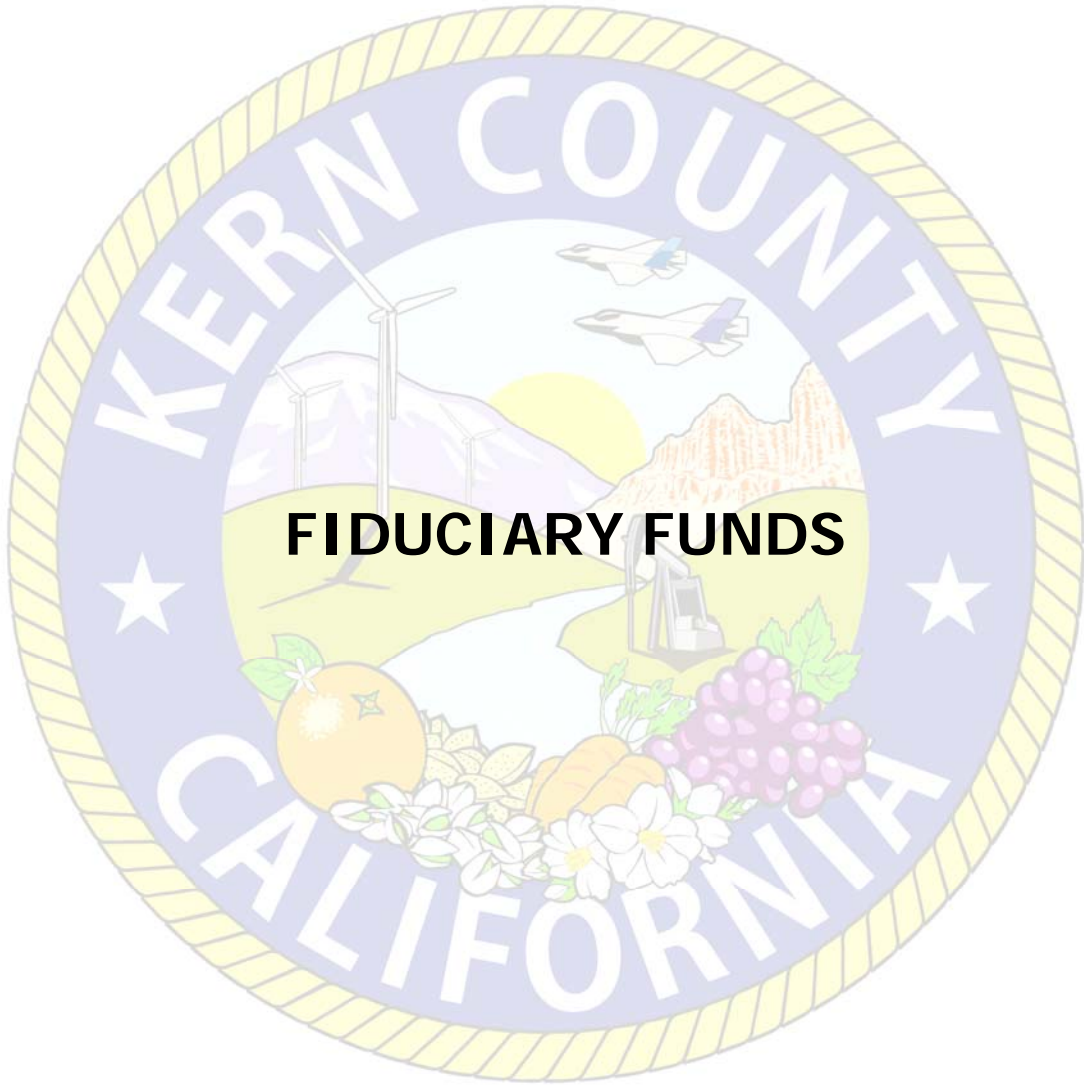
	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
OPERATING REVENUES:				
Charges for Current Services	\$ 247,757	\$ 10,266	\$ 3,791	\$ 150,843
Other Operating Revenues	10,070	8,397	363	657
Total Operating Revenues	<u>257,827</u>	<u>18,663</u>	<u>4,154</u>	<u>151,500</u>
OPERATING EXPENSES:				
Salaries and Employee Benefits	52,150			
Services and Supplies	26,534	5,359	1,013	7,189
Claims Incurred	136,285			125,338
Other Charges	6,688	4,958	37	
Depreciation and Amortization	1,102		972	117
Total Operating Expenses	<u>222,759</u>	<u>10,317</u>	<u>2,022</u>	<u>132,644</u>
Operating Income	<u>35,068</u>	<u>8,346</u>	<u>2,132</u>	<u>18,856</u>
NON-OPERATING REVENUES (EXPENSES):				
Interest on Bank Deposits and Investments	424	177	20	105
Other Revenues	306	15	233	58
Interest Expense	(32)		(32)	
Gain on Disposal of Capital Assets	14		14	
Total Non-Operating Revenues, Net	<u>712</u>	<u>192</u>	<u>235</u>	<u>163</u>
Income before Contributions and Transfers	<u>35,780</u>	<u>8,538</u>	<u>2,367</u>	<u>19,019</u>
Capital Contributions	43		43	
Transfers In	6,421			
Transfers Out	(6,421)			
Changes in Net Position	35,823	8,538	2,410	19,019
Net Position, July 1, 2017 (as previously reported)	<u>(57,199)</u>	<u>(34,613)</u>	<u>6,579</u>	<u>26,407</u>
Prior Period Adjustment	1,783		206	1,577
Net Position, June 30, 2018	<u>\$ (19,593)</u>	<u>\$ (26,075)</u>	<u>\$ 9,195</u>	<u>\$ 47,003</u>

<b>PUBLIC WORKS</b>	<b>RETIREE GROUP HEALTH</b>	<b>UNEMPLOYMENT COMPENSATION</b>	<b>WORKERS' COMPENSATION</b>	
\$ 54,669	\$ 8,840	\$ 2,582	\$ 16,766	OPERATING REVENUES:
	59		594	Charges for Current Services
				Other Operating Revenues
<u>54,669</u>	<u>8,899</u>	<u>2,582</u>	<u>17,360</u>	Total Operating Revenues
				OPERATING EXPENSES:
43,448	8,702			Salaries and Employee Benefits
8,008	169	15	4,781	Services and Supplies
		2,140	8,807	Claims Incurred
818		1	874	Other Charges
13				Depreciation and Amortization
<u>52,287</u>	<u>8,871</u>	<u>2,156</u>	<u>14,462</u>	Total Operating Expenses
<u>2,382</u>	<u>28</u>	<u>426</u>	<u>2,898</u>	Operating Income
				NON-OPERATING REVENUES (EXPENSES):
(14)	1	15	120	Interest on Bank Deposits and Investments
				Other Revenues
				Interest Expense
				Gain on Disposal of Capital Assets
<u>(14)</u>	<u>1</u>	<u>15</u>	<u>120</u>	Total Non-Operating Revenues, Net
<u>2,368</u>	<u>29</u>	<u>441</u>	<u>3,018</u>	Income before Contributions and Transfers
				Capital Contributions
6,421				Transfers In
(6,421)				Transfers Out
<u>2,368</u>	<u>29</u>	<u>441</u>	<u>3,018</u>	Changes in Net Position
<u>2,725</u>	<u>3,245</u>	<u>1,163</u>	<u>(62,705)</u>	Net Position, July 1, 2017 (as previously reported)
				Prior Period Adjustment
<u>\$ 5,093</u>	<u>\$ 3,274</u>	<u>\$ 1,604</u>	<u>\$ (59,687)</u>	Net Position, June 30, 2018

**COUNTY OF KERN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash Received for Current Services	\$ 246,116	\$ 10,251	\$ 3,753	\$ 149,464
Cash Received for Interfund Services Provided	955	14	38	486
Cash Received for Other Operations	1,356			657
Cash Paid for Salaries and Benefits	(52,822)		(817)	
Cash Paid for Services and Supplies	(25,746)	(5,359)	(930)	(5,720)
Cash Paid for Reported Claims	(139,047)	(826)		(125,053)
Cash Paid for Other Charges	(6,688)	(4,958)	(37)	
Net Cash Provided (Used) by Operating Activities	<u>24,124</u>	<u>(878)</u>	<u>2,007</u>	<u>19,834</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Cash Received from Other Funds	6,421			
Cash Received for Other Non-Operations	305	15	232	58
Cash Paid to Other Funds	(6,421)			
Payment of Long-Term Debt - Pension Obligation Bonds	(27)		(27)	
Interest Paid on Pension Obligation Bonds	(71)		(71)	
Net Cash Provided by Non-Capital Financing Activities	<u>207</u>	<u>15</u>	<u>134</u>	<u>58</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from Sale of Capital Assets	133		133	
Acquisition or Construction of Capital Assets	(332)		(211)	
Net Cash Used by Capital and Related Financing Activities	<u>(199)</u>		<u>(78)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on Bank Deposits and Investments	247	151	7	(10)
Net Increase (Decrease) in Cash and Investments	24,379	(712)	2,070	19,882
Beginning Cash and Investments at July 1, 2017	<u>80,099</u>	<u>18,705</u>	<u>5,198</u>	<u>34,931</u>
Ending Cash and Investments at June 30, 2018	<u>\$ 104,478</u>	<u>\$ 17,993</u>	<u>\$ 7,268</u>	<u>\$ 54,813</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating Income	\$ 35,068	\$ 8,346	\$ 2,132	\$ 18,856
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,102		972	117
Changes in Assets and Liabilities:				
(Increase) Decrease in Inventory	(82)		27	
(Increase) Decrease in Accounts Receivable	(5)			
(Increase) Decrease in Accrued Revenue	(791)			(893)
(Increase) Decrease in Due from Others	37			
(Increase) Decrease in Deferred Outflows of Resources	231		231	
Increase (Decrease) in Accounts Payable	1,586		56	1,469
Increase (Decrease) in Due to Others	(716)			
Increase (Decrease) in Salaries & Benefits Payable	143		(2)	
Increase (Decrease) in Deferred Inflows of Resources	(59)		(59)	
Increase (Decrease) in Compensated Absences Payable	9		9	
Increase (Decrease) in Provision for Liability Claims	(11,040)	(9,224)		285
Increase (Decrease) in Net OPEB Liability	(25)		(25)	
Increase (Decrease) in Net Pension Liability	(1,334)		(1,334)	
Total Adjustments	<u>(10,944)</u>	<u>(9,224)</u>	<u>(125)</u>	<u>978</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 24,124</u>	<u>\$ (878)</u>	<u>\$ 2,007</u>	<u>\$ 19,834</u>
<b>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>				
Capital Contributions - Transfer of Capital Assets	\$ 43		\$ 43	
Total Non-cash Investing, Capital, and Financing Activities	<u>\$ 43</u>		<u>\$ 43</u>	

