

County of Imperial

General Purpose Financial Statements

For The Fiscal Year Ended June 30, 2016



Photo Provided by Steven Esperanza

Douglas R. Newland, CPA
County Auditor-Controller

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INTRODUCTORY SECTION

- Letter of Transmittal
- Certificate of Achievement for Excellence In Financial Reporting
- Organizational Chart
- Directory of Public Officials





AUDITOR-CONTROLLER

The Honorable Board of Supervisors
County of Imperial
County Administration Center
940 Main Street
El Centro, CA 92243

Honorable Board Members:

The Annual Financial report of the County of Imperial for the fiscal year ended June 30, 2016, is submitted herewith in accordance with Section 25253 of the Government Code of the State of California.

The accompanying financial statements were prepared in accordance with accounting standards generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board, the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds and account groups, and that all disclosures necessary to enable the reader to gain a full understanding of the County's financial activities have been included.

The County is required to undergo an annual single audit in conformity with the provisions of the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The Annual Financial report is presented in four sections: introduction, management's discussion and analysis, financial statements and federal schedules. The introductory section includes this transmittal letter, the County's organizational chart and a list of principal County officials. The financial section includes the General Purpose Financial Statements, as well as, the Independent Auditors' Report on the financial statements and schedules. The federal section contains information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and the Independent Auditors' Report on Compliance and Internal Control.

THE REPORTING ENTITY AND ITS SERVICES

The County of Imperial, located in Southern California, on the Mexican border, was established by an act of the State Legislature on August 7, 1907, forming the County from the eastern part of San Diego County. The County is a general law county divided in to five supervisorial districts on the basis of registered population. The County encompasses an area of over 4,597 square miles and includes 7 incorporated cities. The County ranks as one of the top ten agricultural counties in California. It is ranked 31 of 58 counties in terms of population.

The County provides a wide range of services to its residents including law enforcement, medical and health services, education, senior citizen assistance, roads, library services, judicial institutions including support services, airport service, cultural and environmental services, parks and a variety of public assistance programs. Special districts and County service areas provide services to remote geographical areas and communities. These services include fire protection, parks, flood control, water, sewer, street lighting and roads.

The accompanying General Purpose Financial Statements include all organizations, functions and activities of the County for which the County Board of Supervisors is financially accountable. Also included are numerous self-governed school and special districts for which the County acts as depository. The financial reporting for these entities, which are governed and act independently of the County of Imperial, is limited to reporting, as Agency Funds, the total amount of cash and investments and other assets collected for, disbursed by, and held for, these entities.

FINANCIAL INFORMATION

The County's internal accounting control system exists to provide reasonable, but not absolute, assurance that assets are safeguarded against loss or unauthorized disposition and to provide reliable records for preparing financial statements and maintaining accountability for assets. The County's internal audit staff actively participates in evaluating and upgrading the internal accounting control system.

As a recipient of Federal and State financial assistance, the County also is responsible for ensuring that an adequate internal control structure is in place to assure compliance with applicable laws and regulations related to public assistance programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff.

The County uses the modified accrual basis of accounting for its Governmental, Debt Service and Fiduciary Funds. Revenues are recognized when they become measurable and available to finance operations of the year. Expenditures are generally recognized when the related fund liability is incurred except for interest on long-term obligations, which is recognized when payment is due. The accrual basis of accounting is used for all Proprietary Fund types. Revenues are recognized when they are earned and become measurable and expenses are recorded when they are incurred.

The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's Board of Supervisors. Budgets are adopted for the General Fund, certain Special Revenue Funds, the County Service Areas Debt Service Funds and certain Capital Project Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the expenditure object level. Encumbrance accounting is utilized to assure effective budgetary control; purchase orders and contracts are reviewed and a determination is made that valid and sufficient appropriations exist for payment for ordered goods and services. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are reported as reservations of fund balance for subsequent year expenditures.

General Government Functions - The General Fund is used to account for all activities of a general nature including administration, legislation, public protection, health and welfare, parks and recreation.

Proprietary Operations-Proprietary Funds are used to account for internal service and enterprise activities.

Internal Service Funds include the County's motor vehicle fleet, central duplicating and various insurance loss reserves. The intent is for these functions to operate on a cost recovery basis and provide funds for the replacement of assets. Operating deficits will be recovered through increased charges in subsequent years.

Enterprise Funds consist chiefly of Imperial Airport, The State Transit Program and Landfill Closure/Postclosure fund. These are funded by user charges; deficiencies as a result of operations should be recovered through increased charges in subsequent years.

Fiduciary Operations-The County maintains a significant number of funds to carry out its fiduciary responsibilities. These include funds for school districts, autonomous special districts and taxes.

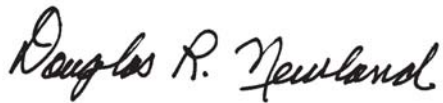
INDEPENDENT AUDIT

State statutes require an annual audit by a Certified Public Accountant. The firm of Hutchinson and Bloodgood LLP has audited the County's financial statements. In addition to meeting the requirements of State law, the audit was also designed to comply with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditors' reports on these matters are included in these financial statements.

ACKNOWLEDGEMENTS

I wish to express my appreciation to the entire Auditor/Controller staff, the County departments which participated and our independent auditors, Hutchinson and Bloodgood LLP, for their assistance in the report preparation.

Respectfully submitted,

A handwritten signature in black ink that reads "Douglas R. Newland". The signature is written in a cursive, flowing style.

Douglas R. Newland CPA
Auditor-Controller

*State of California
Office of the State Controller*

*Award for Counties
Financial Transactions Reporting*

Presented to

County of Imperial

*For its Year-End Financial Transaction Report
For the Fiscal Year Ended June 30, 2015*

Dated this 2nd day of November 2016



Betty T. Yee

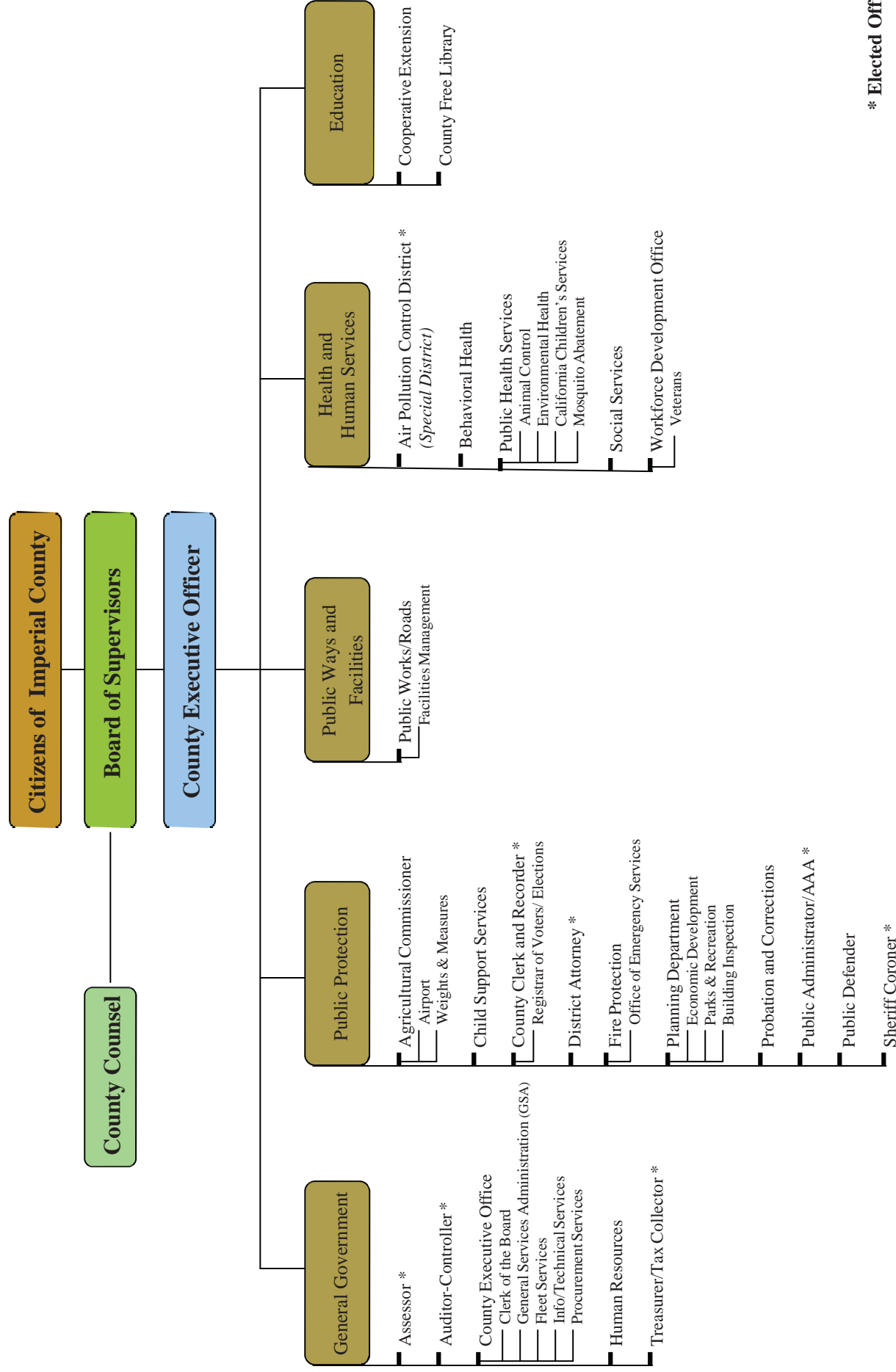
Betty T. Yee

COUNTY OF IMPERIAL

ORGANIZATIONAL CHART



FISCAL YEAR 2015-2016



* Elected Official

Directory of Public Officials

(as of 3/17/16)

Elected Officials

Supervisor 1 st District	John Rension	
Supervisor 2 nd District	Luis Plancarte	
Supervisor 3 rd District	Michael W. Kelley	
Supervisor 4 th District	Ryan E. Kelley	
Supervisor 5 th District	Ray Castillo	
Judge, Superior Court Dept. 1	William Lehman	
Judge, Superior Court Dept. 2	Christopher J. Plourd	
Judge, Superior Court Dept. 3	William D. Quan	
Judge, Superior Court Dept. 4	Juan Ulloa	
Judge, Superior Court Dept. 5	Ruth B. Montenegro	
Judge, Superior Court Dept. 7	Jeffery B. Jones	
Judge, Superior Court Dept. 8	Marco Nunez	
Judge, Superior Court Dept. 9	Brooks Anderholt	
Judge, Superior Court Brawley	Poli Flores Jr.	
Judge, Superior Court Brawley	Diane Altamirano	
Commissioner	Kris Becker	
Referee, Traffic	Richard W. Bohlander	
Judge, Juvenile Court	Juan Ulloa	
Assessor	Robert Menville	General Government
Auditor-Controller	Douglas R. Newland	General Government
Clerk-Recorder	Chuck Storey	General Government
District Attorney	Gilbert Otero	Public Protection
Public Administrator	Norma Saikhon	Public Protection
Sheriff-Coroner	Raymond Loera	Public Protection
Treasurer-Tax Collector	Karen Vogel	General Government

Appointed Officials

Agricultural Commissioner/Airport	Carlos Ortiz	Public Protection
Air Pollution Control Officer	Matt Dessert	Public Protection
Behavioral Health	Andrea Kühlen	Health and Sanitation
Child Support Services	Liza Barraza	Public Assistance
Clerk of the Board	Blanca Acosta	General Government
County Executive Officer	Ralph Cordova, Jr.	General Government
Cooperative Extension	Oli Bachie	Education
County Counsel	Katherine Turner	General Government
County Free Library	Crystal Duran	Education
Court Executive Officer/Jury Commissioner	Maria Rhinehart	Public Protection
Fire Protection/Emergency Services	Tony Rouhotas Jr.	Public Protection
Health Services/Animal Control/EHS/EMS	Robin Hodgkin	Health and Sanitation
Human Resources and Risk Management	Rodolfo Aguayo	General Government
Office of Employment Training	Miguel Figueroa	Public Assistance
Planning/Building/Community & Economic Development	Jim Minnick	Public Protection
Probation/Receiving Home/Juvenile Hall		Public Protection
Public Defender	Benjamin Salorio	Public Protection
Public Works	John Gray	Public Ways/Facilities
Registrar of Voters	Debbie Porter	General Government
Social Services	Peggy Price	Public Assistance



FINANCIAL SECTION

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to Financial Statements
- Required Supplementary Information





INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Imperial
El Centro, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Imperial, CA, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 10 through 18 and 59 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards is the responsibility of management and was derived from and relates 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2017 on our consideration of the County of Imperial'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 of Imperial's internal control over financial reporting and compliance.

Hutchinson and Bloodgood LLP

March 29, 2017



County of Imperial
Management's Discussion and Analysis
For the Year Ended June 30, 2016

The discussion and analysis of the financial performance of the County of Imperial (County) provides an overview of the County's financial activities for the year ended June 30, 2016. The intent of this discussion and analysis is to look at the County's financial performance as a whole users of these financial statements should read this discussion and analysis in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section to enhance their understanding of the County's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the 2015-2016 fiscal year by \$120,428 (*Net Position*). (\$54,887) is *Unrestricted Net Position*. Of this amount \$96,593 may be used to meet the County's ongoing obligations to citizens and the creditors, (\$41,706) is the obligation for Pension Bonds and \$62,325 (*Restricted Net Position*) may be used for the County's ongoing obligations with external restrictions. (See detail at Table 1).
- The County's net position decreased by (\$1,716) during the current fiscal year. Governmental activities decreased the County's net position by (\$3,420); and, business-type activities net position increased by \$1,704.
- As of June 30, 2016, the County's governmental funds reported total ending fund balances of \$113,236, an increase of 1.04% in comparison with the prior year. Approximately 13.97% or (\$15,816) is unavailable for spending (*Unassigned fund balance*). See further discussion in Financial Analysis of the County's Funds on pages 11-15.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,106 or 4.21% of total General Fund expenditures.
- The County's total long-term debt decreased in the amount of (\$1,022) in comparison with the prior year. Compensated absences increased by \$1,476 and existing long-term debt decreased (\$2,498) in 2015-2016.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. These statements are organized so that readers can understand the County of Imperial as a financial whole or as an entire operating entity. The County's basic financial statements are comprised of three components: 1) Government-wide financial statements; 2) Fund financial statements; and 3) Notes to the financial statements. This report also contains other supplementary information in addition to the financial statements themselves.

1. 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 of the County's assets and liabilities, with the difference between the two 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 showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event takes

Management's Discussion and Analysis (Continued)

place regardless of when cash is received or paid. Thus, some revenues and expenses are reported in this statement 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 distinguishes 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, and education. The business-type activities of the County include the operation of the Imperial Airport, Closure/Postclosure (Landfill) and other County Service Areas (CSAs).

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. An example of the County's blended component unit is the Imperial County Employees' Retirement Association (ICERA). The Children and Families First Commission (the Commission) is reported as a discretely presented component unit because there is some financial accountability by the Commission to the County Board. IV Parks, Inc. (Parks) is reported as a discretely presented component unit because there is some financial accountability by the Parks to the County Board. The Imperial County Transportation Commission (ICTC) is reported as a discretely presented component unit because there is some financial accountability by the Commission to the County Board.

The government-wide financial statements are presented on pages 19-20 of this report.

2. 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 which 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, and 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 Imperial County's near-term 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County reports three major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for 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*.

The basic governmental fund financial statements are presented on pages 21-24 of this report.

Management's Discussion and Analysis (Continued)

Proprietary funds are reported in two ways: enterprise funds and internal service funds. Enterprise funds are reported as functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Imperial Airport, Landfills and other County Service Areas (CSAs) operations. Internal service funds are used to account for costs internally among the County's various functions. The County uses the following internal service funds: Garage, Central Duplicating, Centralized Mail, Flood Control, Communications Services, Liability Insurance, Workers' Compensation Insurance, Unemployment Insurance, Health and Dental/Vision Benefits, Medical Malpractice, and Auto Liability. Because such functions predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Imperial Airport and Closure/Postclosure (Landfills), both of which are considered to be major funds of the County. All other enterprise funds have been combined into a single aggregated column for presentation. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements are presented on pages 25-27 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the county government. Although these funds are presented in the fund set of statements, they do not appear in the government-wide financial statements because the resources of fiduciary funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements are presented on pages 28-29 of this report.

3. Notes to the Financial Statements

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

The notes to the financial statements are presented on pages 30-58 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$120,428 (see Table 1) at the close of the current fiscal year.

The largest portion of the County's net position, \$112,990 reflects its investment in capital assets (e.g. land, structures and improvements, infrastructure, vehicles, furniture and equipment, and construction in progress), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, \$62,325, represents resources that are subject to external restrictions on how they may be used. The major portion of the restricted net position is constrained for debt repayment. The remaining balance of total net position is (\$54,887). A key element contributing to this deficit is the implementation of GASB Statement No. 68, "Accounting and Financial

Management's Discussion and Analysis (Continued)

Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68" to present the County's proportionate share of net pension liability on the financial statement. Refer to Note 10 Retirement System for more details.

Table 1 – County of Imperial's Net Position
June 30, 2016 and June 30, 2015 (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Assets:						
Current Assets and Other Assets	\$ 212,427	\$ 212,372	\$ 6,946	\$ 6,257	\$219,373	\$218,629
Capital Assets	<u>112,081</u>	<u>116,900</u>	<u>10,473</u>	<u>9,176</u>	<u>122,554</u>	<u>126,076</u>
Total Assets	<u>324,508</u>	<u>329,272</u>	<u>17,419</u>	<u>15,433</u>	<u>341,928</u>	<u>344,705</u>
Deferred outflows of Resources						
Deferred amounts from pension	<u>43,138</u>	<u>17,305</u>	<u>52</u>	<u>21</u>	<u>43,190</u>	<u>17,326</u>
Total Deferred outflows of Resources	<u>43,138</u>	<u>17,305</u>	<u>52</u>	<u>21</u>	<u>43,190</u>	<u>17,326</u>
Liabilities:						
Current and Other Liabilities	62,239	63,606	24	28	62,263	63,634
Long-Term Liabilities	<u>149,978</u>	<u>123,088</u>	<u>15,613</u>	<u>15,295</u>	<u>165,591</u>	<u>138,383</u>
Total Liabilities	<u>212,217</u>	<u>186,694</u>	<u>15,637</u>	<u>15,323</u>	<u>227,854</u>	<u>202,017</u>
Deferred inflows of Resources						
Deferred amounts from pension	<u>36,791</u>	<u>37,825</u>	<u>44</u>	<u>46</u>	<u>36,836</u>	<u>37,871</u>
Total Deferred inflows of Resources	<u>36,791</u>	<u>37,825</u>	<u>44</u>	<u>46</u>	<u>36,836</u>	<u>37,871</u>
Net Position:						
Invested in Capital Assets, Related Debt	102,517	108,279	10,473	9,176	112,990	117,455
Restricted	62,326	53,096	(1)	(2)	62,325	53,094
Unrestricted	<u>(46,205)</u>	<u>(39,317)</u>	<u>(8,682)</u>	<u>(9,088)</u>	<u>(54,887)</u>	<u>(48,405)</u>
Total Net Position	<u>\$ 118,638</u>	<u>\$ 122,058</u>	<u>\$ 1,790</u>	<u>\$ 86</u>	<u>\$ 120,428</u>	<u>\$122,144</u>

As of June 30, 2016, the County's total assets and deferred outflows of resources increased by 6.37% or \$23,087 during the current fiscal year. Deferred outflows of resources related to pension increased by 149.27% or \$25,864 due to the changes in net pension liability measurements used in the actuarial study.

Total liabilities and deferred inflows of resources for FY 2015-16 increased by 10.34% or \$24,803. Long-term liabilities increased by 19.66% or \$27,208, as a result of the County's proportionate share of the net pension liability. Deferred inflows of resources related to pension decreased (\$1,035) due to changes in the net pension liability measurements used in the actuarial study as required by GASB Statement No. 68.

As shown in Table 2, the County's net position decreased by (\$1,716).

Management's Discussion and Analysis (Continued)

Table 2 - County of Imperial's Changes in Net Position
For the Years Ended June 30, 2016 and June 30, 2015 (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for Services	\$ 79,676	\$ 72,598	\$ 1,334	\$ 1,687	\$ 81,010	\$ 74,285
Operating Grants and Contributions	224,535	220,404	-	-	224,535	220,404
Capital Grants and Contributions	(20,083)	(13,267)	-	-	(20,083)	(13,267)
General Revenues:						
Property Taxes	23,083	21,306	-	-	23,083	21,306
Property Tax In-Lieu Taxes	20,927	19,818	-	-	20,927	19,818
Sales Taxes	19,765	23,477	-	-	19,765	23,477
Franchise Taxes	270	313	-	-	270	313
Federal In-Lieu Taxes	3,322	3,403	-	-	3,322	3,403
Unrestricted Investment Earnings	3,770	4,353	46	31	3,816	4,384
Gain on Sales of Fixed Assets	55	23	-	-	55	23
Other	50,394	35,672	-	-	50,394	35,672
Total Revenues	<u>405,714</u>	<u>388,100</u>	<u>1,380</u>	<u>1,718</u>	<u>407,094</u>	<u>389,818</u>
Expenses:						
General Government	90,154	94,034	-	-	90,154	94,034
Public Protection	99,049	95,154	-	-	99,049	95,154
Health and Sanitation	57,534	50,974	-	-	57,534	50,974
Public Assistance	142,358	137,838	-	-	142,358	137,838
Public Ways and Facilities	16,036	17,425	-	-	16,036	17,425
Interest on Long-Term Liabilities	4,003	3,610	-	-	4,003	3,610
Airport	-	-	2,197	1,391	2,197	1,391
Closure/Postclosure Waste	-	-	285	(2,818)	285	(2,818)
County Service Areas, other	-	-	2	40	2	40
Total Expenses	<u>409,134</u>	<u>399,035</u>	<u>2,484</u>	<u>(1,387)</u>	<u>411,618</u>	<u>397,648</u>
Increases (Decreases) in Net Position Before Transfers	(3,420)	(10,936)	(1,104)	3,105	(4,524)	(7,830)
Transfers In and Out	-	-	2,808	-	2,808	-
Increase (Decrease) in Net Position	<u>\$ (3,420)</u>	<u>\$ (10,936)</u>	<u>\$ 1,704</u>	<u>\$ 3,105</u>	<u>\$ (1,716)</u>	<u>\$ (7,831)</u>

Governmental Activities

Governmental activities decreased the County's net position by (\$3,420) for the year ended June 30, 2016, thereby accounting for 2.88% total decrease in the net position of the County. Key element of this decrease was the implementation of GASB Statement Nos. 68 and 71.

- Total revenue for the County's governmental activities increased 4.54%.
- The County's long-term debt decreased by 1.51%.
- As an arm of the state government, operating grants and contributions serve multiple programs, representing 55.34% of the County's total revenue for governmental activities, and are tied to mandated services such as public assistance, health, and mental health. These revenue sources increased 1.87% over the prior year primarily to increased funding related to mandated programs.
- Taxes and investment earnings that are generated locally provide the Board of Supervisors (Board) with most of its discretionary spending power. Property taxes and Property Tax In-Lieu increased 7.02% due to property tax shift required by State to the school districts and increase in assessed property values throughout the County.

Management's Discussion and Analysis (continued)

- Total expenses for governmental activities increased by 2.53% with increases in all major functions with the greatest increase in Health and Sanitation, which increased 12.87%. This increase was primarily due to the implementation of GASB Statement Nos. 68 and 71, which increased pension related expense items not previously accounted for.
- The County recorded \$50,394 in revenue for the current fiscal year, which is classified as another item. This amount includes \$7,324 in other taxes and \$43,070 in other contributions.

Business-type Activities

Business-type activities' net position increased the County's net position by \$1,704. The main reason for this is an increase in the estimated liability for Closure/Postclosure in the amount of \$285.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

At June 30, 2016, The County's governmental funds reported total fund balances of \$113,236, a 1.04% increase in comparison with the prior year. Approximately 13.96% or (\$15,816) of the total fund balances constitutes unassigned fund balance, which is unavailable to meet the County's current and future needs. The remainder of fund balance is allocated as nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has been committed to 1) to pay debt service \$7,788, 2) to reflect CDBG loans receivable in which the County acts as a conduit for intergovernmental loans to entities within the County \$15,664, 3) reserved for monies received from tobacco settlement endowment fund \$9,577, 4) reserved for prior year encumbrances \$5,842 and 5) a variety of other restricted purposes \$90,182.

The County's management may also designate unassigned fund balance to a particular function, project, or activity; however designated fund balance is available for appropriations at any time.

The General Fund is the chief operating fund of the County. At June 30, 2016, unassigned fund balance of the General Fund was \$10,106. As a measure of the General Funds' liquidity, it may be helpful to compare both unassigned fund balance and fund balance to total fund expenditures. Unassigned fund balance represents 4.21% of total General Fund expenditures, while total fund balance represents 27.69% of total General Fund expenditures.

Revenues for governmental functions totaled \$358,678 at June 30, 2016, which represents an increase of 4.64% from fiscal year 2014-2015. The largest increases in revenues were in charges for services, which increased 32.74% and was primarily due to an increase in monies received from bond issuance from Measure D.

Expenditures for governmental functions totaled \$355,849 at June 30, 2016, which represents an increase of 1.94% from fiscal year 2014-15. The largest increases occurred in Health & Sanitation, which increased 10.87% and Public Assistance increased by approximately 2.52%.

Management's Discussion and Analysis (Continued)

Proprietary Funds

The proprietary fund provides similar information to the government-wide financial statements, but in more detail.

The net position of the enterprise funds increased by \$1,704. The main reason for this is a decrease in the estimated liability for Closure/Postclosure in the amount of \$285.

The internal service funds carried \$58,820 in unrestricted net position as a result of a decrease in claims insurance liabilities. Also, a change in medical insurance design reduced costs. Claims payable were \$23,707 at June 30, 2016.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in a \$30,184 increase in appropriations that is briefly summarized as follows:

- \$543 increase in the County's Health and Sanitation appropriations was the result of new federal and state programs.
- \$26,632 increase in the County's Public Assistance appropriations represents increase program costs for various social services programs.
- \$2,523 increase in the County's Public Protection appropriations was the result of unanticipated grants for initiatives.
- \$486 of the increase in the County's appropriations was the result of unanticipated grants and contributions from other governments. The remaining portion consisted of increases in appropriations for normal operations in the remaining forty-eight budget units that comprise the General Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2016, the County's investment in capital assets for its governmental and business-type activities amounted to \$122,553 (net of accumulated depreciation). The investments in capital assets are comprised of land, infrastructure, structures and improvements, furniture and equipment, vehicles, and construction in progress. The County, according to GASB 34 guidelines, has elected retroactively to include all infrastructure assets dating back to 1980.

