

County of Trinity, California
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2013



PREPARED BY
AUDITOR-CONTROLLER'S OFFICE





Mission Statement

Trinity County government shall serve the public with integrity in an effective and efficient manner in order to create and sustain a safe, healthy, and productive environment. We will accomplish this by:

- Conducting the public's business in an open, responsible and accessible manner;
- Striving for operational excellence;
- Partnering with citizens, business and governmental agencies;
- Planning for the county's changing needs and public expectations;
- Developing and maintaining a stable and secure financial environment within county government that promotes and encourages community economic well-being;
- Supporting the responsible management and utilization of the county's natural resources in a sustainable manner while conserving our natural environment for present and future generations;
- Recognizing and promoting the county's historical legacy;
- Acknowledging that County employees and community volunteers are the foundation on which our services are delivered.



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June 30, 2013

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TRINITY COUNTY

WENDY G. TYLER, County Administrative Officer
P.O. BOX 1613, WEAVERVILLE, CALIFORNIA 96093-1613
PHONE (530) 623-1382

ANGELA BICKLE, Interim Auditor-Controller
P.O. BOX 1230, WEAVERVILLE, CALIFORNIA 96093-1230
PHONE (530) 623-1317

February 27, 2014

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

It is our pleasure to present the County of Trinity Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. California law requires that every local government publish a complete set of audited financial statements. This report is published to fulfill that requirement.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the data presented are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of the County of Trinity.

Gallina, LLP, Certified Public Accountants, have issued a modified opinion on the County of Trinity's financial statements for the year ended June 30, 2013. The modified opinion is due to Trinity County Waterworks District's capital assets not being audited in their financials. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A serves to complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

One of the State's original twenty-seven counties, the County was established by an act of the State Legislature on February 18, 1850.

The County is a general law county divided into five supervisorial districts on the basis of registered voters and populations. Policy making and legislative authority rests with the five-member County Board of Supervisors who serve staggered four-year terms. Also elected by the citizens of Trinity County to a four-year term are the Auditor-Controller, Assessor-Clerk Recorder-Elections, District Attorney, Sheriff and Treasurer-Tax Collector. Additional management consists of five department heads appointed by the Board of Supervisors, one appointed by the Trinity County Superior Court, and one appointed by the University of California. A County Administrative Officer appointed by the Board of Supervisors manages the day-to-day business affairs of the County.

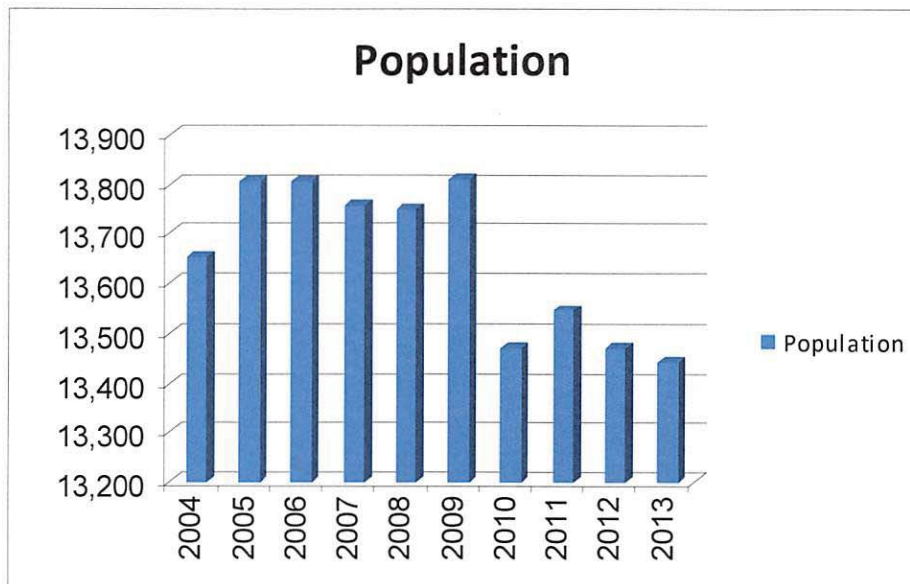
California counties are a political subdivision of the State of California and serve the needs of the citizens within the boundaries of each individual county. Trinity County, with an average of 302.55 full-time equivalent employees, serves the needs of the local citizens by providing public safety, sanitation, health and social services, the construction and maintenance of highways, streets, and infrastructure assets, cultural and recreational opportunities, public improvements, planning and zoning, and general administrative services.

The County is required by state law to adopt a final budget no later than October 2nd. This annual budget serves as a foundation for the County's financial planning and control. Budgets are adopted for all governmental and proprietary funds and are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The legal level of budgetary control is maintained at the fund, department, and income code level with more stringent control over capital assets. The Board must approve amendments or transfers of appropriations between funds or departments. Supplemental appropriations necessary and normally financed by unanticipated revenues during the fiscal year must also be approved by the Board.

County Geography and Demographics

Trinity County is a large, rugged and mountainous, heavily forested Northern California county bordered by the counties of Humboldt, Mendocino, Shasta, Siskiyou and Tehama and covers an area of approximately 2 million acres of land.

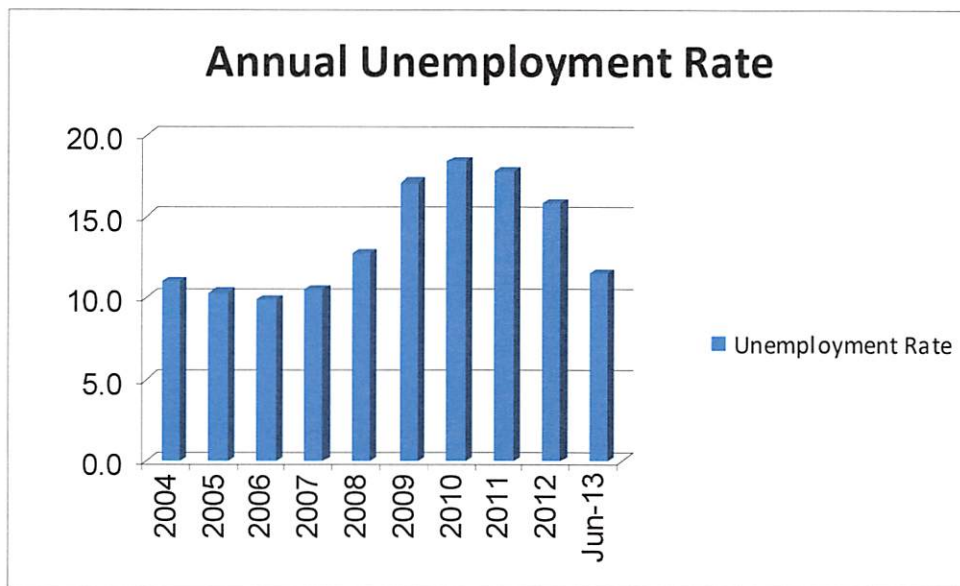
The State Department of Finance estimated Trinity County's population as of January 1, 2013 to be 13,443 a decrease of 27 since 2012.



Economic Condition and Outlook

Trinity County's economy has been historically based on agriculture, timber and tourism, all of which continue to be an integral part of our community and important contributors to the County's tax base.

For the fiscal year ending June 30, 2013, revenue sources remained fairly consistent with previous years and fund balances available for appropriation. We anticipate the County will continue to be challenged to meet the demands for public services and maintain a structurally balanced budget.



As of June 2013, the County's unemployment rate was 11.5%. The California statewide rate at the same time was 8.9%. The County unemployment rate during June of the previous year was 14.9%, an indicator of an improving unemployment rate in the County, yet still well above the statewide average.

Trinity County continues a proven track record of balancing its annual budgets, even during the most difficult times. State imposed revenue reductions, unfunded mandates, and the depressed national and state economies continued to present challenges to local governments throughout California and Trinity County is no exception to that rule.

County department heads, both elected and appointed, work cooperatively and successfully with the County Administrative Officer and Board of Supervisors on budget and fiscal matters. County leaders are continually seeking opportunities for improving efficiencies within our organization.

County Budget Overview

While the economy begins a gradual recovery, extraordinary challenges still remain for local governments throughout California, and the County of Trinity is no exception. Discretionary revenues such as property taxes remain stable while the demand and cost for public services continues to increase. Nevertheless, the County's general fund budget remains structurally balanced.

The County's annual budget is prepared with the following goals in mind:

1. Develop a responsible, sustainable budget and budget plan that will enable the County to maintain its fiscal solvency during both the short-term and over the long-term.
2. Minimize negative impacts on service levels provided to the public;
3. Maintaining current staff levels through minimal layoffs and work furloughs.

All of these goals were achieved during the fiscal year ending June 30, 2013.

Major Accomplishments and Goals

During the fiscal year ending June 30, 2013, County departments accomplished many objectives and continued progress in many areas while successfully performing their day to day responsibilities and duties. Examples include the following:

- Compiled first Comprehensive Annual Financial Report for the fiscal year ending June 30, 2012.
- Compiled and adopted a Governance manual as Board bylaws which included Rosenberg's Rules of Order.
- Implemented the statewide Case Management, Information and Payroll System for In-Home Supportive Services
- Implemented a Pandemic drive thru Flu Clinic for the citizens.
- Veteran's Services Completed a Comprehensive Operations Plan, implementation of the VETPRO claim servicing program and accreditation of our Veteran's Service Office with the California Department of Veterans Affairs.

Future Goals:

- Continue prudent fiscal management.
- Seek grants to improve major County infrastructure.
- Complete the upgrade of the County financial accounting system.

Financial information and Condition

The management of the County of Trinity is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Internal control structure is designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. This evaluation of cost to benefit requires estimates and judgments by management.

The County is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments. Information related to this Single Audit, including the schedule of federal financial assistance, findings and recommendations, and Auditor's report on the internal control structure and compliance with applicable laws and regulations are included in the Single Audit report, which is issued as a separate document.

The accounting methods and procedures adopted by the County of Trinity conform to Generally Accepted Accounting Principles (GAAP) as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable and the criteria set by Governmental Accounting Standard Board (GASB) Statement No.14, as amended by GASB Statement No. 61.

The County maintains budgetary controls to ensure compliance with the legal provisions contained in the annual appropriated budget approved by the County Board of Supervisors under the provision of Sections 29080-29093 of the Government Code. Those provisions set timelines and requirements for establishing a county budget each fiscal year. The County of Trinity Board of Supervisors, in conjunction with the Auditor-Controller, efficiently and responsibly adheres to those provisions.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30th year-end.

Blended Component Units

The County reporting entity includes component units because of their operational and financial relationship with the County. In Trinity County, Weaverville and Hayfork Lighting District's are included because the County of Trinity Board of Supervisors serves as their governing board.

Discretely Presented Component Units

The County Board of Supervisors appoints the governing board of Trinity County Waterworks District No. 1, and thus they are discretely presented within our financial documents.

Cash Management

The prime and overriding objective of the County is to protect the safety of the principal of the Investment Pool through the judicious purchase of those legal investments permitted to local agencies, as defined in the State of California Government Code, consistent with current conditions and the other dominant objectives pursuant to managing a local agency portfolio. The Treasurer places investments with the objective of obtaining a respectable rate of return,

subject to market conditions, not attempting to maximize yield at the expense of either safety, liquidity, availability, and diversification.