	<b>PUBLIC WORKS</b>	<b>RETIREE GROUP HEALTH</b>	<b>UNEMPLOYMENT COMPENSATION</b>	<b>WORKERS' COMPENSATION</b>	
					<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>
\$	54,881	\$ 8,833	\$ 2,186	\$ 16,748	Cash Received for Current Services
	46	7	392	18	Cash Received for Interfund Services Provided
	(43,303)	(8,702)		594	Cash Received for Other Operations
	(8,787)	(169)	(15)	(4,766)	Cash Paid for Salaries and Benefits
			(2,116)	(11,052)	Cash Paid for Services and Supplies
			(1)	(874)	Cash Paid for Reported Claims
	<u>(818)</u>				Cash Paid for Other Charges
	<u>2,019</u>	<u>28</u>	<u>446</u>	<u>668</u>	Net Cash Provided (Used) by Operating Activities
					<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>
	6,421				Cash Received from Other Funds
	(6,421)				Cash Received for Other Non-Operations
					Cash Paid to Other Funds
					Payment of Long-Term Debt - Pension Obligation Bonds
					Interest Paid on Pension Obligation Bonds
					Net Cash Provided by Non-Capital Financing Activities
					<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>
	(121)				Proceeds from Sale of Capital Assets
	<u>(121)</u>				Acquisition or Construction of Capital Assets
					Net Cash Used by Capital and Related Financing Activities
					<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>
	(18)	8	10	99	Interest on Bank Deposits and Investments
	1,880	36	456	767	Net Increase (Decrease) in Cash and Investments
	<u>5,023</u>	<u>3,238</u>	<u>2,157</u>	<u>10,847</u>	Beginning Cash and Investments at July 1, 2017
\$	<u><u>6,903</u></u>	<u><u>3,274</u></u>	<u><u>2,613</u></u>	<u><u>11,614</u></u>	Ending Cash and Investments at June 30, 2018
					<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>
\$	<u>2,382</u>	<u>28</u>	<u>426</u>	<u>2,898</u>	Operating Income
					Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:
	13				Depreciation
	(109)				Changes in Assets and Liabilities:
	(2)		(3)	(121)	(Increase) Decrease in Inventory
	223				(Increase) Decrease in Accounts Receivable
	37				(Increase) Decrease in Accrued Revenue
	46			15	(Increase) Decrease in Due from Others
	(716)				(Increase) Decrease in Deferred Outflows of Resources
	145				Increase (Decrease) in Accounts Payable
					Increase (Decrease) in Due to Others
					Increase (Decrease) in Salaries & Benefits Payable
					Increase (Decrease) in Deferred Inflows of Resources
			23	(2,124)	Increase (Decrease) in Compensated Absences Payable
					Increase (Decrease) in Provision for Liability Claims
					Increase (Decrease) in Net OPEB Liability
					Increase (Decrease) in Net Pension Liability
	<u>(363)</u>		<u>20</u>	<u>(2,230)</u>	Total Adjustments
\$	<u><u>2,019</u></u>	<u><u>28</u></u>	<u><u>446</u></u>	<u><u>668</u></u>	Net Cash Provided (Used) by Operating Activities
\$					<b>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>
\$					Capital Contributions - Transfer of Capital Assets
\$					Total Non-cash Investing, Capital, and Financing Activities



**FIDUCIARY FUNDS**



## FIDICIARY FUNDS DESCRIPTIONS

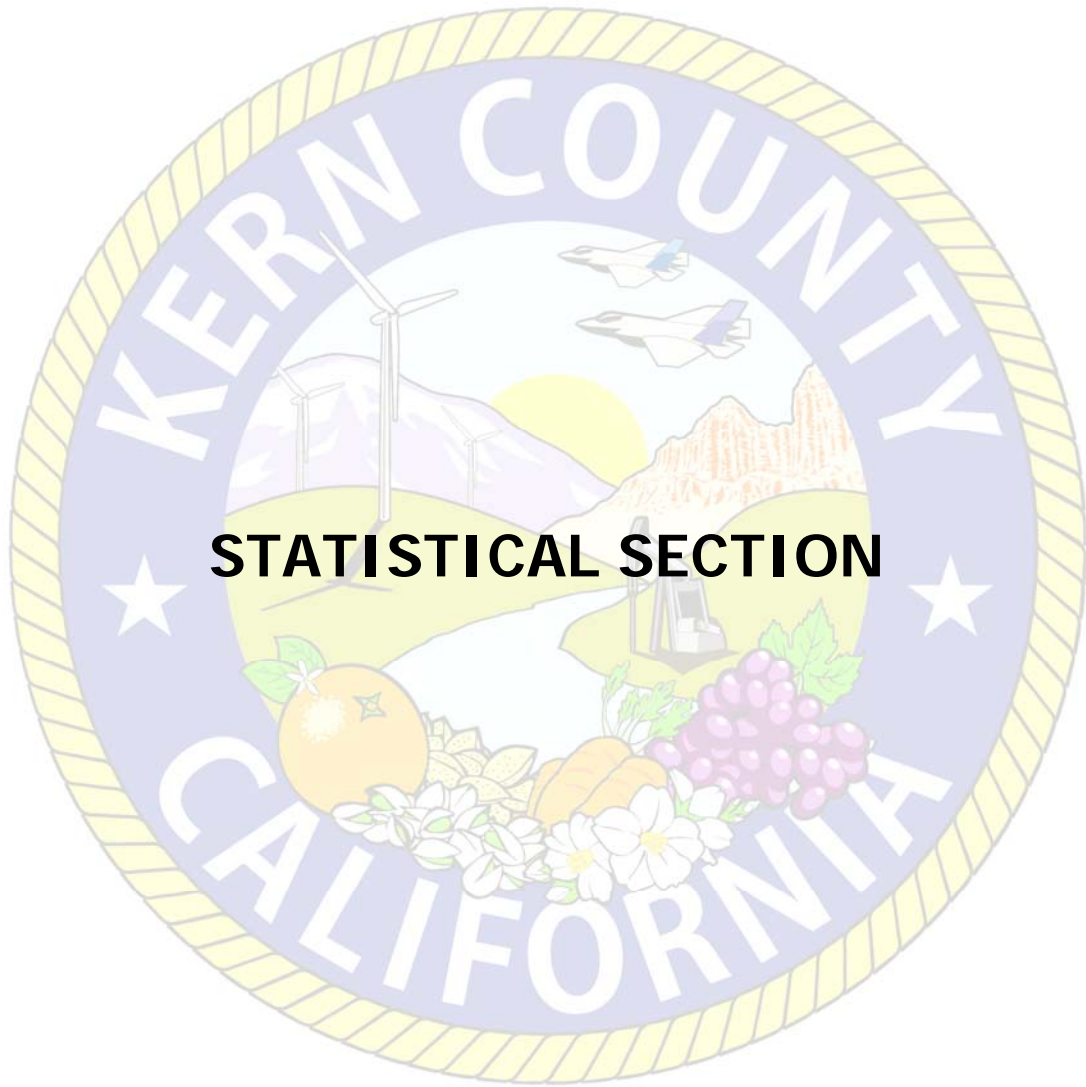
**Agency Funds** – Agency funds are funds under the control of individual County officers who use them for the deposit of various types of receipts and to accumulate resources for specific purposes. Unapportioned funds are used for recording the collection and distribution of property taxes and interest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

**COUNTY OF KERN  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>BALANCE</u> <u>JUNE 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2018</u>
<b>TOTAL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 289,803	\$ 5,871,545	\$ 5,933,492	\$ 227,856
Investments				
Accounts Receivable		57		57
Interest Receivable	678	760	706	732
Taxes Receivable	60,527	1,348,990	1,349,428	60,089
Due from Other Agencies	9,956	14,503	10,480	13,979
Total Assets	<u>\$ 360,964</u>	<u>\$ 7,235,855</u>	<u>\$ 7,294,106</u>	<u>\$ 302,713</u>
<b>LIABILITIES</b>				
Warrants Payable	\$ 12,283	\$ 2,902,188	\$ 2,896,621	\$ 17,850
Interest Payable	1,167	1,851	2,586	432
Due to Other Agencies	347,194	2,971,624	3,034,707	284,111
Unapportioned Installment Redemptions	320			320
Total Liabilities	<u>\$ 360,964</u>	<u>\$ 5,875,663</u>	<u>\$ 5,933,914</u>	<u>\$ 302,713</u>
<b>CLEARING FUNDS</b>				
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 2,567	\$ 881,252	\$ 881,016	\$ 2,803
Accounts Receivable		57		57
Due from Other Agencies	10	5	4	11
Total Assets	<u>\$ 2,577</u>	<u>\$ 881,314</u>	<u>\$ 881,020</u>	<u>\$ 2,871</u>
<b>LIABILITIES</b>				
Warrants Payable	\$	\$ 1,652	\$ 1,652	\$
Due to Other Agencies	2,577	859,950	859,656	2,871
Total Liabilities	<u>\$ 2,577</u>	<u>\$ 861,602</u>	<u>\$ 861,308</u>	<u>\$ 2,871</u>
<b>WARRANT CLEARANCE FUNDS</b>				
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 12,283	\$ 2,900,536	\$ 2,894,969	\$ 17,850
Total Assets	<u>\$ 12,283</u>	<u>\$ 2,900,536</u>	<u>\$ 2,894,969</u>	<u>\$ 17,850</u>
<b>LIABILITIES</b>				
Warrants Payable	\$ 12,283	\$ 2,900,536	\$ 2,894,969	\$ 17,850
Total Liabilities	<u>\$ 12,283</u>	<u>\$ 2,900,536</u>	<u>\$ 2,894,969</u>	<u>\$ 17,850</u>