Management's Discussion and Analysis (Continued)

Table 3 –County of Imperial's Capital Assets (Net of accumulated depreciation) (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land	\$ 4,479	\$ 4,479	\$ 685	\$ 685	\$ 5,164	\$ 5,164
Construction in Progress	11,284	11,649	-	-	11,284	11,649
Infrastructure	50,520	54,930	-	-	50,520	54,930
Structures and Improvements	33,358	33,476	9,788	8,456	43,146	41,932
Vehicles	4,792	4,259	-	-	4,792	4,259
Furniture and Equipment	7,647	8,107	-	35	7,647	8,142
Total	\$ 112,080	\$ 116,900	\$10,473	\$ 9,176	\$122,553	\$126,076

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

- A variety of small construction and rehabilitation projects were started during the current fiscal year: road paving projects, and several others remodeling projects.

Long-Term Debt

At the end of the current fiscal year, the County had total long-term debt outstanding of \$66,582. This amount is comprised of \$7,710 of certificates of participation, \$41,706 represents debt outstanding for the pension obligation bond. \$14,864 in earned compensated absences, \$450 State of California Child Support claim, and \$1,852 capital lease obligations.

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

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Employee Compensated Absences	\$ 14,854	\$ 13,378	\$ 10	\$ 11	\$ 14,864	\$ 13,389
Capital Lease Obligation	1,852	536	-	-	1,852	536
St. of California Child Support Claim	450	540	-	-	450	540
Pension Funding Bonds 1997	13,460	15,645	-	-	13,460	15,645
Pension Funding Bonds 2002	28,246	29,410	-	-	28,246	29,410
2010 Certificates of Participation	7,710	8,085	-	-	7,710	8,085
Total	\$ 66,572	\$ 67,594	\$ 10	\$ 11	\$ 66,582	\$ 67,605

DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

Deferred Outflows of Resources

Deferred outflows of resources are new to the County's Statement of Net Position for this fiscal year. This classification balance, although similar to "assets," is set apart because these items do not meet the technical definition of being a County asset on the date of these financial statements. In other words, these amounts are not available to pay liabilities in the way assets are available. When all the recognition criteria are met, the deferred outflows of resources will become an expense/expenditure.

The only deferred outflow of resources reported by the County is related to the implementation of GASB Statement No. 68 and GASB Statement No. 71 for pension liability reporting.

Management's Discussion and Analysis (Continued)

Deferred Inflows of Resources

Deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources are not technically liabilities of the County as of the date of the financial statements. When all the recognition criteria are met, the deferred inflows of resources will become revenue or an increase to net position.

The only deferred inflow of resources reported by the County is related to pensions which represents a net amount attributable to the various components that impact pension changes, and can include investment changes amortization, changes due to actuarial assumptions, and differences between expected or actual experience.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County currently faces a less than favorable economic environment. Due to the County being heavily dependent on agriculture, it experiences chronically high unemployment, which puts pressure on the County to provide social and medical services.

The County's general revenues, sometimes referred to as discretionary revenues, continue to experience little to no growth. At the same time, the portion of the County's budget that rely on these revenues continue to experience increased costs due to cost of living and medical insurance increases.

The State's budget cuts for local governments remain the major determining factors in determining the County's budget for fiscal year 2015-16 and beyond, as the County is again required to contribute property tax revenues to the State budget in 2015-16. The State has historically reduced city and county revenues in order to help balance their own budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Mr. Douglas R. Newland, CPA, Imperial County Auditor-Controller, 940 Main Street, Suite 108, El Centro, California, 92243, (442) 265-1299 or visit the website at www.co.imperial.ca.us.

COUNTY OF IMPERIAL
Statement of Net Position
June 30, 2016
(amounts expressed in thousands)

	Governmental Activities	Business-Type Activities	Total	Component Units
Assets:				
Cash and investments	\$ 147,564	\$ 6,940	\$ 154,506	\$ 12,625
Cash with Fiscal Agent	13,182	-	13,182	-
Deposits with Others	29	-	29	-
Receivables (net):			-	-
Accounts	10,794	-	10,794	932
Interest	2,608	12	2,620	19
Taxes	2,435	-	2,435	-
Loans	15,018	-	15,018	-
Internal balances	6	(6)	-	-
Due from other governmental funds	20,028	-	20,028	-
Inventories and Prepaid Expenses	762	-	762	-
Capital assets (net of accumulated depreciation):			-	-
Land	4,479	685	5,164	-
Construction in progress	11,284	-	11,284	-
Structures & Improvements-net	33,358	9,788	43,146	-
Vehicles-net	4,792	-	4,792	-
Furniture & Equipment-net	7,648	-	7,648	-
Infrastructure	50,521	-	50,521	-
Total assets	<u>324,508</u>	<u>17,419</u>	<u>341,929</u>	<u>13,576</u>
Deferred outflows of resources				
Deferred pensions	43,138	52	43,190	-
Total deferred outflows of resources	<u>43,138</u>	<u>52</u>	<u>43,190</u>	<u>-</u>
Liabilities:				
Claims payable	23,708	-	23,708	-
Accounts payable	3,687	13	3,700	164
Loan Payable	66	-	66	-
Accrued payroll	10,636	10	10,647	-
Interest payable	4		5	-
Due to other governmental funds	24,138	-	24,138	-
Noncurrent liabilities:			-	-
Due within one year	6,152	-	6,152	-
Due in more than one year	60,420	15,513	75,932	-
Net pension liability	83,406	101	83,507	-
Total liabilities	<u>212,217</u>	<u>15,637</u>	<u>227,855</u>	<u>164</u>
Deferred inflows of resources				
Deferred pensions	36,791	44	36,836	-
Total deferred inflows of resources	<u>36,791</u>	<u>44</u>	<u>36,836</u>	<u>-</u>
Net Position:				
Invested in capital assets, net of related debt	102,517	10,473	112,990	-
Restricted for:			-	-
General Fund	46,781	-	46,781	-
Special revenue	7,234	-	7,234	-
Capital projects	523	-	523	-
Debt service	7,788	-	7,788	-
Public ways & facilities	-	(1)	(1)	-
Unrestricted	<u>(46,205)</u>	<u>(8,682)</u>	<u>(54,887)</u>	<u>13,412</u>
Total net position	<u>\$ 118,638</u>	<u>\$ 1,790</u>	<u>\$ 120,428</u>	<u>\$ 13,412</u>

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

COUNTY OF IMPERIAL
Statement of Activities
Year Ended June 30, 2016
(amounts expressed in thousands)

Functions	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities								
General Government	\$ 90,154	\$ 49,934	\$ 24,586	\$ (20,083)	\$ (35,717)	\$ -	\$ (35,717)	\$ -
Public Protection	99,049	12,162	28,327	-	(58,560)	-	(58,560)	-
Health & Sanitation	57,534	15,392	50,677	-	8,535	-	8,535	-
Public Assistance	142,358	1,066	111,965	-	(29,327)	-	(29,327)	-
Public Ways & Facilities	16,036	1,122	8,980	-	(5,934)	-	(5,934)	-
Interest on long-term liabilities	4,003	-	-	-	(4,003)	-	(4,003)	-
Total Governmental Activities	409,134	79,676	224,535	(20,083)	(125,006)	-	(125,006)	-
Business Activities								
Airport	\$ 2,197	\$ 1,321	\$ -	\$ -	\$ -	\$ (876)	\$ (876)	\$ -
Closure/Postclosure	285	-	-	-	-	(285)	(285)	-
Other	2	13	-	-	-	11	11	-
Total Business Type Activities	2,484	1,334	-	-	-	(1,150)	(1,150)	-
Total Primary Government	\$ 411,618	\$ 81,010	\$ 224,535	\$ (20,083)	\$ (125,006)	\$ (1,150)	\$ (126,156)	\$ -
Component Units:								
IV Parks, Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ICTC-Transit /LTA	11,407	852	13,395	-	-	-	-	2,840
Children and Families First Commission	2,539	-	2,230	-	-	-	-	(310)
Total Component Units	\$ 13,946	\$ 852	\$ 15,625	\$ -	\$ -	\$ -	\$ -	\$ 2,530
General Revenues:								
Property Tax					\$ 23,083	\$ -	\$ 23,083	\$ -
Property Tax In Lieu					20,927	-	20,927	-
Sales Tax					19,765	-	19,765	-
Franchises Tax					270	-	270	-
Federal In-Lieu Taxes					3,322	-	3,322	-
Other					50,394	-	50,394	7
Unrestricted Investment Earnings					3,770	46	3,816	70
Loss on Sales of Fixed Assets					55	-	55	-
Transfers In (Out)					-	2,808	2,808	-
Total general revenues					121,586	2,854	124,440	77
Change in net position					(3,420)	1,704	(1,716)	2,607
Net position - beginning					122,058	86	122,144	10,805
Net position - ending					\$ 118,638	\$ 1,790	\$ 120,428	\$ 13,412

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

COUNTY OF IMPERIAL
Balance Sheet
Governmental Funds
June 30, 2016
(amounts expressed in thousands)

	<u>General</u>	<u>Special Revenue Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets and deferred outflows of resources:				
Assets:				
Cash and investments	\$ 49,932	\$ 28,062	\$ 8,823	\$ 86,817
Cash with Fiscal Agent	13,182	-	-	13,182
Deposits with Others	-	29	-	29
Receivables (net):				
Accounts	5,083	5,696	1	10,780
Interest	145	2,344	12	2,501
Taxes	1,951	484	-	2,435
Loan	-	15,018	-	15,018
Due from other funds	17,339	1,746	-	19,085
Inventories and Prepaid Expenses	459	263	-	722
	<u>88,091</u>	<u>53,642</u>	<u>8,836</u>	<u>150,569</u>
Total assets				
	<u>88,091</u>	<u>53,642</u>	<u>8,836</u>	<u>150,569</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,224	\$ 1,148	\$ 98	\$ 3,470
Loan payable	-	-	65	65
Accrued payroll	8,445	2,030	-	10,475
Interest payable	-	3	-	3
Due to other funds	10,957	12,354	9	23,320
	<u>21,626</u>	<u>15,535</u>	<u>172</u>	<u>37,333</u>
Total Liabilities				
	<u>21,626</u>	<u>15,535</u>	<u>172</u>	<u>37,333</u>
Fund Balances (Note 13)				
Nonspendable	502	286	-	788
Restricted	1,464	36,753	7,788	46,005
Committed	27,473	5,865	1,942	35,279
Assigned	26,920	19,537	523	46,980
Unassigned	10,106	(24,334)	(1,589)	(15,816)
	<u>66,465</u>	<u>38,107</u>	<u>8,664</u>	<u>113,236</u>
Total Fund Balances				
	<u>66,465</u>	<u>38,107</u>	<u>8,664</u>	<u>113,236</u>
Total Liabilities and Fund Balances	<u>\$ 88,091</u>	<u>\$ 53,642</u>	<u>\$ 8,836</u>	<u>\$ 150,569</u>

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

COUNTY OF IMPERIAL
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2016
(amounts expressed in thousands)

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$ 113,236
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$271,422 and the accumulated depreciation is \$164,334.	107,088
Deferred outflows of resources reported in the Statement of Net Position (includes Internal Service)	43,138
Internal service funds are used by management to charge the costs of motor pool, printing, mail system, communications, and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	41,782
Deferred inflows of resources reported in the Statement of Net Position (includes Internal Service)	(36,791)
Net Pension Liability (includes Internal Service)	(83,406)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(66,407)
Total net position - governmental activities	<u><u>\$ 118,638</u></u>

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

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2016
(amounts expressed in thousands)

	<u>General</u>	<u>Special Revenue Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 39,030	\$ 4,383	\$ -	\$ 43,413
Licenses and permits	2,250	2,738	-	4,988
Fines, Forfeitures & Penalties	6,320	852	-	7,172
Use of Money & Property	3,173	1,358	70	4,601
State aid	111,644	55,561	-	167,205
Federal aid	48,988	14,274	543	63,805
Charges for Services	30,055	27,180	1,025	58,260
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	2,270	6,964	9,234
Total revenues	<u>241,460</u>	<u>108,616</u>	<u>8,602</u>	<u>358,678</u>
Expenditures:				
Current:				
General Government	22,038	11,247	8,517	41,802
Public Protection	75,528	23,097	-	98,625
Health & Sanitation	44,845	12,445	-	57,290
Public Assistance	96,737	45,398	-	142,135
Public Ways & Facilities	852	15,145	-	15,997
Total expenditures	<u>240,000</u>	<u>107,332</u>	<u>8,517</u>	<u>355,849</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,460</u>	<u>1,284</u>	<u>85</u>	<u>2,829</u>
Other financing sources (uses):				
Changes in Reserves	-	384	-	384
Transfers	-	80	-	80
Endowment Funds	(2,126)	-	-	(2,126)
COP Bonds Uses	-	-	-	-
Encumbrances	-	-	-	-
Proceeds of COP bonds	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(2,126)</u>	<u>464</u>	<u>-</u>	<u>(1,662)</u>
Net change in fund balances	(666)	1,748	85	1,167
Fund balances - beginning	<u>67,131</u>	<u>36,359</u>	<u>8,579</u>	<u>112,069</u>
Fund balances - ending	<u>\$ 66,465</u>	<u>\$ 38,107</u>	<u>\$ 8,664</u>	<u>\$ 113,236</u>

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

COUNTY OF IMPERIAL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Government Funds to the Statement of Activities
Year Ended June 30, 2016
(amounts expressed in thousands)

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances-total governmental funds	\$ 1,167
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$7,500 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital outlays	\$ 3,606
Loss on disposal of capital assets	(5,646)
Proceeds from sales of capital assets	55
Depreciation expense	<u>(9,189)</u>
	(11,174)
Additional accrued interest calculated on bonds payable	3,912
Long-term liabilities, including bonds payable, increased during the year in the amount of 3,027.	1,187
In the statement of activities, certain operating expenses -- compensated absences (vacations, sick leave, and comptime earned) -- are measured by the amounts earned during the year.	
In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, compensated absences increased by \$1,520.	
	1,520
Government funds report county pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	
County pension contributions	(18,001)
Cost of benefits earned net of employee contributions	16,971
Internal service funds are used by the County to charge the costs of industrial insurance, printing, and warehouse services to individual funds. The net revenue of the internal service funds is reported with governmental activities.	
	<u>998</u>
Change in net position of governmental activities	<u>\$ (3,420)</u>

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

COUNTY OF IMPERIAL
Statement of Net Position
Proprietary Funds
June 30, 2016
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities
	Imperial Airport	Closure/Postclosure	Other Enterprise Funds	Total	Internal Service Funds
ASSETS:					
Current Assets:					
Cash and investments	\$ (257)	\$ 7,183	\$ 14	\$ 6,940	\$ 60,748
Receivables (net):					
Accounts	-	-	-	-	15
Interest	-	12	-	12	107
Due from Other Funds	-	-	-	-	949
Inventories and Prepaid Expenses	-	-	-	-	40
Total Current Assets	<u>(257)</u>	<u>7,195</u>	<u>14</u>	<u>6,952</u>	<u>61,859</u>
Noncurrent Assets:					
Capital Leases	-	-	-	-	22
Land	662	-	23	685	23
Construction in process	-	-	-	-	-
Structures & Improvements	23,626	-	50	23,676	160
Vehicles	-	-	-	-	9,842
Equipment	694	-	-	694	3,147
Accumulated Depreciation	(14,533)	-	(50)	(14,583)	(8,203)
Total Noncurrent Assets	<u>10,449</u>	<u>-</u>	<u>23</u>	<u>10,472</u>	<u>4,991</u>
Total Assets	<u>10,192</u>	<u>7,195</u>	<u>37</u>	<u>17,424</u>	<u>66,850</u>
Deferred outflows of resources:					
Deferred pensions	52	-	-	52	635
Total deferred outflows of resources	<u>52</u>	<u>-</u>	<u>-</u>	<u>52</u>	<u>635</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	-	-	-	-	23,707
Accounts Payable	13	-	-	13	217
Interest Payable	-	-	-	-	-
Accrued Payroll	10	-	-	10	161
Due to Other Funds	6	-	-	6	818
Current portion of compensated absences	-	-	-	-	7
Capital Lease Obligations-					
Current Portion	-	-	-	-	-
Total Current Liabilities	<u>29</u>	<u>-</u>	<u>-</u>	<u>29</u>	<u>24,910</u>
Noncurrent Liabilities:					
Compensated Absences	10	-	-	10	158
Accrued Closure/Postclosure	-	15,502	-	15,502	-
Capital Lease Obligations-					
Net pension liability	101	-	-	101	1,228
Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>111</u>	<u>15,502</u>	<u>-</u>	<u>15,613</u>	<u>1,386</u>
Total Liabilities	<u>140</u>	<u>15,502</u>	<u>-</u>	<u>15,642</u>	<u>26,296</u>
Deferred inflows of resources:					
Deferred pensions	44	-	-	44	541
Total deferred inflows of resources	<u>44</u>	<u>-</u>	<u>-</u>	<u>44</u>	<u>541</u>
NET POSITION:					
Invested in Capital Assets, net of related debt	10,450	-	23	10,473	5,547
Restricted	(2)	-	1	(1)	(23,719)
Unrestricted	(388)	(8,307)	13	(8,682)	58,820
Total Net Position	<u>\$ 10,060</u>	<u>\$ (8,307)</u>	<u>\$ 37</u>	<u>\$ 1,790</u>	<u>\$ 40,648</u>

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

COUNTY OF IMPERIAL
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities
	Imperial Airport	Closure/ Postclosure	Other Enterprise Funds	Total	Internal Service Funds
Operating Revenues:					
Charges for Services	\$ 1,321	\$ -	\$ 13	\$ 1,334	\$ 46,530
Other Revenues	-	-	-	-	4,935
Total Operating Revenues	<u>1,321</u>	<u>-</u>	<u>13</u>	<u>1,334</u>	<u>51,465</u>
Operating Expenses:					
Salaries and Benefits	297	-	-	297	4,925
Services and Supplies	389	-	2	391	44,166
Depreciation	1,511	-	-	1,511	1,686
Total Operating Expenses	<u>2,197</u>	<u>-</u>	<u>2</u>	<u>2,199</u>	<u>50,777</u>
Operating Income (Loss)	<u>(876)</u>	<u>-</u>	<u>11</u>	<u>(865)</u>	<u>688</u>
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets					-
Acquisition of Capital	-	-	-	-	(2,541)
State Aid	-	-	-	-	-
Federal Aid	-	-	-	-	-
Changes in Designated Reserve	-	-	-	-	-
Other	-	(285)	-	(285)	(15)
Interest - Income	(2)	48	-	46	420
Total Non-Operating Rev (Exp)	<u>(2)</u>	<u>(237)</u>	<u>-</u>	<u>(239)</u>	<u>(2,136)</u>
Net Income (Loss) before Transfers	<u>(878)</u>	<u>(237)</u>	<u>11</u>	<u>(1,104)</u>	<u>(1,448)</u>
Transfers in (out):					
Transfers In	2,808	-	-	2,808	2,446
Transfers Out	-	-	-	-	-
Total Transfers In (Out)	<u>2,808</u>	<u>-</u>	<u>-</u>	<u>2,808</u>	<u>2,446</u>
Change in Net Position	<u>1,930</u>	<u>(237)</u>	<u>11</u>	<u>1,704</u>	<u>998</u>
Net Position - Beginning	8,130	(8,070)	26	86	39,650
Net Position - Ending	<u>\$ 10,060</u>	<u>\$ (8,307)</u>	<u>\$ 37</u>	<u>\$ 1,790</u>	<u>\$ 40,648</u>

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

COUNTY OF IMPERIAL

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2016

(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities
	Imperial Airport	Closure/Postclosure	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:					
Cash received from users	\$ 1,321	\$ -	\$ 13	\$ 1,334	\$ 51,467
Cash received from operating activities	4	1,388		1,393	617
Cash paid to suppliers	(389)	-	(2)	(391)	(44,166)
Cash paid to employees	(297)	-	-	(297)	(4,926)
Cash paid for operating activities	-	-	-	-	(1,686)
Net cash provided by (used) operating activities	639	1,388	11	2,039	1,306
Cash flows from noncapital financing activities:					
Transfers Out	-	-	-	-	-
Receipt of federal aid	-	-	-	-	-
Receipt of state aid	-	-	-	-	-
Other	-	(285)	-	(285)	-
Net cash provided by (used) in non-capital financing activities	-	(285)	-	(285)	-
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	-	-	(2,541)
Transfer in to purchase equipment	-	-	-	-	-
Net cash used by capital and related financing activities	-	-	-	-	(2,541)
Cash flows from investing activities:					
Interest received (paid)	(2)	48	-	46	420
Net increase (decrease) in cash and cash equivalents	637	1,151	11	1,800	(815)
Cash and cash equivalents - beginning	(894)	6,032	3	5,140	61,563
Cash and cash equivalents - ending	<u>\$ (257)</u>	<u>\$ 7,183</u>	<u>\$ 14</u>	<u>\$ 6,940</u>	<u>\$ 60,748</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating Income (Loss)	\$ (876)	\$ -	\$ 11	\$ (865)	\$ 686
Adj. to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	1,511	-	-	1,511	1,687
Decrease (Increase) in accounts receivable	-	-	-	-	(15)
Decrease (Increase) in interest receivable	-	(2)	-	(2)	(2)
Decrease (Increase) in prepaid expenses	-	-	-	-	(2)
Decrease (Increase) in due from other funds	1	1,106	-	1,107	(450)
Increase (Decrease) in accounts payable	5	-	-	5	343
Increase (Decrease) in interest payable	(1)	-	-	(1)	-
Increase (Decrease) in accrued liabilities	-	-	-	-	25
Increase (Decrease) in due to other funds	(2)	-	-	(2)	(973)
Increase (Decrease) in postclosure costs liability	-	285	-	285	-
Increase (Decrease) in insurance loss expense	-	-	-	-	-
Increase (Decrease) in compensated absences	(1)	-	-	(1)	7
Total adjustments	1,513	1,389		2,903	620
Net cash provided (used) by operating activities	<u>\$ 637</u>	<u>\$ 1,389</u>	<u>\$ 11</u>	<u>\$ 2,038</u>	<u>\$ 1,306</u>

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

COUNTY OF IMPERIAL
Statement of Fiduciary Funds Net Position
June 30, 2016
(amounts expressed in thousands)

	Trust Funds			Agency Funds	Total
	Pension Trust and other Employee Benefits	Special District and School District	Investment Trust		
Assets:					
Cash and investments	\$ 1,504	\$ 290,884	\$ 40,641	\$ 78,428	\$ 411,457
Investments	665,642	-	-	-	665,642
Accounts Receivable-Net	2,209	-	89	466	2,764
Taxes Receivable-Net	-	-	-	(413)	(413)
Interest Receivable	6	510	21	99	636
Prepaid Expenses	-	-	-	-	-
Due From Other Funds	-	-	8,189	5,586	13,775
Deposits with Others	-	-	3,331	34,156	37,487
Total Assets	669,361	291,394	52,271	118,322	1,131,348
Deferred outflows of resources:					
Deferred pensions	-	218	5	-	223
Total deferred outflows of resources	-	218	5	-	223
Liabilities :					
Accounts Payable	-	1	1,687	24,431	26,119
Interest Payable	-	1	1,009	-	1,010
Due to Other Funds	-	53	723	8,889	9,665
Fiduciary Liability	27	83	1	-	111
Deposits From Others	-	53	-	-	53
Net pension liability	-	422	10	-	432
Total Liabilities	27	613	3,430	33,320	37,390
Deferred inflows of resources:					
Deferred pensions	-	186	4	-	190
Total deferred inflows of resources	-	186	4	-	190
Net Position :					
Held in Trust for Pension Benefits	665,614	-	-	-	665,614
Held in Trust for Pool Investments	3,720	290,813	48,842	85,002	428,377
Total Net Position	\$ 669,334	\$ 290,813	\$ 48,842	\$ 85,002	\$ 1,093,991

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

COUNTY OF IMPERIAL
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Trust Funds			
	Pension Trust and other Employee Benefits	Special District and School District	Investment Trust	Total
Additions:				
Employee/Employer Contributions	\$ 32,151	\$ -	\$ -	\$ 32,151
Contributions to Pooled Investments	-	-	61,501	61,501
Contributions to Special/School District Trust	-	652,382	-	652,382
Interest and Investment Income	124,527	71	28	124,626
Total Additions	156,678	652,453	61,529	870,660
Deductions:				
Distributions from Pooled Investments	-	-	56,808	56,808
Distributions from Pension Trust/Other	37,281	-	-	37,281
Distributions from Special/School District Trust	-	572,616	-	572,616
Total Deductions	37,281	572,616	56,808	666,705
Change in Net Position	119,397	79,837	4,721	203,955
Net Position - Beginning	549,937	210,976	44,121	805,034
Net Position - Ending	<u>\$ 669,334</u>	<u>\$ 290,813</u>	<u>\$ 48,842</u>	<u>\$ 1,008,989</u>

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

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

Note 1 – The Financial Reporting Entity

(a) Reporting Entity

The County of Imperial, California (County), is a legal subdivision of the State of California charged with governmental powers. The County's powers are exercised through a Board of Supervisors (Board), which is the governing body of the County. The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice, education, detention, social, health, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

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

The basic financial statements include both blended and discretely presented component units. The blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual component units may be obtained by writing to the County of Imperial, Controller's Office, 940 Main Street, El Centro, California 92243.

(b) Blended Component Units

Blended component units are, in substance, part of the County's operations and their financial data are combined with data of the primary government. The following organizations are included in the County's financial statements as blended component units:

Imperial County Employees' Retirement System (ICERS) is reported as a Pension Trust Fund in the financial statements because it is an integral part of the County. A separate financial report can be reviewed at the Imperial County Treasurers/Retirement Office.

Special Districts and Schools are reported as trust funds because they are an integral part of the County. A separate financial report can be reviewed at the Auditor-Controller's Office.

(c) Discretely Presented Component Units

The Children and Families First Commission (Commission) was established in March 1999 under the authority of the California Children and Families First Act of 1998 and sections 130100, et seq. of the Health and Safety Code. The County Board appointed all members of the Commission. The Board can remove appointed members at will. The Commission accounts for receipts and disbursements of California Children and First Families Trust Fund allocations and

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

appropriations to the Commission. The Commission is a discretely presented component unit as the Commission's governing body is not substantially the same as that of the County and the Commission does not provide services entirely or almost entirely to the County. The Commission issues a stand-alone financial report, which may be obtained by contacting the Commission at 1225 Main Street, Suite B, El Centro, CA 92243.

I.V. Parks, Inc. was established in January, 2008 under the authority of the Imperial County Parks and Recreation Commission. The purpose of this corporation is to provide additional funds for the Imperial County Parks and Recreation Commission to enhance the parks and recreation programs of Imperial County, California, and to carry on other charitable activities associated with this goal as allowed by law. Additional information may be obtained by contacting the Commission at 801 West Main Street, El Centro, CA 92243.

The Imperial County Transportation Commission (ICTC) was established under Senate Bill 607 (SB 607 - Ducheny) which was approved by the California Legislature and Governor Arnold Schwarzenegger in 2009. As a county transportation commission, ICTC provides leadership and oversight in the transportation planning and programming process. The ICTC guides the development of the Regional Transportation Plan for the Imperial region and its Regional, State and Federal transportation improvement programs (TIPs) and their updates, including, but not limited to: the distribution and oversight of Local Transportation Fund monies; the preparation and submittal of grant applications for transportation related funds; approves the allocation and apportionments for various funds including Transportation Development Act funds; the planning, programming and administration of regional transit services; and, encourages active citizen participation in the development and implementation of various transportation-related plans and programs. Additional information may be obtained by contacting the Commission at 1405 N. Imperial Ave. Suite 1, El Centro, CA 92243.