Debt Administration

As of June 30, 2013, the County had total long-term liabilities of \$27,466,067. This includes general obligations and special assessment debt, certificates of participation, capital leases, compensated absences, liability for self-insurance, loans payable and net Other Post Employee Benefits (OPEB) obligation. Activities related to existing long-term debt can be found in the Notes to the Basic Financial Statements, Note. 6.

Other Information

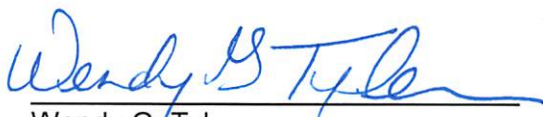
California Government Code requires an annual audit of the books of accounts, financial records, and transactions of all offices of the County by independent certified public accountants. The County selected Gallina, LLP, Certified Public Accountants to perform this requirement for fiscal year ending June 30, 2013. The audit was designed to meet the requirements of the Single Audit Act and related U.S. Office of Management and Budget's Circular A-133, in addition to requirements set forth by state statutes. The Independent auditor's report on the general purpose financial statements and individual fund statements and schedules is included in the financial section of this report. The supplementary auditor report of internal control and compliance with applicable laws and regulation is issued separately.

Acknowledgements

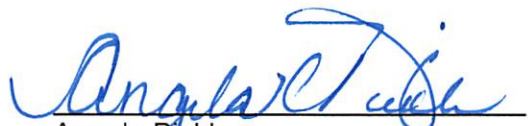
The preparation of Comprehensive Annual Financial Statements is possible only through the effort and determination of those involved in the preparation. Those involved in the compilation of this comprehensive document included our independent auditor's Gallina, LLP, Craig Goodman, CPA, the Auditor-Controller and staff, the County Administrative Officer and staff, and those providing ongoing statistical data. We would like to recognize their contribution to the preparation of this Comprehensive Annual Financial Report.

As always, we recognize the County Board of Supervisors for their continued efforts to maintain the fiscal health of Trinity County, while striving to address the issues important to the citizens of Trinity County.

Respectfully submitted,

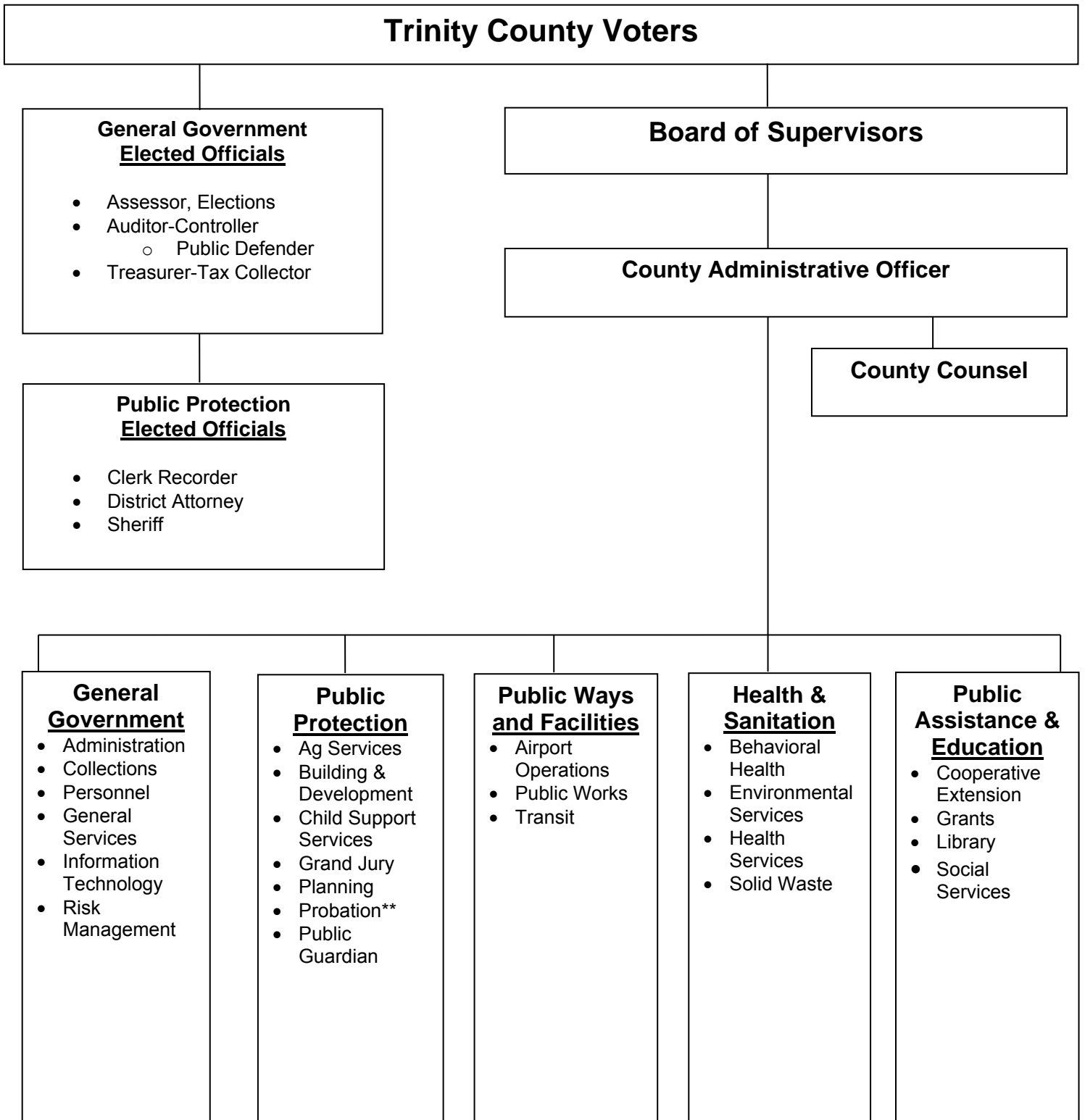


Wendy G. Tyler
County Administrative Officer



Angela Bickle
Interim Auditor-Controller

COUNTY OF TRINITY
ANNUAL FINANCIAL REPORT
June 30, 2013



** Appointed by the Trinity County Superior Court

COUNTY OF TRINITY
ANNUAL FINANCIAL REPORT
June 30, 2013

Board of Supervisors and Other County Officials
as of June 30, 2013

Board of Supervisors

District 1—Judy Pflueger
District 2—Judy Morris
District 3—Roger Jaegel
District 4—Debra Chapman
District 5—Wendy Otto

Elected Department Heads

Auditor/Controller—Marilyn Horn
Clerk/Recorder/Assessor—Dave Hunt
District Attorney—Mike Harper
Sheriff—Bruce Haney
Treasurer/Tax Collector—Terri McBrayer

Appointed Department Heads

County Administrative Officer—Wendy Tyler
County Counsel—Derek Cole, Cota Cole LLP
Chief Probation Officer—Terry Lee
Department of Transportation—Rick Tippet
Behavioral Health—Noel O'Neill
Child Support Services—Robin McStay
Health and Human Services—Linda Wright
Ag Commissioner/Sealer/Solid Waste—Mark Lockhart



INDEPENDENT AUDITOR'S REPORT





INDEPENDENT AUDITOR'S REPORT

Board of Supervisors County of Trinity
Weaverville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Trinity, California, (the County), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Waterworks District No. 1 which represent 100 percent of the assets, net position and revenues of the discretely presented component unit. These financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion insofar as they relate to the amounts included in the discretely presented component unit, is based solely on the report by other auditors.

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

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

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

Basis for Qualified Opinion

The capital asset balances of the Waterworks District No. 1 have not been audited, and we were not engaged to audit the capital asset balances as part of our audit of the basic financial statements. The capital asset balances of the Waterworks District No. 1 represent approximately 96 percent of the total assets of the discretely presented component unit.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the “Basis for Qualified Opinion” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the discretely presented component unit, as of June 30, 2013, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2013, and the respective changes in financial position, and where applicable, cash flows thereof 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, budgetary comparison information, and schedules of funding progress for the County’s pension plan and other post employment benefits plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Board of Supervisors County of Trinity
Weaverville, California

The combining and individual nonmajor fund financial statements and schedules are 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2014 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script, appearing to read "Gallina" followed by a flourish.

Roseville, California
February 27, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS



COUNTY OF TRINITY

Management's Discussion and Analysis Required Supplementary Information June 30, 2013

This section of the County of Trinity's (County) annual financial report presents our discussion and analysis of the County's performance during the fiscal year that ended June 30, 2013. This discussion and analysis should be read in conjunction with the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of the most recent fiscal year by \$125,011,120 (*net position*).
- The government's total net position decreased by \$19,994,209. Governmental activities net position decreased by \$9,379,814 but was offset by a prior period adjustment of \$231,880. Business-type activities net position decreased by \$243,320 with a further deduction due to the removal of the Trinity County Waterworks District No. 1, \$10,602,956, which is now classified as a discretely presented component unit in accordance with Governmental Accounting Standards Board (GASB) Statement Number 61.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$17,917,533 a decrease of \$3,588,427 in comparison with the prior fiscal year. This decrease is due to expenditures exceeding revenues by \$1.6 million and prior period adjustments that decreased fund balance by \$1.9 million.
- The County's unassigned fund balance for the general fund was \$786,982. Absent the merger of the old hospital fund, the County's unassigned fund balance would have been \$8,755,919 or 57.5% of total general fund expenditures.
- The County's net investment in capital assets, excluding Waterworks District No. 1, decreased by \$7,406,744 due primarily to depreciation exceeding purchases of capital assets in the current fiscal year.
- The County's total long-term liabilities increased by \$1,720,493, excluding the Waterworks District No. 1, in comparison with the prior fiscal year. This was primarily due to an increase in the Net Other Post-Employment Benefits (OPEB) obligation.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components 1) **Government-wide** financial statements; 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business, which uses the full accrual basis of accounting. The Government-wide Financial Statements are comprised of the following two components:

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

COUNTY OF TRINITY

Management's Discussion and Analysis Required Supplementary Information June 30, 2013

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The **statement of activities** presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation. The business-type activities of the County include solid waste, transit and cemetery.

Component units are included in the County's 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. Hayfork Lighting District is an example of a component unit of the County.

Fund Financial Statements

Fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. The funds of the County are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

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

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

The County maintains four individual governmental funds that are considered major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Road Fund, Human Services, and HOME Grants. 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* elsewhere in this report.

COUNTY OF TRINITY

Management's Discussion and Analysis Required Supplementary Information June 30, 2013

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Proprietary funds are maintained two ways: *Enterprise funds* and *Internal service funds*. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the County's solid waste, transit and cemetery services. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its motor pool, copier expenses and OPEB.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Solid waste is considered a major enterprise fund of the County. The non-major enterprise funds are transit and cemetery. The County's three internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the individual internal service funds is provided in the form of combining statements elsewhere in this report.

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

Notes to the Basic Financial Statements

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

Required Supplementary Information

Required Supplementary Information is presented concerning actuarial information related to the County's retirement and retiree healthcare plans as well as certain budgetary information. Budgetary comparison schedules have been provided for all major governmental funds to demonstrate compliance with the County's adopted annual appropriated budget for each fund.

Combining and Individual Fund Statements and Schedules

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

COUNTY OF TRINITY

Management's Discussion and Analysis
Required Supplementary Information
June 30, 2013

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Following is the comparative analysis of government-wide data for fiscal years 2012-2013 and 2011-2012.