**COUNTY OF KERN  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018 (IN THOUSANDS)**

	<u>BALANCE JUNE 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2018</u>
<b>STATE FUNDS</b>				
ASSETS				
Pooled Cash and Investments	\$ 5,137	\$ 45,118	\$ 43,849	\$ 6,406
Interest Receivable	5	2		7
Total Assets	<u>\$ 5,142</u>	<u>\$ 45,120</u>	<u>\$ 43,849</u>	<u>\$ 6,413</u>
LIABILITIES				
Due to Other Agencies	\$ 5,142	\$ 39,328	\$ 38,057	\$ 6,413
Total Liabilities	<u>\$ 5,142</u>	<u>\$ 39,328</u>	<u>\$ 38,057</u>	<u>\$ 6,413</u>
<b>OTHER FUNDS</b>				
ASSETS				
Pooled Cash and Investments	\$ 250,936	\$ 655,344	\$ 710,495	\$ 195,785
Interest Receivable	403	470	392	481
Due from Other Agencies	9,942	14,498	10,476	13,964
Total Assets	<u>\$ 261,281</u>	<u>\$ 670,312</u>	<u>\$ 721,363</u>	<u>\$ 210,230</u>
LIABILITIES				
Due to Other Agencies	\$ 261,281	\$ 675,001	\$ 726,052	\$ 210,230
Total Liabilities	<u>\$ 261,281</u>	<u>\$ 675,001</u>	<u>\$ 726,052</u>	<u>\$ 210,230</u>
<b>UNAPPORTIONED FUNDS</b>				
ASSETS				
Pooled Cash and Investments	\$ 18,880	\$ 1,389,295	\$ 1,403,163	\$ 5,012
Interest Receivable	270	288	314	244
Taxes Receivable	60,527	1,348,990	1,349,428	60,089
Due from Other Agencies	4			4
Total Assets	<u>\$ 79,681</u>	<u>\$ 2,738,573</u>	<u>\$ 2,752,905</u>	<u>\$ 65,349</u>
LIABILITIES				
Interest Payable	\$ 1,167	\$ 1,851	\$ 2,586	\$ 432
Due to Other Agencies	78,194	1,397,345	1,410,942	64,597
Unapportioned Installment Redemptions	320			320
Total Liabilities	<u>\$ 79,681</u>	<u>\$ 1,399,196</u>	<u>\$ 1,413,528</u>	<u>\$ 65,349</u>



**STATISTICAL SECTION**

# STATISTICAL SECTION

## CONTENTS

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

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

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Governmental Activities:</b>					
Net Investment in Capital Assets	\$ 473,897	\$ 1,542,559	\$ 1,646,543	\$ 1,672,915	\$ 1,711,461
Restricted	230,225	229,285	319,828	335,190	363,662
Unrestricted (Deficit)	(198,015)	(122,364)	(267,332)	(266,157)	(262,932)
Total Governmental Activities Net Position	<u>\$ 506,107</u>	<u>\$ 1,649,480</u>	<u>\$ 1,699,039</u>	<u>\$ 1,741,948</u>	<u>\$ 1,812,191</u>
<b>Business-type Activities:</b>					
Net Investment in Capital Assets	\$ 154,030	\$ 160,640	\$ 172,883	\$ 170,984	\$ 166,895
Restricted	4,904	4,240	3,037	2,022	15,671
Unrestricted (Deficit)	(70,079)	(44,226)	(54,506)	(96,878)	(125,371)
Total Business-type Activities Net Position	<u>\$ 88,855</u>	<u>\$ 120,654</u>	<u>\$ 121,414</u>	<u>\$ 76,128</u>	<u>\$ 57,195</u>
<b>Primary Government:</b>					
Net Investment in Capital Assets	\$ 627,927	\$ 1,703,199	\$ 1,819,426	\$ 1,843,899	\$ 1,878,356
Restricted	235,129	233,525	322,865	337,212	379,333
Unrestricted (Deficit)	(268,094)	(166,590)	(321,838)	(363,035)	(388,303)
Total Primary Government Net Position	<u>\$ 594,962</u>	<u>\$ 1,770,134</u>	<u>\$ 1,820,453</u>	<u>\$ 1,818,076</u>	<u>\$ 1,869,386</u>

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
\$ 1,726,834	\$ 1,750,564	\$ 1,770,797	\$ 1,840,822	\$ 1,875,532	<b>Governmental Activities:</b>
347,207	375,293	381,142	397,190	405,102	Net Investment in Capital Assets
(294,565)	(1,805,642)	(1,708,445)	(1,713,301)	(1,689,857)	Restricted
<u>\$ 1,779,476</u>	<u>\$ 320,215</u>	<u>\$ 443,494</u>	<u>\$ 524,711</u>	<u>\$ 590,777</u>	Unrestricted (Deficit)
					Total Governmental Activities Net Position
					<b>Business-type Activities:</b>
\$ 180,025	\$ 198,605	\$ 204,567	\$ 184,012	\$ 192,196	Net Investment in Capital Assets
15,231	10,601	8,567		2,402	Restricted
(114,309)	(450,784)	(405,360)	(27,323)	(16,973)	Unrestricted (Deficit)
<u>\$ 80,947</u>	<u>\$ (241,578)</u>	<u>\$ (192,226)</u>	<u>\$ 156,689</u>	<u>\$ 177,625</u>	Total Business-type Activities Net Position
					<b>Primary Government:</b>
\$ 1,906,859	\$ 1,949,169	\$ 1,975,364	\$ 2,024,834	\$ 2,067,728	Net Investment in Capital Assets
362,438	385,894	389,709	397,190	407,504	Restricted
(408,874)	(2,256,426)	(2,113,805)	(1,740,624)	(1,706,830)	Unrestricted (Deficit)
<u>\$ 1,860,423</u>	<u>\$ 78,637</u>	<u>\$ 251,268</u>	<u>\$ 681,400</u>	<u>\$ 768,402</u>	Total Primary Government Net Position

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

Page 1 of 2

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Governmental Activities:</b>					
<b>Expenses:</b>					
General Government	\$ 52,916	\$ 92,049	\$ 110,846	\$ 93,530	\$ 94,901
Public Protection	487,167	449,054	491,209	516,877	547,416
Public Ways and Facilities	44,648	60,510	10,594	63,955	69,153
Health and Sanitation	151,741	143,156	144,971	154,322	156,302
Public Assistance	411,388	421,154	422,059	396,670	391,318
Education	9,372	8,436	9,093	1,984	8,153
Culture and Recreation Services	14,440	12,747	13,521	14,690	14,319
Interest on Short and Long-term Debt	44,354	42,013	40,717	42,670	41,161
Total Expenses	<u>1,216,026</u>	<u>1,229,119</u>	<u>1,243,010</u>	<u>1,284,698</u>	<u>1,322,723</u>
<b>Program Revenues:</b>					
Charges for Services:					
General Government	62,485	65,670	64,151	58,153	58,620
Public Protection	97,993	93,839	99,898	90,771	84,355
Health and Sanitation	53,702	40,064	41,944	46,539	45,590
Other	17,095	13,451	16,034	13,472	16,790
Operating Grants and Contributions	656,815	724,772	683,830	688,523	741,506
Capital Grants and Contributions	22,800	19,123	31,685	20,560	18,936
Total Program Revenues	<u>910,890</u>	<u>956,919</u>	<u>937,542</u>	<u>918,018</u>	<u>965,797</u>
Total Governmental Activities, Net Program Expenses	<u>(305,136)</u>	<u>(272,200)</u>	<u>(305,468)</u>	<u>(366,680)</u>	<u>(356,926)</u>
<b>General Revenues:</b>					
Taxes:					
Property Taxes	227,163	226,528	241,326	256,744	271,564
Vehicle License Taxes <sup>a</sup>	91,737	85,897	90,382	92,660	99,756
Aircraft Taxes	232	201	142	85	151
Sales and Use Taxes	40,502	33,414	36,997	57,915	55,718
Transient Occupancy Tax	1,676	1,346	1,658	1,732	1,845
Special Assessments	3,093	3,375	3,484	2,888	2,807
Transfer Taxes	2,407	2,423	3,817	2,556	2,961
Other Taxes	856	711	1,189	1,318	1,435
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	25,681	18,976	13,980	18,338	16,870
Miscellaneous	9,802	14,260	3,668	7,591	22,356
Special Items			(2,406)		
Transfers	(51,809)	(32,591)	(33,921)	(37,681)	(37,735)
Total General Revenues and Transfers	<u>351,340</u>	<u>354,540</u>	<u>360,316</u>	<u>404,146</u>	<u>437,728</u>
Total Governmental Activities Change in Net Position	<u>\$ 46,204</u>	<u>\$ 82,340</u>	<u>\$ 54,848</u>	<u>\$ 37,466</u>	<u>\$ 80,802</u>