Note 2 – Summary of Significant Accounting Policies

(a) Basis of Presentation

Government-wide Financial Statements

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

The statement of activities presents 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. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. 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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

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

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

Fund Financial Statements

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

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

The County reports only one major governmental fund:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes activities such as public protection, public ways and facilities, health and sanitation, public assistance, and education.
- Although the *Special Revenue Funds* are not considered major funds, the County has chosen to present them in a separate column for the benefit of the reader.

The County reports the following major enterprise funds:

- The *Imperial Airport* accounts for operations, which include the airport's physical structure, property and leases and to provide the public with adequate, convenient and safe services associated with aviation. This includes providing for all forms of commercial and private transportation (air and repair, flying instruction, aircraft rental, sales, charter, fuel sales, and aircraft storage). The department also provides safety and emergency services, aviation agri-business, Federal Aviation Administration facilities (Flight Service Station), and public interest conveniences such as restaurants, motel and ground transportation.
- The *Solid Waste Closure/Postclosure* accounts for funds pursuant to State Law requiring funds to cover the estimated cost of solid waste closure and post-closure activities. Each County operated site must have a plan to specifically address the physical requirements, as closure becomes necessary and the post-closure ongoing monitoring requirements.

The County reports the following additional fund types:

Internal Service Funds account for the activities of the fleet maintenance, flood control, centralized printing, centralized mailing, and centralized telecommunications. In addition, the County's Risk Management accounts for self-insurance programs – workers' compensation, liability, unemployment, employee health/dental/vision benefits, medical malpractice and auto on a cost-reimbursement basis.

The *Pension Trust Fund* accumulates contributions from the County, its employees and other participating employers. Disbursements are made from the fund for retirement, disability and death benefits (based on a defined benefit formula) and administrative expenses.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

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

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

(b) Basis of Accounting

The government-wide proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

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

(c) Cash and Cash Equivalents

Cash is considered to be cash on hand, cash in bank and imprest cash. All short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they have an original maturity of three months or less.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

(d) Investments

Statutes authorize the County to invest its surplus cash (excluding ICERS) in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, rated P-1 by Standard & Poor's Corporation or A-1 by Moody's Investor Services, bankers acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Gains and losses are recognized based upon the specific identification method. All pooled investments are reported at book value. ICERS investments are made subject to guidelines of the investment plan approved by the Retirement Board.

(e) Inventories

Inventories are valued at cost, which is determined on a first-in, first-out basis. Inventory in the General and Special Revenues Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased.

(f) Property Taxes

The County levies property taxes as of September 1, on property values certified on July 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and delinquent with penalties after December 10, and the second is generally due on February 1 and delinquent with penalties after April 10. Secured property taxes become a lien on the property on January 1. Property taxes on the unsecured roll are due upon receipt of the tax bill and become delinquent if unpaid on August 31.

All jurisdictions within California derive their taxing authority from the State of California and various legislative provisions contained in the State of Government Codes and Revenue Taxation Codes. Pursuant to Article XIII A (known as Proposition 13) of the State of California Constitution, the County is permitted to levy a maximum tax of 1% of full cash value. For fiscal year 2015-16, the County received \$23,083 in property taxes that were used to finance general government services.

(g) Capital Assets

Capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets, which consist of certain improvements including roads, bridges, pavements in progress, and right of way. The County defines capital assets as assets with initial, individual costs of more than \$8 and an estimated useful life in excess of one year. Capital assets (assets under capital leases) used in operations are depreciated or amortized using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

The estimated useful lives are as follows:

Buildings	40 years
Equipment	5 – 15 years
Office Furniture	5 years
Vehicles	3 – 5 years
Infrastructure	20 – 50 years

(h) Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*,” and GASB Statement No. 65, “*Items Previously Reported as Asset and Liabilities*,” the County recognizes deferred outflows and inflows of resources in the governmental fund, proprietary fund, and fiduciary fund statements.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The county has two items which qualify for reporting in this category, which are the changes of assumptions and changes in proportion and differences between employer’s contributions and the proportionate share of contributions calculated by actuarial study. Deferred outflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow or resources (revenue) until that time. The county has two items that qualify for reporting in this category, which are the net difference between projected and actual earnings on investments of the pension plan, and the difference between expected and actual experience in the Total Pension Liability. Deferred inflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

The table below details out all deferred outflows/inflows of resources related to pension. Please refer to Note 10, Employees’ Retirement System, for further information.

	Government-wide Activities	Fiduciary Activities	Total
Deferred Outflows of Resources			
Changes in proportion and differences between employer’s contributions and proportionate share of contributions	\$ 70	\$ -	\$ 70
Changes of assumptions or other inputs	13,921	72	13,993
Net difference between projected and actual earnings on pension plan investments	29,199	151	29,350
Total Deferred Outflows of Resources	\$ 43,190	\$ 223	\$ 43,413
Deferred Inflows of Resources			
Changes in proportion and differences between employer’s contributions and proportionate share of contributions	\$ 55	\$ -	\$ 55
Net difference between projected and actual earnings on pension plan investments	26,620	137	26,757
Difference between expected and actual experience in the Total Pension Liability	10,161	53	10,214
Total Deferred Inflows of Resources	\$ 36,836	\$ 190	\$ 37,026

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(i) Compensated Absences (Accrued Vacation, Sick Leave and Compensatory Time)

Unused vacation leave may be accumulated up to a specified maximum and is paid at the time of termination from County employment. The County is not obligated to pay for unused sick leave if an employee terminates prior to retirement. However, if the employee, with less than 10 years of service, elects to leave their funds on deposit with the retirement system (deferred retirement), the accumulated sick leave hours will be applied toward their retirement service credit. Upon retirement, employees have the option of 1) being compensated for 15% of the employee's sick leave hours, or 2) applying all the employee's accumulated sick leave hours as retirement service credit.

The County accrues for compensated absences in the government-wide and proprietary fund financial statement for which they are liable to make a payment directly.

(j) Use of Estimates

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

(k) Adoption of Government Accounting Standards Board Statements

The County adopted the provisions of GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34." The adaption of this statement had no effect on previously reported amounts.

(l) Effects of New Pronouncements

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

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

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GASB Statements Nos. 74, 75, 77-82 listed below will be implemented in future financial statements:

- Statement No. 74 – *“Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.”* The provisions of this statement are effective for fiscal years beginning after June 15, 2016.
- Statement No. 75 – *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans.”* The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
- Statement No. 77 – *“Tax Abatement Disclosures.”* The requirements of this Statement are effective for reporting periods beginning after December 15, 2015.
- Statement No. 78 – *“Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.”* The requirements of this Statement are effective for reporting periods beginning after December 15, 2015.
- Statement No. 79 – *“Certain External Investment Pools and Pool Participants.”* The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23-26, and 40, which are effective for reporting periods beginning after December 15, 2015.
- Statement No. 80 – *“Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14.”* The requirements of this Statement are effective for reporting periods beginning after June 15, 2016.
- Statement No. 81 – *“Irrevocable Split-Interest Agreements.”* The requirements of this Statement are effective for periods beginning after December 15, 2016.
- Statement No. 82 – *“Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73.”* The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encourage.

Note 3 – Cash and Investments

The County maintains a Cash and Investment Pool (Pool) that is available for use by all funds. The Pension Trust participates in the Pool, but the majority of their cash and investments are held separately from other County funds. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily balance of each fund.

County of Imperial
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Total County cash and investments are as follows:

Cash:

Cash on hand	\$ 2
Imprest Cash	80
Checks for deposit	2,737
Outstanding warrants adj	<u>2,331</u>
Total cash	<u>5,150</u>

Investments:

In Treasurer's pool	574,584
With Fiscal Agent	13,182
With others external to the Treasurer's Pool	<u>37,517</u>
Total investments	<u>625,283</u>
Total cash and investments	<u>\$ 630,433</u>

Total County cash and investments are reported as follows:

Primary government	\$ 167,717
Component unit	13,772
Pension trust	1,504
Special district and Schools trust	290,884
Investment trust funds	43,972
Agency funds	<u>112,584</u>
Total cash and investments	<u>\$ 630,433</u>

Deposits

At June 30, 2016 the carrying amount of the County's cash deposits was \$150,512 and the bank balance for deposits maintained in various financial institutions amounted to \$142,239. Of the bank balance, \$9,008 was covered by federal depository insurance and the balance was collateralized as required by state law.

Under the California Government Code, a financial institution is required to secure deposits in excess of \$100 made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

Custodial Credit Risk Related to Deposits

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party.

Investments

Pursuant to California Government Code Section 53646, the County Treasurer prepares investment policy guidelines which are approved by the Board of Supervisors annually. The objectives of the policy are, in order of priority, safety of principal, liquidity, public trust and return on investment. All investments are made in accordance with the California Government Code Section 53601 and, in general, the Treasurer's policy is more restrictive than State law.

County of Imperial
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The following table identifies the investment types that are authorized by the California Government Code Section 53601 and the County's investment policy.

Investment Type	Maximum Maturity	Maximum Specified % of Portfolio	Minimum Quality Requirements
Local Agency Bonds	5 years	--	--
U.S. Treasury Obligations	5 years	--	--
State of California Obligations	5 years	--	--
CA Local Agency Obligations	5 years	--	--
U.S. Agency	5 years	--	--
Bankers' Acceptances	180 days	40%	--
Negotiable Certificates of Deposit	5 years	30%	--
Repurchase Agreements	1 year	--	--
Reverse Repurchase Agreements & Securities Lending Agreements	92 days	20% combined of base value	--
Medium-Term Notes	5 years	30 %	A rating
Mutual Funds	--	20%	Multiple
Money Market Mutual Funds	--	20%	Multiple
Collateralized Bank Deposit	5 years	--	--
Mortgage Pass-Through Securities	5 years	20%	AA rating
Time Deposits	5 years	--	--
County Pooled Investment Funds	--	--	--
Local Agency Investment Fund	--	--	--

Credit Risk and Concentration of Credit Risk

Credit risk is the risk of loss due to an issuer of an investment not fulfilling its obligation to the holder of the investment. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Treasurer mitigates these risks by holding a diversified portfolio of high quality investments.

The Treasurer's Investment Policy sets specific parameters by type of investment to be met at the time of purchase. U.S. Treasury and agency securities are considered to be of the best quality grade, as such there is no limitation on amounts invested in U.S. Treasury or agency securities per California Government Code.

The following is a summary of the credit quality distribution by investment type as a percentage of fair value at June 30, 2016:

Treasurer's Pooled Investment	Credit Rating			% of Portfolio
	Moody's	S & P	Fitch	
LAIF	NR	NR	NR	14.55%
Collateralized Certificates of Deposit	NR	NR	NR	1.99%
Negotiable Certificates of Deposit	P-1	A-1	NR	19.82%
U.S. Government Agencies	Aaa	AA+	AAA	59.13%
Money Market Mutual Funds	Aaa	AA+	AAA	4.51%
				<u>100.00%</u>

County of Imperial
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Investments in any one issuer (other than U.S. Treasury securities, money market mutual funds and external investment pools) that represent 5% or more of the total County investments are as follows:

Issuer Name	Investment Type	Amount
Federal Home Loan Bank	U.S. Government Agencies	\$109,354
Federal Farm Credit Bank	U.S. Government Agencies	\$152,730

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (i.e. fiscal agent) to a transaction, the County will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Treasurer mitigates this risk by making longer-term investments only with funds that are not needed for current cash flow purposes and holding these securities to maturity. The Treasurer uses the weighted average maturity method to identify and manage interest rate risk. The weighted average maturity of the investments with the Treasury as of June 30, 2016 was 676 days.

The following is a summary of investments held by the County as of June 30, 2016:

Investment	Par Value	Fair Value	Maturity Ranges	Interest Rate Ranges
LAIF	\$ 64,500	\$ 64,500	On Demand	0.55%
Collateralized Certificates of Deposit	8,808	8,808	7/2/16 - 6/7/18	0.62 - 1.39%
Negotiable Certificates of Deposit	86,880	87,834	7/22/16 - 6/30/21	0.50 - 2.35%
U.S. Government Agencies	260,830	262,084	12/28/16 - 5/3/21	0.60 - 1.80%
Money Market Mutual Funds	20,000	20,000	7/1/16	0.20%
Total pooled and directed Investments	<u>\$ 441,018</u>	<u>443,226</u>		
Investments held with fiscal agents		40,973		
Cash in banks:				
Interest bearing deposits		141,084		
Cash on hand:		<u>5,150</u>		
Total cash and investments		<u>\$ 630,433</u>		

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Condensed Financial Information

The County Treasurer does not issue separate financial statements. Condensed financial information for the Pool as of and for the fiscal year ended June 30, 2016 is as follow:

Statement of Net Position:

Equity of Internal Pool Participants	\$ 540,338
Equity of External Pool Participants	43,972
Total Equity	<u>\$ 584,310</u>

Statement of Change in Net Position:

Net Position at July 1, 2015	\$ 498,953
Net Change in Net Position for Pool Participants	85,357
Net Position at June 30, 2016	<u>\$ 584,310</u>

The condensed financial information of the Pool does not include the cash on hand nor the cash and investment held in outside accounts, which are included in the total cash and investments of the accompanying financial statements.

Fair Value Measurements

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

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

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

		Fair Value Measurements Using		
		Quoted Prices In Active Markets for Identical Assets (Lever 1)	Significant Other Observable Inputs (Lever 2)	Significant Unobservable Inputs (Lever 3)
Investments by fair value level	Total			
Debt securities;				
Negotiable Certificates of Deposit	\$ 87,834	\$ --	\$ 87,834	\$ --
U.S. Government Agencies	262,084	--	262,084	--
Total Investments measured at fair value	<u>349,918</u>	<u>\$ --</u>	<u>\$ 349,918</u>	<u>\$ --</u>
Investment measured at amortized cost:				
LAIF	64,500			
Collateralized Certificates of Deposit	8,808			
Money Market Mutual Funds	20,000			
Total pooled investments	<u>\$ 443,226</u>			

County of Imperial
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Note 4 – Receivables

Accounts, interest, taxes and loan receivable balances of the General, Special Revenue, Proprietary and Trust and Agency Funds. The majority of loans receivable payments are deferred under program requirements. The following is a schedule of receivables applicable to each individual fund at June 30, 2016:

<u>Receivables- Governmental Activities</u>	<u>General Fund</u>	<u>Nonmajor Funds</u>	<u>Internal Service Fund</u>	<u>Total Governmental Activities</u>
Accounts	\$ 5,083	\$ 5,696	\$ 15	\$ 10,794
Interest	145	2,356	107	2,608
Taxes-Net	1,951	484	-	2,435
Loans, greater than one year	<u>-</u>	<u>15,018</u>	<u>-</u>	<u>15,018</u>
Total receivables	<u>\$ 7,180</u>	<u>\$ 23,555</u>	<u>\$ 122</u>	<u>\$ 30,856</u>

<u>Receivables- Business-Type Activities</u>	<u>Imperial Airport</u>	<u>Closure/ Postclosure</u>	<u>Other Enterprise Fund</u>	<u>Total Business-type Activities</u>
Interest	\$ -	\$ 12	\$ -	\$ 12
Total receivables	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 12</u>

Note 5 – Inter-fund Transactions

The composition of inter-fund balances as of June 30, 2016 are as follows:

Short-term inter-fund transactions between funds which are not reimbursed by the receiving fund are reported as “due to and due from other funds.”

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General	\$ 17,339	\$ 10,957
Nonmajor Governmental Funds	1,746	12,363
Imperial Airport	-	6
Other Enterprise Funds	-	-
Internal Service Funds	949	818
Component Unit	-	-
Pension/Employee Benefit Trust Funds	-	-
Special District/School Trust Funds	-	53
Investment Trust Funds	8,189	723
Agency Funds	<u>5,586</u>	<u>8,889</u>
Total	<u>\$ 33,809</u>	<u>\$ 33,809</u>

County of Imperial
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During the course of normal operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations, re-allocations of special revenues, and debt service transfers to pay principal and interest payments on pension obligation bonds. All inter-fund transfers between individual government funds have been eliminated on the government-wide statements.

Note 6 – Capital Assets

Capital assets activity for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,479	\$ -	\$ -	\$ 4,479
Construction in progress	11,649	5,179	(5,544)	11,284
Total capital assets, not being depreciated	<u>16,128</u>	<u>5,179</u>	<u>(5,544)</u>	<u>15,763</u>
Capital assets, being depreciated:				
Infrastructure	125,127	-	-	125,127
Structures & Improvements	76,541	3,129	-	76,670
Vehicles	13,822	2,728	(1,254)	15,296
Furniture and equipment	47,134	1,680	(51)	48,763
Total capital assets, being depreciated	<u>262,624</u>	<u>7,537</u>	<u>(1,305)</u>	<u>268,856</u>
Less accumulated depreciation for:				
Infrastructure	70,196	4,410	-	74,606
Structures & Improvements	43,065	3,247	-	46,312
Vehicles	9,562	2,058	(1,116)	10,504
Furniture and equipment	39,026	2,141	(52)	41,115
Total accumulated depreciation	<u>161,849</u>	<u>11,856</u>	<u>(1,168)</u>	<u>172,537</u>
Total capital assets, being depreciated, net	<u>100,775</u>	<u>(4,319)</u>	<u>(137)</u>	<u>96,319</u>
Governmental activities capital assets, net	<u>\$ 116,903</u>	<u>\$ 860</u>	<u>\$ (5,681)</u>	<u>\$ 112,082</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 685	\$ -	\$ -	\$ 685
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	<u>685</u>	<u>-</u>	<u>-</u>	<u>685</u>
Capital assets, being depreciated:				
Structures & Improvements	20,868	2,808	-	23,676
Furniture and equipment	694	-	-	694
Total capital assets, being depreciated	<u>21,562</u>	<u>2,808</u>	<u>-</u>	<u>23,370</u>
Less accumulated depreciation for:				
Structures & Improvements	12,412	1,476	-	13,888
Furniture and equipment	659	35	-	694
Total accumulated depreciation	<u>13,071</u>	<u>1,511</u>	<u>-</u>	<u>14,582</u>
Total capital assets, being depreciated, net	<u>8,491</u>	<u>1,297</u>	<u>-</u>	<u>9,788</u>
Business-type activities capital assets, net	<u>\$ 9,176</u>	<u>\$ 1,297</u>	<u>\$ -</u>	<u>\$ 10,473</u>

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Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 6,351
Public Protection	1,692
Health & Sanitation	244
Public Assistance	158
Public Ways & Facilities	743
Depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>1,500</u>
Total depreciation expense – governmental functions	<u>\$ 10,688</u>

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

Airports	<u>\$ 1,511</u>
Total depreciation expense – business-type functions	<u>\$ 1,511</u>

Construction in Progress

Construction in Progress for governmental activities represents work being performed on the County Services Center - Brawley, roads and bridge infrastructure, and a number of ongoing small projects.

Note 7 – Leases

Operating Leases

The County is committed under various noncancelable operating leases, primarily for office buildings and equipment. Lease payments for the fiscal year ended June 30, 2016 totaled \$103.

Future minimum operating lease commitments are as follows:

<u>Year ending June 30,</u>	
2017	\$ 103
2018	103
2019	103
2020	103
2021	<u>103</u>
Total	<u>\$ 515</u>

County of Imperial
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Capital Leases

The County has entered into certain capital lease agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met. Equipment under capital leases includes the following:

	Governmental Activities
Qty 62 Motorola MW810 Mobile Work	\$ 515
Qty 2 DM 1000 Digital Mail Proc.	21
Qty 1 Dominion Voting System	<u>1,501</u>
Less: Accumulated Depreciation	<u>(185)</u>
Net	<u>\$ 1,852</u>

Future capital lease minimum payments are as follows:

<u>Year ending June 30,</u>	
2017	\$ 582
2018	427
2019	343
2020	250
2021	<u>250</u>
	<u>\$ 1,852</u>

Note 8 – Long Term Debt

The County has recognized a long term debt for compensated absences, capital lease obligations, pension obligation bonds, certificates of participation, and pending litigation payable to the State of California. Outstanding long term debt as of June 30, 2016 is recorded within governmental activities and payable from governmental funds.

The following is a schedule of long-term liabilities for Governmental Activities for the year ended June 30, 2016:

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016	Amounts Due within One year
Employee Compensated Absences	\$ 13,378	\$ 1,480	\$ 3	\$ 14,855	\$ 1,520
Capital Lease Obligation	536	1,501	185	1,852	582
Pension Funding Bonds 1997	15,645	-	2,185	13,460	2,340
Pension Funding Bonds 2002	29,410	-	1,165	28,245	1,235
State of California Child Support	540	-	90	450	90
2010 Cert. Of Participation	<u>8,085</u>	<u>-</u>	<u>375</u>	<u>7,710</u>	<u>385</u>
General Long Term Debt Payable	<u>\$ 67,594</u>	<u>\$ 2,981</u>	<u>\$ 4,003</u>	<u>\$ 66,572</u>	<u>\$ 6,152</u>

County of Imperial
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2010 Certificates of Participation

On March 1, 2010, the County issued its \$9,465,000 Certificates of Participation 2010 Series A, for the Landfill Remediation and Closure Funding Program.

The proceeds of the County of Imperial Certificates of Participation, 2010 Series A (Landfill Remediation and Closure Funding Program), together with other lawfully available funds of the County of Imperial, California, will be used (i) to finance a portion of the County's landfill closures and the construction and/or acquisition of certain improvements; (ii) to purchase a surety bond for deposit in the Reserve Fund with respect to the Certificates; and (iii) to pay costs in connection with execution and delivery of the Certificates. The Certificates will represent direct, undivided fractional interest in certain Lease Payments to be made by the County pursuant to a Lease Agreement, dated March 1, 2010, by and between the Imperial County Facilities Corporation and the County.

Interest with respect to the Certificates is payable on each February 15 and August 15, commencing August 15, 2010. The Certificates will be initially registered in the name of Code & Co., as nominee of the Depository Trust Company, New York ("DTC"). DTC will act as securities depository of the Certificates. The Certificates are subject to prepayment prior to their stated maturity. The debt service requirements on the certificates to maturity, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2017	\$ 385	\$ 344	\$ 729
2018	395	333	728
2019	410	320	730
2020	425	306	731
2021	440	289	729
2022-2027	3,070	1,300	4,370
2028-2030	<u>2,585</u>	<u>331</u>	<u>2,916</u>
Total	<u>\$ 7,710</u>	<u>\$ 3,223</u>	<u>\$ 10,933</u>

Taxable Pension Funding Bonds 1997

On November 19, 1997, the County issued \$35,175,000 of taxable pension funding bonds to fund the County's unfunded accrued actuarial liability due the Imperial County Employees' Retirement System ("the System"). The payment of this liability will provide the System additional funds for investment.

The bonds have a stated interest rate from 6.100% to 6.375% and are payable over a period of 24 years maturing in 2021. The bonds are not subject to optional redemption prior to their stated maturity date. The bond's debt service to maturity is as follows:

<u>Year Ending June 30,</u>	<u>Principle</u>	<u>Interest</u>	<u>Total Payment</u>
2017	\$ 2,340	\$ 837	\$ 3,177
2018	2,500	673	3,173
2019	2,680	496	3,176
2020	2,870	308	3,178
2021	<u>3,070</u>	<u>105</u>	<u>3,175</u>
Total	<u>\$ 13,460</u>	<u>\$ 2,419</u>	<u>\$ 15,879</u>

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Taxable Pension Funding Bonds 2002

On September 17, 2002, the County issued \$33,265,000 of taxable pension funding bonds to fund the County's unfunded accrued actuarial liability due the Imperial County Employees' Retirement System ("the System"). The payment of this liability will provide the System additional funds for investment.

The bonds have a stated interest rate from 4.71% to 5.715% and are payable over a period of 29 years maturing in 2031. The bonds are not subject to optional redemption prior to their stated maturity date. The bond's debt service to maturity is as follows:

<u>Year Ending June 30,</u>	<u>Principle</u>	<u>Interest</u>	<u>Total Payment</u>
2017	\$ 1,235	\$ 1,563	\$ 2,798
2018	1,305	1,492	2,797
2019	1,380	1,418	2,798
2020	1,460	1,339	2,799
2021	1,540	1,255	2,795
2022-2024	5,180	3,215	8,395
2025-2029	10,855	3,150	14,005
2030-2031	5,290	307	5,597
Total	<u>\$ 28,245</u>	<u>\$ 13,739</u>	<u>\$ 41,984</u>

The following is a schedule of long-term liabilities for Business-Type Activities for the year ended June 30, 2016:

	Balance			Balance	Amounts
	<u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2016</u>	<u>Due within</u>
Employee Compensated Absences	\$ 11	\$ -	\$ 1	\$ 10	\$ -
Total	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 10</u>	<u>\$ -</u>

Note 9 – Landfill Closure and Postclosure Costs

State and federal laws and regulations require that the County of Imperial place a final cover on its landfills when they are closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfills no longer accept waste. The recognition of these landfills closure and postclosure care costs are based on the amount of the landfills used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$15,502 as of June 30, 2016 which is based on an average of 85.77% usage (filled) of the ten landfills operated by the County. It is estimated that an additional \$66,591 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date that last landfill is expected to be filled to capacity (2109). The estimated total current cost of the landfill closure and postclosure care (\$30,036) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2016. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

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The County of Imperial is required by state and federal laws to make annual contributions to finance closure and postclosure care. The County is in compliance with these requirements and at June 30, 2016, \$7,183 was held in an Enterprise Fund for these purposes. Any future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

Note 10 – Employees’ Retirement System

Plan Description

The Imperial County Employees’ Retirement System (ICERS) was established by the County of Imperial in 1951. ICERS is administered by the Board of Retirement and governed by the County Employees’ Retirement Law of 1937 (California Government Code Section 31450 et. seq.) ICERS is a cost-sharing multiple employer public employee retirement system whose main function is to provide service retirement, disability, death and survivor benefits to the Safety and General members employed by the County of Imperial. ICERS also provides retirement benefits to the employee members of the Imperial County Courts, LAFCO, and ICTC.

The management of ICERS is vested with the Imperial County Board of Retirement. The Board consists of nine members and two alternates. The County Treasurer is a member of the Board of Retirement by law. Four members are appointed by the Board of Supervisors, one of whom may be a County Supervisor. Two members are elected by the General membership; one member and one alternate are elected by the Safety membership, one member and one alternate are elected by the retired members of the System. All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with her term as County Treasurer.

Benefits Provided

All regular full-time employees of the County of Imperial who work a minimum of 30 hours per week become members of ICERS effective on the first day of the first full pay period after employment. There are separate retirement plans for General and Safety member employees.

Safety membership is extended to those involved in active law enforcement, fire suppression, and certain probation officers. Any new Safety Member who becomes a member on or after January 1, 2013 is designated as PEPRA Safety and is subject to the provisions of California Public Employees’ Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq. and Assembly Bill (AB) 197. All other employees are classified as General members. New General Members employed after January 1, 2013 are designated as PEPRA General subject to the provisions of California Government Code 7522 et seq. and AB 197.