**Statement of Net Position
June 30, 2013 and 2012**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	\$ 27,771,337	\$ 27,554,296	\$ 1,021,136	\$ 1,728,795	\$ 28,792,473	\$ 29,283,091
Capital assets	129,167,006	136,825,865	1,797,934	12,637,009	130,964,940	149,462,874
Total assets	<u>156,938,343</u>	<u>164,380,161</u>	<u>2,819,070</u>	<u>14,365,804</u>	<u>159,757,413</u>	<u>178,745,965</u>
Liabilities						
Current and other liabilities	5,321,479	5,003,880	914,306	1,024,148	6,235,785	6,028,028
Long-term liabilities	23,826,606	22,438,090	4,683,902	5,274,518	28,510,508	27,712,608
Total liabilities	<u>29,148,085</u>	<u>27,441,970</u>	<u>5,598,208</u>	<u>6,298,666</u>	<u>34,746,293</u>	<u>33,740,636</u>
Net Position						
Net investment in capital assets	129,167,006	136,825,865	1,675,146	11,570,130	130,842,152	148,395,995
Restricted	19,372,789	22,853,328	--	--	19,372,789	22,853,328
Unrestricted	(20,749,537)	(22,741,002)	(4,454,284)	(3,502,992)	(25,203,821)	(26,243,994)
Total net position	<u>\$ 127,790,258</u>	<u>\$ 136,938,191</u>	<u>\$ (2,779,138)</u>	<u>\$ 8,067,138</u>	<u>\$ 125,011,120</u>	<u>\$ 145,005,329</u>

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 \$125,011,120 at the close of the most recent fiscal year.

The largest portion of the County's net position, \$129,167,006, reflects its investment in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in 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.

Another important portion of the County's net position, \$19,372,789, represents resources that are subject to external restrictions on how they may be used. The remaining balance of the County's net position indicates a deficit balance of \$20,749,537, representing *unrestricted net position* which may be used to meet the County's ongoing obligations to citizens and creditors.

The County's net position has decreased \$19,994,209 during the current fiscal year. This decrease is primarily due to the net effect of a \$231,880 increase attributable to prior period adjustments in the current fiscal year, a \$10,602,956 decrease attributable to the removal of the Trinity Waterworks District No. 1, which is now a discretely presented component unit and a decrease of \$9,623,134 caused by expenses exceeding revenues.

At the end of the current fiscal year, the County reported a positive net position balance for Governmental activities, but a deficit net position for business-type activities.

COUNTY OF TRINITY

Management's Discussion and Analysis
Required Supplementary Information
June 30, 2013

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The following table indicates the changes in net position for governmental and business-type activities for fiscal years 2012-2013 and 2011-2012.

**Statement of Activities
For the Years Ended June 30, 2013 and 2012
(in thousands)**

Revenues	Governmental Activities		Business-Type Activities		Total		Variance
	2013	2012	2013	2012	2013	2012	
Program Revenues:							
Fees, fines and charges for services	\$ 5,699	\$ 5,398	\$ 2,230	\$ 2,742	\$ 7,929	\$ 8,140	-2.6%
Operating & capital grants/contributions	27,630	29,181	678	521	28,308	29,702	-4.7%
General Revenues:							
Property Taxes	5,956	6,211	147	144	6,103	6,355	-4.0%
Sales and Use Taxes	1,058	1,132	--	--	1,058	1,132	-6.5%
Other Taxes	301	316	--	--	301	316	0.0%
Transfers	(81)	(45)	81	45	--	--	0.0%
Miscellaneous	991	702	6	13	997	715	39.4%
Interest and Investment earnings	128	165	16	20	144	185	-22.2%
Total Revenues	<u>41,682</u>	<u>43,060</u>	<u>3,158</u>	<u>3,485</u>	<u>44,840</u>	<u>46,545</u>	-3.7%
Expenses							
General government	3,279	3,353	--	--	3,279	3,353	-2.2%
Public protection	14,346	12,584	--	--	14,346	12,584	14.0%
Public ways and facilities	16,811	17,595	--	--	16,811	17,595	-4.5%
Health and sanitation	6,762	7,267	--	--	6,762	7,267	-6.9%
Public assistance	8,736	8,471	--	--	8,736	8,471	3.1%
Education	353	373	--	--	353	373	-5.4%
Recreation and culture	--	--	--	--	--	--	0.0%
Interest on long-term debt	775	836	--	--	775	836	-7.3%
Cemeteries	--	--	8	7	8	7	14.3%
Transit	--	--	708	600	708	600	18.0%
Solid Waste	--	--	2,685	2,673	2,685	2,673	0.4%
Waterworks District No. 1	--	--	--	807	--	807	-100.0%
Total Expenses	<u>51,062</u>	<u>50,479</u>	<u>3,401</u>	<u>4,087</u>	<u>54,463</u>	<u>54,566</u>	-0.2%
Change in Net Position	(9,380)	(7,419)	(243)	(602)	(9,623)	(8,021)	20.0%
Net position - Beginning	136,938	144,694	(2,536)	8,669	134,402	153,363	-12.4%
Prior period adjustment	232	(337)	--	--	232	(337)	
Net Position - Ending	<u>\$ 127,790</u>	<u>\$ 136,938</u>	<u>\$ (2,779)</u>	<u>\$ 8,067</u>	<u>\$ 125,011</u>	<u>\$ 145,005</u>	-13.8%

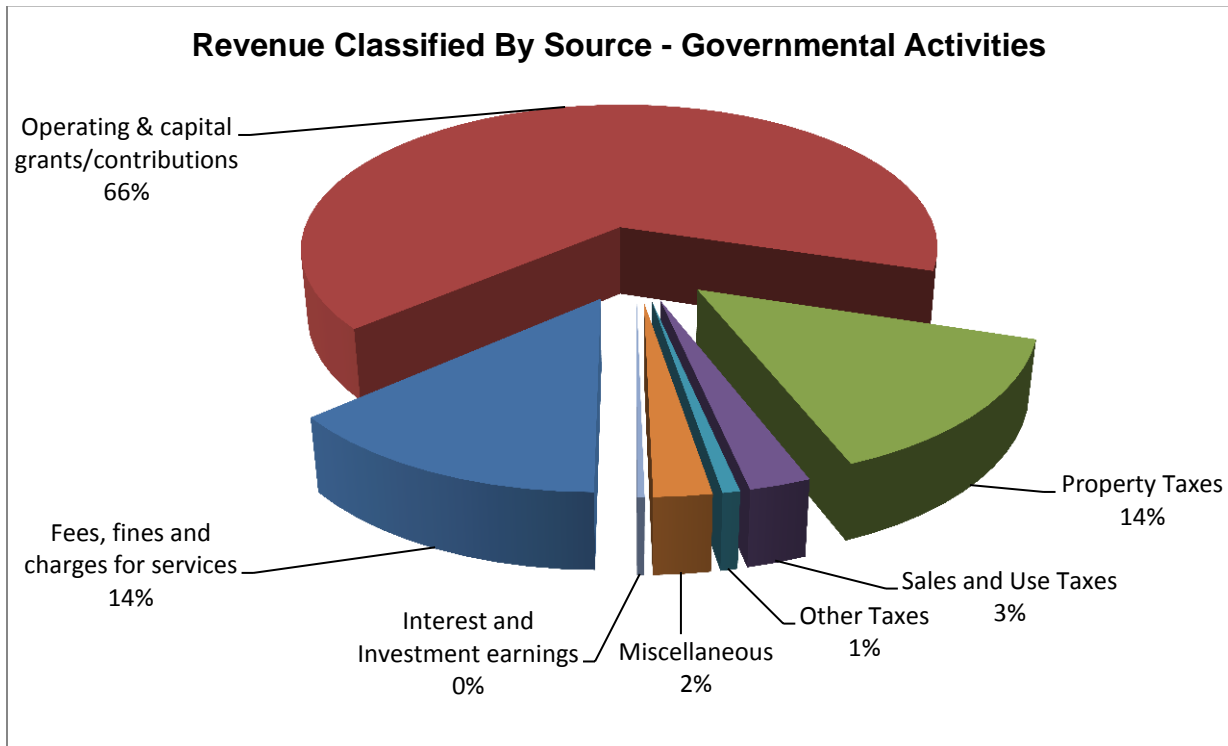
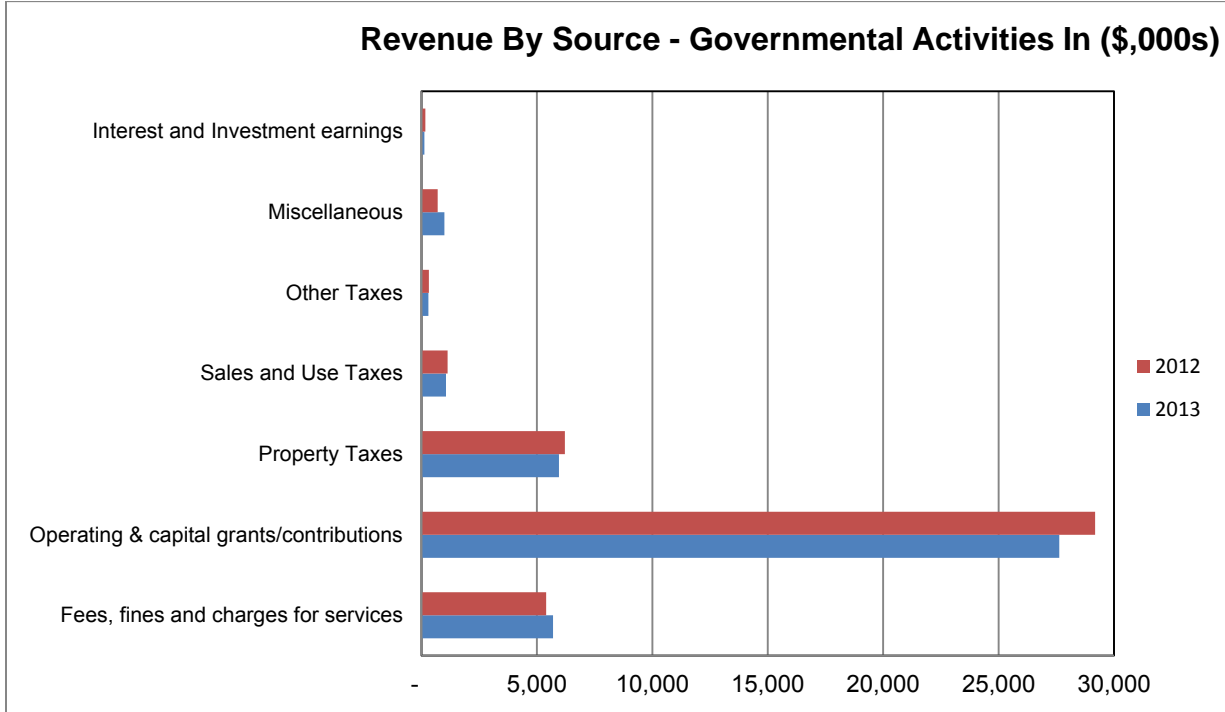
The County's revenues from governmental activities decreased by \$1,379,354 or 3.2% over the prior fiscal year. This decrease was due primarily to a decrease of \$1,182,847 in capital grants and contributions and a decrease of \$369,179 in operating grants and contributions.