Notes:

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



Fiscal Year					
2014	2015	2016	2017	2018	
					<b>Governmental Activities:</b>
					<b>Expenses:</b>
\$ 85,816	\$ 92,981	\$ 86,975	\$ 108,559	\$ 97,224	General Government
558,228	593,634	631,913	597,476	564,490	Public Protection
122,567	63,111	48,945	60,666	51,826	Public Ways and Facilities
157,183	146,941	165,023	206,660	240,493	Health and Sanitation
411,182	425,161	466,599	466,736	471,462	Public Assistance
8,600	8,229	8,874	8,403	7,789	Education
14,565	13,604	11,586	777	920	Culture and Recreation Services
37,679	37,914	46,805	35,566	28,423	Interest on Short and Long-term Debt
<u>1,395,820</u>	<u>1,381,575</u>	<u>1,466,720</u>	<u>1,484,843</u>	<u>1,462,627</u>	Total Expenses
					<b>Program Revenues:</b>
					Charges for Services:
58,908	65,900	63,550	65,439	64,126	General Government
106,151	93,559	99,788	104,186	107,854	Public Protection
39,080	61,195	67,699	78,007	78,668	Health and Sanitation
23,222	23,441	22,382	21,248	19,435	Other
703,323	724,439	762,670	814,087	831,071	Operating Grants and Contributions
44,419	47,657	53,269	87,051	37,551	Capital Grants and Contributions
<u>975,103</u>	<u>1,016,191</u>	<u>1,069,358</u>	<u>1,170,018</u>	<u>1,138,705</u>	Total Program Revenues
<u>(420,717)</u>	<u>(365,384)</u>	<u>(397,362)</u>	<u>(314,825)</u>	<u>(323,922)</u>	Total Governmental Activities, Net Program Expenses
					<b>General Revenues:</b>
					Taxes:
270,406	270,191	265,638	248,903	256,436	Property Taxes
101,645	107,308	96,965	93,082	98,609	Vehicle License Taxes <sup>a</sup>
113	120	256	271	195	Aircraft Taxes
52,240	58,683	45,554	44,699	41,872	Sales and Use Taxes
1,772	2,721	2,437	2,403	2,700	Transient Occupancy Tax
2,717	2,710	3,022	3,265	3,780	Special Assessments
2,942	3,183	3,888	3,607	4,489	Transfer Taxes
1,440	1,664	1,444	1,544	1,673	Other Taxes
					Grants and Contributions not Restricted to Specific Programs:
17,307	12,785	29,511	10,514	5,659	Unrestricted Investment Earnings
3,369	11,822	9,372	8,519	6,190	Miscellaneous
			7,748		Special Items
<u>(65,949)</u>	<u>(42,916)</u>	<u>(33,407)</u>	<u>(328)</u>	<u>(305)</u>	Transfers
<u>388,002</u>	<u>428,271</u>	<u>424,680</u>	<u>424,227</u>	<u>421,298</u>	Total General Revenues and Transfers
<u>\$ (32,715)</u>	<u>\$ 62,887</u>	<u>\$ 27,318</u>	<u>\$ 109,402</u>	<u>\$ 97,376</u>	Total Governmental Activities Change in Net Position

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

Page 2 of 2

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Business-type Activities:</b>					
<b>Expenses:</b>					
Airports	\$ 7,626	\$ 7,301	\$ 7,111	\$ 7,089	\$ 8,330
County Sanitation Districts	3,319	3,593	3,820	3,620	3,707
Golf Courses	412	302	231	391	779
Kern Medical	259,558	255,248	279,515	287,972	302,694
Public Transportation	6,787	6,892	7,109	8,319	8,367
Universal Collection	9,797	10,203	10,418	10,573	10,867
Waste Management	35,115	31,869	32,208	31,404	32,080
Total Expenses	<u>322,614</u>	<u>315,408</u>	<u>340,412</u>	<u>349,368</u>	<u>366,824</u>
<b>Revenues:</b>					
Charges for Services:					
Airports	3,785	3,610	3,789	4,136	4,095
County Sanitation Districts	3,696	4,008	4,011	4,007	4,081
Golf Courses	421	468	458	492	474
Kern Medical	222,054	206,106	182,959	118,038	114,264
Public Transportation	5,134	5,211	5,719	6,634	5,896
Universal Collection	9,610	10,815	10,656	10,806	9,817
Waste Management	32,885	34,635	34,123	36,137	38,787
Operating Grants and Contributions	6,109	34,579	63,175	78,973	112,218
Capital Grants and Contributions	2,131	4,300	3,490	3,811	16,316
Total Revenues	<u>285,825</u>	<u>303,732</u>	<u>308,380</u>	<u>263,034</u>	<u>305,948</u>
Total Business-type Activities, Net Program Expenses	<u>(36,789)</u>	<u>(11,676)</u>	<u>(32,032)</u>	<u>(86,334)</u>	<u>(60,876)</u>
<b>General Revenues:</b>					
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	3,062	1,386	865	598	181
Miscellaneous	4,568	426	6,844	2,770	
Gain (Loss) on Sale of Capital Assets			(38)		
Special Item - Transfer of Operations					
Transfers	51,809	32,591	33,921	37,681	37,735
Total General Revenues and Transfers	<u>59,439</u>	<u>34,403</u>	<u>41,592</u>	<u>41,049</u>	<u>37,916</u>
Total Business-type Activities Change in Net Position	<u>\$ 22,650</u>	<u>\$ 22,727</u>	<u>\$ 9,560</u>	<u>\$ (45,285)</u>	<u>\$ (22,960)</u>
Total Primary Government Change in Net Position	<u>\$ 68,854</u>	<u>\$ 105,067</u>	<u>\$ 64,408</u>	<u>\$ (7,819)</u>	<u>\$ 57,842</u>

Fiscal Year					
2014	2015	2016	2017	2018	
\$ 7,312	\$ 8,255	\$ 7,040	\$ 7,320	\$ 8,630	<b>Business-type Activities:</b>
4,248	3,807	4,156	4,255	4,772	<b>Expenses:</b>
456	509	216	217	331	Airports
297,570	281,624	311,695			County Sanitation Districts
8,817	9,099	10,101	10,621	10,362	Golf Courses
12,800	12,862	13,132	13,305	16,026	Kern Medical
30,385	33,352	32,138	37,626	33,265	Public Transportation
361,588	349,508	378,478	73,344	73,386	Universal Collection
					Waste Management
					Total Expenses
					<b>Revenues:</b>
4,395	4,066	4,027	4,198	4,225	Charges for Services:
4,162	4,368	4,827	5,330	7,515	Airports
462	282	199	190	200	County Sanitation Districts
134,888	183,547	185,544			Golf Courses
6,677	6,929	6,779	7,453	7,696	Kern Medical
12,922	12,963	13,291	13,341	15,706	Public Transportation
39,892	40,661	40,568	42,710	42,941	Universal Collection
99,819	83,151	135,960	2,974	3,387	Waste Management
15,267	8,120	5,720	25,291	10,344	Operating Grants and Contributions
318,484	344,087	396,915	101,487	92,014	Capital Grants and Contributions
(43,104)	(5,421)	18,437	28,143	18,628	Total Revenues
					Total Business-type Activities, Net Program Expenses
					<b>General Revenues:</b>
907	634	1,401	432	716	Grants and Contributions not Restricted to Specific Programs:
			282,147		Unrestricted Investment Earnings
65,949	42,916	33,407	328	305	Miscellaneous
66,856	43,550	34,808	282,907	1,021	Gain (Loss) on Sale of Capital Assets
\$ 23,752	\$ 38,129	\$ 53,245	\$ 311,050	\$ 19,649	Special Item - Transfer of Operations
					Transfers
					Total General Revenues and Transfers
					Total Business-type Activities Change in Net Position
\$ (8,963)	\$ 101,016	\$ 80,563	\$ 420,452	\$ 117,025	Total Primary Government Change in Net Position

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

	Fiscal Year				
	2009	2010	2011 <sup>1</sup>	2012	2013
General Fund Balances:					
Reserved	\$ 64,283	\$ 27,536	\$	\$	\$
Unreserved	80,008	112,674			
Nonspendable			37,768	21,357	34,005
Restricted			2,553	7,806	9,557
Committed			56		130
Assigned			34,838	75,828	106,528
Unassigned			76,778	100,220	99,865
<b>Total General Fund Balances</b>	<b>\$ 144,291</b>	<b>\$ 140,210</b>	<b>\$ 151,993</b>	<b>\$ 205,211</b>	<b>\$ 250,085</b>
All Other Governmental Fund Balances:					
Reserved	\$ 207,722	\$ 184,907	\$	\$	\$
Unreserved, reported in:					
Special Revenue Funds	71,212	148,114			
Capital Projects Funds	24,129	2,721			
Debt Service					
Nonspendable			7,969	9,349	7,415
Restricted			304,849	291,862	307,781
Committed			22,381	17,000	18,474
Assigned			5,113	19,970	30,039
Unassigned				(169)	(48)
<b>Total All Other Governmental Fund Balances</b>	<b>\$ 303,063</b>	<b>\$ 335,742</b>	<b>\$ 340,312</b>	<b>\$ 338,012</b>	<b>\$ 363,661</b>

<sup>1</sup> GASB Statement No. 54 was implemented as of June 30, 2011.