General members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 52, and have acquired five years of retirement service credit.

County of Imperial
Notes to the Basic Financial Statements
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Safety members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013 are eligible to retire once they have attained the age of 50, and have acquired five years of retirement service credit.

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

Employees terminating before rendering five years of service forfeit the right to receive benefits but may withdraw their contributions and accumulated interest. Employees terminating after five years of service may elect to leave accumulated deposits in the Plan and receive benefits at the time of normal retirement.

Death and Disability Benefits

Upon the death of an active employee, a death benefit, equal to the deceased member's accumulated contributions and interest, plus 1/12th of the deceased's final year's salary, multiplied by the number of completed years of service, but limited to 1/2 annual salary, is paid to beneficiaries. Upon the death of a qualified member, the surviving spouse, as an option, may receive an annual allowance of 60 percent of the member's retirement allowance as of the date of death. The death of a member due to service-connected injury or disease entitles the decedent's surviving spouse or child under 18 years of age to receive an annual allowance equal to one-half the member's final compensation. In addition, the beneficiary of a retiree who dies after retirement while receiving an allowance from the Retirement System, is paid a death benefit of \$5.

An active employee becoming totally disabled as a result of a service-connected injury or disease is paid an annual allowance of the larger of 50 percent of the employee's compensation, or the normal retirement benefits accumulated by the member as of the date of disability. An active employee who is totally disabled because of a non-service connected disease or injury, receives all vested retirement benefits accumulated as of the date of the disability.

Contributions

As a condition of participation, employees are required to contribute a percentage of their annual compensation to the Retirement System.

The total covered payroll of employees participating in the Retirement System for the year ended June 30, 2016 was \$115,443. The total County payroll for the year was \$124,037. The total contribution to the Retirement System for 2016 of \$33,426 was made in accordance with actuarial determined requirements computed through an actuarial valuation performed as of June 30, 2016. The County's contribution was \$20,507. Employee contributions were \$12,919. The amortization period of the unfunded actuarial liability is based on an initial amortization period of 24 years.

County of Imperial
Notes to the Basic Financial Statements
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The County's contributions to the Plan, based on actuarial determined percentage of payroll costs, together with employees' contribution, are intended to provide defined benefits when employees retire. This contribution includes amortization of past service costs over 30 years.

The County's annual pension cost and net pension obligation to the Imperial County Employees' Retirement System for the current and six proceeding years is as follows:

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>
6/30/16	21,000	100%
6/30/15	18,000	100%
6/30/14	17,000	100%
6/30/13	16,000	100%
6/30/12	13,000	100%
6/30/11	13,000	100%
6/30/10	12,000	100%
6/30/09	10,996	100%
6/30/08	8,956	100%
6/30/07	8,358	100%

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2016, the County reported a liability of \$83,939 for its proportionate share of the net pension liability. Of this amount \$83,507 are reported in the Government-wide Statement of Net Position and \$432 are reported in the Statement of Fiduciary Funds of Net Position. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2015, the County's proportion was 94.731%, which was a decrease of 0.372% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the County recognized pension expense of \$18,387. Of this amount \$18,292 are reported in the Government-wide Statement of Activities and \$95 are reported on the Statement of Changes in Fiduciary Net Position. Pension expense represents the change in the net pension liability 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.

County of Imperial
Notes to the Basic Financial Statements
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At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between employer's contributions and proportionate share of Contributions.	\$ 71	\$ -
Changes of assumptions of other inputs	13,993	-
Net difference between projected and actual earnings on pension plan investments	29,350	
Changes in proportion and differences between employer's contributions and proportionate share of Contributions.		55
Net difference between projected and actual earnings on pension plan investments	-	26,757
Difference between expected and actual experience in the Total Pension Liability	-	10,214
	<u>\$ 43,414</u>	<u>\$ 37,026</u>

Amounts, which provided by ICERS' actuarial study, reported as deferred outflows of resources and deferred inflows of resources related to pension, will be recognized as follows:

<u>Year Ending June 30:</u>	
2017	\$ (302)
2018	(302)
2019	(302)
2020	8,617
2021	(1,002)
2022	(322)
Thereafter	0

Actuarial Assumptions

The Total Pension Liability (TPLs) as of June 30, 2016 and 2015 was remeasured by revaluing the TPL as of June 30, 2015 and 2014 to include the following actuarial assumptions that the Retirement Board approved for use in the pension funding valuation as of June 30, 2014 and using this revalued TPL in rolling forward the results from June 30, 2016 to June 30, 2015:

Inflation	3.25%
Salary increases	General: 4.75% to 7.75% and Safety: 4.75% to 11.75%, varying by service, including inflation.
Investment rate of return	7.50%, net of pension plan investment expense
Administrative expenses	1.20% of payroll allocated to both the employer and member based on the components of the total contribution rate for the employer and member
Other assumptions	See analysis of actuarial experience during the period July 1, 2010 through June 30, 2013

County of Imperial
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The long-term expected rate of return on pension plan investments 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 investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	24%	6.03%
Small Cap U.S. Equity	10%	6.66%
Developed International Equity	16%	6.87%
Emerging Markets Equity	5%	8.13%
U.S. Core Fixed Income	23%	0.89%
High Yield Bonds	2%	2.87%
TIPS	5%	0.19%
Real Estate	5%	5.08%
Commodities	5%	4.16%
Private Equity	5%	8.10%
Total	100%	

Discount rate

The discount rates used to measure the Total Pension Liability (TPL) were 7.50% as of both June 30, 2016 and June 30, 2015, respectively. For plan member contributions, the projection of cash flows used to determine the discount rate assumed employee contributions will be made at the current contribution rate for the Regular and PEPRA benefits and that the contributions will be made at rates equal to the actuarially determined contribution rates for the Supplemental benefits. For employer contributions, the projection of cash flow used to determine the discount rate assumed employer contributions will be made at rates equal to the actuarially determined contribution rates.

For this purpose, only employee and employer contributions that are intended to fund benefits of current plan members and their beneficiaries are 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 both June 30, 2015 and June 30, 2014.

County of Imperial
Notes to the Basic Financial Statements
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Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's share of the net pension liability calculated using the discount rate of 7.50%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
County's proportionate share of the net pension plan liability	\$ 234,558	\$ 127,131	\$ 38,806

Pension Plan Fiduciary Net Position

The Imperial County Retirement System (ICERS) issues an audited stand-alone financial report, which may be obtained by contacting the Board of Retirement at 1221 W. State Street, El Centro, CA 92243.

Note 11 - Other Postemployment Employment Benefits (OPEB)

Plan Description: Imperial County is a participant in the Imperial County Employees Retirement System (ICERS), a cost sharing multiple-employer defined benefit public employee retirement system. ICERS provides retirement benefits only. However, County retirees who retire directly for the County are eligible for health coverage in the County self-funded health plans if they meet certain age and service eligibility requirements. The County's self-funded medical and dental plans are administered by Blue Shield of California. In addition, the County contracts with Dental Health Service and Vision Service Plan (VSP) for dental and vision benefits. Retirees may elect to cover spouses in their medical, dental, and vision coverage, However, retirees would be charged the full premium of spouses' medical, dental, and vision coverage.

Funding Policy: Currently, the County pays for these benefits on a pay-as-you-go basis. The "annual required contribution" presented below is based on claims experience from July 1, 2015 to June 30, 2016.

County of Imperial
Notes to the Basic Financial Statements
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Annual OPEB Cost and Net OPEB Obligation: The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	<u>For the Fiscal Year Ending June 30, 2015</u>	<u>For the Fiscal Year Ending June 30, 2016</u>
Determination of Annual Required Contribution		
Normal Cost	\$ 11,506	\$ 15,038
Amortization of UAAL	<u>12,702</u>	<u>13,365</u>
Annual Required Contribution (ARC)	\$ 24,208	\$ 28,403
Determination of Net OPEB Obligation		
Annual Required Contribution	\$ 24,208	\$ 28,403
Interest on prior year Net OPEB Obligation	3,778	4,340
Adjustment to ARC	<u>(5,670)</u>	<u>(6,514)</u>
Annual OPEB Cost	\$ 22,316	\$ 26,229
County Contributions made	<u>(6,257)</u>	<u>(6,400)</u>
Increase in Net OPEB Obligation	\$ 16,059	\$ 19,829
Net OPEB Obligation – beginning of year	<u>\$ 107,933</u>	<u>\$ 123,992</u>
Net OPEB Obligation – end of year	<u>\$ 123,992</u>	<u>\$ 143,821</u>

The County's annual OPEB cost, the percentage of annual OPEB cost and the net OPEB obligation for the fiscal years ended June 30, 2015 and 2016 are as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2014	\$ 21,248	20.4%	\$ 107,933
June 30, 2015	\$ 22,316	16.5%	\$ 123,992
June 30, 2016	\$ 26,229	24.4%	\$ 143,821

Funded Status and Funding Progress: As of June 30, 2016, the most recent actuarial valuation date, the plan was 1.4% funded. The actuarial accrued liability for benefits was \$258 million, and the actuarial value of assets was \$3.6 million, resulting in an unfunded accrued liability of \$254.4 million.

County of Imperial
Notes to the Basic Financial Statements
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Note 12 - Commitments and Contingencies

A. Grants

The County recognizes as revenues, grant monies received as reimbursement for costs incurred in certain federal and state programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

B. Litigation

The County is a defendant in various lawsuits which arise under the normal course of the operations. In the opinion of County Counsel and management, such claims against the County not covered by insurance would not materially affect the combined financial statements of the County.

C. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established self-insurance programs for liability, workers' compensation, unemployment, medical malpractice and auto liability.

The liability insurance has a self-insured retention per claim of \$200 with excess liability insurance of up to \$25,000 per occurrence being provided by independent carriers. Workers' compensation has a self-insured retention per claim of \$300. Unemployment claims are reimbursed to the State of California for claims paid on behalf of the County. The County has a self-insurance group health program for its employees. The health plan has self-insured retention per claim of \$150. The medical malpractice insurance has a self-insured retention per claim of \$200 with excess liability insurance of up to \$9,800 per occurrence being provided by independent carriers. Auto liability insurance has a self-insured retention per claim of \$200.

The activities related to such programs are accounted for in the Loss Reserve Funds (Internal Service Funds). Revenues are primarily provided by other County funds and are intended to cover self-insured claims liabilities, insurance premiums and operating expenses. County officials believe that the assets of the Loss Reserve Funds, together with funds to be provided in the future, will provide adequate resources to meet the County's self-insured claim liabilities as they come true.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent pay-outs and other economic and social factors. Changes in the balances of claims liabilities during the past year are as follows:

Liability at June 30, 2015	\$ 16,795
Current year claims and changes in estimates	31,068
Claim payments	<u>(24,156)</u>
Liability at June 30, 2016	<u>\$ 23,707</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

D. Child Support Incentive Funds Audit

On August 15, 2002, the State of California Department of Finance issued an audit report on the Imperial County Child Support Incentive Funds. The report addressed four areas: 1) understatement of excess incentive funds in the amount of \$28, 2) excess incentive encumbrances were overstated by \$2,754, 3) interest earned and unexpended in the amount of \$342 and a credit for (\$24) for disallowed EDP expenditures, and 4) overstatement of excess incentive expenditures in the amount of \$218. On February 21, 2006, a settlement was reached by the County of Imperial and the State of California. The County of Imperial is to pay \$1,350 to the State of California. The payments are to be made in 60 quarterly payments in the amount of \$23 per quarter beginning July 1, 2006.

Note 13 – Fund Balances

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

- **Nonspendable Fund Balance** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted Fund Balance** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** – amounts that can only be used for specific purposes determined by formal action of the County's highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned Fund Balance** – amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds.
- **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 of Supervisors establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

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

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

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

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>					
Imprest Cash	\$ 43	\$ 23	\$ -	\$ -	\$ 66
Inventories	459	263	-	-	722
Total nonspendable fund balances	<u>502</u>	<u>286</u>	<u>-</u>	<u>-</u>	<u>788</u>
<u>Restricted for:</u>					
Tobacco Monies	1,464	-	-	-	1,464
Grant Funds	-	36,753	-	-	36,753
Debt Service	-	-	-	7,788	7,788
Loan Payable	-	-	-	-	-
Total restricted fund balances	<u>1,464</u>	<u>36,753</u>	<u>-</u>	<u>7,788</u>	<u>46,005</u>
<u>Committed to:</u>					
General	27,473	924	-	-	28,397
COPS	-	-	-	-	-
Capital Projects	-	-	1,942	-	1,942
Library Services	-	31	-	-	31
Health Services	-	542	-	-	542
Gateway CSA	-	-	-	-	-
Juvenile Criminal Justice	-	-	-	-	-
Fish and Game	-	57	-	-	57
Office of Emergency Services	-	212	-	-	212
Law Enforcement Services	-	3,197	-	-	3,197
Geothermal Administration	-	-	-	-	-
Information Systems	-	55	-	-	55
Transportation/Roads	-	-	-	-	-
Air Pollution Control	-	604	-	-	604
Solid Waste	-	156	-	-	156
Parks and Recreation	-	87	-	-	87
Total committed fund balances	<u>27,473</u>	<u>5,865</u>	<u>1,942</u>	<u>-</u>	<u>35,280</u>
<u>Assigned to:</u>					
Encumbrances	1,446	3,873	523	-	5,842
Endowment Funds	8,113	-	-	-	8,113
Deposits with Others	-	15,664	-	-	15,664
Revenue Stabilization	15,767	-	-	-	15,767
Capital Outlay	1,594	-	-	-	1,594
Total assigned fund balances	<u>26,920</u>	<u>19,537</u>	<u>523</u>	<u>-</u>	<u>46,980</u>
<u>Unassigned</u>	<u>10,106</u>	<u>(24,334)</u>	<u>(1,589)</u>	<u>-</u>	<u>(15,817)</u>
Total fund balances	<u>\$ 66,465</u>	<u>\$ 38,107</u>	<u>\$ 876</u>	<u>\$ 7,788</u>	<u>\$ 113,236</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

Note 14 – Deficit Fund Net Position

Deficits not visible in the basic financial statements are as follows:

- Closure/Postclosure Fund – Deficit net position of (\$8,307) are the result of revenues being inadequate to cover expenses.
- State Transit Program Asst Fund – Deficit net position of (\$2) are the result of revenues being inadequate to cover expenses.
- Centralized Mail System Fund – Deficit net position of (\$157) are the result of revenues being inadequate to cover expenditures. Management intends to fund deficit net position with adjusted future charges over the next four years.





**Required Supplementary Information
(Other than MD & A)**



COUNTY OF IMPERIAL
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

Employees's Retirement System
Schedule of County's Proportionate Share of the
Net Pension Liability
(amounts expressed in thousands)

Last 10 Fiscal Years*	FY 2016		FY 2015	
	General Plan	Safety Plan	General Plan	Safety Plan
County's proportion of the net pension liability	91.952%	100.000%	92.070%	100.000%
County's proportion share of the net pension liability	\$ 53,346	\$ 30,593	\$ 33,390	\$ 22,458
County's covered-employee payroll	\$ 76,044	\$ 19,518	\$ 71,600	\$ 18,600
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	70.15%	156.74%	46.63%	120.74%
Plan fiduciary net position as a percentage of the total pension liability	89.83%	86.05%	93.31%	89.28%

*Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the information will be presented for those years for which information is available.

Employees's Retirement System
Schedule of County's Contribution
(amounts expressed in thousands)

Last 10 Fiscal Years*	FY 2016		FY 2015	
	General Plan	Safety Plan	General Plan	Safety Plan
Actuarially determined contribution	\$ 12,813	\$ 4,521	\$ 11,791	\$ 4,239
Contributions in relation to the actuarially determined contribution	(12,813)	(4,521)	(11,791)	(4,239)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 76,044	\$ 19,518	\$ 71,600	\$ 18,600
Contributions as a percentage of covered-employee payroll	16.85%	23.16%	16.47%	22.79%

*Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the information will be presented for those years for which information is available.

COUNTY OF IMPERIAL
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

Employees' Retirement System
Schedule of Funding Progress
(amounts expressed in millions)

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Plan Assets (b)	Total Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (e)	UAAL As A Percentage of Annual Covered Payroll (c/e)
6-30-16	\$ 816.4	\$ 737.5	\$ 78.9	90.3%	115.4	68.4%
6-30-15	782.8	704.7	78.1	90.0%	112.5	69.4%
6-30-14	741.2	659.1	82.1	88.9%	105.7	77.7%
6-30-13	684.3	612.0	72.3	89.4%	102.5	70.5%
6-30-12	643.3	577.7	65.6	89.8%	100.4	65.3%
6-30-11	613.6	552.2	61.4	90.0%	101.6	60.4%
6-30-10	546.3	524.5	21.8	96.0%	98.1	22.2%
6-30-09	507.6	487.4	20.2	96.0%	93.5	21.6%
6-30-08	466.4	449.7	16.7	96.4%	86.0	19.4%
6-30-07	437.2	420.3	16.9	96.1%	77.8	21.7%
6-30-06	402.0	390.3	11.7	97.1%	71.7	16.3%
6-30-05	366.2	361.4	4.8	98.7%	67.9	7.1%
6-30-04	321.2	326.6	(5.4)	101.7%	67.9	(8.0%)
6-30-03	307.3	301.0	6.3	97.9%	67.7	9.3%
6-30-02	281.3	276.7	4.6	98.4%	71.7	6.4%
6-30-01	259.1	286.5	(27.4)	110.6%	62.8	(43.6%)
6-30-00	230.0	306.6	(76.6)	133.3%	52.7	(145.4%)
6-30-99	207.2	262.1	(54.9)	126.5%	44.7	(122.8%)
6-30-98 (a);(b)	189.7	239.9	(50.2)	126.5%	41.0	(122.4%)
6-30-97	166.7	171.7	(5.0)	103.0%	41.7	(12.0%)
6-30-96 (a);(b)	146.2	132.5	13.7	90.6%	39.6	34.6%

(a) Actuarial valuations are performed biennially with updates annually. For the fiscal years indicated, the actuary provided updates.

(b) Assets valuation was converted to Market Value.

COUNTY OF IMPERIAL
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

Employees' Retirement System
Schedule of Funding Progress
Required under GASB 45
(amounts expressed in millions)

Actuarial Valuation Date	Actuarial Actuarial Value of Assets	AAL Unit Credit	Total Unfunded Actuarial	Funded Ratio
			UAAL	
06-30-2016	\$ 4	\$ 254.0	\$ 258.0	1.4%
06-30-2015	\$ -	\$ 245.0	\$ 245.0	0.0%
06-30-2014	\$ -	\$ 232.0	\$ 232.0	0.0%
06-30-2013	\$ -	\$ 227.0	\$ 227.0	0.0%
06-30-2012	\$ -	\$ 210.9	\$ 210.9	0.0%
06-30-2011	\$ -	\$ 272.1	\$ 272.1	0.0%
06-30-2010	\$ -	\$ 251.6	\$ 251.6	0.0%
06-30-2009	\$ -	\$ 180.4	\$ 180.4	0.0%
06-30-2008	\$ -	\$ 168.8	\$ 168.8	0.0%

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund

Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 38,120	\$ 38,332	\$ 39,030	\$ 697
Licenses and permits	2,367	2,367	2,250	(117)
Fines, Forfeitures & Penalties	5,508	5,508	6,320	812
Use of Money & Property	2,736	2,736	3,173	437
Intergovernmental Aid	84,915	107,579	111,644	4,065
Federal aid	56,194	57,124	48,988	(8,136)
Charges for Services	26,071	27,899	30,055	2,156
Total revenues	215,911	241,545	241,460	(86)
Expenditures:				
Current:				
General Government	24,678	25,146	22,038	3,108
Public Protection	76,216	78,739	75,528	3,211
Health & Sanitation	48,918	49,461	44,845	4,616
Public Assistance	74,049	100,681	96,737	3,945
Public Ways & Facilities	872	889	852	37
Total expenditures	224,733	254,916	240,000	14,917
Excess of revenues over expenditures	(8,822)	(13,371)	1,460	14,831
Other financing sources (uses):				
Transfers	-	-	-	-
Changes in Reserves	-	-	-	-
Endowment Funds	-	-	(2,126)	(2,126)
COP Bonds Uses	-	-	-	-
Proceeds of COP Bonds	-	-	-	-
Net change in fund balances	(8,822)	(13,371)	(666)	12,705
Fund balances - beginning	67,131	67,131	67,131	-
Fund balances - ending	<u>\$ 58,309</u>	<u>\$ 53,760</u>	<u>\$ 66,465</u>	<u>\$ 12,705</u>

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

County of Imperial
Notes to Required Supplementary Information
Budget Comparisons

June 30, 2016

Budgetary Information

In accordance with the provisions of Sections 29000-29143 of the Government Code of the State of California, commonly known as the County Budget Act, the County prepares and adopts a budget on or before August 30, for each fiscal year.

Expenditures are controlled on the object level except for fixed assets expenditures which are controlled on the sub-object level.

Encumbrances, which are commitments related to executor contracts for goods or services, are recorded for budgetary control purposes in the governmental and proprietary fund types. Encumbrance accounting is utilized to assure effective budgetary control and accountability. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are liquidated at year-end.

Amendments or transfers of appropriations between objects of expenditure within the same department or between departments within any fund must be approved by the County Executive Office.

Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Any deficiency of budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning fund balances as provided for in the County Budget Act.

The budgetary comparison schedules are presented using the modified accrual basis of accounting. A reconciliation of budgetary information to GAAP information is not needed as there are no differences between the two.





**OTHER SUPPLEMENTAL
INFORMATION**



Non-major Governmental Funds

Special Revenue Funds

Special Revenue Funds account for revenues derived from specific taxes or other designated revenue sources. Primary revenue sources are: taxes, fines, forfeitures and penalties; use of money and property; aid from other governmental agencies; charges for current services; and other revenues. Expenditures are made only for specific activities legally authorized to be financed from the individual funds.

Library - The County Library District, serving a population of approximately 45,300, encompasses all of the unincorporated areas in Imperial County and all cities except Brawley, Calexico, El Centro and Imperial. The Library is located in rural El Centro with branches in Calipatria, Heber, Holtville, Niland, Ocotillo, Desert Shores, Salton City, and Westmorland. The Library collection is supplemented in various ways, including participation with the Serra Cooperative Library System in San Diego and Imperial Counties. Inter-library loan service is available with local libraries and other libraries in California and the California State Library.

Fire Protection - The Fire Department is responsible for fire protection only in certain unincorporated areas of the County. To augment its central core of fire-fighting personnel, the County has entered into contractual agreements with incorporated areas near these jurisdictions.

Public Works Roads Fund - This fund was established to provide for maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. Revenues consist primarily of the County's share of State highway user's tax and are supplemented by Federal funds, vehicle code fines, and fees and reimbursements for engineering services provided.

State/Federal Jail Improvement Funds - The State/Federal Jail Improvement funds were created to account for expenditures to improve jail conditions. These expenditures are reimbursed by the Federal Government and by the State Government.

Criminal Justice Facilities Fund - The monies in this fund together with any interest earned thereon may be used for construction, reconstruction, expansion, improvement, operation, or maintenance of County criminal justice and court facilities, and for improvement of criminal justice automated information systems; provided, that in Imperial County, money deposited each year in this fund may also be used for the maintenance, operation, construction, reconstruction, or expansion of County juvenile justice rehabilitation facilities.

Geothermal Administration - This budget unit funds the geothermal related activities within the County Departments. Geothermal administration encompasses reviewing geothermal applications, coordination of geothermal activities, providing information within the industry and to the general public and updating various policies and procedures as they relate to geothermal.

Service Authority Freeway Emergency - This budget unit was established to identify revenues and expenditures for the installation of emergency call boxes on the Imperial County freeway system.

Non-major Governmental Funds

Public Works Solid Waste - This budget unit reflects the cost of the Solid Waste Disposal Program including operation, acquisition, source reduction recycling program, and Closure/Post-Closure requirements. Revenue from user fees, Joint Powers Agreement and charges will be sufficient to make the program fully self-supporting, without a contribution from the County General Fund. The Board established this Special Revenue fund to more accurately reflect the expenditures and revenues associated with the Solid Waste Disposal Program.

AB443 Local Assistance Law Enforcement Grant – This budget unit was established to account for funds received from the State to enhance law enforcement activities in rural and small counties.

Sheriff's Information Technology System – This budget was established to account for activities related to the expenses regarding the modernization of the Sheriff's Department Information Systems.

Federal Asset Forfeiture - In addition to any other fees required by law, a processing fee of eight dollars (\$8) shall be assessed for each disbursement of money collected under a writ of attachment, execution, possession, or sale,. But excluding any action by the district attorney's office for the establishment or enforcement of a child support obligation. The fee shall be collected from the judgment debtor in addition to, and in the same manner as, the money collected under the writ. All proceeds of this fee shall be deposited in a special fund in the county treasury. A separate accounting of funds deposited shall be maintained for each depositor, and funds deposited shall be for the exclusive use of the depositor.

Seventy percent of the moneys in the special fund shall be expended to supplement the county's cost for vehicle fleet replacement and equipment for the sheriff and the marshal. Thirty percent of the moneys in the special fund shall be expended to supplement the county's cost of vehicle and equipment maintenance for the sheriff and the marshal, and for the county's expenses in administering the funds.

No fee shall be charged where the only disbursement is the return of the judgment creditor's deposit for costs.

BioTerrorism Preparedness – This account was established to account for funds dedicated to the preparation of a Bio Terrorism Response plan.

Medi-Cal/CMSP - To separate the Medi-Cal and CMSP revenues and expenditures from our general fund. Per CEO request.

Imperial County Economic Development Funds (ICCED) - The ICCED funds account for revenues and expenditures for various activities and programs including USDA Small Business RLF, ICCED Special Expense Fund, Home Biz Micro-Training, ICCED Micro-Lending Program, USDA POE Waste Water, Gossner Foods, USDA RLF ICCED, ICCED Housing Rehab., Census 2000 County Cost, Heber Housing Rehab. 2000, Ocotillo Housing Rehab., Colonia Technical Asst. Prg., CDBG Micro-Enterprise, CDBG Revolving Loan Fund, CDBG General 1984, CDBG 1984 Jobs Bill, CDBG State, CDBG 1985, Heber Housing Rehab., Mesquite Lake CDBG, Geo. Info. Sys. ICCED, Colonia II Planning Grant, CDBG, Scattered Sites Housing, Colonia III & IV Grant, Enterprise Community, POE Colonia Water Svc., Home Funds 2001, Rural Business

Non-major Governmental Funds

Enterprise, Econ. Dev. PTA Grant, CITCA E-Commerce, CDBG Business Loans/Infrastructure, Comm. Adj. Inv. Prg. Grant, Complete Planning & Tech., and CDBG Housing Rehab.