The County's expenses from governmental activities increased by \$581,426 or 1.2% over the prior fiscal year. This increase was due primarily to increases of \$1.8 million in public protection, \$0.3 million in public assistance expenditures, offset primarily by decreases of \$0.8 million in public ways and facilities and \$0.5 million in health and sanitation.

COUNTY OF TRINITY

Management's Discussion and Analysis
 Required Supplementary Information
 June 30, 2013

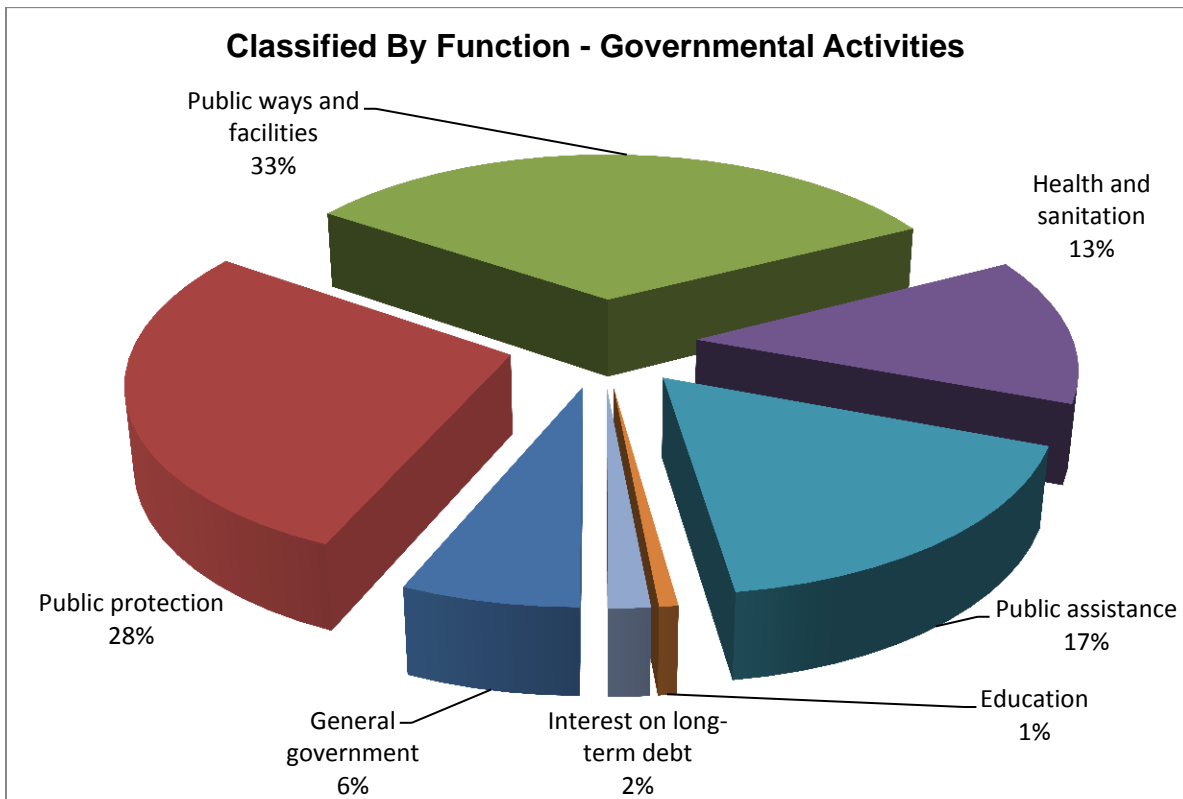
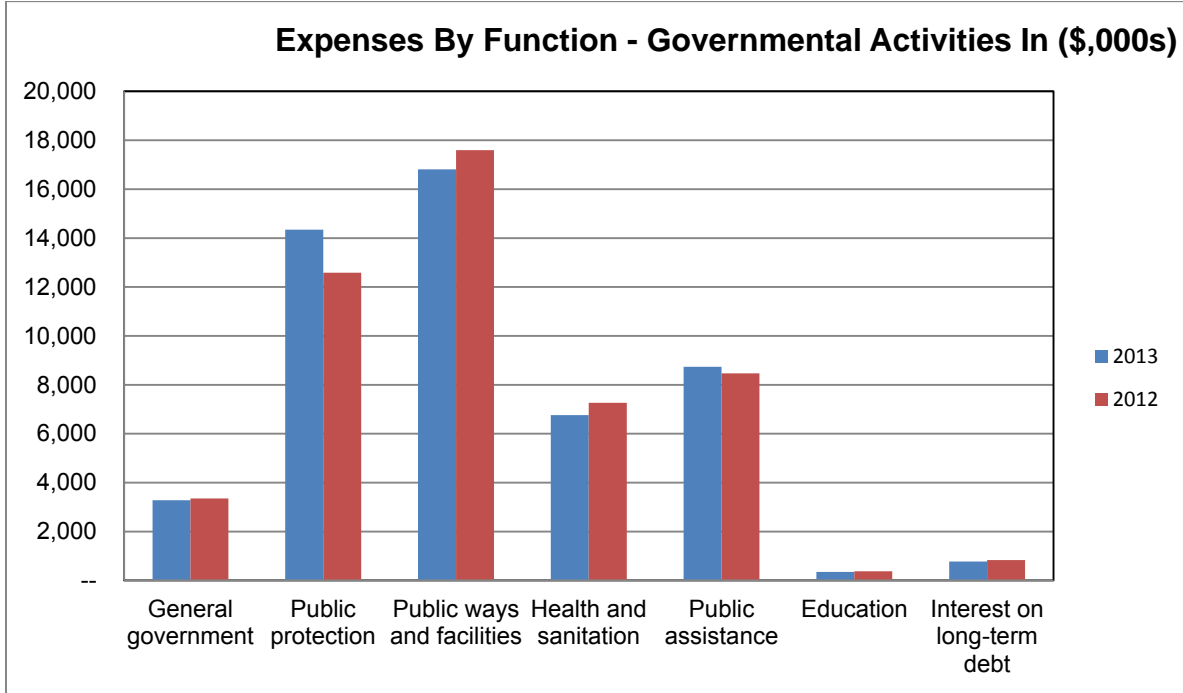
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)



COUNTY OF TRINITY

Management's Discussion and Analysis
 Required Supplementary Information
 June 30, 2013

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)



COUNTY OF TRINITY

Management's Discussion and Analysis
Required Supplementary Information
June 30, 2013

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

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

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

The County's management may commit assigned or unassigned fund balance for a particular function, project or activity, which may extend beyond the current fiscal year. However, committed, assigned, and unassigned fund balances are available for appropriation at any time. See Note 9 – Net Position/Fund Balance in the notes to the financial statements for a more detailed fund balance break down.

**Changes in Fund Balance - Governmental Funds
For Fiscal Years Ended June 30, 2013**

	General	Road Fund	Human Services	HOME Grant	Other Governmental Funds	Total
Revenues	\$ 13,721,610	\$ 7,758,174	\$ 3,925,840	\$ 94,035	\$ 15,002,258	\$ 40,501,917
Expenditures	(15,235,983)	(9,009,540)	(7,675,084)	(35,596)	(10,131,897)	(42,088,100)
Other Financing Sources (Uses), net	2,575,853	(173,829)	3,392,322	(626)	(5,874,893)	(81,173)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	1,061,480	(1,425,195)	(356,922)	57,813	(1,004,532)	(1,667,356)
Prior Period Adjustment	--	--	--	--	(1,921,071)	(1,921,071)
Fund Balance - Beginning of Year	(17,640)	8,897,694	21,179	2,753,034	9,851,693	21,505,960
Fund Balance - End of Year	<u>\$ 1,043,840</u>	<u>\$ 7,472,499</u>	<u>\$ (335,743)</u>	<u>\$ 2,810,847</u>	<u>\$ 6,926,090</u>	<u>\$ 17,917,533</u>

At June, 30, 2013, the County's governmental funds reported combined fund balances of \$17,917,533. Of these combined fund balances, \$1,226,851 is *nonspendable fund balance* to indicate that it is not available for new spending because it is not in spendable form, \$16,857,169 constitutes *restricted fund balance* which is available to meet specific current and future County needs, and (\$166,487) constitutes *assigned and unassigned fund balance*, which is available to meet the County's current and future needs.

The General Fund is the County's main operating fund. During the fiscal year, fund balance in the General Fund increased by \$1,061,480. This increase was due primarily to an increase in reimbursements transferred into the General Fund.

As of July 2007, the County is no longer responsible or liable for hospital operations and facilities. The hospital remains open, under the management and operation of the Mountain Communities Healthcare District (Health District), an entity separate and independent of the County, providing the same services as prior to its transfer to the Healthcare District. Prior to the transfer of the former Trinity Hospital a separate financing authority and subsequently to the Healthcare District, the Hospital Fund had an accumulated deficit in the amount of approximately \$7.5 million. As of June 30, 2013, the accumulated deficit fund balance is \$7,712,079. This amount has been absorbed by the General Fund as the former deficit is now the responsibility of the General Fund.

COUNTY OF TRINITY

Management's Discussion and Analysis
Required Supplementary Information
June 30, 2013

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (continued)

The County uses the Road Fund to account for maintenance and construction of roads within the County. During the fiscal year, fund balance in the Road Fund decreased by \$1,425,195. This decrease is due to expenditures exceeding revenues by \$1,251,366 and a decrease of \$173,829 due to transfers.

The County uses the Human Services Fund to account for health and human services and social services program activity within the County. During the fiscal year, fund balance in the Human Services Fund decreased by \$356,922. This decrease is primarily due to a decrease in Intergovernmental revenues received from various State and Federal sources.

The County uses the HOME Grants Fund to account for Home grant program activities within the County. During the fiscal year, fund balance in the HOME Grants Fund increased by \$57,813. This increase is due to grant reimbursements exceeding grant expenditures.

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

The Solid Waste Fund is used to account for the operations and the maintenance of the solid waste facilities. As of June 30, 2013, unrestricted net position of the Solid Waste Fund were at a deficit of \$4,318,247, while total net position was a deficit of \$3,296,979. Total net position of the solid waste decreased by \$462,904 due to operating expenses exceeding revenues. Specifically, operating revenues for charges for services were insufficient to cover salaries, benefits, services and supplies operating expenses.

**Changes in Net Position – Proprietary Funds
For Fiscal Year Ended June 30, 2013**

	Solid Waste	Non-major Enterprise Funds	Total
Operating Revenues	\$2,142,056	\$93,677	\$2,235,733
Operating Expenditures	(2,680,553)	(715,805)	(3,396,358)
Operating Income (Loss)	(538,497)	(622,128)	(1,160,625)
Non-Operating Revenue (Expense)	178,107	657,525	835,632
Net Income before Transfers	(360,390)	35,397	(324,993)
Contributions and Transfers In (Out)	(102,514)	184,187	81,673
Change in Net Position	(462,904)	219,584	(243,320)
Net Position - Beginning of Year	(2,834,075)	298,257	(2,535,818)
Net Position - End of Year	<u>(3,296,979)</u>	<u>\$517,841</u>	<u>(\$2,779,138)</u>

COUNTY OF TRINITY

Management's Discussion and Analysis
Required Supplementary Information
June 30, 2013

GENERAL FUND BUDGETARY HIGHLIGHTS

Resources (revenues) and appropriations (expenditures) represent the legal level of budgetary controls. During the current fiscal year, actual general fund revenues were \$13,721,610 or 3.87% more than budgeted, while actual general fund expenditures were \$15,235,983 or 7.58% under budget. In addition, actual other financing sources (uses) were \$2,575,853 or -8.21% less than budget.