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
\$	\$	\$	\$	\$	General Fund Balances:
					Reserved
					Unreserved
42,785	18,088	22,035	22,370	17,924	Nonspendable
9,718	10,867	11,471	11,915	9,753	Restricted
16		37,301	44,488	35,528	Committed
100,909	156,780	147,459	118,153	140,264	Assigned
72,898	115,098	74,508	91,217	80,804	Unassigned
<u>\$ 226,326</u>	<u>\$ 300,833</u>	<u>\$ 292,774</u>	<u>\$ 288,143</u>	<u>\$ 284,273</u>	Total General Fund Balances
\$	\$	\$	\$	\$	All Other Governmental Fund Balances:
					Reserved
					Unreserved, reported in:
					Special Revenue Funds
					Capital Projects Funds
					Debt Service
3,515	3,645	2,511	2,109	2,535	Nonspendable
298,854	333,275	339,633	359,807	370,395	Restricted
21,602	26,075	27,981	26,728	25,242	Committed
23,239	18,709	11,020	6,634	4,929	Assigned
	(20,744)				Unassigned
<u>\$ 347,210</u>	<u>\$ 360,960</u>	<u>\$ 381,145</u>	<u>\$ 395,278</u>	<u>\$ 403,101</u>	Total All Other Governmental Fund Balances

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

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>REVENUES:</b>					
Taxes	\$ 378,753	\$ 345,287	\$ 378,742	\$ 415,273	\$ 443,342
Licenses, Permits and Franchises	15,438	15,937	19,857	24,706	23,363
Fines, Forfeitures and Penalties	26,859	25,653	25,466	23,255	24,865
Revenues from Use of Money and Property	23,562	17,506	13,159	17,774	16,130
Aid from Other Governmental Agencies	676,572	741,615	714,023	711,018	739,574
Charges for Current Services	175,442	161,995	165,271	150,515	145,223
Other Revenues	49,309	50,344	49,423	48,614	51,301
<b>Total Revenues</b>	<b>1,345,935</b>	<b>1,358,337</b>	<b>1,365,941</b>	<b>1,391,155</b>	<b>1,443,798</b>
<b>EXPENDITURES:</b>					
General Government	106,683	95,160	93,808	96,661	98,654
Public Protection	494,087	471,037	483,341	497,464	538,082
Health and Sanitation	154,796	146,496	144,240	153,265	156,409
Public Assistance	416,377	426,193	420,716	393,863	396,036
Education	9,945	9,185	8,625	7,740	7,744
Culture and Recreation Services	14,051	13,184	11,858	11,813	12,379
Public Ways and Facilities	51,609	53,974	53,841	53,615	54,147
Capital Outlay	42,755	34,921	45,088	29,331	16,010
<b>Debt Service:</b>					
Principal	16,674	18,684	21,177	27,094	35,731
Interest	30,533	30,794	29,024	31,359	28,458
Cost of Issuance	3,020	7	406		
<b>Total Expenditures</b>	<b>1,340,530</b>	<b>1,299,635</b>	<b>1,312,124</b>	<b>1,302,205</b>	<b>1,343,650</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>5,405</b>	<b>58,702</b>	<b>53,817</b>	<b>88,950</b>	<b>100,148</b>
<b>Other Financing Sources (Uses):</b>					
Transfers In	219,293	232,934	240,134	292,399	357,551
Transfers Out	(270,997)	(265,526)	(273,465)	(329,495)	(394,551)
Bonds Issued			4,337		
Refunding Bonds Issued	50,000		17,840		
Premium (Discount) on Bond Issuance			(103)		
Payment to Refunded Bonds Escrow Agent	(50,000)		(19,038)		
Proceeds from Long-term Debt					
Inception of Capital Leases	22,823	2,882	627	3,920	7,375
Proceeds from Issuance of Certificates of Participation	95,410				
Discount on Certificates of Participation	(1,195)				
<b>Total Other Financing Sources (Uses)</b>	<b>65,334</b>	<b>(29,710)</b>	<b>(29,668)</b>	<b>(33,176)</b>	<b>(29,625)</b>
<b>SPECIAL ITEMS</b>					
Return Excess Contribution			(2,710)		
Residual Equity Transfer			304		
<b>Total Special Items</b>			<b>(2,406)</b>		
<b>Net Changes in Fund Balances (Deficits)</b>	<b>\$ 70,739</b>	<b>\$ 28,992</b>	<b>\$ 24,149</b>	<b>\$ 55,774</b>	<b>\$ 70,523</b>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	<b>3.76%</b>	<b>3.94%</b>	<b>4.11%</b>	<b>4.72%</b>	<b>4.86%</b>

Fiscal Year					
2014	2015	2016	2017	2018	
\$ 425,124	\$ 473,579	\$ 418,682	\$ 397,468	\$ 409,734	REVENUES:
37,957	25,642	26,807	25,168	27,474	Taxes
23,574	22,983	21,211	21,826	21,823	Licenses, Permits and Franchises
16,777	12,343	28,876	10,314	5,230	Fines, Forfeitures and Penalties
768,169	763,446	807,542	885,447	865,206	Revenues from Use of Money and Property
152,546	180,449	188,698	204,358	205,172	Aid from Other Governmental Agencies
55,802	67,715	69,955	75,554	79,089	Charges for Current Services
1,479,949	1,546,157	1,561,771	1,620,135	1,613,728	Other Revenues
					Total Revenues
					EXPENDITURES:
109,822	108,827	119,021	127,674	123,469	General Government
575,008	575,159	597,620	591,876	612,013	Public Protection
114,488	152,244	164,076	51,775	62,177	Health and Sanitation
437,019	435,492	466,352	212,621	231,172	Public Assistance
12,391	7,919	8,034	473,512	485,450	Education
17,324	11,911	11,852	7,945	7,585	Culture and Recreation Services
69,496	50,682	45,376	23	5	Public Ways and Facilities
59,887	22,708	31,266	74,887	22,523	Capital Outlay
					Debt Service:
36,241	41,021	24,546	26,289	29,367	Principal
24,155	21,612	52,725	49,058	41,616	Interest
	1,371		2,139		Cost of Issuance
1,455,831	1,428,946	1,520,868	1,617,799	1,615,377	Total Expenditures
24,118	117,211	40,903	2,336	(1,649)	Excess (Deficiency) of Revenues Over (Under) Expenditures
					Other Financing Sources (Uses):
408,858	416,587	448,059	424,776	463,434	Transfers In
(475,807)	(459,503)	(487,883)	(426,368)	(463,739)	Transfers Out
	95,860				Bonds Issued
	6,840		4,512		Refunding Bonds Issued
	(82,445)		(84,862)		Premium (Discount) on Bond Issuance
					Payment to Refunded Bonds Escrow Agent
2,150	15	106	7,338	6,300	Proceeds from Long-term Debt
			80,350		Inception of Capital Leases
					Proceeds from Issuance of Certificates of Participation
					Discount on Certificates of Participation
(64,799)	(22,646)	(39,718)	5,746	5,995	Total Other Financing Sources (Uses)
					SPECIAL ITEMS
					Return Excess Contribution
					Residual Equity Transfer
					Total Special Items
\$ (40,681)	\$ 94,565	\$ 1,185	\$ 8,082	\$ 4,346	Net Changes in Fund Balances (Deficits)
4.31%	4.56%	5.32%	5.00%	4.63%	Debt Service as a Percentage of Non-Capital Expenditures

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

<b>Fiscal Year</b>	<b>Secured <sup>a</sup></b>	<b>Unsecured <sup>b</sup></b>	<b>Unitary <sup>c</sup></b>	<b>Exempt <sup>d</sup></b>	<b>Total Taxable Assessed Value <sup>e</sup></b>	<b>Total Direct Tax Rate</b>
2008 - 09	\$ 79,874,728	\$ 2,750,160,924	\$ 1,727,191,093	\$ (750,448)	\$ 83,601,632	1.00000%
2009 - 10	77,907,802	2,972,208	1,709,625	(766,760)	81,822,876	1.00000%
2010 - 11	77,939,499	3,097,293	1,750,730	(773,994)	82,013,529	1.00000%
2011 - 12	79,892,194	3,023,565	1,880,462	(769,539)	84,026,683	1.00000%
2012 - 13	85,881,074	3,155,489	1,880,462	(759,161)	90,157,864	1.00000%
2013 - 14	87,753,748	3,252,933	1,997,051	(739,715)	92,264,018	1.00000%
2014 - 15	93,210,470	3,397,078	1,899,707	(726,775)	97,780,480	1.00000%
2015 - 16	84,427,685	3,495,892	2,068,574	(748,489)	89,243,662	1.00000%
2016 - 17	80,574,940	3,356,283	2,235,440	(735,112)	85,431,551	1.00000%
2017 - 18	85,722,602	3,173,638	2,584,612	(725,054)	90,755,798	1.00000%

Notes:

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

<sup>b</sup> Unsecured property is generally personal property including machinery, equipment, office tools and supplies.

<sup>c</sup> Unitary properties are railroads and utilities crossing the County and are assessed by the State Board of Equalization.