Other Special Revenue Funds - Account for revenues received for various activities and programs including Public Health Environmental Serv., Violence Against Women Pros. Unit, Gateway CSA, IV Food Bank, High Risk Youth TR Student, Major Narco Vert. Pros., HIDTA District Attorney, Juvenile Crime Enforce. & ACG II, School to Work, New River Task Force, Partner Public Health, WIA Funds, Youth Opp. Grant-SOS, SOS Grant Probation, Local Law Enforcement Block Grant, Drug Court, Glamis Dune Grant, Sugar Cane Prj. Ag. Ext., Assessor PTA Program, Fish & Game, Statutory Rape Vertical Prosecution Unit, Office of Emergency Service, Geothermal Admin., Substance Abuse/Perinatal, Probation Training, Sheriff Standard Training, City of Imperial Fire Service, HIDTA Grant Sheriff, Child Abuse (AB1733), E.C. Training Center CYA, Victim Witness Asst., IVAG, Park Bond Act Pioneer Park, Substance Abuse, AB 75 Health, Internet Access Info. Syst., Whitefly Mgmt. Comm., Integrated Waste Mgmt., P.W. Solid Waste Disposal, 1980 Park Bond Act, Desert Agri., Inst., Air Pollution Hazardous Material, Air Pollution Control Special, Park Bond Act Red Hill, Park Bond Act Heber Dunes, Special Prosecutions Unit, Area Agency on Aging, Tobacco Education, Park Bond Act 1988, ARID, OET, Volunteer Program, Source Reduction Recy. Elm., Fiber Optic Network, CNG Facility, Federal Asset Forfeiture, State Asset Forfeiture, Prior Fed. Asset Forfeiture, California Witness Prog., Substance Abuse & Crime Prev., AB 1913 Probation, EDA Grant Probation, SARB Probation, EPSDT Probation, Substance Abuse 2000 Prop. 36, EPSDT FRC Brawley Probation, Star Grant OET, 2000 LLEBG Grant, CX Gang Violence Supp., ICCFFC Juv. Hall Rec. Home, Reclamation Grant, 2001-03 LLEBG Prg., Boating Grant Salton Sea, Street Interdiction Team, Inmate Parenting, Bio-Terrorism Preparedness, IVROP Probation, FAA Grant # 14 Sec. Reg., TSA Grant Security, COPPS School Com. Pol, LLEBG 2002 LB-BX, Off-Highway Enforcement, District Attorney IVSIT.

Capital Projects Funds

The purpose of these funds are to separately account for major acquisition, construction and additions to County buildings and land other than those financed by Enterprise Funds and Internal Service Funds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for the payment of principal and interest on the county's pension obligation bonds. There are no combining statements because the County has one Debt Service fund which is reported on the non-major combined financial statements.

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets:				
Cash and investments	\$ 28,062	\$ 1,047	\$ 7,776	\$ 36,885
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	29	-	-	29
Receivables (net):				
Accounts	5,696	1	-	5,697
Interest	2,344	-	12	2,356
Taxes	484	-	-	484
Loan	15,018	-	-	15,018
Due from other funds	1,746	-	-	1,746
Inventories and Prepaid Expenses	263	-	-	263
	<u>53,642</u>	<u>1,048</u>	<u>7,788</u>	<u>62,478</u>
Total assets				
	<u>53,642</u>	<u>1,048</u>	<u>7,788</u>	<u>62,478</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	1,148	98	-	1,246
Loan payable	-	65	-	65
Accrued Payroll	2,030	-	-	2,030
Interest Payable	3	-	-	3
Due to other funds	12,354	9	-	12,363
	<u>15,535</u>	<u>172</u>	<u>-</u>	<u>15,707</u>
Total Liabilities				
	<u>15,535</u>	<u>172</u>	<u>-</u>	<u>15,707</u>
Fund balances:				
Nonspendable	286	-	-	286
Restricted	36,753	-	7,788	44,541
Committed	5,865	1,942	-	7,807
Assigned	19,537	523	-	20,060
Unassigned	(24,334)	(1,589)	-	(25,923)
	<u>38,107</u>	<u>876</u>	<u>7,788</u>	<u>46,771</u>
Total fund balances				
	<u>38,107</u>	<u>876</u>	<u>7,788</u>	<u>46,771</u>
Total liabilities and fund balances	<u>\$ 53,642</u>	<u>\$ 1,048</u>	<u>\$ 7,788</u>	<u>\$ 62,478</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues:				
Taxes	\$ 4,383	\$ -	\$ -	\$ 4,383
Licenses & Permits	2,738	-	-	2,738
Fines, Forfeitures & Penalties	852	-	-	852
Use of Money & Property	1,358	36	34	1,428
State Aid	55,561	-	-	55,561
Federal Aid	14,274	543	-	14,817
Charges for Services	27,180	1,025	-	28,205
Sale of Fixed Assets	-	-	-	-
Other Revenues	2,270	352	6,612	9,234
Total Revenues	<u>108,616</u>	<u>1,956</u>	<u>6,646</u>	<u>117,218</u>
Expenditures:				
Current:				
General Government	11,247	2,543	5,974	19,764
Public Protection	23,097	-	-	23,097
Health & Sanitation	12,445	-	-	12,445
Public Assistance	45,398	-	-	45,398
Public Ways & Facilities	15,145	-	-	15,145
Education	-	-	-	-
Total expenditures	<u>107,332</u>	<u>2,543</u>	<u>5,974</u>	<u>115,849</u>
Other Financing Sources (Uses):				
Changes in Reserves	384	-	-	384
Transfers In (Out)	80	-	-	80
Total Other Financing Sources (Uses)	<u>464</u>	<u>-</u>	<u>-</u>	<u>464</u>
Net change in fund balances	1,748	(587)	672	1,833
Fund balances - beginning	<u>36,359</u>	<u>1,463</u>	<u>7,116</u>	<u>44,938</u>
Fund balances - ending	<u><u>\$ 38,107</u></u>	<u><u>\$ 876</u></u>	<u><u>\$ 7,788</u></u>	<u><u>\$ 46,771</u></u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Library	Fire Protection	Gateway CSA CAO	Public Works Roads
Assets:				
Cash and investments	\$ (240)	\$ (1,138)	\$ 1,429	\$ 1,932
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	-	-	-	-
Receivables (net):				
Accounts	-	133	2	1
Interest	-	-	2	5
Taxes	30	454	-	-
Loan	-	-	-	-
Due from other funds	-	-	-	260
Inventories and Prepaid Expenses	-	-	-	263
Total assets	(210)	(551)	1,433	2,461
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	5	62	15	195
Accrued Payroll	24	328	-	381
Interest Payable	-	-	-	-
Due to other funds	1	10	32	10
Total Liabilities	30	400	47	586
Fund balances:				
Nonspendable	-	-	-	264
Restricted	-	-	1,319	-
Committed	-	-	-	-
Assigned	-	44	67	2,061
Unassigned	(240)	(995)	-	(450)
Total fund balances	(240)	(951)	1,386	1,875
Total liabilities and fund balances	\$ (210)	\$ (551)	\$ 1,433	\$ 2,461

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	State/ Federal Jail Improvements	Criminal Justice Facilities	Geothermal Admin.	Serv. Authority Freeway Emerg.
Assets:				
Cash and investments	\$ 98	\$ 5,582	\$ 75	\$ 1,221
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	-	-	-	-
Receivables (net):				
Accounts	-	43	-	-
Interest	-	9	-	2
Taxes	-	-	-	-
Loan	-	-	-	-
Due from other funds	-	-	-	-
Inventories and Prepaid Expenses	-	-	-	-
Total assets	<u>98</u>	<u>5,634</u>	<u>75</u>	<u>1,223</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	2	-	1	5
Accrued Payroll	-	-	-	-
Interest Payable	-	-	-	-
Due to other funds	-	-	1	6
Total Liabilities	<u>2</u>	<u>-</u>	<u>2</u>	<u>11</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	46	5,634	73	1,212
Committed	-	-	-	-
Assigned	50	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>96</u>	<u>5,634</u>	<u>73</u>	<u>1,212</u>
Total liabilities and fund balances	<u>\$ 98</u>	<u>\$ 5,634</u>	<u>\$ 75</u>	<u>\$ 1,223</u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Air Pollution Control Special	Medi-Cal/ CMSP Fund	IHSS Public Authority	Public Works Impact Fees
Assets:				
Cash and investments	\$ 2,374	\$ 4,314	\$ 1,305	\$ 855
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	-	-	-	-
Receivables (net):				
Accounts	36	-	-	-
Interest	4	-	-	1
Taxes	-	-	-	-
Loan	-	-	-	-
Due from other funds	-	-	51	-
Inventories and Prepaid Expenses	-	-	-	-
Total assets	<u>2,414</u>	<u>4,314</u>	<u>1,356</u>	<u>856</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	19	-	(20)	-
Accrued Payroll	160	-	13	-
Interest Payable	-	-	-	-
Due to other funds	12	1,342	-	-
Total Liabilities	<u>191</u>	<u>1,342</u>	<u>(7)</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	2,201	2,972	1,363	856
Committed	-	-	-	-
Assigned	22	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>2,223</u>	<u>2,972</u>	<u>1,363</u>	<u>856</u>
Total liabilities and fund balances	<u>\$ 2,414</u>	<u>\$ 4,314</u>	<u>\$ 1,356</u>	<u>\$ 856</u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Cal-Met Grant	APCD Ozone Operational Develop	Sheriff's Dev Fees Unic	Court Security
Assets:				
Cash and investments	\$ 901	\$ 853	\$ 860	\$ 795
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	-	-	-	-
Receivables (net):				
Accounts	-	-	-	-
Interest	-	1	-	1
Taxes	-	-	-	-
Loan	-	-	-	-
Due from other funds	-	-	-	2
Inventories and Prepaid Expenses	-	-	-	-
Total assets	<u>901</u>	<u>854</u>	<u>860</u>	<u>798</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	13	-	-	9
Accrued Payroll	-	-	-	69
Interest Payable	-	-	-	-
Due to other funds	64	-	-	-
Total Liabilities	<u>77</u>	<u>-</u>	<u>-</u>	<u>78</u>
Fund balances:				
Nonspendable	20	-	-	-
Restricted	644	854	860	720
Committed	-	-	-	-
Assigned	160	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>824</u>	<u>854</u>	<u>860</u>	<u>720</u>
Total liabilities and fund balances	<u>\$ 901</u>	<u>\$ 854</u>	<u>\$ 860</u>	<u>\$ 798</u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Measure D LTA Road Funds	09-CalHome	Sunbeam Lake RV Park	CCPIF Com Cor Perform Incent
Assets:				
Cash and investments	\$ 3,385	\$ (44)	\$ 818	\$ 699
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	-	-	-	-
Receivables (net):				
Accounts	-	-	1	50
Interest	7	-	-	1
Taxes	-	-	-	-
Loan	-	1,325	-	-
Due from other funds	-	-	-	-
Inventories and Prepaid Expenses	-	-	-	-
Total assets	<u>3,392</u>	<u>1,281</u>	<u>819</u>	<u>750</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	29	-	45	-
Accrued Payroll	-	-	-	-
Interest Payable	-	-	-	-
Due to other funds	85	-	-	5
Total Liabilities	<u>114</u>	<u>-</u>	<u>45</u>	<u>5</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	2,703	-	774	745
Committed	-	-	-	-
Assigned	575	1,325	-	-
Unassigned	-	(44)	-	-
Total fund balances	<u>3,278</u>	<u>1,281</u>	<u>774</u>	<u>745</u>
Total liabilities and fund balances	<u>\$ 3,392</u>	<u>\$ 1,281</u>	<u>\$ 819</u>	<u>\$ 750</u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Host Public Benefit Fees	Valley Games & Golf 450 Aten	Igt Intra Govern Transfe	ICCED Funds
Assets:				
Cash and investments	\$ 9,951	\$ 797	\$ 846	\$ (404)
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	-	-	-	-
Receivables (net):				
Accounts	-	-	-	221
Interest	21	3	-	2,261
Taxes	-	-	-	-
Loan	-	300	-	13,095
Due from other funds	-	-	-	3
Inventories and Prepaid Expenses	-	-	-	-
Total assets	9,972	1,100	846	15,176
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	81	-	-	77
Accrued Payroll	-	-	-	-
Interest Payable	-	-	-	1
Due to other funds	-	-	-	57
Total Liabilities	81	-	-	135
Fund balances:				
Nonspendable	-	-	-	-
Restricted	9,891	800	846	2,334
Committed	-	-	-	-
Assigned	-	300	-	13,631
Unassigned	-	-	-	(924)
Total fund balances	9,891	1,100	846	15,041
Total liabilities and fund balances	\$ 9,972	\$ 1,100	\$ 846	\$ 15,176

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Other Special Revenue Funds	Total
Assets:		
Cash and investments	\$ (9,204)	\$ 28,062
Cash with Fiscal Agent	-	-
Deposits with Others	29	29
Receivables (net):		
Accounts	5,209	5,696
Interest	24	2,344
Taxes	-	484
Loan	299	15,018
Due from other funds	1,430	1,746
Inventories and Prepaid Expenses	-	263
	<u>(2,213)</u>	<u>53,642</u>
Total assets		
	<u>(2,213)</u>	<u>53,642</u>
Liabilities and Fund Balances:		
Liabilities:		
Accounts payable	609	1,148
Accrued Payroll	1,054	2,030
Interest Payable	2	3
Due to other funds	10,730	12,354
	<u>12,395</u>	<u>15,535</u>
Total Liabilities		
	<u>12,395</u>	<u>15,535</u>
Fund balances:		
Nonspendable	1	286
Restricted	(94)	36,753
Committed	5,865	5,865
Assigned	1,302	19,537
Unassigned	(21,682)	(24,334)
	<u>(14,608)</u>	<u>38,107</u>
Total fund balances		
	<u>(14,608)</u>	<u>38,107</u>
Total liabilities and fund balances	<u>\$ (2,213)</u>	<u>\$ 53,642</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	<u>Library</u>	<u>Fire Protection</u>	<u>Gateway CSA CAO</u>	<u>Public Works Roads</u>
Revenues:				
Taxes	\$ 353	\$ 4,031	\$ -	\$ -
Licenses & Permits	-	-	-	133
Fines, Forfeitures & Penalties	-	-	-	-
Use of Money & Property	(1)	-	9	23
Intergovernmental	31	71	-	8,801
Federal Aid	-	-	-	-
Charges for Services	22	3,542	583	1,091
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	<u>405</u>	<u>7,644</u>	<u>592</u>	<u>10,048</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Protection	-	7,999	-	-
Health & Sanitation	-	-	-	-
Public Assistance	563	-	-	-
Public Ways & Facilities	-	-	480	13,518
Total expenditures	<u>563</u>	<u>7,999</u>	<u>480</u>	<u>13,518</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	72
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>72</u>
Net change in fund balances	(158)	(355)	112	(3,398)
Fund balances - beginning	<u>(82)</u>	<u>(596)</u>	<u>1,274</u>	<u>5,273</u>
Fund balances - ending	<u>\$ (240)</u>	<u>\$ (951)</u>	<u>\$ 1,386</u>	<u>\$ 1,875</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	State/ Federal Jail Improvements	Criminal Justice Facilities	Geothermal Admin.	Serv. Authority Freeway Emerg.
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	658	-	-
Use of Money & Property	1	35	1	8
Intergovernmental	-	-	8	176
Federal Aid	-	-	12	-
Charges for Services	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	<u>1</u>	<u>693</u>	<u>21</u>	<u>184</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Protection	59	-	-	-
Health & Sanitation	-	-	-	-
Public Assistance	-	-	64	-
Public Ways & Facilities	-	-	-	107
Total expenditures	<u>59</u>	<u>-</u>	<u>64</u>	<u>107</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(58)	693	(43)	77
Fund balances - beginning	<u>154</u>	<u>4,941</u>	<u>116</u>	<u>1,135</u>
Fund balances - ending	<u><u>\$ 96</u></u>	<u><u>\$ 5,634</u></u>	<u><u>\$ 73</u></u>	<u><u>\$ 1,212</u></u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Air Pollution Control Special	Medi-Cal CMSP Fund	IHSS Public Authority	Public Works Impact Fees
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	1,412	-	-	-
Fines, Forfeitures & Penalties	47	-	-	-
Use of Money & Property	13	-	-	6
Intergovernmental	212	9,127	10,778	-
Federal Aid	307	-	-	-
Charges for Services	145	-	136	38
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	<u>2,136</u>	<u>9,127</u>	<u>10,914</u>	<u>44</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Protection	-	-	-	-
Health & Sanitation	1,755	-	-	-
Public Assistance	-	8,359	10,633	-
Public Ways & Facilities	-	-	-	-
Total expenditures	<u>1,755</u>	<u>8,359</u>	<u>10,633</u>	<u>-</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	381	768	281	44
Fund balances - beginning	<u>1,842</u>	<u>2,204</u>	<u>1,082</u>	<u>812</u>
Fund balances - ending	<u>\$ 2,223</u>	<u>\$ 2,972</u>	<u>\$ 1,363</u>	<u>\$ 856</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Cal-Met Grant	APCD Ozone Operational Develop	Sheriff's Dev Fees Unic	Court Security
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	-	-	-
Use of Money & Property	-	5	6	4
Intergovernmental	544	-	-	16
Federal Aid	-	-	-	-
Charges for Services	-	232	7	1,387
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	<u>544</u>	<u>237</u>	<u>13</u>	<u>1,407</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Protection	-	-	-	1,466
Health & Sanitation	-	-	-	-
Public Assistance	576	-	16	-
Public Ways & Facilities	-	-	-	-
Total expenditures	<u>576</u>	<u>-</u>	<u>16</u>	<u>1,466</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(32)	237	(3)	(59)
Fund balances - beginning	<u>856</u>	<u>617</u>	<u>863</u>	<u>779</u>
Fund balances - ending	<u>\$ 824</u>	<u>\$ 854</u>	<u>\$ 860</u>	<u>\$ 720</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Measure D LTD Road Funds	09-CalHome 6,543	Sunbeam Lake RV Park	CCPIF Com Cor Perform Incent
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	-	-	-
Use of Money & Property	1	-	816	4
Intergovernmental	2,227	-	-	200
Federal Aid	-	-	-	-
Charges for Services	12,034	-	-	-
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	155	-
Total Revenues	<u>14,262</u>	<u>-</u>	<u>971</u>	<u>204</u>
Expenditures:				
Current:				
General Government	7,901	-	-	-
Public Protection	-	-	-	27
Health & Sanitation	-	-	-	-
Public Assistance	-	39	-	-
Public Ways & Facilities	-	-	989	-
Total expenditures	<u>7,901</u>	<u>39</u>	<u>989</u>	<u>27</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	119	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>119</u>	<u>-</u>	<u>-</u>
Net change in fund balances	6,361	80	(18)	177
Fund balances - beginning	<u>(3,083)</u>	<u>1,201</u>	<u>792</u>	<u>568</u>
Fund balances - ending	<u>\$ 3,278</u>	<u>\$ 1,281</u>	<u>\$ 774</u>	<u>\$ 745</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Host Public Benefit Fees	Valley Games & Golf 450 Aten	Igt Intra Govern Transfer	ICCED Funds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	-	-	-
Use of Money & Property	85	25	-	2
Intergovernmental	-	-	846	2,215
Federal Aid	-	-	-	45
Charges for Services	6	-	-	86
Sale of Fixed Assets	-	-	-	-
Other Revenues	2,098	1	-	93
Total Revenues	<u>2,188</u>	<u>26</u>	<u>846</u>	<u>2,441</u>
Expenditures:				
Current:				
General Government	3,740	-	-	-
Public Protection	-	-	-	-
Health & Sanitation	-	-	-	-
Public Assistance	-	-	-	3,338
Public Ways & Facilities	-	-	-	-
Total expenditures	<u>3,740</u>	<u>-</u>	<u>-</u>	<u>3,338</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	130
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>130</u>
Net change in fund balances	(1,551)	26	846	(766)
Fund balances - beginning	<u>11,442</u>	<u>1,074</u>	<u>-</u>	<u>15,808</u>
Fund balances - ending	<u>\$ 9,891</u>	<u>\$ 1,100</u>	<u>\$ 846</u>	<u>\$ 15,041</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Other Special Revenue Funds	Total
Revenues:		
Taxes	\$ -	\$ 4,383
Licenses & Permits	1,193	2,738
Fines, Forfeitures & Penalties	146	852
Use of Money & Property	317	1,358
Intergovernmental	20,308	55,561
Federal Aid	13,909	14,274
Charges for Services	7,871	27,180
Sale of Fixed Assets	-	-
Other Revenues	(77)	2,270
Total Revenues	<u>43,667</u>	<u>108,616</u>
Expenditures:		
Current:		
General Government	(394)	11,247
Public Protection	13,546	23,097
Health & Sanitation	10,689	12,445
Public Assistance	21,812	45,398
Public Ways & Facilities	51	15,145
Total expenditures	<u>45,704</u>	<u>107,332</u>
Other Financing Sources (Uses):		
Changes in Reserves	62	384
Transfers In (Out)	80	80
Total Other Financing Sources (Uses)	<u>142</u>	<u>464</u>
Net change in fund balances	(1,895)	1,748
Fund balances - beginning	<u>(12,713)</u>	<u>36,359</u>
Fund balances - ending	<u><u>\$ (14,608)</u></u>	<u><u>\$ 38,107</u></u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Library
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 284	\$ 284	\$ 353	\$ (69)
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	(1)	(1)
Intergovernmental Revenue	15	33	31	(2)
Charges for Services	7	7	22	15
Other Revenues	-	-	-	-
Total revenues	306	324	405	(57)
Expenditures:				
Education:				
Salaries and Benefits	388	400	409	(8)
Services and Supplies	128	187	154	33
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	516	587	563	25
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(210)	(263)	(158)	(82)
Fund balances - beginning	(82)	(82)	(82)	-
Fund balances - ending	<u>\$ (292)</u>	<u>\$ (345)</u>	<u>\$ (240)</u>	<u>\$ (82)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Fire Protection
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 3,772	\$ 3,798	\$ 4,031	\$ (233)
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenue	58	58	71	12
Charges for Services	3,329	3,737	3,542	(195)
Other Revenues	-	-	-	-
Total revenues	7,159	7,593	7,644	(416)
Expenditures:				
Education:				
Salaries and Benefits	5,859	6,137	5,864	273
Services and Supplies	1,579	1,775	1,644	131
Other Charges	40	49	51	(2)
Capital Outlay	4	797	564	233
Other Financing	(431)	(431)	(154)	(277)
Intra Fund Transfers	-	(163)	30	(193)
Contribution Non-County	-	-	-	-
Total expenditures	7,051	8,164	7,999	165
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	108	(571)	(355)	(581)
Fund balances - beginning	(596)	(596)	(596)	-
Fund balances - ending	<u>\$ (488)</u>	<u>\$ (1,167)</u>	<u>\$ (951)</u>	<u>\$ (581)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Gateway CSA Admin. Water & Sewer
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	7	7	9	2
Intergovernmental Revenue	-	-	-	-
Charges for Services	297	297	583	286
Other Revenues	-	-	-	-
Total revenues	<u>304</u>	<u>304</u>	<u>592</u>	<u>288</u>
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	380	469	477	(7)
Other Charges	-	-	-	-
Capital Outlay	-	60	-	60
Other Financing	-	-	-	-
Intra Fund Transfers	-	(147)	3	(150)
Contribution Non-County	-	-	-	-
Total expenditures	<u>380</u>	<u>382</u>	<u>480</u>	<u>(97)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(76)</u>	<u>(78)</u>	<u>112</u>	<u>385</u>
Fund balances - beginning	<u>1,274</u>	<u>1,274</u>	<u>1,274</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,198</u>	<u>\$ 1,196</u>	<u>\$ 1,386</u>	<u>\$ 385</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Public Works Roads
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	12	12	23	11
Intergovernmental Revenue	8,604	10,757	8,801	(1,957)
Charges for Services	1,424	1,424	1,091	(334)
Other Revenues	90	90	133	43
Total revenues	10,130	12,283	10,048	(2,237)
Expenditures:				
Education:				
Salaries and Benefits	6,601	6,611	6,385	226
Services and Supplies	10,212	15,064	7,410	7,654
Other Charges	-	-	-	-
Capital Outlay	-	1,124	615	508
Other Financing	-	-	-	-
Intra Fund Transfers	(291)	(2,510)	(892)	(1,618)
Contribution Non-County	-	-	-	-
Total expenditures	16,522	20,289	13,518	6,770
Other Financing Sources:				
Changes in Reserves	-	-	72	(72)
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	72	(72)
Excess of revenues over expenditures	(6,392)	(8,006)	(3,398)	(9,079)
Fund balances - beginning	5,273	5,273	5,273	-
Fund balances - ending	<u>\$ (1,119)</u>	<u>\$ (2,733)</u>	<u>\$ 1,875</u>	<u>\$ (9,079)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
State/Federal Jail Improvements
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	1	1	1	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	85	126	41	85
Other Charges	-	-	-	-
Capital Outlay	-	35	18	18
Other Financing	-	-	-	-
Intra Fund Transfers	-	(51)	-	(51)
Contribution Non-County	-	-	-	-
Total expenditures	<u>85</u>	<u>110</u>	<u>59</u>	<u>52</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(84)</u>	<u>(109)</u>	<u>(58)</u>	<u>(52)</u>
Fund balances - beginning	<u>154</u>	<u>154</u>	<u>154</u>	<u>-</u>
Fund balances - ending	<u>\$ 70</u>	<u>\$ 45</u>	<u>\$ 96</u>	<u>\$ (52)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Criminal Justice Facilities
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	700	700	658	(42)
Use of Money & Property	18	18	35	17
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	<u>718</u>	<u>718</u>	<u>693</u>	<u>(25)</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>718</u>	<u>718</u>	<u>693</u>	<u>(25)</u>
Fund balances - beginning	<u>4,941</u>	<u>4,941</u>	<u>4,941</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 5,659</u></u>	<u><u>\$ 5,659</u></u>	<u><u>\$ 5,634</u></u>	<u><u>\$ (25)</u></u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Geothermal Administration
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	1	1	1	
Intergovernmental Revenue	30	30	8	(22)
Charges for Services	-	-	-	-
Other Revenues	30	30	12	(18)
Total revenues	<u>61</u>	<u>61</u>	<u>21</u>	<u>(40)</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	81	81	64	17
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	<u>81</u>	<u>81</u>	<u>64</u>	<u>17</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(20)</u>	<u>(20)</u>	<u>(43)</u>	<u>(57)</u>
Fund balances - beginning	<u>116</u>	<u>116</u>	<u>116</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 96</u></u>	<u><u>\$ 96</u></u>	<u><u>\$ 73</u></u>	<u><u>\$ (57)</u></u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Service Authority Freeway Emergency
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	6	6	8	2
Intergovernmental Revenue	170	170	176	6
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	<u>176</u>	<u>176</u>	<u>184</u>	<u>8</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	104	104	98	6
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	14	14	9	5
Contribution Non-County	-	-	-	-
Total expenditures	<u>118</u>	<u>118</u>	<u>107</u>	<u>11</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>58</u>	<u>58</u>	<u>77</u>	<u>(3)</u>
Fund balances - beginning	<u>1,135</u>	<u>1,135</u>	<u>1,135</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,193</u>	<u>\$ 1,193</u>	<u>\$ 1,212</u>	<u>\$ (3)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Air Pollution Control
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	40	40	47	7
Use of Money & Property	10	10	13	3
Intergovernmental Revenue	122	122	212	90
Charges for Services	111	111	145	34
Other Revenues	1,436	1,461	1,719	258
Total revenues	<u>1,719</u>	<u>1,744</u>	<u>2,136</u>	<u>392</u>
Expenditures:				
Education:				
Salaries and Benefits	2,121	2,121	2,047	74
Services and Supplies	899	925	577	348
Other Charges	-	-	-	-
Capital Outlay	20	20	1	19
Other Financing	(650)	(650)	(849)	199
Intra Fund Transfers	(295)	(295)	(21)	(274)
Contribution Non-County	-	-	-	-
Total expenditures	<u>2,095</u>	<u>2,121</u>	<u>1,755</u>	<u>366</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(376)</u>	<u>(377)</u>	<u>381</u>	<u>26</u>
Fund balances - beginning	<u>1,842</u>	<u>1,842</u>	<u>1,842</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,466</u>	<u>\$ 1,465</u>	<u>\$ 2,223</u>	<u>\$ 26</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Medi-Cal CMSP Fund
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenue	8,493	8,625	9,127	502
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	<u>8,493</u>	<u>8,625</u>	<u>9,127</u>	<u>502</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	8,493	8,625	8,359	266
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	<u>8,493</u>	<u>8,625</u>	<u>8,359</u>	<u>266</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>768</u>	<u>236</u>
Fund balances - beginning	<u>2,204</u>	<u>2,204</u>	<u>2,204</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,204</u>	<u>\$ 2,204</u>	<u>\$ 2,972</u>	<u>\$ 236</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
IHSS Public Authority
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenue	10,286	10,286	10,778	492
Charges for Services	108	108	136	28
Other Revenues	-	-	-	-
Total revenues	<u>10,394</u>	<u>10,394</u>	<u>10,914</u>	<u>520</u>
Expenditures:				
Education:				
Salaries and Benefits	220	220	221	-
Services and Supplies	90	90	49	41
Other Charges	10,084	10,084	10,363	(278)
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	<u>10,394</u>	<u>10,394</u>	<u>10,633</u>	<u>(237)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>281</u>	<u>758</u>
Fund balances - beginning	<u>1,082</u>	<u>1,082</u>	<u>1,082</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,082</u>	<u>\$ 1,082</u>	<u>\$ 1,363</u>	<u>\$ 758</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Public Works Impact Fees
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	5	5	6	1
Intergovernmental Revenue	-	-	-	-
Charges for Services	30	30	38	8
Other Revenues	-	-	-	-
Total revenues	<u>35</u>	<u>35</u>	<u>44</u>	<u>9</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>35</u>	<u>35</u>	<u>44</u>	<u>9</u>
Fund balances - beginning	<u>812</u>	<u>812</u>	<u>812</u>	<u>-</u>
Fund balances - ending	<u>\$ 847</u>	<u>\$ 847</u>	<u>\$ 856</u>	<u>\$ 9</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Cal-MMet Grant
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenue	420	420	544	124
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	<u>420</u>	<u>420</u>	<u>544</u>	<u>124</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	379	586	499	87
Other Charges	-	-	-	-
Capital Outlay	-	160	-	160
Other Financing	-	-	-	-
Intra Fund Transfers	41	(326)	77	(403)
Contribution Non-County	-	-	-	-
Total expenditures	<u>420</u>	<u>420</u>	<u>576</u>	<u>(156)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(32)</u>	<u>280</u>
Fund balances - beginning	<u>856</u>	<u>856</u>	<u>856</u>	<u>-</u>
Fund balances - ending	<u>\$ 856</u>	<u>\$ 856</u>	<u>\$ 824</u>	<u>\$ 280</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
APCD Ozone Operational Develop
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	2	2	5	3
Intergovernmental Revenue	-	-	-	-
Charges for Services	50	50	232	182
Other Revenues	-	-	-	-
Total revenues	<u>52</u>	<u>52</u>	<u>237</u>	<u>185</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	514	514	-	514
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	<u>514</u>	<u>514</u>	<u>-</u>	<u>514</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(462)</u>	<u>(462)</u>	<u>237</u>	<u>(329)</u>
Fund balances - beginning	<u>617</u>	<u>617</u>	<u>617</u>	<u>-</u>
Fund balances - ending	<u>\$ 155</u>	<u>\$ 155</u>	<u>\$ 854</u>	<u>\$ (329)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Sheriff's Dev. Fees
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	4	4	6	2
Intergovernmental Revenue	-	-	-	-
Charges for Services	8	8	7	(1)
Other Revenues	-	-	-	-
Total revenues	<u>12</u>	<u>12</u>	<u>13</u>	<u>1</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	6	6	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	10	10	10	-
Intra Fund Transfers	(10)	(10)	-	(10)
Contribution Non-County	-	-	-	-
Total expenditures	<u>-</u>	<u>6</u>	<u>16</u>	<u>(10)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>12</u>	<u>6</u>	<u>(3)</u>	<u>11</u>
Fund balances - beginning	<u>863</u>	<u>863</u>	<u>863</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 875</u></u>	<u><u>\$ 869</u></u>	<u><u>\$ 860</u></u>	<u><u>\$ 11</u></u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Court Security
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	3	3	4	1
Intergovernmental Revenue	22	22	16	(6)
Charges for Services	1,422	1,422	1,387	(35)
Other Revenues	-	-	-	-
Total revenues	<u>1,447</u>	<u>1,447</u>	<u>1,407</u>	<u>(40)</u>
Expenditures:				
Education:				
Salaries and Benefits	1,900	1,900	1,344	557
Services and Supplies	190	190	168	22
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	(46)	46
Contribution Non-County	-	-	-	-
Total expenditures	<u>2,090</u>	<u>2,090</u>	<u>1,466</u>	<u>625</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(643)</u>	<u>(643)</u>	<u>(59)</u>	<u>(664)</u>
Fund balances - beginning	<u>779</u>	<u>779</u>	<u>779</u>	<u>-</u>
Fund balances - ending	<u>\$ 136</u>	<u>\$ 136</u>	<u>\$ 720</u>	<u>\$ (664)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Measure D LTA Road Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	15	15	1	(14)
Intergovernmental Revenue	3,000	3,000	2,227	(773)
Charges for Services	6,927	10,570	12,034	1,464
Other Revenues	-	-	-	-
Total revenues	<u>9,942</u>	<u>13,585</u>	<u>14,262</u>	<u>677</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	13,226	19,521	7,605	11,916
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	300	(796)	296	(1,093)
Contribution Non-County	-	-	-	-
Total expenditures	<u>13,526</u>	<u>18,725</u>	<u>7,901</u>	<u>10,823</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>(3,584)</u>	<u>(5,140)</u>	<u>6,361</u>	<u>(10,146)</u>
Fund balances - beginning	<u>(3,083)</u>	<u>(3,083)</u>	<u>(3,083)</u>	<u>-</u>
Fund balances - ending	<u><u>\$ (6,667)</u></u>	<u><u>\$ (8,223)</u></u>	<u><u>\$ 3,278</u></u>	<u><u>\$ (10,146)</u></u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
09-CalHome 6543
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	245	39	206
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	-	245	39	206
Other Financing Sources:				
Changes in Reserves	-	-	119	(119)
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	119	(119)
Excess of revenues over expenditures	-	(245)	80	(325)
Fund balances - beginning	1,201	1,201	1,201	-
Fund balances - ending	\$ 1,201	\$ 956	\$ 1,281	\$ (325)