**Budgetary Comparison Schedule
General Fund**

	Original	Final	Actual	Variance with Final Budget	
Total Revenues	\$ 12,587,885	\$ 13,210,004	\$ 13,721,610	\$ 511,606	3.87%
Total Expenditures	15,699,716	16,486,257	15,235,983	1,250,274	7.58%
Other Financing Sources (Uses)	2,145,031	2,806,117	2,575,853	(230,264)	-8.21%
Net Change in Fund Balance	\$ (966,800)	\$ (470,136)	\$ 1,061,480	\$ 1,531,616	325.78%

Differences between the original budget and the final amended budget were relatively minor. The County's budget continues to be a challenge because of the sluggish economy.

CAPITAL ASSETS

The County's investment in capital assets as of June 30, 2013, amounted to \$130,964,940 (net of accumulated depreciation). This investment in a broad range of capital assets includes land, construction in progress, infrastructure (roads and bridges), structures and improvements, and equipment.

The following table shows the County's total investment in capital assets for governmental and proprietary funds.

**Total Investment in Capital Assets
For Fiscal Years Ended June 30, 2013 and 2012**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 1,193,657	\$ 1,193,657	\$ 30,616	\$ 34,616	\$ 1,224,273	\$ 1,228,273
Construction in Progress	9,155,860	6,658,431	--	19,834	9,155,860	6,678,265
Structures & Improvements	22,376,543	22,396,183	1,420,788	17,054,752	23,797,331	39,450,935
Equipment	11,527,029	11,367,250	2,679,745	2,760,732	14,206,774	14,127,982
Infrastructure	230,121,120	228,701,358	--	--	230,121,120	228,701,358
Total	274,374,209	270,316,879	4,131,149	19,869,934	278,505,358	290,186,813
Accumulated Depreciation	(145,207,203)	(133,491,016)	(2,333,215)	(7,232,927)	(147,540,418)	(140,723,943)
Net Capital Assets	\$ 129,167,006	\$ 136,825,863	\$ 1,797,934	\$ 12,637,007	\$ 130,964,940	\$ 149,462,870

Additional information on the County's capital assets can be found in Note 5 in the Notes to the Financial Statements.

COUNTY OF TRINITY

Management's Discussion and Analysis
Required Supplementary Information
June 30, 2013

LONG-TERM LIABILITIES

At June 30, 2013, the County had total long-term liabilities outstanding of \$27,466,067 as compared to \$26,660,238 in the prior fiscal year. During the current fiscal year, retirement of liabilities amounted to \$3,051,299; while additions to long-term liabilities amounted to \$4,771,792 and were comprised primarily of the current fiscal year's increase to the net OPEB obligation of \$3,026,197.

The following table shows the composition of the County's total outstanding long-term liabilities.

**Total Outstanding Long-Term Liabilities
For Fiscal Years Ended June 30, 2013 and 2012**

	Governmental Activities		Business Activities		Total Activities	
	2013	2012	2013	2012	2013	2012
Certificate of Participation	\$ 8,535,000	\$ 9,515,000	\$ 0	\$ 0	\$ 8,535,000	\$ 9,515,000
Special Assessment Debt	0	0	0	604,566	0	604,566
Capital Lease	0	0	122,788	161,734	122,788	161,734
Compensated absences	959,648	1,013,095	78,311	77,342	1,037,959	1,090,437
Liability for self-insurance	1,058,078	1,162,590	0	0	1,058,078	1,162,590
Loans payable	1,388,880	1,528,167	0	300,579	1,388,880	1,828,746
Net OPEB Obligation	14,029,798	11,274,668	1,293,564	1,022,497	15,323,362	12,297,165
Total	25,971,404	24,493,520	1,494,663	2,166,718	27,466,067	26,660,238
Less Current Portion	(2,144,798)	(2,055,430)	(92,811)	(116,216)	(2,237,609)	(2,171,646)
Net Long-Term Debt	\$ 23,826,606	\$ 22,438,090	\$ 1,401,852	\$ 2,050,502	\$ 25,228,458	\$ 24,488,592

Additional information on the County's long term debt can be found in Note 6 in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In the 2013-2014 budget year the County must continue to be committed to conservative administrative practices in financial management to avoid further erosion of the County's financial base while planning for future obligations. We must recognize the broader economic slow-down and its effect on revenue as well as planning for possible cash flow issues due to both the State budget shortfall and the delay of grant reimbursement payments.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Trinity County Auditor's Office at P.O. Box 1230, Weaverville, California 96093.

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BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS



Four Lakes Loop

COUNTY OF TRINITY

Statement of Net Position
June 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Waterworks District No. 1
ASSETS				
Cash and investments	\$ 11,058,559	\$ 868,755	\$ 11,927,314	\$ 407,449
Cash with fiscal agent	463,817	--	463,817	--
Accounts receivable	100,853	84,989	185,842	59,616
Taxes receivable	2,315,001	--	2,315,001	--
Interest receivable	8,722	494	9,216	--
Due from other governments	4,097,607	221,305	4,318,912	32,195
Prepaid expenses	5,170	--	5,170	--
Loan and notes receivable	5,446,856	--	5,446,856	--
Deposits with others	3,150,352	--	3,150,352	--
Inventories	969,993	--	969,993	--
Internal balances	154,407	(154,407)	--	--
Capital assets:				
Nondepreciable	10,349,517	30,616	10,380,133	--
Depreciable, net	118,817,489	1,767,318	120,584,807	10,750,241
Total Assets	<u>156,938,343</u>	<u>2,819,070</u>	<u>159,757,413</u>	<u>11,249,501</u>
LIABILITIES				
Accounts payable	2,290,691	83,518	2,374,209	13,543
Salaries and benefits payable	94,222	2,503	96,725	9,806
Interest payable	183,787	4,001	187,788	--
Deposits from others	10,281	1,293	11,574	28,456
Unearned revenue	597,700	730,180	1,327,880	--
Long-Term Liabilities:				
Portion due or payable within one year:				
Bonds and special assessment debt	1,105,000	--	1,105,000	--
Capital leases	--	40,601	40,601	--
Loan payable	--	--	--	24,016
Compensated absences	639,798	52,210	692,008	--
Contract payable	150,000	--	150,000	--
Liability for unpaid claims	250,000	--	250,000	--
Portion due or payable after one year:				
Bonds and special assessment debt	7,430,000	--	7,430,000	--
Capital leases	--	82,187	82,187	--
Loan payable	--	--	--	880,874
Compensated absences	319,850	26,101	345,951	9,518
Contract payable	1,238,880	--	1,238,880	--
Liability for unpaid claims	808,078	--	808,078	--
Net OPEB obligation	14,029,798	1,293,564	15,323,362	--
Liability for landfill closure	--	3,282,050	3,282,050	--
Total Liabilities	<u>29,148,085</u>	<u>5,598,208</u>	<u>34,746,293</u>	<u>966,213</u>
NET POSITION				
Net investment in capital assets	129,167,006	1,675,146	130,842,152	9,832,945
Restricted for:				
Public protection	470,538	--	470,538	--
Public ways and facilities	8,226,579	--	8,226,579	--
Public health and assistance	3,005,352	--	3,005,352	--
Public assistance	5,617,910	--	5,617,910	--
Other County programs	2,052,410	--	2,052,410	--
Unrestricted	(20,749,537)	(4,454,284)	(25,203,821)	450,343
Total Net Position	<u>\$ 127,790,258</u>	<u>\$ (2,779,138)</u>	<u>\$ 125,011,120</u>	<u>\$ 10,283,288</u>

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

COUNTY OF TRINITY

Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 3,279,153	\$ 2,147,942	\$ 918,076	\$ 2,670
Public protection	14,346,337	1,795,582	5,645,938	5,000
Public ways and facilities	16,810,768	1,248,004	5,016,496	2,077,171
Health and sanitation	6,761,926	390,401	6,555,882	--
Public assistance	8,735,699	113,753	7,408,231	--
Education	352,530	3,783	--	--
Interest on long-term debt	774,660	--	--	--
Total Governmental Activities	<u>51,061,073</u>	<u>5,699,465</u>	<u>25,544,623</u>	<u>2,084,841</u>
Business-Type Activities:				
Solid Waste	2,686,161	2,140,316	21,924	--
Cemeteries	7,699	10,763	--	--
Transit	708,106	78,769	656,136	--
Total Business-type Activities	<u>3,401,966</u>	<u>2,229,848</u>	<u>678,060</u>	<u>--</u>
Total Trinity County	<u>\$ 54,463,039</u>	<u>\$ 7,929,313</u>	<u>\$ 26,222,683</u>	<u>\$ 2,084,841</u>
Component Unit:				
Waterworks District No. 1	<u>\$ 807,366</u>	<u>\$ 428,770</u>	<u>\$ --</u>	<u>\$ --</u>

General Revenues and Transfers:

 Taxes:

 Property taxes

 Sales and use taxes

 Transient occupancy tax

 Other

 Interest and investment earnings

 Miscellaneous

 Transfers

 Total General Revenues and Transfers

Change in Net Position

 Net Position - Beginning of Year, restated

 Net Position - End of Year

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

Net (Expense) Revenue and Changes in Net Position			Component Unit
Primary Government			Waterworks District No. 1
Governmental Activities	Business-Type Activities	Total	
\$ (210,465)	\$ --	\$ (210,465)	\$ --
(6,899,817)	--	(6,899,817)	--
(8,469,097)	--	(8,469,097)	--
184,357	--	184,357	--
(1,213,715)	--	(1,213,715)	--
(348,747)	--	(348,747)	--
(774,660)	--	(774,660)	--
<u>(17,732,144)</u>	<u>--</u>	<u>(17,732,144)</u>	<u>--</u>
--	(523,921)	(523,921)	--
--	3,064	3,064	--
--	26,799	26,799	--
<u>--</u>	<u>(494,058)</u>	<u>(494,058)</u>	<u>--</u>
<u>(17,732,144)</u>	<u>(494,058)</u>	<u>(18,226,202)</u>	--
			<u>(378,596)</u>
5,955,766	146,967	6,102,733	8,207
1,057,980	--	1,057,980	--
140,058	--	140,058	--
161,098	--	161,098	--
128,099	16,213	144,312	1,220
990,502	6,385	996,887	49,501
(81,173)	81,173	--	--
<u>8,352,330</u>	<u>250,738</u>	<u>8,603,068</u>	<u>58,928</u>
(9,379,814)	(243,320)	(9,623,134)	(319,668)
<u>137,170,072</u>	<u>(2,535,818)</u>	<u>134,634,254</u>	<u>10,602,956</u>
<u>\$ 127,790,258</u>	<u>\$ (2,779,138)</u>	<u>\$ 125,011,120</u>	<u>\$ 10,283,288</u>

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

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BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS