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

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

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



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

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>County of Kern</b>					
Total County Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
<b>Range of Overlapping Rates</b>					
Total City Rate					
City of Bakersfield	N/A	N/A	N/A	N/A	N/A
Total School District Rate	0% to .10913%	0% to .05657%	0% to .08854%	0% to .084810%	0% to .151517%
Total Special District Rate	0% to .15321%	.00304% to .31250%	.00290% to .07049%	.004433% to .121990%	.003285% to .070490%

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

Fiscal Year					
2014	2015	2016	2017	2018	
1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	<b>County of Kern</b> Total County Rate
N/A	N/A	N/A	N/A	N/A	<b>Range of Overlapping Rates</b> Total City Rate
.01067% to .004545%	0% to .063958%	0% to .065744%	0% to .068085%	0% to .069500%	City of Bakersfield
.011248% to .016354%	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	Total School District Rate
					Total Special District Rate

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

TAXPAYER	2018				2009			
	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
Chevron USA Inc	\$ 4,986,967	1	57,117	5.49%	\$ 5,962,348	3	63,621	7.13%
*California Resources Elk Hills LLC	3,305,512	2	37,179	3.64%	7,650,499	1	81,265	9.15%
Aera Energy LLC	2,308,216	3	24,852	2.54%	6,199,057	2	64,057	7.41%
Pacific Gas & Electric Co	1,083,127	4	15,393	1.19%	573,323	6	7,753	0.69%
Southern California Edison Co	992,186	5	14,101	1.09%				
Freeport Mcmoran Oil & Gas LLC	1,048,720	6	10,936	1.16%				
Oxy USA Inc	921,809	7	10,829	1.02%				
US Borax Inc	690,871	8	8,127	0.76%	378,428	10	4,086	0.45%
Paramount Farms International LLC	506,679	9	5,664	0.56%				
Paramount Land Company LLC	437,408	10	5,549	0.48%				
Plains Exploration Production Company					1,097,586	4	11,357	1.31%
Berry Petroleum Company					785,721	5	8,365	0.94%
Seneca Resouces Corporation					522,654	7	5,451	0.63%
La Paloma Generating Company, LLC.					477,900	8	4,942	0.57%
Pastoria Energy Facility, LLC.					455,500	9	4,896	0.54%
Total	<u>\$ 16,281,495</u>		<u>\$ 189,747</u>	<u>17.93%</u>	<u>\$ 24,103,016</u>		<u>\$ 255,793</u>	<u>28.82%</u>

\* Formerly Occidental of Elk Hills Inc

Source: The principal property taxpayers for June 30, 2009 were obtained from the "2008-2009 Tax Rates and Assessed Valuations Report." The 2018 information was obtained from the "2017-2018 Tax Rates and Assessed Valuations Report."

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

	<b>Fiscal Year</b>				
	<b>2009<sup>a</sup></b>	<b>2010<sup>a</sup></b>	<b>2011<sup>a</sup></b>	<b>2012<sup>a</sup></b>	<b>2013<sup>a</sup></b>
Original Levy	\$ 1,091,610	\$ 1,039,467	\$ 1,095,026	\$ 1,109,525	\$ 1,181,437
Adjustments to Original Levy	(4,995)	(28)	6,250	17,931	7,100
Taxes Levied	1,086,615	1,039,439	1,101,276	1,127,456	1,188,537
Collected within the Fiscal Year of the Levy: <sup>b</sup>					
Amount	\$ 1,038,395	\$ 994,181	\$ 1,066,441	\$ 1,099,267	\$ 1,163,336
Percentage of Adjusted Levy	95.56%	95.65%	96.84%	97.50%	97.88%
Collections in subsequent years	42,409	34,057	29,153	23,278	22,263
Total Collections to Date:					
Amount	\$ 1,080,804	\$ 1,028,238	\$ 1,095,594	\$ 1,122,545	\$ 1,185,599
Percentage of Adjusted Levy	99.47%	98.92%	99.48%	99.56%	99.75%

Notes:

<sup>a</sup> Denotes Secured, Unsecured and Supplemental Property Taxes.

<sup>b</sup> The above amounts do not include any penalties collected or any penalties due with delinquency amount.

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

<b>Fiscal Year</b>										
	<b>2014<sup>a</sup></b>	<b>2015<sup>a</sup></b>	<b>2016<sup>a</sup></b>	<b>2017<sup>a</sup></b>	<b>2018<sup>a</sup></b>					
\$	1,228,246	\$	1,300,154	\$	1,232,638	\$	1,230,570	\$	1,309,211	Original Levy
	9,424		(7,384)		1,695		2,844		(3,523)	Adjustments to Original Levy
	1,237,670		1,292,770		1,234,333		1,233,414		1,305,688	Taxes Levied
Collected within the Fiscal Year of the Levy: <sup>b</sup>										
\$	1,211,804	\$	1,265,444	\$	1,206,061	\$	1,202,759	\$	1,277,247	Amount
	97.91%		97.89%		97.71%		97.51%		97.82%	Percentage of Adjusted Levy
	22,917		19,671		19,418		18,050		19,823	Collections in subsequent years
Total Collections to Date:										
\$	1,234,721	\$	1,285,115	\$	1,225,479	\$	1,220,809	\$	1,297,070	Amount
	99.76%		99.41%		99.28%		98.98%		99.34%	Percentage of Adjusted Levy

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

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Governmental Activities:</b>					
Capital Leases	\$ 20,192	\$ 17,516	\$ 12,921	\$ 12,669	\$ 14,704
Certificates of Participation	106,000	105,020	102,387	99,354	96,168
Bonds Payable	98,632	96,258	110,041	107,041	98,687
Loans Payable	12,887	10,876	10,120	6,345	5,266
Pension Obligation Bonds <sup>(1)</sup>	386,402	371,959	354,510	333,314	308,871
Total Governmental Activities	624,113	601,629	589,979	558,723	523,696
<b>Business-type Activities:</b>					
Capital Leases	2,495	4,996	4,231	11,582	9,545
Loans Payable		640	576	512	448
Certificates of Participation	36,230	33,305	29,166	16,402	14,512
Pension Obligation Bonds	61,125	58,608	55,580	52,379	48,075
Total Business-type Activities	99,850	97,549	89,553	80,875	72,580
Total Primary Government	\$ 723,963	\$ 699,178	\$ 679,532	\$ 639,598	\$ 596,276
Percentage of Personal Income <sup>a</sup>	3.00%	2.71%	2.46%	2.17%	1.97%
Per Capita Outstanding Debt <sup>b</sup>	\$ 860	\$ 823	\$ 793	\$ 739	\$ 682
General Bonded Debt	\$	\$	\$	\$	\$
General Bonded Debt Ratio <sup>c</sup>	0.00%	0.00%	0.00%	0.00%	0.00%
Per Capita General Bonded Debt <sup>b</sup>	\$	\$	\$	\$	\$

Notes:

<sup>(1)</sup> Under the original bond official statements, Kern County's Pension Obligation Bonds do not qualify as General Obligation Bonds.

<sup>a</sup> Refer to the "Demographic and Economic Statistics" for the personal income figures.

<sup>b</sup> Refer to the "Demographic and Economic Statistics" for the population figures. This ratio is calculated using the population for the latest calendar year for each corresponding fiscal year.

<sup>c</sup> Refer to the "Assessed Value of Taxable Property and Actual Value of Property" for taxable property used in this ratio.

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

<b>Fiscal Year</b>						
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>		
\$ 12,798	\$ 8,552	\$ 5,005	\$ 8,400	\$ 11,340		<b>Governmental Activities:</b>
93,001	89,732	86,346	86,188	82,542		Capital Leases
95,289	113,432	108,986	104,403	98,185		Certificates of Participation
5,266	4,922	4,568	4,205	3,832		Bonds Payable
280,342	247,301	231,266	213,851	194,902		Loans Payable
486,696	463,939	436,171	417,047	390,801		Pension Obligation Bonds <sup>(1)</sup>
						Total Governmental Activities
						<b>Business-type Activities:</b>
8,044	750	2,453				Capital Leases
384	6,930	6,126	5,302	5,250		Loans Payable
11,894	9,172	6,339				Certificates of Participation
43,060	37,256	34,682	3,473	3,162		Pension Obligation Bonds
63,382	54,108	49,600	8,775	8,412		Total Business-type Activities
<u>\$ 550,078</u>	<u>\$ 518,047</u>	<u>\$ 485,771</u>	<u>\$ 425,822</u>	<u>\$ 399,213</u>		Total Primary Government
1.72%	1.57%	1.46%	1.24%	1.13%		Percentage of Personal Income <sup>a</sup>
\$ 624	\$ 584	\$ 543	\$ 476	\$ 446		Per Capita Outstanding Debt <sup>b</sup>
\$	\$	\$	\$	\$		General Bonded Debt
0.00%	0.00%	0.00%	0.00%	0.00%		General Bonded Debt Ratio <sup>c</sup>
\$	\$	\$	\$	\$		Per Capita General Bonded Debt <sup>b</sup>

**COUNTY OF KERN  
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT  
JUNE 30, 2018 (IN THOUSANDS)**

2017 - 2018 Assessed Value (includes unitary utility valuation)	<u>\$ 90,755,798</u>	
	<b>Debt 06/30/18</b>	<b>Percentage Applicable <sup>b</sup></b>
<b>Overlapping Tax and Assessment Debt</b>		
Kern Community College Safety, Repair and Improvement District	\$ 118,741	92.079
Kern Community College Safety, Repair and Improvement District No. 1	36,812	91.516
Antelope Valley Joint Community College District and West Kern Community College District	53,080	6.006 & 100
Mojave Unified School District School Facilities Improvement Districts No. 1 and No. 2	33,926	100
Southern Kern Unified School District	58,248	100
Other Unified School Districts	81,480	91.193-100
Kern High School District	322,926	100
Other Union High School District	62,909	0.010-100
Bakersfield School District	94,757	100
Delano Union School District	31,705	100
Fruitvale School District	25,540	100
Norris School District	26,584	100
Panama-Buena Vista School District	64,375	100
Taft School District	28,549	100
Other School Districts	200,939	66.099-100
Water Districts	390	100
Tehachapi Valley Healthcare District	60,055	100
Bear Valley Community Services District, I.D. No. 2	731	100
Buttonwillow Recreation and Park District	4,426	100
Community Facilities Districts	202,830	100
1915 Act Bonds (Estimated)	61,899	100
Total Overlapping Tax and Assessment Debt	<u>1,570,902</u>	
<b>Overlapping General Fund Debt</b>		
Kern County Board of Education Certificates of Participation	37,190	100
Community College District Certificates of Participation and Other Post-Employment Benefit Bonds	113,918	Various
Unified School District General Fund Obligations	24,713	Various
Kern High School District Lease Revenue Notes	99,665	100
School District General Fund Obligations	125,151	100
City of Arvin General Fund Obligations	4,655	100
City of Bakersfield General Fund Obligations	11,275	100
City of Delano Certificates of Participation	19,905	100
City of Ridgecrest General Fund Obligations	4,450	100
Tehachapi Valley Recreation and Park General Fund Obligations	541	100
Total Overlapping General Fund Debt	<u>441,463</u>	
Total Overlapping Debt	<u>2,012,365</u>	
<b>Direct General Fund Debt</b>		
Kern County General Fund Obligations	195,899	
Kern County Pension Obligations	194,902	
Total Direct General Fund Debt	<u>390,801</u>	
<b>Overlapping Tax Increment Debt</b>	85,336	
<b>Total Direct and Overlapping Debt</b>	<u>\$ 2,488,502 <sup>a</sup></u>	
Ratios to 2017 - 2018 Assessed Valuation:		
Total Overlapping Tax and Assessment Debt		1.73%
Ratios to Adjusted Assessed Valuation:		
<b>Combined Direct Debt (\$390,801)</b>		<b>0.43%</b>
Combined Total Debt		2.74%

Notes:

<sup>a</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

<sup>b</sup> Percentage of overlapping agency's assessed valuation located within the boundaries of the County.