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Sunbeam Lake RV Park
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	915	915	816	(99)
Intergovernmental Revenue	-	-	-	-
Charges for Services	1	1	-	(1)
Other Revenues	138	138	155	17
Total revenues	<u>1,054</u>	<u>1,054</u>	<u>971</u>	<u>(83)</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	885	885	870	15
Other Charges	-	-	-	-
Capital Outlay	5	172	119	53
Other Financing	-	-	-	-
Intra Fund Transfers	-	(150)	-	(150)
Contribution Non-County	-	-	-	-
Total expenditures	<u>890</u>	<u>907</u>	<u>989</u>	<u>(82)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>164</u>	<u>147</u>	<u>(18)</u>	<u>(1)</u>
Fund balances - beginning	<u>792</u>	<u>792</u>	<u>792</u>	<u>-</u>
Fund balances - ending	<u>\$ 956</u>	<u>\$ 939</u>	<u>\$ 774</u>	<u>\$ (1)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
CCPIF Com Cor Perform Incentive
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	3	3	4	1
Intergovernmental Revenue	200	200	200	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	<u>203</u>	<u>203</u>	<u>204</u>	<u>1</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	7	6	1
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	193	21	172
Intra Fund Transfers	-	(200)	-	(200)
Contribution Non-County	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>27</u>	<u>(27)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>203</u>	<u>203</u>	<u>177</u>	<u>28</u>
Fund balances - beginning	<u>568</u>	<u>568</u>	<u>568</u>	<u>-</u>
Fund balances - ending	<u>\$ 771</u>	<u>\$ 771</u>	<u>\$ 745</u>	<u>\$ 28</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Host Public Benefit Fees
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	45	45	85	40
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	6	6
Other Revenues	1,859	1,859	2,098	239
Total revenues	<u>1,904</u>	<u>1,904</u>	<u>2,189</u>	<u>285</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	45	4,949	3,240	1,710
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	500	500	-
Intra Fund Transfers	(45)	(5,449)	-	(5,449)
Contribution Non-County	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>3,740</u>	<u>(3,739)</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>1,904</u>	<u>1,904</u>	<u>(1,551)</u>	<u>4,024</u>
Fund balances - beginning	<u>11,442</u>	<u>11,442</u>	<u>11,442</u>	<u>-</u>
Fund balances - ending	<u>\$ 13,346</u>	<u>\$ 13,346</u>	<u>\$ 9,891</u>	<u>\$ 4,024</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Valley Games & Golf 450 Aten
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	221	221	25	(196)
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	1	1
Total revenues	<u>221</u>	<u>221</u>	<u>26</u>	<u>(195)</u>
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	2	2	-	2
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	78	78	-	78
Contribution Non-County	-	-	-	-
Total expenditures	<u>80</u>	<u>80</u>	<u>-</u>	<u>80</u>
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>141</u>	<u>141</u>	<u>26</u>	<u>(275)</u>
Fund balances - beginning	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 1,215</u></u>	<u><u>\$ 1,215</u></u>	<u><u>\$ 1,100</u></u>	<u><u>\$ (275)</u></u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Igt Intra Govern Transfer
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenue	-	-	846	846
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	-	-	846	846
Expenditures:				
Education:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	-	-	-	-
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	-	-	846	846
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 846	\$ 846

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
ICCED Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Use of Money & Property	3	3	2	(1)
Intergovernmental Revenue	3,969	3,969	2,215	(1,754)
Federal aid	70	89	45	(44)
Charges for Services	81	81	86	5
Other Revenue	300	300	93	(207)
Total revenues	4,423	4,442	2,441	(2,001)
Expenditures:				
Public Assistance:				
Salaries and Benefits	-	-	-	-
Services and Supplies	5,603	5,699	3,338	2,361
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	5,603	5,699	3,338	2,361
Excess of revenues over expenditures	(1,180)	(1,257)	(897)	360
Other financing sources (uses):				
Changes in Reserves	-	-	130	(130)
Transfers In (Out)	-	-	-	-
Net change in fund balances	(1,180)	(1,257)	(767)	230
Fund balances - beginning	15,808	15,808	15,808	-
Fund balances - ending	\$ 14,628	\$ 14,551	\$ 15,041	\$ 230

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	1,274	1,274	1,193	81
Fines, Forfeitures & Penalties	228	228	146	82
Use of Money & Property	351	351	317	34
Intergovernmental Revenue	22,322	27,802	20,308	7,494
Federal aid	9,263	9,374	13,909	(4,535)
Charges for Services	9,473	9,480	7,871	1,609
Sale of Fixed Assets	-	-	-	-
Other Revenues	1	1	(77)	78
Total revenues	<u>42,912</u>	<u>48,510</u>	<u>43,667</u>	<u>4,843</u>
Expenditures:				
Current:				
General Government	-	-	(394)	394
Public Protection	10,486	16,494	13,546	2,948
Health & Sanitation	10,373	10,537	10,689	(152)
Public Assistance	20,650	20,923	21,812	(888)
Public Ways & Facilities	710	710	51	659
Total expenditures	<u>42,219</u>	<u>48,664</u>	<u>45,704</u>	<u>2,961</u>
Excess of revenues over expenditures	<u>693</u>	<u>(154)</u>	<u>(2,037)</u>	<u>1,882</u>
Other financing sources (uses):				
Changes in Reserves	-	-	62	(62)
Transfers In (Out)	-	-	80	(80)
Net change in fund balances	<u>693</u>	<u>(154)</u>	<u>(1,895)</u>	<u>1,740</u>
Fund balances - beginning	<u>(12,713)</u>	<u>(12,713)</u>	<u>(12,713)</u>	<u>-</u>
Fund balances - ending	<u><u>\$ (12,020)</u></u>	<u><u>\$ (12,867)</u></u>	<u><u>\$ (14,608)</u></u>	<u><u>\$ 1,740</u></u>

Internal Service Funds

Internal Service Funds are established to account for services that are performed by one department of a governmental unit for the benefit of several other departments of the same governmental unit.

Garage Operating – The County Garage is under the direction of the Public Works director and is responsible for the administration and management of the County's fleet of light vehicles. The authority of the County Board of Supervisors leases these vehicles to various County departments to meet their transportation needs. The cost to maintain the garage operation is totally offset by a mileage rate charge to these departments. This budget unit is also used to replace Motor Pool vehicles, which are considered obsolete when they reach mileage or age, which would cause them to become inefficient for continued service.

Central Duplicating – This budget unit was established as an internal service fund to provide printing and duplicating services, with the exception of the Sheriff's Department. Central Duplicating also provides other services such as binding, collating, drilling, folding, laminating, numbering, perforating, padding, cutting, trimming, and designing of printed forms.

Centralized Mail System – This budget unit was created during 1983-84 to identify costs associated with the County's centralized mail system. This system provides for one mail clerk position, as well as the utilization of a digital postage machine. Costs are recovered from departments resulting in a net cost of zero to the general fund. This budget is under the direction of the Purchasing Agent.

Flood Control – This budget unit is created to reflect flood control projects undertaken by the County. The Board of Supervisors approves specific projects.

Communication Services – The Communications Services Office, under the supervision of the County Executive Officer, is responsible for coordinating the delivery of telecommunications products and services for all County departments, and for ensuring that departments receive the mix of products and services that provides the greatest benefit at the most advantageous cost.

Liability Insurance – This fund was established for the processing of claims for the County's liability and property losses. The County is a member of the County Supervisors Association of California – Excess Insurance Authority (CSAC-EIA) which provides for coverage of liability claims in excess of the County's \$200,000 self-insured retention (S-I-R).

Workers' Compensation – This fund was established for the accumulation of reserves to pay for self-funded workers' compensation losses. The level of self-insurance, adopted in 1985-86, is \$300,000 per occurrence. Any losses under this amount are paid from this fund and losses above the amount are covered by excess insurance.

Unemployment Compensation Insurance – This fund was established to pay for required claims as a result of a State mandate effective January 1, 1978, which required all local governments to provide for unemployment compensation. Claims management is provided by Gibbens Company.

Health Plan – The Imperial County Health Plan became operational January 1, 1980. It is a self-funded, self-sustaining program of employee medical benefits, funded by the County and employee contributions, which are determined by negotiations and based on expenditure history. Retirees of Imperial County also qualify for coverage and are provided protection by contract with the Retirement Board.

Dental/Vision Plan – This fund was established in 1985-86 for the accumulation of reserves to pay for self-funded Dental/Vision claims.

Internal Service Funds

Medical Malpractice – This fund was established in 1992-93 to provide for the accumulation of reserves for the County self-insured Medical Malpractice Program. Stop loss insurance provides protection for excessive claims expense.

Auto Plan – This fund was established in 1992-93 for the accumulation of reserves to pay for self-funded auto claims.

Information Systems – This fund provides computer hardware and software related expertise including operational planning and support to all County departments. One of the department's objectives is to ensure that state-of-the-art technology will guide the County into the future. The budget unit was established to account for the development of new systems, the maintenance of existing systems and operation of the computer center as an Internal Service Fund. This budget includes a \$50,000 contingency reserve for equipment replacement reserve.

Workers Comp Court Tail Claims – This fund was established to track workers compensation claims for court employees prior to the Courts separation from the County.

COUNTY OF IMPERIAL
Combining Statement of Net Position
Internal Service Funds

June 30, 2016

(amounts expressed in thousands)

	Garage Operating	Central Dupl.	Central. Mail System	Flood Control	Comm. Services
ASSETS:					
Current Assets:					
Cash and investments	\$ 2,738	\$ -	\$ (191)	\$ 25	\$ (213)
Receivables (net):					
Accounts	-	-	-	-	-
Interest	5	-	-	-	-
Due from Other Funds	176	-	31	-	-
Inventories and Prepaid Expenses	32	-	9	-	-
Total Current Assets	<u>2,951</u>	<u>-</u>	<u>(151)</u>	<u>25</u>	<u>(213)</u>
Noncurrent Assets:					
Capital Leases	-	-	22	-	-
Land	23	-	-	-	-
Construction in progress	-	-	-	-	-
Structures & Improvements	160	-	-	-	-
Vehicles	9,842	-	-	-	-
Equipment	101	-	4	-	2,430
Accumulated Depreciation	(6,481)	-	(19)	-	(1,096)
Total Noncurrent Assets	<u>3,645</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>1,334</u>
Total Assets	<u>6,596</u>	<u>-</u>	<u>(144)</u>	<u>25</u>	<u>1,121</u>
Deferred outflows of resources					
Deferred pensions	140	-	-	-	-
Total Deferred outflows of resources	<u>140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	-	-	-	-	-
Accounts Payable	193	-	-	-	-
Interest Payable	-	-	-	-	-
Accrued Payroll	34	-	-	-	-
Due to Other Funds	1	-	13	-	17
Current portion of compensated absences	2	-	-	-	-
Capital Lease Obligations-					
Current Portion	-	-	-	-	-
Total Current Liabilities	<u>230</u>	<u>-</u>	<u>13</u>	<u>-</u>	<u>17</u>
Long Term Liabilities:					
Compensated Absences	28	-	-	-	-
Net pension liability	271	-	-	-	-
Capital Lease Obligations-					
Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>299</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>529</u>	<u>-</u>	<u>13</u>	<u>-</u>	<u>17</u>
Deferred inflows of resources					
Deferred pensions	120	-	-	-	-
Total deferred inflows of resources	<u>120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION:					
Invested in Capital Assets, net of related debt	3,645	-	7	-	1,890
Restricted	(268)	-	-	-	47
Unrestricted	2,710	-	(164)	25	(833)
Total Net Position	<u>\$ 6,087</u>	<u>\$ -</u>	<u>\$ (157)</u>	<u>\$ 25</u>	<u>\$ 1,104</u>

COUNTY OF IMPERIAL
Combining Statement of Net Position
Internal Service Funds

June 30, 2016

(amounts expressed in thousands)

	Liability Insurance	Workers' Comp. Benefits	Unemp. Insurance	Medical Plan	Dental/ Vision Plan
ASSETS:					
Current Assets:					
Cash and investments	\$ 2,911	\$ 34,507	\$ 2,138	\$ 10,211	\$ 972
Receivables (net):					
Accounts	15	-	-	-	-
Interest	5	59	4	20	2
Due from Other Funds	42	463	-	-	-
Inventories and Prepaid Expenses	-	-	-	-	-
Total Current Assets	<u>2,973</u>	<u>35,029</u>	<u>2,142</u>	<u>10,231</u>	<u>974</u>
Noncurrent Assets:					
Capital Leases	-	-	-	-	-
Land	-	-	-	-	-
Construction in progress	-	-	-	-	-
Structures & Improvements	-	-	-	-	-
Vehicles	-	-	-	-	-
Equipment	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>2,973</u>	<u>35,029</u>	<u>2,142</u>	<u>10,231</u>	<u>974</u>
Deferred outflows of resources					
Deferred pensions	-	-	-	-	-
Total Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	1,532	17,871	-	4,135	169
Accounts Payable	2	-	-	22	-
Interest Payable	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Due to Other Funds	53	80	24	106	29
Current portion of compensated absences					
Capital Lease Obligations-					
Current Portion	-	-	-	-	-
Total Current Liabilities	<u>1,587</u>	<u>17,951</u>	<u>24</u>	<u>4,263</u>	<u>198</u>
Long Term Liabilities:					
Compensated Absences	-	-	-	-	-
Net pension liability	-	-	-	-	-
Capital Lease Obligations-					
Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,587</u>	<u>17,951</u>	<u>24</u>	<u>4,263</u>	<u>198</u>
Deferred inflows of resources					
Deferred pensions	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION:					
Invested in Capital Assets, net of related debt	-	-	-	-	-
Restricted	(1,532)	(17,872)	-	(4,134)	(169)
Unrestricted	2,918	34,950	2,118	10,102	945
Total Net Position	<u>\$ 1,386</u>	<u>\$ 17,078</u>	<u>\$ 2,118</u>	<u>\$ 5,968</u>	<u>\$ 776</u>

COUNTY OF IMPERIAL
Combining Statement of Net Position
Internal Service Funds

June 30, 2016

(amounts expressed in thousands)

	Medical Malpractice	Auto	Information Systems	Workers Comp Court Tail Claims	Workers' Comp AIG Claims	Total
ASSETS:						
Current Assets:						
Cash and investments	\$ 1,144	\$ 556	\$ 908	\$ 154	\$ 4,887	\$ 60,748
Receivables (net):						
Accounts	-	-	-	-	-	15
Interest	2	1	1		8	107
Due from Other Funds	-	-	236	-	-	949
Inventories and Prepaid Expenses	-	-	-	-	-	40
Total Current Assets	<u>1,146</u>	<u>557</u>	<u>1,145</u>	<u>154</u>	<u>4,895</u>	<u>61,859</u>
Noncurrent Assets:						
Capital Leases	-	-	-	-	-	22
Land	-	-	-	-	-	23
Construction in progress	-	-	-	-	-	-
Structures & Improvements	-	-	-	-	-	160
Vehicles	-	-	-	-	-	9,842
Equipment	-	-	612	-	-	3,147
Accumulated Depreciation	-	-	(607)	-	-	(8,203)
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>4,991</u>
Total Assets	<u>1,146</u>	<u>557</u>	<u>1,150</u>	<u>154</u>	<u>4,895</u>	<u>66,850</u>
Deferred outflows of resources						
Deferred pensions	-	-	495	-	-	635
Total Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>495</u>	<u>-</u>	<u>-</u>	<u>635</u>
LIABILITIES:						
Current Liabilities:						
Claims Payable	-	-	-	-	-	23,707
Accounts Payable	-	-	1	-	-	217
Interest Payable	-	-	-	-	-	
Accrued Payroll	-	-	127	-	-	161
Due to Other Funds	10	19	2	50	413	818
Current portion of compensated absences			5		-	7
Capital Lease Obligations-						
Current Portion	-	-	-	-	-	-
Total Current Liabilities	<u>10</u>	<u>19</u>	<u>135</u>	<u>50</u>	<u>413</u>	<u>24,910</u>
Long Term Liabilities:						
Compensated Absences	-	-	130	-	-	158
Net pension liability	-	-	956	-	-	1,228
Capital Lease Obligations-						
Net of Current Portion	-	-	-	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>1,086</u>	<u>-</u>	<u>-</u>	<u>1,386</u>
Total Liabilities	<u>10</u>	<u>19</u>	<u>1,221</u>	<u>50</u>	<u>413</u>	<u>26,296</u>
Deferred inflows of resources						
Deferred pensions	-	-	422	-	-	541
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>422</u>	<u>-</u>	<u>-</u>	<u>541</u>
NET POSITION:						
Invested in Capital Assets, net of related debt	-	-	4	-	-	5,547
Restricted	-	-	209	-	-	(23,719)
Unrestricted	1,136	538	(211)	104	4,482	58,820
Total Net Position	<u>\$ 1,136</u>	<u>\$ 538</u>	<u>\$ 2</u>	<u>\$ 104</u>	<u>\$ 4,482</u>	<u>\$ 40,648</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds

For the Fiscal Year Ended June 30, 2016

(amounts expressed in thousands)

	<u>Garage Operating</u>	<u>Central Duplicating</u>	<u>Centralized Mail System</u>	<u>Flood Control</u>	<u>Comm. Services</u>
Operating Revenues:					
Charges for Services	\$ 4,015	\$ -	\$ 370	\$ -	\$ 241
Other Revenues	42	-	-	-	2
Total Operating Revenues	<u>4,057</u>	<u>-</u>	<u>370</u>	<u>-</u>	<u>243</u>
Operating Expenses:					
Salaries and Benefits	483	-	-	-	-
Services and Supplies	1,452	-	364	-	169
Depreciation	1,360	-	-	-	324
Total Operating Expenses	<u>3,295</u>	<u>-</u>	<u>364</u>	<u>-</u>	<u>493</u>
Operating Income (Loss)	<u>762</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>(250)</u>
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-
Acquisition of Capital	(2,338)	-	-	-	(203)
Changes in Designated Reserve	-	-	-	-	-
Interest - Income	20	-	-	-	(1)
Other	(3)	-	-	-	-
Total Non-Operating Rev (Exp)	<u>(2,321)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(204)</u>
Net Income (Loss) before Transfers	<u>(1,559)</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>(454)</u>
Transfers in (out):					
Transfers In	2,318	-	-	-	128
Transfers Out	-	-	-	-	-
Total Transfers In (Out)	<u>2,318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128</u>
Change in Net Position	<u>759</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>(326)</u>
Net Position - Beginning	<u>5,329</u>	<u>-</u>	<u>(164)</u>	<u>25</u>	<u>1,432</u>
Net Position - Ending	<u><u>\$ 6,088</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (158)</u></u>	<u><u>\$ 25</u></u>	<u><u>\$ 1,106</u></u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds

For the Fiscal Year Ended June 30, 2016

(amounts expressed in thousands)

	Liability Insurance	Workers' Compensation Benefits	Unemployment Insurance	Medical Plan	Dental/ Vision Plan
Operating Revenues:					
Charges for Services	\$ 2,898	\$ 8,090	\$ 537	\$ 26,145	\$ 1,487
Other Revenues	<u>2</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>-</u>
Total Operating Revenues	<u>2,900</u>	<u>8,090</u>	<u>537</u>	<u>26,164</u>	<u>1,487</u>
Operating Expenses:					
Salaries and Benefits	-	-	-	642	-
Services and Supplies	4,852	4,332	363	30,133	1,508
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>4,852</u>	<u>4,332</u>	<u>363</u>	<u>30,775</u>	<u>1,508</u>
Operating Income (Loss)	<u>(1,952)</u>	<u>3,758</u>	<u>174</u>	<u>(4,611)</u>	<u>(21)</u>
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-
Acquisition of Capital	-	-	-	-	-
Changes in Designated Reserve	-	-	-	-	-
Interest - Income	19	222	14	93	7
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Operating Rev (Exp)	<u>19</u>	<u>222</u>	<u>14</u>	<u>93</u>	<u>7</u>
Net Income (Loss) before Transfers	<u>(1,933)</u>	<u>3,980</u>	<u>188</u>	<u>(4,518)</u>	<u>(14)</u>
Transfers in (out):					
Transfers In	-	-	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(1,933)</u>	<u>3,980</u>	<u>188</u>	<u>(4,518)</u>	<u>(14)</u>
Net Position - Beginning	<u>3,318</u>	<u>13,098</u>	<u>1,931</u>	<u>10,485</u>	<u>790</u>
Net Position - Ending	<u>\$ 1,385</u>	<u>\$ 17,078</u>	<u>\$ 2,119</u>	<u>\$ 5,967</u>	<u>\$ 776</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds