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COUNTY OF TRINITY

Balance Sheet
Governmental Funds
June 30, 2013

	General	Road	Human Services	HOME Grants	Other Governmental	Total
<u>Assets</u>						
Cash and investments	\$ --	\$ 3,374,612	\$ --	\$ 21,048	\$ 5,875,870	\$ 9,271,530
Imprest cash	23,299	200	75	--	29,526	53,100
Cash with fiscal agent	--	--	--	--	463,817	463,817
Accounts receivable	16,337	62,549	393	--	16,548	95,827
Due from other governments	134,026	965,923	644,853	--	2,198,882	3,943,684
Taxes receivable	--	--	--	--	2,315,001	2,315,001
Interest receivable	402	4,744	(422)	17	3,146	7,887
Deposits with others	3,150,352	--	--	--	--	3,150,352
Prepays and other assets	5,075	--	--	--	--	5,075
Inventories	--	969,993	--	--	--	969,993
Due from other funds	--	4,124,161	--	--	640,156	4,764,317
Loans receivable	--	--	--	3,142,056	2,304,800	5,446,856
Advances to other funds	251,783	--	--	--	57,203	308,986
Total Assets	<u>\$ 3,581,274</u>	<u>\$ 9,502,182</u>	<u>\$ 644,899</u>	<u>\$ 3,163,121</u>	<u>\$ 13,904,949</u>	<u>\$ 30,796,425</u>
<u>Liabilities</u>						
Accounts payable	421,622	895,423	41,573	--	388,671	1,747,289
Retention payable	840	479,244	--	--	--	480,084
Salaries and benefits payable	10,343	73,863	6,524	--	3,492	94,222
Due to other funds	1,491,456	--	541,197	--	2,577,257	4,609,910
Unearned revenue	534,236	--	--	--	63,464	597,700
Deposits from others	3,851	--	--	--	6,430	10,281
Advances from other funds	--	--	--	--	308,986	308,986
Total Liabilities	<u>2,462,348</u>	<u>1,448,530</u>	<u>589,294</u>	<u>--</u>	<u>3,348,300</u>	<u>7,848,472</u>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue	<u>75,086</u>	<u>581,153</u>	<u>391,348</u>	<u>352,274</u>	<u>3,630,559</u>	<u>5,030,420</u>
<u>Fund Balances</u>						
Nonspendable	256,858	969,993	--	--	--	1,226,851
Restricted	--	6,502,506	--	2,810,847	7,543,816	16,857,169
Assigned	--	--	--	--	1,419,363	1,419,363
Unassigned	786,982	--	(335,743)	--	(2,037,089)	(1,585,850)
Total Fund Balances	<u>1,043,840</u>	<u>7,472,499</u>	<u>(335,743)</u>	<u>2,810,847</u>	<u>6,926,090</u>	<u>17,917,533</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,581,274</u>	<u>\$ 9,502,182</u>	<u>\$ 644,899</u>	<u>\$ 3,163,121</u>	<u>\$ 13,904,949</u>	<u>\$ 30,796,425</u>

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

COUNTY OF TRINITY

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position - Governmental Activities
June 30, 2013

Fund Balance - total governmental funds (page 21)	\$ 17,917,533
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	128,952,457
Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	5,030,420
Internal service funds are used by the County to charge the cost of its motor pool, copier pool and OPEB to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	2,045,039
Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Pension obligation bonds	(4,445,000)
Certificates of participation	(4,090,000)
Accrued interest	(183,787)
Contract payable	(1,388,880)
Claims liability	(1,058,078)
Compensated absences	(959,648)
OPEB Liability	<u>(14,029,798)</u>
Net position of governmental activities (page 17)	<u>\$ 127,790,258</u>

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

COUNTY OF TRINITY

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2013

	General	Road	Human Services	HOME Grants	Other Governmental	Total
Revenues:						
Taxes	\$ 7,160,562	\$ --	\$ --	\$ --	\$ 154,340	\$ 7,314,902
Licenses and permits	511,659	11,770	--	--	21,532	544,961
Fines, forfeitures and penalties	122,028	--	212	--	452,152	574,392
Use of money and property	13,498	25,111	(910)	65	86,021	123,785
Intergovernmental	2,402,910	6,288,181	3,759,532	93,970	13,827,572	26,372,165
Charges for services	2,954,386	1,236,234	113,541	--	275,951	4,580,112
Other revenues	556,567	196,878	53,465	--	184,690	991,600
Total Revenues	<u>13,721,610</u>	<u>7,758,174</u>	<u>3,925,840</u>	<u>94,035</u>	<u>15,002,258</u>	<u>40,501,917</u>
Expenditures:						
Current:						
General government	2,754,269	--	--	--	174,960	2,929,229
Public protection	10,564,677	--	42,632	--	2,435,848	13,043,157
Public ways and facilities	8,859	9,009,540	--	--	324,013	9,342,412
Health and sanitation	1,548,205	--	--	--	4,744,028	6,292,233
Public assistance	47,410	--	7,632,452	35,596	561,868	8,277,326
Education	298,718	--	--	--	--	298,718
Debt Service:						
Principal	--	--	--	--	1,130,000	1,130,000
Interest	13,845	--	--	--	761,180	775,025
Total Expenditures	<u>15,235,983</u>	<u>9,009,540</u>	<u>7,675,084</u>	<u>35,596</u>	<u>10,131,897</u>	<u>42,088,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,514,373)</u>	<u>(1,251,366)</u>	<u>(3,749,244)</u>	<u>58,439</u>	<u>4,870,361</u>	<u>(1,586,183)</u>
Other Financing Sources (Uses):						
Transfers in	3,885,365	--	3,586,207	--	5,894,706	13,366,278
Transfers out	(1,309,512)	(173,829)	(193,885)	(626)	(11,769,599)	(13,447,451)
Total Other Financing Sources (Uses)	<u>2,575,853</u>	<u>(173,829)</u>	<u>3,392,322</u>	<u>(626)</u>	<u>(5,874,893)</u>	<u>(81,173)</u>
Net Changes in Fund Balances	1,061,480	(1,425,195)	(356,922)	57,813	(1,004,532)	(1,667,356)
Fund Balances, Beginning of Year	(17,640)	8,897,694	21,179	2,753,034	9,851,693	21,505,960
Prior period adjustments	--	--	--	--	(1,921,071)	(1,921,071)
Fund Balances, End of Year	<u>\$ 1,043,840</u>	<u>\$ 7,472,499</u>	<u>\$ (335,743)</u>	<u>\$ 2,810,847</u>	<u>\$ 6,926,090</u>	<u>\$ 17,917,533</u>

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

COUNTY OF TRINITY

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2013

Net change to fund balance - total governmental funds (page 23) \$ (1,667,356)

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

Governmental funds report capital outlay as expenditures. However,
in the statement of activities, the cost of those assets is allocated
over their estimated useful lives and reported as depreciation expense.

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	\$ 4,812,497	
Less: current year depreciation	<u>(12,541,598)</u>	(7,729,101)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	1,076,689
--	-----------

Some expenses reported in the statement of activities do not require
the use of current financial resources and, therefore, are not reported
as expenditures in governmental funds.

Change in compensated absences	53,447
Change in OPEB liability	(2,755,130)
Change in interest payable	11,078
Change in claims liability	104,512

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

Contract payable	139,287	
Bonds payable/certificates of participation	<u>980,000</u>	1,119,287

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

406,760

Change in net position of governmental activities (page 19) \$ (9,379,814)

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

COUNTY OF TRINITY

Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-Type Activities - Enterprise Funds			Governmental
	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal
				Service Funds
<u>Assets</u>				
Current Assets:				
Cash and investments	\$ 840,577	\$ 26,328	\$ 866,905	\$ 1,733,929
Imprest cash	1,850	--	1,850	--
Accounts receivable	81,297	3,692	84,989	5,026
Due from other governments	10,000	211,305	221,305	153,923
Interest receivable	372	122	494	835
Prepays	--	--	--	95
Total Current Assets	<u>934,096</u>	<u>241,447</u>	<u>1,175,543</u>	<u>1,893,808</u>
Noncurrent Assets:				
Capital assets:				
Non-depreciable	6,000	24,616	30,616	--
Depreciable, net	<u>1,138,056</u>	<u>629,262</u>	<u>1,767,318</u>	<u>214,549</u>
Total Noncurrent Assets	<u>1,144,056</u>	<u>653,878</u>	<u>1,797,934</u>	<u>214,549</u>
Total Assets	<u>2,078,152</u>	<u>895,325</u>	<u>2,973,477</u>	<u>2,108,357</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	64,080	19,438	83,518	63,318
Salaries and benefits payable	2,503	--	2,503	--
Due to other funds	--	154,407	154,407	--
Interest payable	4,001	--	4,001	--
Other current liabilities	1,293	--	1,293	--
Unearned revenue	712,615	17,565	730,180	--
Capital leases	40,601	--	40,601	--
Compensated absences	38,951	13,259	52,210	--
Total Current Liabilities	<u>864,044</u>	<u>204,669</u>	<u>1,068,713</u>	<u>63,318</u>
Noncurrent Liabilities:				
Capital leases	82,187	--	82,187	--
Compensated absences	19,473	6,628	26,101	--
Liability for landfill closure	3,282,050	--	3,282,050	--
Net OPEB obligation	<u>1,127,377</u>	<u>166,187</u>	<u>1,293,564</u>	<u>--</u>
Total Noncurrent Liabilities	<u>4,511,087</u>	<u>172,815</u>	<u>4,683,902</u>	<u>--</u>
Total Liabilities	<u>5,375,131</u>	<u>377,484</u>	<u>5,752,615</u>	<u>63,318</u>
<u>Net Position</u>				
Net investment in capital assets	1,021,268	653,878	1,675,146	214,549
Unrestricted	<u>(4,318,247)</u>	<u>(136,037)</u>	<u>(4,454,284)</u>	<u>1,830,490</u>
Total Net Position	<u>\$ (3,296,979)</u>	<u>\$ 517,841</u>	<u>\$ (2,779,138)</u>	<u>\$ 2,045,039</u>

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

COUNTY OF TRINITY

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds			Governmental
	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal
				Service Funds
Operating Revenues:				
Charges for services	\$ 2,140,316	\$ 89,532	\$ 2,229,848	\$ 2,286,464
Other income	1,740	4,145	5,885	34,798
Total Operating Revenues	<u>2,142,056</u>	<u>93,677</u>	<u>2,235,733</u>	<u>2,321,262</u>
Operating Expenses:				
Salaries and benefits	1,597,341	307,274	1,904,615	--
Services and supplies	963,660	315,331	1,278,991	2,002,316
Depreciation and amortization	61,519	93,200	154,719	65,440
Closure and postclosure costs	58,033	--	58,033	--
Total Operating Expenses	<u>2,680,553</u>	<u>715,805</u>	<u>3,396,358</u>	<u>2,067,756</u>
Operating Income (Loss)	<u>(538,497)</u>	<u>(622,128)</u>	<u>(1,160,625)</u>	<u>253,506</u>
Nonoperating Revenue (Expenses):				
Investment earnings	14,824	1,389	16,213	4,314
Taxes	146,967	--	146,967	--
Intergovernmental	21,924	656,136	678,060	148,940
Disposal of capital assets	--	500	500	--
Interest expense	(5,608)	--	(5,608)	--
Total Nonoperating Revenue (Expenses)	<u>178,107</u>	<u>658,025</u>	<u>836,132</u>	<u>153,254</u>
Income (Loss) Before Contributions and Transfers	<u>(360,390)</u>	<u>35,897</u>	<u>(324,493)</u>	<u>406,760</u>
Transfers in	--	477,820	477,820	--
Transfers out	<u>(102,514)</u>	<u>(294,133)</u>	<u>(396,647)</u>	<u>--</u>
Change in Net Position	<u>(462,904)</u>	<u>219,584</u>	<u>(243,320)</u>	<u>406,760</u>
Net Position - Beginning of Year	<u>(2,834,075)</u>	<u>298,257</u>	<u>(2,535,818)</u>	<u>1,638,279</u>
Net Position - End of Year	<u>\$ (3,296,979)</u>	<u>\$ 517,841</u>	<u>\$ (2,779,138)</u>	<u>\$ 2,045,039</u>