Source: California Municipal Statistics, Inc.



**COUNTY OF KERN  
COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2018**

**Legislation does not mandate a debt limit for County of Kern.**

**COUNTY OF KERN  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2009	2010	2011	2012	2013
Population <sup>a</sup>	830,137	841,682	849,949	856,576	865,787
Personal Income (in Thousands) <sup>b</sup>	\$ 24,119,047	\$ 25,843,995	\$ 27,622,917	\$ 29,480,121	\$ 30,336,210
Per Capita Personal Income <sup>b</sup>	\$ 29,054	\$ 30,705	\$ 32,499	\$ 34,416	\$ 35,039
Unemployment Rate County of Kern <sup>c</sup>	14.0%	15.2%	14.9%	13.3%	11.9%
School Enrollment <sup>d</sup>	174,135	174,106	173,740	175,480	178,671

Notes:

<sup>a</sup> 2018 & 2017 estimate from the California Department of Finance as of January 1. All other year's data from the U.S. Census Bureau midyear population estimates.

<sup>b</sup> U.S. Department of Commerce, Bureau of Economic Analysis. 2018 information not available at time of issuance; estimate based on average change of previous three years.

<sup>c</sup> State of California - Employment Development Department, Labor Market Information

<sup>d</sup> Educational Demographics Unit, California Department of Education

**Fiscal Year**

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
874,190	882,176	886,507	895,112	905,801	Population <sup>a</sup>
\$ 32,059,138	\$ 32,953,453	\$ 33,368,619	\$ 34,438,280	\$ 35,231,327	Personal Income (in Thousands) <sup>b</sup>
\$ 36,673	\$ 37,355	\$ 37,641	\$ 38,474	\$ 38,895	Per Capita Personal Income <sup>b</sup>
10.3%	10.4%	10.8%	9.5%	8.7%	Unemployment Rate County of Kern <sup>c</sup>
179,680	180,304	181,393	185,236	189,949	School Enrollment <sup>d</sup>

**COUNTY OF KERN  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

**June 30, 2018**

<b>EMPLOYER</b>	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</b>	<b>INDUSTRY</b>
Edwards Air Force Base	9,353	1	2.64%	Federal Government - National Security
County of Kern	7,402	2	2.09%	County Government
China Lake Naval Air Weapons Station	7,000	3	1.98%	Federal Government - National Security
Grimmway Enterprises	3,700	4	1.05%	Agriculture
Dignity Health	3,296	5	0.93%	Health Care
Adventist Health Bakersfield	2,718	6	0.77%	Health Care
William Bolthouse Farms, Inc.	2,250	7	0.64%	Agriculture
Kern Medical	1,800	8	0.51%	Health Care
City of Bakersfield	1,600	9	0.45%	Local Government
Sun World International	1,600	10	0.45%	Agriculture
<b>Total</b>	<b>40,719</b>		<b>11.51%</b>	

**June 30, 2009**

<b>EMPLOYER</b>	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</b>	<b>INDUSTRY</b>
Edwards Air Force Base	14,000	1	4.85%	Federal Government - National Security
County of Kern	10,185	2	3.53%	County Government
China Lake Naval Air Weapons Station	6,000	3	2.08%	Federal Government - National Security
Grimmway Enterprises	4,400	4	1.53%	Agriculture
Giumarra Vineyards	4,000	5	1.39%	Agriculture
Catholic Healthcare West	3,000	6	1.04%	Hospital
William Bolthouse Farms, Inc.	2,350	7	0.81%	Agriculture
Sunview Vineyards	2,000	8	0.69%	Agriculture
Sun World International	1,600	9	0.55%	Agriculture
City of Bakersfield	1,474	10	0.51%	Local Government
<b>Total</b>	<b>49,009</b>		<b>16.98%</b>	

Sources:

2018 Kern Economic Development Corporation  
State of California - Employment Development Department, Labor Market Information  
Data for 2009 was obtained from the June 30, 2009 CAFR.

**COUNTY OF KERN  
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function / Program	FULL-TIME EQUIVALENT EMPLOYEES AS OF JUNE 30									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government:										
Assessor	97	104	102	95	97	98	93	98	95	86
Information Technology	55	59	50	49	49	46	41	45	42	55
County Counsel	47	49	45	44	43	45	47	47	42	43
Other <sup>a</sup>	418	415	337	350	343	366	354	337	373	378
Public Protection:										
District Attorney	235	250	214	214	214	236	240	244	228	239
Public Defender	92	92	86	84	87	94	87	92	87	81
Sheriff - Coroner	1,212	1,283	1,102	1,136	1,210	1,199	1,182	1,173	1,141	1,177
Probation	531	518	478	483	514	532	521	559	528	526
Fire Department	567	634	544	558	597	622	605	599	589	592
Other <sup>a</sup>	397	429	381	380	385	380	381	329	323	328
Public Ways & Facilities:										
Roads <sup>a</sup>	178	204	176	173	180	188	181			
Health and Sanitation:										
Public Health	283	272	229	233	228	195	183	175	180	183
Behavioral Health & Recovery	457	433	395	400	444	440	450	517	606	667
Other	178	175	146	142	111	112	99	126	95	96
Public Assistance:										
Human Services	1,418	1,431	1,196	1,201	1,358	1,457	1,518	1,515	1,510	1,502
Other	231	211	186	173	173	183	183	190	194	200
Education:										
Library	138	66	56	54	50	52	47	50	46	40
Other	6	6	4	3	4	4	4	4	4	4
Culture & Recreation Services <sup>c</sup>	109	94	86	83	78	74	69	69		
Airports	20	20	15	17	17	19	21	22	21	18
Kern Medical <sup>b</sup>	1,582	1,603	1,382	1,393	1,326	1,274	1,273	1,276		
Public Transportation <sup>a</sup>	3	4	4	3	3	4	4			
Public Works <sup>a</sup>								348	338	357
Waste Management <sup>a</sup>	121	116	109	106	110	112	114			
<b>Total Full-Time Employees</b>	<b>8,375</b>	<b>8,468</b>	<b>7,323</b>	<b>7,374</b>	<b>7,621</b>	<b>7,732</b>	<b>7,697</b>	<b>7,815</b>	<b>6,442</b>	<b>6,572</b>

Note:

<sup>a</sup> In 2016, the Internal Service Fund - Public Works was created. The employees from Roads, Public Transportation, Waste Management, Engineering, Surveying and Permit Services, Building Inspection, and Code Compliance departments were consolidated into this new fund.

<sup>b</sup> Kern Medical transferred operations on July 1, 2016 to a new special district (Hospital Authority)

<sup>c</sup> In fiscal year 2016-17, the Parks and Recreation employees were moved to General Services located in General Government - Other.

Source: County Administrative Office - Human Resources Department

**COUNTY OF KERN  
OPERATING INDICATORS BY FUNCTION / PROGRAM  
LAST TEN FISCAL YEARS**

Page 1 of 2

Function / Program	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Governmental Activities:</b>					
<b>General Government</b>					
<b>Assessor - Recorder</b>					
Recorded documents	202,396	195,597	194,072	191,495	235,424
<b>County Counsel</b>					
Litigated & administrative hearings	8,347	9,092	9,660	10,444	9,804
Attorneys	30	28	27	27	29
Attorneys per capita	0.000036	0.000033	0.000032	0.000032	0.000034
<b>Human Resources</b>					
Applications received	17,332	8,150	18,386	16,199	21,977
<b>County Clerk - Elections</b>					
Marriage licenses	3,732	4,084	4,268	4,501	4,716
Fictitious business names	5,844	6,411	6,339	6,343	7,149
<b>Public Protection</b>					
<b>District Attorney</b>					
Misdemeanors cases filed	36,910	33,504	32,320	29,636	28,275
Felony cases filed	6,955	6,555	6,891	7,285	8,916
Felony information filed*	1,601	1,502	1,533	1,789	2,016
Felony cases with juries	151	142	143	167	149
<b>Public Defender</b>					
Public defense cases accepted/received	39,235	34,296	36,984	34,893	40,827
Public defense cases opened	21,532	19,903	20,236	19,636	21,994
Public defense cases closed	34,193	31,627	32,073	31,180	36,721
Public defense cases closed within 12 months	34,193	31,627	32,073	31,180	36,721
<b>Sheriff - Coroner</b>					
Dispatched calls for service	279,544	295,374	272,247	203,914	224,588
Violent crimes:	4,620	4,871	4,722	4,538	2,273
Homicide	34	40	28	25	21
Forcible rape	117	100	107	98	88
Robbery	482	498	378	415	495
Aggravated assault	3,987	4,233	4,209	1,389	1,669
Property crimes	5,097	5,117	10,065	10,907	11,472
Total larceny - theft	5,690	5,146	5,246	5,534	5,305
Bookings	21,930	20,596	19,814	16,806	19,486
Fingerprints	6,672	5,944	5,671	5,957	4,983
<b>Fire Department</b>					
Total incident calls	39,166	38,001	38,001	40,640	42,281
Fire calls	3,167	2,845	3,087	3,333	2,918
Overpressure, Ruptures, Explosion	167	360	194	236	186
Other type of incidents	395	491	448	635	736
EMS / rescue calls	23,405	22,672	22,650	23,079	24,356
Hazardous condition calls	1,884	1,717	1,834	1,711	1,726
Public service calls	1,803	1,820	1,786	1,859	2,004
False calls	1,681	1,604	1,465	1,606	1,646

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

<sup>a</sup> Information was updated from prior year report.