For the Fiscal Year Ended June 30, 2016

(amounts expressed in thousands)

	Medical Malpractice	Auto	Information Systems	Workers Comp Court Tail Claims	Workers' Comp AIG Claims	Total
Operating Revenues:						
Charges for Services	\$ 103	\$ 30	\$ 2,613	\$ -	\$ -	\$ 46,530
Other Revenues	-	-	-	-	4,871	4,935
Total Operating Revenues	<u>103</u>	<u>30</u>	<u>2,613</u>	<u>-</u>	<u>4,871</u>	<u>51,465</u>
Operating Expenses:						
Salaries and Benefits	-	1,822	1,979	-	-	4,926
Services and Supplies	156	75	275	74	413	44,166
Depreciation	-	-	2	-	-	1,686
Total Operating Expenses	<u>156</u>	<u>1,897</u>	<u>2,256</u>	<u>74</u>	<u>413</u>	<u>50,777</u>
Operating Income (Loss)	<u>(53)</u>	<u>(1,867)</u>	<u>357</u>	<u>(74)</u>	<u>4,458</u>	<u>688</u>
Non-operating Revenues (Expenses):						
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-	-
Acquisition of Capital	-	-	-	-	-	(2,541)
Changes in Designated Reserve	-	-	-	-	-	-
Interest - Income	8	10	4	1	24	420
Other	-	-	(12)	-	-	(15)
Total Non-Operating Rev (Exp)	<u>8</u>	<u>10</u>	<u>(8)</u>	<u>1</u>	<u>24</u>	<u>(2,136)</u>
Net Income (Loss) before Transfers	<u>(45)</u>	<u>(1,857)</u>	<u>349</u>	<u>(73)</u>	<u>4,482</u>	<u>(1,448)</u>
Transfers in (out):						
Transfers In	-	-	-	-	-	2,446
Transfers Out	-	-	-	-	-	-
Total Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,446</u>
Change in Net Position	<u>(45)</u>	<u>(1,857)</u>	<u>349</u>	<u>(73)</u>	<u>4,482</u>	<u>998</u>
Net Position - Beginning	<u>1,181</u>	<u>2,395</u>	<u>(346)</u>	<u>176</u>	<u>-</u>	<u>39,650</u>
Net Position - Ending	<u>\$ 1,136</u>	<u>\$ 538</u>	<u>\$ 3</u>	<u>\$ 103</u>	<u>\$ 4,482</u>	<u>\$ 40,648</u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Garage Operating	Centralized Mail System	Flood Control
Cash flows from operating activities:			
Cash received from users	\$ 4,057	\$ 370	\$ -
Cash received from operating activities	(441)	(31)	-
Cash paid to suppliers	(1,452)	(364)	-
Cash paid to employees	(483)	-	-
Cash paid for operating activities	(1,360)	-	-
Net cash provided by (used) operating activities	<u>321</u>	<u>(25)</u>	<u>-</u>
Cash flows from noncapital financing activities:			
Transfers In		-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(2,338)	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>(2,338)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	20	-	
Net increase (decrease) in cash and cash equivalents	(1,997)	(25)	
Cash and cash equivalents - beginning	<u>4,735</u>	<u>(166)</u>	<u>25</u>
Cash and cash equivalents - ending	<u><u>\$ 2,738</u></u>	<u><u>\$ (191)</u></u>	<u><u>\$ 25</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ 762	\$ 6	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities:			
Depreciation expense	1,361	-	-
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	4	-	-
Decrease (Increase) in prepaid expenses	(5)	3	-
Decrease (Increase) in due from other funds	71	(11)	-
Increase (Decrease) in accounts payable	(121)	(35)	-
Increase (Decrease) in interest payable	-	-	-
Increase (Decrease) in accrued liabilities	(1)	-	-
Increase (Decrease) in due to other funds	(1,750)	12	-
Increase (Decrease) in insurance loss expense	-	-	-
Increase (Decrease) in compensated absences	2	-	-
Total adjustments	<u>(441)</u>	<u>(31)</u>	<u>-</u>
Net cash provided by (used) operating activities	<u><u>\$ 321</u></u>	<u><u>\$ (25)</u></u>	<u><u>\$ -</u></u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Comm. Services	Liability Insurance	Workers' Compensation Benefits
Cash flows from operating activities:			
Cash received from users	\$ 243	\$ 2,900	\$ 8,090
Cash received from operating activities	339	971	(1,364)
Cash paid to suppliers	(169)	(4,852)	(4,332)
Cash paid to employees	-	-	-
Cash paid for operating activities	(324)	-	-
Net cash provided by (used) operating activities	89	(981)	2,394
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(203)	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	(203)	-	-
Cash flows from investing activities:			
Interest received	(1)	19	222
Net increase (decrease) in cash and cash equivalents	(115)	(962)	2,616
Cash and cash equivalents - beginning	(98)	3,873	31,891
Cash and cash equivalents - ending	<u>\$ (213)</u>	<u>\$ 2,911</u>	<u>\$ 34,507</u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ (250)	\$ (1,952)	\$ 3,758
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities:			
Depreciation expense	324	-	-
Decrease (Increase) in accounts receivable	-	(15)	-
Decrease (Increase) in interest receivable	-	2	(7)
Decrease (Increase) in prepaid expenses	-	-	-
Decrease (Increase) in due from other funds	10	-	(464)
Increase (Decrease) in accounts payable	-	931	(973)
Increase (Decrease) in interest payable	-	-	-
Increase (Decrease) in accrued liabilities	-	-	-
Increase (Decrease) in due to other funds	6	53	80
Increase (Decrease) in insurance loss expense	-	-	-
Increase (Decrease) in compensated absences	-	-	-
Total adjustments	340	971	(1,364)
Net cash provided by (used) operating activities	<u>\$ 90</u>	<u>\$ (981)</u>	<u>\$ 2,394</u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Unemployment Insurance	Medical Plan	Dental/ Vision Plan
Cash flows from operating activities:			
Cash received from users	\$ 537	\$ 26,164	\$ 1,487
Cash received from operating activities	22	688	31
Cash paid to suppliers	(363)	(30,133)	(1,508)
Cash paid to employees	-	(642)	-
Cash paid for operating activities	-	-	-
Net cash provided by (used) operating activities	<u>196</u>	<u>(3,923)</u>	<u>10</u>
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	14	93	7
Net increase (decrease) in cash and cash equivalents	210	(3,830)	17
Cash and cash equivalents - beginning	<u>1,928</u>	<u>14,040</u>	<u>955</u>
Cash and cash equivalents - ending	<u><u>\$ 2,138</u></u>	<u><u>\$ 10,210</u></u>	<u><u>\$ 972</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ 174	\$ (4,611)	\$ (21)
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities:			
Depreciation expense	-	-	-
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	-	5	-
Decrease (Increase) in prepaid expenses	-	-	-
Decrease (Increase) in due from other funds	-	-	-
Increase (Decrease) in accounts payable	-	577	2
Increase (Decrease) in interest payable	-	-	-
Increase (Decrease) in accrued liabilities	-	-	-
Increase (Decrease) in due to other funds	22	106	29
Increase (Decrease) in insurance loss expense	-	-	-
Increase (Decrease) in compensated absences	-	-	-
Total adjustments	<u>22</u>	<u>688</u>	<u>31</u>
Net cash provided by (used) operating activities	<u><u>\$ 196</u></u>	<u><u>\$ (3,923)</u></u>	<u><u>\$ 10</u></u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Medical Malpractice	Auto	Information Systems
Cash flows from operating activities:			
Cash received from users	\$ 103	\$ 30	\$ 2,613
Cash received from operating activities	10	(2)	(62)
Cash paid to suppliers	(156)	(75)	(275)
Cash paid to employees	-	(1,822)	(1,979)
Cash paid for operating activities	-	-	(2)
Net cash provided by (used) operating activities	<u>(43)</u>	<u>(1,869)</u>	<u>295</u>
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	8	10	4
Net increase (decrease) in cash and cash equivalents	<u>(35)</u>	<u>(1,859)</u>	<u>299</u>
Cash and cash equivalents - beginning	<u>1,179</u>	<u>2,415</u>	<u>610</u>
Cash and cash equivalents - ending	<u><u>\$ 1,144</u></u>	<u><u>\$ 556</u></u>	<u><u>\$ 908</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ (53)	\$ (1,867)	\$ 357
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities:			
Depreciation expense	-	-	2
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	-	3	(1)
Decrease (Increase) in prepaid expenses	-	-	-
Decrease (Increase) in due from other funds	-	-	(56)
Increase (Decrease) in accounts payable	-	-	(38)
Increase (Decrease) in interest payable	-	-	-
Increase (Decrease) in accrued liabilities	-	-	26
Increase (Decrease) in due to other funds	10	(5)	-
Increase (Decrease) in insurance loss expense	-	-	-
Increase (Decrease) in compensated absences	-	-	5
Total adjustments	<u>10</u>	<u>(2)</u>	<u>(62)</u>
Net cash provided by (used) operating activities	<u><u>\$ (43)</u></u>	<u><u>\$ (1,869)</u></u>	<u><u>\$ 295</u></u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(amounts expressed in thousands)

	Workers Comp Court Tail Claims	Workers' Comp AIG Claims	Total
Cash flows from operating activities:			
Cash received from users	\$ -	\$ 4,871	\$ 51,467
Cash received from operating activities	51	405	617
Cash paid to suppliers	(74)	(413)	(44,166)
Cash paid to employees	-	-	(4,926)
Cash paid for operating activities	-	-	(1,686)
Net cash provided by (used) operating activities	(23)	4,863	1,306
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	(2,541)
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	-	-	(2,541)
Cash flows from investing activities:			
Interest received	1	24	420
Net increase (decrease) in cash and cash equivalents	(22)	4,887	(815)
Cash and cash equivalents - beginning	176	-	61,563
Cash and cash equivalents - ending	<u>\$ 154</u>	<u>\$ 4,887</u>	<u>\$ 60,748</u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ (74)	\$ 4,458	\$ 686
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities:			
Depreciation expense	-	-	1,687
Decrease (Increase) in accounts receivable	-	-	(15)
Decrease (Increase) in interest receivable	-	(8)	(2)
Decrease (Increase) in prepaid expenses	-	-	(2)
Decrease (Increase) in due from other funds	-	-	(450)
Increase (Decrease) in accounts payable	-	-	343
Increase (Decrease) in interest payable	-	-	-
Increase (Decrease) in accrued liabilities	-	-	25
Increase (Decrease) in due to other funds	51	413	(973)
Increase (Decrease) in insurance loss expense	-	-	-
Increase (Decrease) in compensated absences	-	-	7
Total adjustments	51	405	620
Net cash provided by (used) operating activities	<u>\$ (23)</u>	<u>\$ 4,863</u>	<u>\$ 1,306</u>





**CAPITAL ASSETS USED IN
THE OPERATION OF
GOVERNMENTAL FUNDS**



COUNTY OF IMPERIAL
Capital Assets Used in the Operation of Government Funds
Schedule by Source*
June 30, 2016
(amounts expressed in thousands)

Governmental fund capital assets:

Land	\$ 4,457
Construction in progress	11,283
Infrastructure	125,126
Structures and Improvements	79,511
Vehicles	5,452
Furniture and Equipment	<u>45,589</u>
Total governmental funds capital assets	<u><u>\$ 271,418</u></u>

Investments in governmental funds capital assets by source:

General Fund	\$ 232,145
Special Revenue Funds	34,578
Capital Projects	<u>4,695</u>
Total governmental funds capital assets	<u><u>\$ 271,418</u></u>

* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF IMPERIAL
Capital Assets Used in the Operation of Government Funds
Schedule by Function and Activity*
June 30, 2016
(amounts expressed in thousands)

	Land	Construction in Progress	Infrastructure	Structures & Improvements	Vehicles	Furniture & Equipment	Total
General Government	\$ 4,332	\$ 11,283	\$ 125,126	\$ 54,293	\$ 117	\$ 4,868	\$ 200,019
Public Protection	15	-	-	21,635	1,947	20,229	43,826
Public Ways & Facilities	39	-	-	758	2,108	13,268	16,173
Health & Sanitation	14	-	-	2,119	592	4,472	7,197
Public Assistance	-	-	-	620	688	2,698	4,006
Education	57	-	-	86	-	54	197
Total government funds capital assets	<u>\$ 4,457</u>	<u>\$ 11,283</u>	<u>\$ 125,126</u>	<u>\$ 79,511</u>	<u>\$ 5,452</u>	<u>\$ 45,589</u>	<u>\$ 271,418</u>

* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF IMPERIAL
Capital Assets Used in the Operation of Government Funds
Schedule of Changes By Function and Activity*
June 30, 2016
(amounts expressed in thousands)

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
General Government	\$ 197,956	\$ 8,389	\$ 6,324	\$ 200,021
Public Protection	43,138	914	226	43,826
Public Ways and Facilities	15,557	615	-	16,172
Health and Sanitation	6,951	246	-	7,197
Public Assistance	4,016	30	41	4,005
Education	197	-	-	197
Total governmental funds capital assets	\$ 267,815	\$ 10,194	\$ 6,591	\$ 271,418

* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.





STATISTICAL SECTION



STATISTICAL SECTION

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

<u>CONTENTS</u>	<u>PAGE</u>
FINANCIAL TRENDS These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	125-130
REVENUE CAPACITY These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax.	131-134
DEBT CAPACITY These 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.	135-136
ECONOMIC AND DEMOGRAPHIC INFORMATION These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.	137-138
OPERATING INFORMATION These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	139-140

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

County of Imperial
Net Position By Component (Unaudited)
Last Eight Fiscal Years (In Thousands)
(Accrual Basis of Accounting)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Governmental activities								
Invested in capital assets, net of related debt	\$ 88,479	\$ 83,157	\$ 83,109	\$ 94,202	\$ 98,638	\$ 102,522	108,279	102,517
Restricted	31,457	37,241	36,084	40,192	76,918	90,134	53,096	62,326
Unrestricted	28,470	34,417	43,268	38,374	(164)	19,757	(39,317)	(46,205)
Total governmental activities net position	148,406	154,815	162,461	172,768	175,392	212,413	122,058	118,638
Business-type activities								
Invested in capital assets, net of related debt	10,061	10,645	11,183	11,751	11,009	10,094	9,176	10,473
Restricted	878	(6)	34	332	2	12	(2)	(1)
Unrestricted	(1,073)	(628)	(2,356)	(3,502)	(12,899)	(13,029)	(9,088)	(8,682)
Total business-type activities net position	9,866	10,011	8,861	8,581	(1,888)	(2,923)	86	1,790
Primary government								
Invested in capital assets, net of related debt	98,540	93,802	94,292	105,953	109,647	112,616	117,455	112,990
Restricted	32,335	37,235	36,118	40,524	76,920	90,146	53,094	62,325
Unrestricted	27,397	33,789	40,912	34,872	(13,063)	6,728	(48,405)	(54,887)
Total primary government net position	\$ 158,272	\$ 164,826	\$ 171,322	\$ 181,349	\$ 173,504	\$ 209,490	122,144	120,428

Notes:

- (1) Trend information is available only for the last eight fiscal years due to the implementation of GASB 34.
- (2) Accounting standards require that net position be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net position is considered restricted when 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 2

County of Imperial
Changes in Net Position (Unaudited)
Last Eight Fiscal Years (In thousands)
(Accrual Basis of Accounting)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Program Revenues								
Governmental Activities								
Charges for services								
General Government	\$ 42,535	\$ 49,753	\$ 44,795	\$ 40,684	\$ 40,405	\$ 42,224	\$ 44,536	\$ 49,934
Public Protection	8,276	7,135	20,391	17,755	15,558	11,582	11,447	12,162
Health & Sanitation	6,898	9,411	9,257	10,031	10,751	12,517	14,457	15,392
Public Assistance	2,559	7,970	8,535	8,862	869	1,093	983	1,066
Public Ways & Facilities	1,527	7,222	675	1,063	1,254	1,222	1,176	1,122
Total Charges for services	61,795	81,491	83,653	78,395	68,837	68,638	72,598	79,676
Operating grants and contributions	185,253	171,476	184,597	191,429	189,758	211,437	207,137	204,452
Total governmental activities program revenues	247,048	252,967	268,250	269,824	258,595	280,075	279,735	284,128
Business Activities								
Charges for services								
Airport	728	641	628	636	660	485	569	1,321
Closure/Postclosure	200	287	-	5	-	-	1,106	-
County Services Areas, other	682	504	245	156	26	9	13	13
Total Charges for services	1,610	1,432	873	797	686	494	1,687	1,334
Operating grants and contributions	4,359	4,504	9	18	28	68	-	-
Total business-type activities program revenues	5,969	5,936	882	815	714	562	1,687	1,334
Total primary government program revenues	\$ 253,017	\$ 258,903	\$ 269,132	\$ 270,639	\$ 259,309	\$ 280,637	\$ 281,422	\$ 285,462
Net (Expense) Revenue								
Governmental activities	(60,245)	(68,673)	(69,454)	(72,572)	(96,669)	(72,261)	(119,301)	(125,006)
Business-type activities	(220)	(1,156)	(2,421)	(1,588)	(10,641)	(1,059)	3,074	(1,150)
Total primary government net expenses	\$ (60,465)	\$ (69,829)	\$ (71,875)	\$ (74,160)	\$ (107,310)	\$ (73,320)	\$ (116,227)	\$ (126,157)

Notes:

(1) Trend information is available only for the last eight fiscal years due to the implementation of GASB 34.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 3

County of Imperial
Fund Balances of Governmental Funds (Unaudited)
Last Eight Fiscal Years (In thousands)
(Modified Accrual Basis of Accounting)

	2008-09	2009-10
General Fund		
Reserved for:		
Encumbrances	\$ 1,673	\$ 1,865
Inventories	287	295
Capital Outlay	3,023	3,023
COPS	1,818	1,527
Endowment Op Funds	20,113	20,850
Other Purposes	5,089	8,189
Unreserved:		
Designated	-	-
Undesignated	14,237	11,269
Total General Fund	46,240	47,018

All Other Governmental Funds:

Reserved for:		
Encumbrances	2,330	3,469
Inventories	339	395
Debt Service	5,524	6,335
Loan	13,172	13,670
Other Purposes	20	(44)
Unreserved:		
Special Revenue Funds	27,766	27,544
Capital Project/Debt Service Funds	214	733
Total Other Governmental Funds	49,365	52,102

Total Governmental Fund Balances

\$ 95,605	\$ 99,120
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	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
General Fund (1)						
Nonspendable	\$ 388	\$ 517	\$ 475	\$ 443	465	502
Restricted	10,099	7,671	7,151	6,962	3,589	1,464
Committed	5,974	7,744	8,896	20,411	22,287	27,473
Assigned	15,298	17,722	15,988	16,852	27,311	26,920
Unassigned	12,846	11,307	15,845	24,393	13,479	10,106
Total General Fund	44,605	44,961	48,355	69,061	67,131	66,465
All Other Governmental Funds						
Nonspendable	456	908	722	329	211	287
Restricted	24,087	30,136	23,946	28,330	29,391	44,541
Committed	18,047	16,354	18,597	25,530	22,976	7,806
Assigned	18,935	18,392	54,408	54,097	15,880	20,060
Unassigned	(2,716)	(12,540)	(51,761)	(53,202)	(23,520)	(25,923)
Total Other Governmental Funds	58,809	53,250	45,912	55,084	44,939	46,771
Total Governmental Fund Balances	\$ 103,414	\$ 98,211	\$ 94,267	\$ 124,145	112,070	113,236

Notes:

(1) In FY 2010-11 the County implemented GASB 54 under which Governmental Fund Balances are reported as Nonspendable, Restricted, Committed, Assigned, and Unassigned.

(2) Trend information is available only for the last eight fiscal years due to the implementation of GASB 34.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 4

County of Imperial
Changes in Fund Balances of Governmental Funds (Unaudited)
Last Eight Fiscal Years (In thousands)
(Modified Accrual Basis of Accounting)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Revenues (by source):								
Taxes	\$ 31,034	\$ 27,326	\$ 26,312	\$ 29,194	\$ 37,161	\$ 45,005	45,964	43,412
Licenses and permits	3,611	3,539	4,542	4,666	6,006	4,939	5,070	4,988
Fines, Forfeitures & Penalties	7,179	6,146	7,767	6,239	5,911	6,770	6,821	7,172
Use of Money & Property	3,449	2,315	1,641	5,176	2,917	2,477	5,829	4,601
Intergovernmental Aid	116,440	126,906	140,453	141,029	138,879	153,697	155,876	167,205
Federal Aid	63,566	68,169	72,292	64,413	62,071	70,866	68,043	63,805
Charges for Services	40,648	41,991	43,464	42,041	46,566	45,412	43,890	58,260
Sale of Fixed Assets	-	-	-	-	-	-	-	-
Other	6,797	7,522	8,792	6,667	12,247	11,593	11,269	9,234
Total revenues	272,724	283,914	305,263	299,425	311,758	340,759	342,762	358,677
Expenditures (by function):								
Current:								
General Government	31,576	27,709	25,912	31,553	36,640	35,606	44,668	41,802
Public Protection	76,278	79,071	83,815	84,648	87,133	88,999	96,538	98,626
Health & Sanitation	40,142	41,648	42,828	42,954	44,512	49,550	51,672	57,289
Public Assistance	104,080	114,371	127,896	120,267	123,266	120,521	138,643	142,135
Public Ways & Facilities	13,648	18,524	18,221	23,998	19,736	17,227	17,560	15,998
Total expenditures	265,724	281,323	298,672	303,420	311,287	311,903	349,081	355,850
Excess (deficiency) of revenues over (under) expenditures	7,000	2,591	6,591	(3,995)	471	28,856	(6,319)	2,827
Other financing sources (uses):								
Changes in Reserves	192	490	264	790	809	900	(1,603)	384
Transfers	268	(21)	(15)	(289)	(1,967)	70	10	80
Proceeds of Endowment Funds	(462)	455	(1,702)	(2,553)	(3,257)	53	(4,164)	(2,126)
Proceeds of COP bonds	-	-	-	-	-	-	-	-
COP Bonds Uses	-	-	-	-	-	-	-	-
Total other financing sources and uses	(2)	924	(1,453)	(2,052)	(4,415)	1,023	(5,756)	(1,662)
Net Change in Fund Balances	6,998	3,515	5,138	(6,047)	(3,944)	29,879	(12,075)	1,165
Fund Balances - beginning	89,496	96,494	99,120	104,258	98,211	94,266	124,146	112,069
Prior period adjustment	-	(889)	-	-	-	-	-	-
Fund Balances - beginning restated	89,496	95,605	99,120	104,258	98,211	94,266	124,146	112,069
Fund Balances - ending	<u>\$ 96,494</u>	<u>\$ 99,120</u>	<u>\$ 104,258</u>	<u>\$ 98,211</u>	<u>\$ 94,267</u>	<u>\$ 124,145</u>	<u>112,070</u>	<u>113,234</u>

Notes:

- (1) Trend information is available only for the last eight fiscal years due to the implementation of GASB 34.
(2) By State Controller function.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 5

County of Imperial
Expenses by Function (Unaudited)
Last Eight Fiscal Years (In thousands)
(Accrual Basis of Accounting)

Expenses	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Governmental Activities								
General Government	\$ 70,541	\$ 66,558	\$ 62,708	\$ 67,435	\$ 75,050	\$ 72,633	\$ 94,036	\$ 90,154
Public Protection	76,276	79,071	83,815	84,648	87,132	88,998	95,155	99,049
Health & Sanitation	40,142	41,649	42,828	42,955	44,515	49,550	50,974	57,534
Public Assistance	104,080	114,372	127,895	120,267	123,267	120,522	137,838	142,358
Public Ways & Facilities	13,648	18,524	18,221	23,998	19,738	17,227	17,425	16,036
Interest on long-term liabilities	2,606	1,466	2,237	3,093	5,562	3,406	3,610	4,003
Total governmental activities expenses	<u>307,293</u>	<u>321,640</u>	<u>337,704</u>	<u>342,396</u>	<u>355,264</u>	<u>352,336</u>	<u>399,036</u>	<u>409,134</u>
Business Activities								
Airport	1,189	1,481	1,475	2,156	1,567	1,458	1,390	2,197
Closure/Postclosure	682	-	36	118	9,723	84	(2,818)	285
County Services Areas, other	4,318	5,611	1,792	129	65	79	40	2
Total business-type activities expenses	<u>6,189</u>	<u>7,092</u>	<u>3,303</u>	<u>2,403</u>	<u>11,355</u>	<u>1,621</u>	<u>(1,387)</u>	<u>2,484</u>
Total primary government	<u>\$ 313,482</u>	<u>\$ 328,732</u>	<u>\$ 341,007</u>	<u>\$ 344,799</u>	<u>\$ 366,619</u>	<u>\$ 353,957</u>	<u>\$ 397,649</u>	<u>\$ 411,618</u>

Notes:

(1) Trend information is available only for the last eight fiscal years due to the implementation of GASB 34.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 6

County of Imperial
Net Expense By Function (Unaudited)
Last Eight Fiscal Years (In thousands)
(Accrual Basis of Accounting)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Net (Expense) Revenue								
Governmental activities	\$ (60,245)	\$ (68,673)	\$ (69,454)	\$ (72,572)	\$ (96,669)	\$ (72,261)	\$ (119,301)	\$ (125,006)
Business-type activities	(220)	(1,156)	(2,421)	(1,588)	(10,641)	(1,059)	3,074	(1,150)
Total primary government net expenses	\$ (60,465)	\$ (69,829)	\$ (71,875)	\$ (74,160)	\$ (107,310)	\$ (73,320)	\$ (116,227)	\$ (126,156)
General Revenues and Other Changes in Net Assets:								
Governmental activities:								
Taxes								
Property	19,358	16,543	14,838	16,072	17,632	21,098	21,306	23,083
Sales tax	12,237	10,826	11,271	12,099	18,418	22,199	19,818	20,927
Franchises tax	429	245	284	294	266	23,374	23,477	19,765
Motor Vehicle in-lieu tax	18,760	18,221	18,245	17,877	18,006	229	313	270
Federal in-lieu	2,923	3,164	3,156	3,201	3,291	326	3,403	3,322
Grants and other governmental revenues not restricted to specific programs	11,230	24,437	28,458	29,146	39,718	40,682	35,672	50,394
Unrestricted investment earnings	5,478	2,627	1,938	4,509	2,063	1,348	4,353	3,770
Gain/(Loss) on sale of capital assets	-	248	110	92	40	26	23	55
Other	-	-	-	-	-	-	-	-
Transfers	287	(1,229)	(1,200)	(1,255)	(141)	-	-	-
Total governmental activities	70,702	75,082	77,100	82,035	99,293	109,282	108,365	121,586
Business-type activities:								
Unrestricted investment earnings	214	138	70	53	31	24	31	46
Other	2,619	(66)	-	-	-	-	-	-
Gain/(Loss) on sale of capital assets	-	-	-	-	-	-	-	-
Transfers	(287)	1,229	1,200	1,255	141	-	-	2,808
Total business-type activities	2,546	1,301	1,270	1,308	172	24	31	2,854
Total primary government	\$ 73,248	\$ 76,383	\$ 78,370	\$ 83,343	\$ 99,465	\$ 109,306	\$ 108,396	\$ 124,440
Changes in Net Assets:								
Governmental activities	10,457	6,409	7,646	9,463	2,624	37,021	(10,936)	(3,420)
Business-type activities	2,326	145	(1,151)	(280)	(10,469)	(1,035)	3,105	1,704
Total primary government	\$ 12,783	\$ 6,554	\$ 6,495	\$ 9,183	\$ (7,845)	\$ 35,986	\$ (7,830)	\$ (1,716)

Notes:

(1) Trend information is available only for the last eight fiscal years due to the implementation of GASB 34.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 7

County of Imperial
Assessed Value of Taxable Property (Unaudited)
Last Eight Fiscal Years (Dollars amounts in thousands)

Fiscal Year	(2) Secured	(3) Unsecured	(4) Exempt	Total Taxable Assessed Value	Total Direct Tax Rate
2008-09	10,416,842,369	786,667,943	(276,531,982)	10,926,978,330	1.00%
2009-10	10,130,772,556	831,793,452	(332,015,592)	10,630,550,416	1.00%
2010-11	10,005,666,039	780,152,807	(349,970,576)	10,435,848,270	1.00%
2011-12	9,738,658,570	758,555,464	(350,052,798)	10,147,161,236	1.00%
2012-13	9,968,342,036	1,145,137,280	(400,302,403)	10,713,176,913	1.00%
2013-14	10,190,447,988	1,289,213,609	(413,840,163)	11,065,821,434	1.00%
2014-15	10,946,559,575	1,277,585,294	(419,664,282)	11,804,480,587	1.00%
2015-16	11,257,809,345	1,282,424,481	(442,810,899)	12,097,422,927	1.00%

Notes:

- (1) Reliable data is available only for the last eight fiscal years.
- (2) Secured property is generally real property, defined as land, mines, minerals, timber, and improvements such as buildings, structures, crops, trees, and vines.
- (3) Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.
- (4) 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.
- (5) Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975/76 assessment roll. Thereafter, full cash value can be increased to reflect:
- a) annual inflation up to 2%; or
 - b) market value at the time of ownership change; or
 - c) market value for new construction

Estimated actual value of taxable property cannot easily be determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.