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

COUNTY OF TRINITY

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:				
Cash receipts from customers and users	\$ 2,337,873	\$ 108,987	\$ 2,446,860	\$ --
Receipts from interfund services provided	--	--	--	2,162,326
Cash paid to suppliers	(967,241)	(263,185)	(1,230,426)	(1,961,851)
Cash paid to employees	(1,365,447)	(164,991)	(1,530,438)	--
Net Cash Provided (Used) by Operating Activities	5,185	(319,189)	(314,004)	200,475
Cash Flows from Noncapital Financing Activities:				
Aid from other governmental agencies	21,924	610,456	632,380	--
Taxes	146,967	--	146,967	--
Interfund loans	--	8	8	148,940
Return of unused funding	--	(276,305)	(276,305)	--
Transfers in	--	--	--	--
Transfers out	(102,514)	(17,828)	(120,342)	--
Net Cash Provided (Used) by Noncapital Financing Activities	66,377	316,331	382,708	148,940
Cash Flows from Capital and Related Financing Activities:				
Purchase of capital assets	--	(367,888)	(367,888)	(135,682)
Capital grants and allocations	--	293,579	293,579	--
Principal payments on debt	(38,946)	--	(38,946)	--
Interest payments	(6,876)	--	(6,876)	--
Net Cash Provided (Used) by Capital and Related Financing Activities	(45,822)	(74,309)	(120,131)	(135,682)
Cash Flows from Investing Activities:				
Interest received (paid)	15,109	1,404	16,513	4,643
Net Cash Provided (Used) by Investing Activities	15,109	1,404	16,513	4,643
Net Increase (Decrease) in Cash and Cash Equivalents	40,849	(75,763)	(34,914)	218,376
Cash and Cash Equivalents, Beginning of Year	801,578	102,091	903,669	1,515,553
Cash and Cash Equivalents, End of Year	\$ 842,427	\$ 26,328	\$ 868,755	\$ 1,733,929

continued

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

COUNTY OF TRINITY

Statement of Cash Flows (continued)
 Proprietary Funds
 For the Year Ended June 30, 2013

	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities <u>Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (538,497)	\$ (622,128)	\$ (1,160,625)	\$ 253,506
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	61,519	93,200	154,719	65,440
Changes in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	118,974	--	118,974	(158,936)
Increase (decrease) in:				
Accounts payable and other liabilities	(3,581)	159,662	156,081	40,465
Salaries and benefits payable	415	--	415	--
Unearned revenue	76,843	--	76,843	--
Compensated absences payable	635	9,854	10,489	--
Net OPEB obligation	230,844	40,223	271,067	--
Closure/post closure liability	58,033	--	58,033	--
Net Cash Provided (Used) by Operating Activities	\$ 5,185	\$ (319,189)	\$ (314,004)	\$ 200,475

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

COUNTY OF TRINITY

Statement of Fiduciary Net Position
June 30, 2013

	Investment Trust Fund	Agency Funds
	<u> </u>	<u> </u>
<u>Assets</u>		
Pooled cash and investments	\$ 18,840,178	\$ 3,867,314
Interest receivable	11,552	1,817
	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 18,851,730</u></u>	<u><u>\$ 3,869,131</u></u>
 <u>Liabilities</u>		
Agency funds held for others	\$ --	\$ 3,869,131
	<u> </u>	<u> </u>
Total Liabilities	<u> </u>	<u>3,869,131</u>
 <u>Net Position</u>		
Net position held in trust for investment pool participants	<u>18,851,730</u>	<u>--</u>
	<u> </u>	<u> </u>
Total Net Position	<u><u>\$ 18,851,730</u></u>	<u><u>\$ --</u></u>

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

COUNTY OF TRINITY

Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2013

	<u>Investment Trust Fund</u>
<u>Additions</u>	
Contributions to pooled investments	\$ 7,321,016
Investment income	<u>58,186</u>
Total Additions	<u>7,379,202</u>
<u>Deductions</u>	
Distributions from pooled investments	<u>3,912,546</u>
Total Deductions	<u>3,912,546</u>
Change in Net Position	3,466,656
Net Position - Beginning of Year	<u>15,385,074</u>
Net Position - End of Year	<u>\$ 18,851,730</u>

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



NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a summary of significant accounting policies for the County, and other necessary disclosure of pertinent matters relating to the financial position of the County. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

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COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

The County of Trinity (County), the primary government, is a political subdivision of the State of California. It is governed by an elected board of five County Supervisors. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 61.

The decision to include a component unit in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 61. The basic criteria used in the determination of component units are financial accountability of the County for the component unit. Financial accountability is determined by the following:

- The County appoints a voting majority of a component unit's governing body.
- Ability of the County to impose its will on the component unit, including the ability to affect its day-to-day operations, to remove appointed members of the governing board at will, to modify or approve its budget, to modify its rates or fee charges, to veto, overrule, or modify the decisions of its governing body.
- There is a financial benefit or burden relationship between the primary government and the component unit.
- Fiscal dependency of the component unit on the County, including the inability of the component unit to determine its own budget, levy, taxes, set rates or charges, or issue bonded debt without the approval of the County.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with the data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30th year end.

Based on the foregoing criteria, the following entities have been classified as blended component units of the County:

- Cemetery Districts
- Hayfork Lighting District
- Weaverville Lighting District Commission
- Trinity County Transportation Commission

The above component units are legally separate entities which are governed by the County's Board of Supervisors; therefore, their financial data has been combined with the County's financial data and presented as blended component units. The separate financial statements for Trinity County Transportation Commission may be obtained by contacting the County.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Discretely Presented Component Units – Trinity County Waterworks District No. 1 is a component unit of the County which meets the criteria for discrete presentation.

B. 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. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. 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.

Fund Financial Statements

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

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

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- The *Road Fund* is used to account for the planning, design, construction, maintenance and administration of the County's roads and infrastructure.
- The *Human Services Fund* accounts for a variety of health and social services programs.
- The *HOME Grants Fund* is used to account for all of the County's federal HOME Grant loans.

The County reports the following major enterprise funds:

- The *Solid Waste Fund* accounts for the County's landfill sites, which provide a dumping site for the disposal of solid waste. Revenues are derived from fees generated for the disposal of waste at the site.

The County reports the following additional fund types:

- *Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- Debt Service Funds are used to accumulate financial resources to be used for the repayment of debt (other than proprietary fund debt).
- *Capital Projects Funds* are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).
- *Enterprise Funds* are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the County's Board of Supervisors is that the costs of providing goods to the general public on a continuing basis be financed or recovered primarily through user charges; or where the County's Board of Supervisors has decided that periodic determination of net income is appropriate for accountability purposes.
- *Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.
- *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for other governments. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.
- *Agency Funds* account for assets held by the County as an agent for various local governments.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting

The government-wide financial statements, proprietary funds, and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an annual 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 (“susceptible to accrual”). Property and sales taxes, interest, state and federal grants and changes for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be 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 compensated absences and 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 financial sources.

The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

D. Cash and Cash Equivalents

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

E. Capital Assets

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

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Capital Assets (continued)

The estimated useful lives are as follows:

Infrastructure	20 to 60 years
Structures and improvements	15 to 60 years
Equipment	3 to 20 years

Landfills, in the Enterprise Funds, are amortized over the estimated number of years that space will be available. The County has five networks of infrastructure assets: roads, water/sewer, lighting, drainage, and flood control.

F. Other Assets

Inventory: Inventory consists of expendable supplies held for consumption. In governmental funds, inventories are valued at cost. In proprietary funds, they are valued at lower of cost or market. Cost is determined by using either the weighted average or the first-in, first-out method. The consumption method of accounting of inventory is used for the governmental fund types and the proprietary fund types. For the governmental fund types, inventory is classified as nonspendable fund balance to indicate that it is not available for appropriation.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. For the governmental funds, prepaid expense is classified as nonspendable fund balance to indicate that it is not available for appropriation.

G. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of inter fund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are classified as nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Compensated Absences

The County accounts for compensated absences (unpaid vacation and sick leave) in accordance with GASB Statement No. 16. In governmental funds, compensated absences are recorded as expenditures in the year paid. As it is County's policy to liquidate any unpaid vacation at June 30 from future resources rather than currently available expendable resources, the entire unpaid liability for the governmental funds is recorded as either a current or long-term liability in the government-wide financial statements. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

I. Deferred 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 Assets and Liabilities*," the County recognized deferred inflows of resources in the fund and government-wide financial statements. These items are an acquisition of net position by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be susceptible to accrual (i.e., measurable and available to finance expenditures of the current period). Governmental funds report revenues not susceptible to accrual as deferred inflows of resources.

J. Property Tax Revenue

Property taxes attach as an enforceable lien on January 1. Taxes are levied on July 1 and payable in two installments, December 10 and April 10. All general property taxes are then allocated by the County Auditor-Controller's Office to various taxing entities per the legislation implementing Proposition 13. The method of allocation used by the County is subject to review by the State of California. County property tax revenues are recognized when levied in accordance with the alternative method (Teeter Plan) of recording property taxes.

K. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the general purpose financial statements and the reported amount of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. New Accounting Pronouncements – Current Year

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

Governmental Accounting Standards Board Statement No. 61

Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*. The objective of this statement is to improve guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The requirements of GASB Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those statements.

Governmental Accounting Standards Board Statement No. 62

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement improves financial reporting by contributing to GASB’s efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source.

Governmental Accounting Standards Board Statement No. 63

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previously, GASB Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net position by the government that is applicable to a future reporting period, and an acquisition of net position by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. GASB Statement No. 63 amends the net asset reporting requirements in GASB Statement No. 34 and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net position.

Governmental Accounting Standards Board Statement No. 65

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, improves the financial reporting for state and local governments by reclassifying, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. New Accounting Pronouncements – Future Years

Government Accounting Standards Board Statement No. 66

GASB Statement No. 66, *Technical Corrections – 2012*, is effective for periods beginning after December 15, 2012. It improves financial reporting for state and local governments by resolving conflicting guidance that resulted from the Issuance of GASB Statement Nos. 54 and 62.

Government Accounting Standards Board Statement No.67

GASB Statement No. 67, *Financial Reporting for Pension Plans*, is effective for periods beginning after June 15, 2013. It improves financial reporting for state and local governments by improving the usefulness of pension information included in the general purpose external financial reports of state and local governmental pension plans for making decisions and assessing accountability.

Government Accounting Standards Board Statement No. 68

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, is effective for periods beginning after June 15, 2014. The principal objective of this statement is to improve the usefulness of information for decisions made by the various users of the general purpose external financial reports of governments whose employees – both active employees and inactive employees – are provided with pensions. An additional objective is to improve the information provided in government financial reports about pension-related financial support provided by certain nonemployer entities that make contributions to pension plans that are used to provide benefits to the employees of other entities.