<b>Fiscal Year</b>					<b>Function / Program</b>
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
					<b>Governmental Activities:</b>
					<b>General Government</b>
					<b>Assessor - Recorder</b>
188,908	191,660	199,972	206,612	195,708	Recorded documents
					<b>County Counsel</b>
6,667	9,241	7,882	8,585	8,654	Litigated & administrative hearings
28	29	30	26	25	Attorneys
0.000032	0.000033	0.000034	0.000029	0.000028	Attorneys per capita
					<b>Human Resources</b>
22,688	26,520	38,118	29,935	36,922	Applications received
					<b>County Clerk - Elections</b>
4,805	4,700	4,792	4,940	4,705	Marriage licenses
5,937	5,873	6,511	6,630	6,609	Fictitious business names
					<b>Public Protection</b>
					<b>District Attorney</b>
31,604	22,671	27,361	25,220	20,390	Misdemeanors cases filed
8,938	17,923	5,795	5,869	5,954	Felony cases filed
2,373	1,966	1,819	1,726	1,420	Felony information filed*
160	210	189	204	167	Felony cases with juries
					<b>Public Defender</b>
44,880	46,166	46,853	39,479	32,773	Public defense cases accepted/received
21,725	20,984	20,530	21,102	18,558	Public defense cases opened
35,830	37,937	41,978	36,366	30,575	Public defense cases closed
35,830	37,937	41,978	36,366	30,575	Public defense cases closed within 12 months
					<b>Sheriff - Coroner</b>
317,487	293,448	257,425	261,829	242,210	Dispatched calls for service
1,626	2,005	1,858	1,731	1,734	Violent crimes:
28	35	42	37	52	Homicide
102	116	174	170	156	Forcible rape
335	354	405	422	472	Robbery
1,161	1,500	1,237	1,102	1,054	Aggravated assault
9,806	4,783	6,628	6,636	6,307	Property crimes
3,411	4,521	3,484	3,257	3,257	Total larceny - theft
18,430	14,730	14,749	16,372	15,765	Bookings
5,949	6,315	7,426	7,797	5,795	Fingerprints
					<b>Fire Department</b>
42,770	45,363	48,585	50,262	52,922	Total incident calls
2,711	2,596	3,000	3,360	3,715	Fire calls
173	126	119	58	92	Overpressure, Ruptures, Explosion
543	499	751	1,401	1,592	Other type of incidents
24,371	25,882	26,317	26,033	27,935	EMS / rescue calls
1,776	1,772	1,678	1,486	1,503	Hazardous condition calls
2,089	2,129	2,692	2,849	2,895	Public service calls
1,739	1,982	2,082	2,093	2,073	False calls

**COUNTY OF KERN  
OPERATING INDICATORS BY FUNCTION / PROGRAM  
LAST TEN FISCAL YEARS**

Page 2 of 2

Function / Program	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Building Inspection</b>					
Building permits issued	7,047	N/A	3,839	6,018	7,134
<b>Animal Services</b>					
Received calls for response	25,445	24,519	29,781	21,766	22,219
Animals impounded	N/A	31,660	30,350	31,433	29,200
Animals redeemed	1,474	1,452	1,267	1,276	1,217
Animals adopted	3,681	3,160	2,683	2,695	3,691
Animals euthanized	20,067	18,594	19,103	20,062	20,428
<b>Public Ways &amp; Facilities</b>					
<b>Roads</b>					
Maintained road lanes (in miles)	3,330	3,401	3,324	3,324	3,331
<b>Health and Sanitation</b>					
<b>Mental Health Services</b>					
Unique clients served	25,765	19,575	20,225	24,030	24,551
Unique clients served with outpatient services*	17,591	18,521	20,167	23,979	24,482
Unique clients served with intensive services	8,174	1,054	1,323	660	1,443
<b>Public Assistance</b>					
<b>Aging &amp; Adult Services</b>					
Senior Nutrition participation:					
Congregate senior participants	4,096	3,740	3,637	3,267	3,351
Congregate meals	180,285	165,437	163,373	156,213	150,076
Home delivered senior participants	1,897	1,763	1,652	1,624	1,695
Home delivered meals	256,517	235,505	228,407	223,608	233,272
<b>Human Services</b>					
Children Admitted to the Jamison Center:					
Protective Custody/New Intakes	2,501	2,257	2,127	1,981	1,320
Change of Placement	162	211	181	221	125
Children released from the Jamison Center	2,498	2,263	2,155	1,968	1,303
Average day stay in the Jamison Center	3	4	4	4	4
Admissions - Breakdown by Age:					
Newborn - 5 years	1,054	978	943	847	585
6 - 12 years	646	560	519	507	296
13 - 18 years	799	709	661	627	438
Over 18	2	10	4	-	-
<b>Culture and Recreation Services &amp; Education</b>					
<b>Parks &amp; Recreation</b>					
Annual Boat Permits	N/A	2,233	3,305	4,375	3,080
Day Use Boat Fees	N/A	16,354	9,570	17,092	14,579
<b>Business-type Activities:</b>					
<b>Waste Management</b>					
Landfill capacity in cubic yards	98,996,451	109,631,108	95,027,021	95,375,858	95,375,858

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

\*As of 2018, information for this activity is no longer available.



<b>Fiscal Year</b>					<b>Function / Program</b>
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	
7,758	9,005	9,172	9,028	7,791	<b>Building Inspection</b> Building permits issued
19,529	20,258	19,443	19,290	16,649	<b>Animal Services</b> Received calls for response
18,406	16,521	17,551	17,444	15,567	Animals impounded
717	742	796	912	911	Animals redeemed
3,774	3,228	5,097	5,394	5,813	Animals adopted
8,302	7,211	5,893	4,882	3,819	Animals euthanized
					<b>Public Ways &amp; Facilities</b>
					<b>Roads</b> Maintained road lanes (in miles)
3,332	3,337	3,332	3,319	3,324	
					<b>Health and Sanitation</b>
					<b>Behavioral Health &amp; Recovery Services</b> Unique clients served
24,207	26,113	27,729	28,356	30,540	Unique clients served with outpatient services*
24,099	26,036	27,652	28,356		Unique clients served with intensive services
1,349	1,398	1,537	1,393	2,595	
					<b>Public Assistance</b>
					<b>Aging &amp; Adult Services</b> Senior Nutrition participation:
3,218	3,228	3,010	2,767	2,522	Congregate senior participants
144,274	145,762	141,851	134,465	129,694	Congregate meals
1,715	1,614	1,572	1,522	1,505	Home delivered senior participants
231,831	232,157	212,853	208,147	208,311	Home delivered meals
					<b>Human Services</b>
1,538	1,579	1,839	1,687	1,577	Children Admitted to the Jamison Center:
1,418	1,463	1,634	1,492	1,383	Protective Custody/New Intakes
120	116	205	195	194	Change of Placement
629	724	807	1,492	1,399	Children released from the Jamison Center
4	4	5	3	4	Average day stay in the Jamison Center
					Admissions - Breakdown by Age:
685	689	719	657	581	Newborn - 5 years
358	417	475	436	424	6 - 12 years
377	357	440	399	378	13 - 18 years
-	-	-	-	-	Over 18
					<b>Culture and Recreation Services &amp; Education</b>
					<b>Parks &amp; Recreation</b> Annual Boat Permits
1,680	1,618	1,591	2,699	2,870	Day Use Boat Fees
11,742	10,895	10,409	12,358	12,236	
					<b>Business-type Activities:</b>
					<b>Waste Management</b> Landfill capacity in cubic yards
94,962,970	88,239,785	88,288,861	88,288,861	88,288,940	

**COUNTY OF KERN  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function / Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Education</b>										
Public Library										
Main Library	1	1	1	1	1	1	1	1	1	1
Branches	25	25	25	25	25	25	23	23	23	23
Law Library	1	1	1	1	1	1	1	1	1	1
<b>Parks and Land Use</b>										
Number of Neighborhood Parks	40	40	40	40	40	40	40	40	40	40
Number of Regional Parks	7	8	8	8	8	8	8	8	8	7
County Golf Courses	3	3	3	3	3	3	3	3	3	3
<b>Public Works</b>										
Miles of County Roads	3,330	3,401	3,324	3,324	3,332	3,332	3,337	3,332	3,319	3,324
<b>Public Safety</b>										
Number of Sheriff Stations	16	15	15	15	15	15	15	15	14	14
Number of Fire Stations	46	46	46	46	46	46	47	47	47	47
<b>Airports</b>										
Number of Runways	8	8	8	8	8	8	8	8	8	8

Source: Departments of the County of Kern