Source:

Imperial County Auditor-Controller Office

Table 8

County of Imperial
Property Tax Rates - Direct and Overlapping Governments (Unaudited)
Last Eight Fiscal Years

Fiscal Year	County Direct Rates	Overlapping Rates		Total
	Imperial County General	Cities	Schools (2)	
2008-09	1.000000%	0.005490%	0.037340%	1.042830%
2009-10	1.000000%	0.094886%	0.040747%	1.135633%
2010-11	1.000000%	0.066760%	0.050788%	1.117548%
2011-12	1.000000%	0.062261%	0.044380%	1.106641%
2012-13	1.000000%	0.066508%	0.040713%	1.107221%
2013-14	1.000000%	0.065508%	0.032116%	1.097624%
2014-15	1.000000%	0.061190%	0.031979%	1.093169%
2015-16	1.000000%	0.059712%	0.032158%	1.091870%

Notes:

- (1) Reliable data is available only for the last eight fiscal years.
 (2) Rates shown represent a weighted average of the various school district tax rate areas within the County of Imperial.

Source:

Imperial County Auditor-Controller Office

Table 9

County of Imperial
Principal Revenue Taxpayers (Unaudited)
June 30, 2016 and June 30, 2004

Taxpayer	Fiscal year Ended June 30, 2016			Fiscal year Ended June 30, 2004		
	Net Assesed Value	Rank	Percentage of Net Assessed Value	Net Assesed Value	Rank	Percentage of Net Assessed Value
San Diego Gas & Electric Company	\$ 438,297,976	1	3.71%	\$		
Magma Power Company	210,541,378	2	1.78%	377,331,616	1	5.42%
Hudson Ranch Power I LLC	192,134,000	3	1.63%			
United States Gypsum Co.	97,380,871	4	0.82%	306,926,474	2	4.41%
OWB Real Estate Holdings LLC	77,006,234	5	0.65%			
Western Mesquite Mine Inc.				122,131,309	4	1.75%
ORCAL Geothermal Inc	70,201,475	6				
Imperial Valley Gateway Center, LLP	63,846,776	7	0.54%			
Southern California Gas Co.	56,073,506	8	0.48%			
RJFP LLC	52,819,719	9	0.45%			
MFC Imperial LLC	45,945,210	10	0.39%			
Zinc Field				201,202,582	3	2.89%
Gold Fields Operating Co.-Mesquite				121,679,775	5	1.75%
B P Joint Venture LLC				101,540,378	6	1.46%
Cal Energy DBA Salton Sea Unit 4				82,509,975	7	1.19%
US Trust Company of California				76,650,830	8	1.10%
Vulcan Power Co.				42,210,702	9	0.61%
Del Ranch LTD				39,638,609	10	0.57%
Ten Largest Taxpayers	<u>\$ 1,304,247,145</u>		<u>10.45%</u>	<u>\$ 1,471,822,250</u>		<u>21.14%</u>

Source:

Imperial County Auditor-Controller Office

Table 10

County of Imperial
Property Tax Levies and Collections (Unaudited)
Last Eight Fiscal Years

Fiscal Year	Total Secured Levy	Collections within the fiscal year of the Levy		Delinquent Tax Collections*	Amount	% of Levy
		Amount	% of Levy			
2008-09	125,490,813	114,054,899	90.89%	9,637,163	123,692,062	98.57%
2009-10	123,870,158	113,260,128	91.43%	8,362,115	121,622,243	98.19%
2010-11	122,533,735	113,756,355	92.84%	7,653,485	121,409,840	99.08%
2011-12	122,980,247	114,519,810	93.12%	6,247,357	120,767,167	98.20%
2012-13	120,745,974	113,774,746	94.23%	5,720,116	119,494,862	98.96%
2013-14	125,354,592	120,630,164	96.23%	7,224,924	127,855,088	101.99%
2014-15	129,111,365	124,139,440	96.15%	4,235,421	128,374,861	99.43%
2015-16	140,013,734	135,153,886	96.53%	4,631,467	139,785,353	99.84%

* Delinquent taxes reported by year of collection; data by levy year unavailable

Notes:

(1) Reliable data for delinquent tax collections is available only for the last eight fiscal years.

Source:

Imperial County Auditor-Controller Office

Table 11

County of Imperial
Ratios of Outstanding Debt by Type (Unaudited)
Last Eight Fiscal Years
(in thousands, except per capita amount)

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Governmental Activities:								
Certificates of Participation	\$ 3,750	\$13,215	\$11,960	\$11,370	\$ 8,795	\$ 8,445	\$ 8,085	\$ 8,085
Pension Obligation Bonds	59,355	57,890	56,325	53,940	51,160	48,205	45,055	45,055
Notes and Loans	1,080	990	900	810	720	630	540	540
Business-Type Activities:								
Capital Lease Obligations	<u>370</u>	<u>443</u>	<u>154</u>	<u>127</u>	<u>10</u>	<u>20</u>	<u>536</u>	<u>536</u>
Total Primary Government	<u>\$64,555</u>	<u>\$72,538</u>	<u>\$69,339</u>	<u>\$66,247</u>	<u>\$60,685</u>	<u>\$ 57,300</u>	<u>\$ 54,216</u>	<u>\$ 54,216</u>
Percentage of Personal income (1)	1.79%	2.11%	2.11%	1.31%	1.11%	1.01%	0.93%	0.93%
Per Capita (1)	376	448	448	371	343	325	301	301

(1) See table 13 Demographic and Economic Statistics

Source:

Imperial County Auditor-Controller Office

Table 12

County of Imperial
 Legal Debt Margin as Percentage of Debt Limit (Unaudited)
 Last Eight Fiscal Years
 (in thousands)

<u>Fiscal Year</u>	<u>Assessed Value (2)</u>	<u>Legal Debt Limit (3)</u>	<u>Debt Applicable to Limit</u>	<u>Legal Debt Margin (4)</u>	<u>Legal Debt Margin/Debt Limit</u>
2008-09	10,926,978	136,587	-	136,587	100%
2009-10	10,630,550	132,882	-	132,882	100%
2010-11	10,435,848	130,448	-	130,448	100%
2011-12	10,147,161	126,840	-	126,840	100%
2012-13	10,713,177	133,915	-	133,915	100%
2013-14	11,065,821	138,323	-	138,323	100%
2014-15	11,804,481	147,556	-	147,556	100%
2015-16	11,257,809	140,723	-	140,723	100%

Notes:

- (1) Reliable data is available only for the last eight years.
- (2) Assessed Value does not include tax exempt property. Property value data can be found in the "Assessed Value of Taxable Property" schedule.
- (3) California Government Code Section 29909 read in conjunction with Revenue and Taxation Code Section 135 imposes a legal debt limitation for General Obligation Bond indebtedness to 1.25% of the total full cash valuation.
- (4) The legal debt margin is the County's available borrowing authority under state finance statutes and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

Table 13

County of Imperial
Demographics and Economic Statistics (Unaudited)
Last Eight Fiscal Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2008	176,158	4,288,576	26,742	22.90%
2009	179,428	4,671,150	28,641	25.10%
2010	183,029	4,786,081	28,681	26.80%
2011	175,712	5,019,684	28,351	28.90%
2012	179,138	5,466,646	30,894	28.10%
2013	179,527	5,690,414	32,225	25.20%
2014	180,998	5,802,217	32,398	23.70%
2015	184,500	6,051,569	33,584	21.80%

Sources:

- (1) State Department of Finance
- (2) & (3) U.S. Bureau of Economic Analysis - Local Data
- (4) State of California, Employment Development Department

Table 14

County of Imperial
Employment by Industry (Unaudited)
2015 Annual Averages

Industry	Percentage of County Employment
Services	23.51%
Retail Trade	13.03%
Manufacturing	1.42%
Government	26.06%
Mining and Construction	4.11%
Finance, Insurance and Real Estate	2.27%
Wholesale Trade	2.55%
Agriculture	23.94%
Transportation and Public Utilities	3.12%
Total	100.00%

(1) Does not total, due to rounding.

Source: State of California Employment Development Department.

Table 15

County of Imperial
Full-time Equivalent County Employees by Function (Unaudited)
Last Eight Fiscal Years

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Protection</u>	<u>Public Ways & Facilities</u>	<u>Health & Sanitation</u>	<u>Public Assistance</u>	<u>Education</u>	<u>Recreation</u>	<u>Special District</u>
2008-09	240	714	103	446	506	21	6	21
2009-10	240	719.5	103	437	519	18.5	6	25
2010-11	239	744.5	103	458	527	18.5	6	25
2011-12	242	749.5	103	459	524	18.5	6	25
2012-13	240	754.5	108	469	520	18.5	6	25
2013-14	239	707	109	475	595.5	18.5	6	25
2014-15	242	725	130	489	619	18.5	6	25
2015-16	245	833	110	566	577	19.5	6	33

Note:

- 1) County employees by function/program is only available for the last eight fiscal years due to the change in the County's functions as a result of the implementation of GASB 34.

Table 16

County of Imperial
Capital Assets Statistics by Function (Unaudited)
Last Eight Fiscal Years

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Protection</u>	<u>Public Ways & Facilities</u>	<u>Health & Sanitation</u>	<u>Public Assistance</u>	<u>Education</u>
2008-09	642	1326	32	138	110	6
2009-10	579	821	53	46	45	6
2010-11	578	829	53	43	47	6
2011-12	735	847	102	46	44	6
2012-13	762	864	75	42	38	6
2013-14	787	856	62	39	36	4
2014-15	490	985	41	41	37	6
2015-16	364	1017	466	41	46	6

Note:

- (1) Capital assets and infrastructure statistics by function/program is only available for the last eight fiscal years due to the change in the County's functions as a result of the implementation of GASB 34.





SINGLE AUDIT SECTION

- Independent Auditor Letters
- Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs
- Status of Prior Year Findings and Questioned Costs



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
County of Imperial, California

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Imperial, California, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County of Imperial's basic financial statements and have issued our report thereon dated March 29, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Imperial's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Imperial's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Imperial's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Imperial, California's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hutchinson and Bloodgood LLP

March 29, 2017

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
County of Imperial, California

Report on Compliance for Each Major Federal Program

We have audited the County of Imperial's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Imperial's major federal programs for the year ended June 30, 2016. The County of Imperial's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Imperial's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Imperial's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County of Imperial's compliance.

Opinion on Each Major Federal Program

In our opinion, the County of Imperial complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the County of Imperial is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County of Imperial's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not

for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Imperial's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the County of Imperial as of and for the year ended June 30, 2016, and have issued our report thereon dated March 29, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hutchinson and Bloodgood LLP

March 29, 2017

COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Program Expenditures
<u>U.S. DEPARTMENT OF COMMERCE</u>				
Economic Development - Planning Asst.	11.302	07-86-07262	\$ -	\$ 19,104
Economic Development - Planning Asst.	11.302	07-86-07146	-	56,038
		Subtotal 11.302	-	75,142
TOTAL DEPARTMENT OF COMMERCE			-	75,142
<u>URBAN DEVELOPMENT</u>				
Housing and Community Development Community Development Block Grants				
Neighborhood Stabilization Prg-ARRA	14.218	B-11-UN-06-0507	-	54,498
		Subtotal 14.218	-	54,498
**CDBG General Allocation	14.228	12-CDBG-8394	-	1,866,845
		Subtotal 14.228	-	1,866,845
Community Development Block Grants			-	1,866,845
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			-	1,921,343
<u>U.S. DEPARTMENT OF LABOR</u>				
Passed Through State Department of Employment Development:				
**One Stop Career Center Initiative	17.258	K594761	-	2,124,537
**Workforce Investment Act	17.258	K594761	1,407,836	1,407,836
		Subtotal 17.258	1,407,836	3,532,373
Workforce Innovation Fund	17.283	IF234001260A6DOLETA	-	277,338
		Subtotal 17.283	-	277,338
TOTAL DEPARTMENT OF LABOR			1,407,836	3,809,711
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Passed Through State Department of Transportation:				
Highway Planning & Construction:				
Airport Improvement - Rehabilitate Airport/Runway	20.106	03-06-0109-029/32/33	-	441,793
Airport Improvement - Construct Taxiway	20.106	03-06-0109-31	-	5,615
		Subtotal 20.106	-	447,408
Air Transportation Centers of Excellence	20.109	03-06-0109-30	-	45,980
		Subtotal 20.109	-	45,980
**Resurface Various County Roads	20.205	STPLH5958	-	2,041,895
		Subtotal 20.205	-	2,041,895
TOTAL DEPARTMENT OF TRANSPORTATION			-	2,535,283

The accompanying notes are an integral part of the schedule.

** Major Program

COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Program Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed Through State Department of Food and Agriculture:				
Crop Disaster Program-Pierce's Disease	10.073	14-0155-SF-1	-	153,769
Crop Disaster Program-Asian Psyllid	10.073	14-0516-SF/15-0538-SF	-	130,004
Crop Disaster Program-Pest Detection	10.073	15-0203	-	97,207
Crop Disaster Program-Pesticide Disposal Project	10.073	15-C0066 A-1	-	78,538
	Subtotal 10.073		-	459,518
Passed Through State Department of Rural Assistance				
Community Facilities Loans and Grants	10.766	2014-089	-	85,004
	Subtotal 10.766		-	85,004
National School Lunch Program Equipment Assistance	10.579	NSLP-15-CA-01	-	90,000
Child School Nutrition	10.579	01331-SN-13-R	-	32,308
	Subtotal 10.579		-	122,308
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	666,830
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Passed Through State Office of Criminal Justice:				
Victim/Witness Assistance	16.575	VW15290130	-	126,032
	Subtotal 16.575		-	126,032
Edward Byrne Memorial Formula Grant	16.738	2015-DJ-BX-0151	-	10,546
Edward Byrne Memorial Formula Grant	16.738	BSCC 623-15	-	191,127
	Subtotal 16.738		-	201,673
TOTAL U.S. DEPARTMENT OF JUSTICE			-	327,705
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
**H.I.D.T.A. Grant - Sheriff	95.001	2016	-	1,094,422
**IVSIT Grant - DA	95.001	GS16SC001A	-	449,945
**H.I.D.T.A. Grant - DA	95.001	GS16SC001A	-	721,240
	Subtotal 95.001		-	2,265,607
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT			-	2,265,607

The accompanying notes are an integral part of the schedule.

** Major Program

COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Program Expenditures
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Passed Through Governor's Office of Homeland Security:				
**Operation Stonegarden Grant	97.067	2013-1110	-	57,811
**Operation Stonegarden Grant	97.067	2014-093	1,308,380	1,914,913
**Homeland Security-Emergency Assistance	97.067	2014-0093	-	259,635
		Subtotal 97.067	1,308,380	2,232,359
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			1,308,380	2,232,359
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
Passed Through State Office of Emergency Services:				
Hazard Mitigation Grant	97.039	FEMA-1911-DR-CA	-	11,250
		Subtotal 97.039	-	11,250
Emergency Assistance Management	97.042	2014-0070	-	42,180
Emergency Assistance Management	97.042	2015-0049	-	133,301
		Subtotal 97.042	-	175,481
TOTAL EMERGENCY MANAGEMENT AGENCY			-	186,731
<u>U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT (ICE)</u>				
Cyber Tipline	97.076	HSCEMD-15-P-00078	-	6,777
		Subtotal 97.076	-	6,777
TOTAL U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT (ICE)			-	6,777
<u>NATIONAL PROTECTION & PROGRAMS DIRECTORATE (NPPD)</u>				
Information Analysis Infrastructure Protection	97.080	HSBP1013P00165	-	242
		Subtotal 97.080	-	242
TOTAL NATIONAL PROTECTION & PROGRAMS DIRECTORATE (NPPD)			-	242
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			1,308,380	2,426,109
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
Air Pollution Control Program Support	66.001	A-00905612-0	-	86,136
		Subtotal 66.001	-	86,136
CAA Special Purpose Activities -Air Quality	66.034	XA-00T50601-5	-	181,451
BECC Grants	66.034	TAA14-012	-	19,653
PM 2.5 Monitoring	66.034	FY 2015	-	20,000
		Subtotal 66.034	-	221,104
TOTAL ENVIRONMENTAL PROTECTION AGENCY		Total	-	307,240

The accompanying notes are an integral part of the schedule.

** Major Program

COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Program Expenditures
<u>U.S. ELECTIONS ADMINISTRATION COMMISSION</u>				
Passed Through Secretary of State of California:				
HAVA Section 301 Voting System Program	90.401	11G30127		406,274
		Subtotal 90.401	-	406,274
TOTAL U.S. ELECTIONS ADMINISTRATION COMMISSION			-	406,274
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed Through State Department of Health Services:				
Project Grants and Cooperative Agreements				
Nutrition Services Incentive Program	93.053	13-20523	223,394	600,098
		Subtotal 93.053	223,394	600,098
PHEP	93.074	14-10504		195,257
PHEP Ebola	93.074	15-10357	-	46,182
		Subtotal 93.074	-	241,439
Border Infectious Disease Surveillance (BIDS) Project	93.323	3U50CK00410-02S1		171,539
		Subtotal 93.323	-	171,539
Tuberculosis Control Programs	93.116	95-117L2015-16		183,365
		Subtotal 93.116	-	183,365
Immunization Collaboration	93.185	15-10422		83,172
		Subtotal 93.185	-	83,172
Childhood Lead Poisoning Prevention	93.197	14-10021		32,788
		Subtotal 93.197	-	32,788
Title IV-E Foster Care	93.658	2015-16		148,765
		Subtotal 93.658	-	148,765
Medi-Cal Admin. (MAA)	93.778	09-86016 & 13-90034		13,665
Targeted Case Management	93.778	13-0713A2		17,821
		Subtotal 93.778	-	31,486
Hospital Preparedness	93.889	14-10504	29,940	154,350
		Subtotal 93.889	29,940	154,350
HIV Care Program Services	93.917	13-20051 A01	105,433	109,487
HIV Living Assistance Support Prog.	93.917	13-20419		56,410
		Subtotal 93.917	105,433	165,897

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Program Expenditures
Maternal and Child Health Service Block Grant:				
**MCH Coordinator/PH Nutritionist/AFLP	93.994	201513		283,492
**California Children Service (CCS)	93.994	CCS		289,618
**California Home Visiting Prog (CHVP)	93.994	15-10158		776,941
**Child Health Disb. (CHDP)	93.994	CHDP & HCPCFC		258,843
		Subtotal 93.994	-	1,608,894
Total State Dept. of Health			358,767	3,421,793
Passed Through California Secretary of State Department:				
HAVA Polling Place Accessibility Grant	93.617	14G26112		17,039
		Subtotal 93.617	-	17,039
Passed Through State Department of Alcohol and Drug Programs:				
Alcohol and Drug Abuse and Mental Health Services Block Grant:				
Community Mental Health Services	93.958	SAMHSA SFY 13-01		466,543
		Subtotal 93.958	-	466,543
Projects for Assistance in Transition for Homelessness	93.150	MH 1772 B		59,327
		Subtotal 93.150	-	59,327
Substance Abuse Prevention and Treatment	93.959	SCC 13(14/15)		975,340
		Subtotal 93.959	-	975,340
Medical Assistance Program	93.778	SCC 13(10-11)		71,296
		Subtotal 93.778	-	71,296
Total State Dept. of Alcohol & Drug Programs			-	1,572,506
Passed Through State Department of Social Services:				
**Child Support Enforcement	93.563	FY 2015-16		5,680,925
		Subtotal 93.563	-	5,680,925
**TANF Temporary Need	93.558	FY 2015-16		18,235,306
**Asst. Payments-Maint. Assist.	93.558	FY 2015-16		8,170,501
		Subtotal 93.558	-	26,405,807
Total State Dept. of Social Services			-	32,086,732
Passed Through State Department Office of Aging:				
Title VII-B Elder Abuse Prev.	93.041	AP-1516-24		2,935
		Subtotal 93.041	-	2,935

** Major Program

The accompanying notes are an integral part of the schedule.

COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Program Expenditures
Title VII-A Ombudsman	93.042	AP-1516-24		23,046
		Subtotal 93.042	-	23,046
Title III D - Disease Prevention	93.043	AP-1516-24		13,603
		Subtotal 93.043	-	13,603
Title III B - Support Services Senior Centers	93.044	AP-1516-24	87,441	228,282
		Subtotal 93.044	87,441	228,282
Title III C-1 & C-2	93.045	AP-1516-24	371,434	408,814
		Subtotal 93.045	371,434	408,814
Title III E Family Caregiver Service	93.052	AP-1516-24	87,389	98,668
		Subtotal 93.052	87,389	98,668
NSIP Meal Subsidiary III	93.053	AP-1516-24	72,807	72,807
		Subtotal 93.053	72,807	72,807
Total Passed Through State Dept. of Aging			619,071	848,155
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			977,838	37,946,225
TOTAL FEDERAL ASSISTANCE			\$ 3,694,054	\$ 52,687,469
* Footnote: Direct Funding State Department Office of Aging:			State Funds	
Title III C-1 & C-2	93.045	AP-1516-24	\$ 46,873	
Title VII: Ombudsman	93.042	AP-1516-24	17,012	
Total State Dept. of Aging		Total State Funds	\$ 63,885	

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF SUBRECIPIENTS OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016**

Program Title	Federal CFDA Number	Amount Provided to Subrecipient
Workforce Investment Act - Adult Program	17.258	1,407,836
Special Program for the Aging - Title III, Part B	93.044	87,441
Special Program for the Aging - Title III, Parts C1	93.045	247,171
Special Program for the Aging - Title III, Parts C2	93.045	124,263
National Family Caregiver Support - Title III, Part E	93.052	87,389
Nutrition Services Incentive Program	93.053	72,807
Hospital Preparedness Program	93.889	29,940
HIV Care Formula Grants	93.917	105,433
Nutrition Education & Obesity Prevention Branch	93.053	223,394
Homeland Security-Operation Stonegarden Grant	97.067	1,308,380
Total Subrecipients Expenditures		<u>\$ 3,694,054</u>

Notes:

- (1) Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County of Imperial provided federal awards to subrecipients as indicated above.

COUNTY OF IMPERIAL, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2016

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified
not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified
not considered to be material weaknesses? ☐ yes ☒ none reported

Type of auditors' report issued on compliance
for major programs: Unmodified

Any audit findings disclosed that are required
to be reported in accordance with
the Uniform Guidance? ☐ yes ☒ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grants
20.205	Highway Planning and Construction
93.563	Child Support Enforcement

Dollar threshold used to distinguish
between Type A and Type B programs: \$1,580,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no

COUNTY OF IMPERIAL, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2016

PROGRAM

FINDING/NONCOMPLIANCE

QUESTIONED
COSTS

There are no current year findings.

COUNTY OF IMPERIAL, CALIFORNIA

STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2016

CONDITION

RECOMMENDATION

STATUS

There are no prior year findings.

COUNTY OF IMPERIAL, CALIFORNIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended June 30, 2016

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Imperial under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the and the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2. Summary of Significant Accounting Policies

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.

Note 3. Loans Receivable

The following are loans receivable by the County of Imperial, California, relating to the described federal program as of June 30, 2016:

	Federal CFDA Number	<u>Amount</u>
State block grant 1992	14.228	\$ 76,028
State block grant 1994	14.228	81,220
State block grant 1996	14.228	178,508
State block grant 1998	14.228	109,736
State block grant 2002	14.228	338,986
State block grant 2004	14.228	478,418
State block grant program income	14.228	680,312
CDBG grant 2009	14.228	84,781
CDBG grant 2009	14.228	42,247
CDBG grant 2009	14.228	29,083
CDBG Homebuyers Assistance 2011	14.218	58,600
CDBG Homebuyers Assistance	14.218	226,475
CALHOME 2009	14.228	1,324,536
Home First-Time Homebuyer Program 2000	14.228	373,816
Home First-Time Homebuyer Program 2002	14.228	2,434,128
Home First-Time Homebuyer Program 2005	14.228	695,888
Home First-Time Homebuyer Program 2008	14.228	477,068
Home New Rental Construction Project 2003	14.228	3,400,000
Home New Rental Construction Project 2004	14.228	<u>3,400,000</u>
Total Department of Housing And Urban Development:		<u>\$14,489,830</u>
 USDA Small Business Revolving Loan Fund		 <u>\$ 17,890</u>

COUNTY OF IMPERIAL, CALIFORNIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended June 30, 2016

Note 4. Indirect Costs

The County of Imperial did not elect to use the 10% de minimis cost rate.