NOTE 2 – CASH AND INVESTMENTS

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

The County has implemented GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available. Interest earned on investments is allocated to all funds on the basis of monthly cash and investment balances.

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

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 2 – CASH AND INVESTMENTS (continued)

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

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

The County investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, availability, and yield. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

At June 30, 2013, total County cash and investments were as follows:

	<u>Cash and Investments</u>	<u>In Treasurer's Pool</u>
<i>Cash:</i>		
Cash on hand	\$ 1,630	\$ 1,630
Deposits	978,145	978,145
External to the treasurer's pool (with fiscal agent)	-	-
Outstanding warrants	(1,973,919)	(1,973,919)
Imprest cash	54,950	-
Total Cash	<u>(939,194)</u>	<u>(994,144)</u>
 <i>Investments:</i>		
In treasurer's pool	35,574,000	35,574,000
With fiscal agent	463,817	-
Total Investments	<u>36,037,817</u>	<u>35,574,000</u>
 Total Cash and Investments	 <u>\$ 35,098,623</u>	 <u>\$ 34,579,856</u>

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 2 – CASH AND INVESTMENTS (continued)

Total cash and investments at June 30, 2013 were presented on the County's financial statements as follows:

	<u>Cash and Investments</u>	<u>In Treasurer's Pool</u>
Primary Government		
Governmental Activities		
Cash and investments in pool	\$ 11,038,754	\$ 11,038,754
Restricted cash with fiscal agent	463,817	-
Imprest cash	53,100	-
Business-type activities		
Cash and investments in pool	833,610	833,610
Imprest cash	1,850	-
Investment trust funds	18,840,178	18,840,178
Agency Funds	3,867,314	3,867,314
Total Cash and Investments	<u>\$ 35,098,623</u>	<u>\$ 34,579,856</u>

Investments

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity (years)</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
State of California Obligations	5 years	None	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	
Medium Term Notes	5 years	30%	None
Mutual Funds / Money Market Mutual Funds	n/a	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	n/a	None	None
Local Agency Investment Fund (LAIF)	n/a	None	None
Collateralized Bank Deposits	5 years	None	None
Time Deposits	5 years	None	None
JPA Pools (other investment pools)	n/a	None	None

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 2 – CASH AND INVESTMENTS (continued)

Investments (continued)

At June 30, 2013, the County had the following investments:

	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par</u>	<u>Cost</u>	<u>Fair Value</u>	<u>WAM (Years)</u>
Investments in Investment Pool						
Local Agency Investment Fund (LAIF)	Variable	On Demand	\$ 30,834,000	\$ 30,834,000	\$ 30,834,000	-
Discover Bank CD			245,000	245,000	245,000	-
GE Capital Bank CD			245,000	245,000	247,513	-
Goldman Sachs Bank CD			250,000	250,000	250,000	-
Amer Expr Centurion Bank CD			250,000	250,000	250,013	-
Umpqua Bank CD			250,000	250,000	250,000	-
Money Market Mutual Funds	Variable	On Demand	3,500,000	3,500,000	3,237,919	-
Total			<u>\$ 35,574,000</u>	<u>35,574,000</u>	<u>35,314,445</u>	
Investments outside Investment Pool						
<i>Investments with Fiscal Agents</i>						
Money Market Funds	Variable	On Demand	<u>\$ 463,817</u>	463,817	463,817	-
Total Cost				<u>\$ 36,037,817</u>		
Total Fair Value					<u>\$ 35,778,262</u>	
% Fair Value to Cost					<u>99.28%</u>	

Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

Credit Risk

State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. The County does not have minimum credit ratings for government agency securities.

Concentration of Credit Risk

At June 30, 2013, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization, and it did not have 10% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 2 – CASH AND INVESTMENTS (continued)

Concentration of Credit Risk (continued)

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2013:

<u>Investment Type</u>	<u>S&P</u>	<u>Moody's</u>	<u>% of Portfolio</u>
Franklin Mutual Funds	Unrated	Unrated	9.84%
Certificates of Deposit	Unrated	Unrated	3.48%
Local Agency Investment Fund (LAIF)	Unrated	Unrated	86.68%
			<u>100.00%</u>

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the County's investment pool and specific investments had no securities exposed to custodial credit risk.

Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited in LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2013, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$30,834,000, which approximates fair value and is the same as value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$58,803,312,428. Of that amount, 1.96% was invested in structured notes and asset-backed securities with the remaining 98.04% invested in other non-derivative financial products.

At June 30, 2013 the difference between the cost and fair value of cash and investments was not material (fair value was 99.29% of carrying value). Therefore, an adjustment to fair value was not required. Fair value is based on information provided by the State for the Local Agency Investment Fund and by mutual fund managers for the County's mutual fund holdings. Investments are liquid.

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 2 – CASH AND INVESTMENTS (continued)

Restricted Cash and Investments

Cash held with fiscal agents in the Debt Service Fund is restricted for debt service.

County Investment pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the Treasurer's investment pool as of June 30, 2013:

Statement of Net Position in the Treasurer's Pool

Net position held for pool participants	<u>\$ 34,579,856</u>
Equity of internal pool participants	11,872,364
Equity of external pool participants	<u>22,707,492</u>
Total Net Position	<u>\$ 34,579,856</u>

Statement of Changes in Net Position in the Treasurer's Pool

Net investment earnings	\$ 118,996
Net contributions (withdrawals) from pool participants	<u>2,588,442</u>
Increase in Net Position	2,707,438
Net Position in the Treasurer's Pool at June 30, 2012	<u>31,872,418</u>
Net Position in the Treasurer's Pool at June 30, 2013	<u>\$ 34,579,856</u>

Reconciliation to Financial Statement Amounts

Net Position in the Treasurer's Pool at June 30, 2013	<u>\$ 34,579,856</u>
Governmental activities cash and investments in the treasurer's pool	11,038,754
Business-type activities cash and investments in the treasurer's pool	833,610
Business-type activities restricted cash in the treasurer's pool	
Agency funds cash and investments in the treasurer's pool	3,867,314
Investment trust funds cash and investments in the treasurer's pool	<u>18,840,178</u>
Total Cash and Investments in Treasurer's Pool per Financial Statements	<u>\$ 34,579,856</u>

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 3 – LINE OF CREDIT PAYABLE

On May 21, 2012, the County obtained a \$3,000,000 line of credit to manage the temporary cash flow deficits that occur when the timing of required expenditures does not coincide with the timing of the collection of taxes and other revenues. The County received a draw of \$3,000,000 on August 1, 2012 in anticipation of collection of taxes and other revenues to be received during the fiscal year ended June 30, 2013. The loan was repaid with taxes and other revenues in the amounts of \$1,000,000 on December 26, 2012 and \$2,000,000 on March 29, 2013. Total interest paid was \$12,417.

Line of credit payable activity for the year ended June 30, 2013 was as follows:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2013</u>
Line of credit payable	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -

NOTE 4 – INTERFUND TRANSACTIONS

The composition of interfund balances as of June 30, 2013 is as follows:

<u>Fund</u>	<u>Interfund</u> <u>Receivables</u>	<u>Interfund</u> <u>Payables</u>
General Fund	\$ -	\$ 1,491,456
Road Fund	4,124,161	-
Human Services	-	541,197
Nonmajor Governmental Funds	640,156	2,577,257
Nonmajor Enterprise Funds	-	154,407
Total	<u>\$ 4,764,317</u>	<u>\$ 4,764,317</u>

The above balances reflect temporary cash advances except for the transportation group of funds where the balances may represent amounts receivable or payable under funding agreements.

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 4 – INTERFUND TRANSACTIONS (continued)

Interfund balances are long-term loans that are not expected to be repaid during the next fiscal year. The composition of advances balances as of June 30, 2013 is as follows:

Advances:

Advance From	Advance To	Amount	Purpose
General Fund	Nonmajor Governmental Fund	\$ 205,783	Prior Year Seed Funding
	Nonmajor Governmental Fund	46,000	Current Year Seed Funding
		<u>251,783</u>	
Nonmajor Governmental Fund	Nonmajor Governmental Fund	29,000	Prior Year Seed Funding
	Nonmajor Governmental Fund	28,203	Current Year Seed Funding
		<u>57,203</u>	
Total		<u>\$ 308,986</u>	

NOTE: The difference from advances reconciliation is due to Advances between Hospital and General Fund eliminating each other as both funds are now considered General Fund

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenue. The following schedule briefly summarizes the County's transfer activities:

Between Funds Within the Governmental Activities:

Transfer From	Transfer To	Amount	Purpose
General Fund	Human Services Fund	\$ 36,851	Budget transfer
	Nonmajor Governmental Funds	490,409	UAL
	Nonmajor Governmental Funds	389,438	Debt service payments
	Nonmajor Governmental Funds	392,814	Various
		<u>1,309,512</u>	
Road	Nonmajor Governmental Funds	<u>173,829</u>	UAL
Human Services	Nonmajor Governmental Funds	<u>193,885</u>	UAL
HOME Grants	Nonmajor Governmental Funds	<u>626</u>	UAL
Nonmajor Governmental Funds	General Fund	2,662,928	Realignment
	General Fund	1,222,437	Various
	Human Services Fund	3,549,356	Realignment
	Nonmajor Governmental Funds	292,662	Debt service payments
	Nonmajor Governmental Funds	234,828	UAL
	Nonmajor Governmental Funds	1,146,356	Realignment
	Nonmajor Governmental Funds	2,183,212	Various
	<u>11,291,779</u>		
Subtotal Transfers		<u>\$ 12,969,631</u>	

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 4 – INTERFUND TRANSACTIONS (continued)

Transfers (continued)

Between Governmental and Business-Type Activities:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Solid Waste	Nonmajor Governmental Funds	\$ 102,514	Debt service payments
Nonmajor Governmental Funds	Nonmajor Enterprise Funds	<u>477,820</u>	Various
Nonmajor Enterprise Funds	Nonmajor Governmental Funds	276,304	Unspent LTF/STA Funds
	Nonmajor Governmental Funds	17,829	Debt service payments
		<u>294,133</u>	
Subtotal Transfers		<u>874,467</u>	
Total Transfers In/Out		<u>\$ 13,844,098</u>	

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 5 – CAPITAL ASSETS

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

	Balance July 1, 2012	Additions	Retirements	Transfers and Adjustments	Balance June 30, 2013
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 1,193,657	\$ -	\$ -	\$ -	\$ 1,193,657
Construction in progress	6,658,431	2,972,243	(93,678)	(381,136)	9,155,860
Total capital assets not being depreciated	<u>7,852,088</u>	<u>2,972,243</u>	<u>(93,678)</u>	<u>(381,136)</u>	<u>10,349,517</u>
Capital assets being depreciated:					
Infrastructure	228,701,358	557,042		862,720	230,121,120
Structures and improvements	22,396,183	-	(19,640)		22,376,543
Equipment	11,367,250	1,028,087	(872,308)	4,000	11,527,029
Total capital assets being depreciated	<u>262,464,791</u>	<u>1,585,129</u>	<u>(891,948)</u>	<u>866,720</u>	<u>264,024,692</u>
Less accumulated depreciation for:					
Infrastructure	(105,376,208)	(9,425,578)	-	-	(114,801,786)
Structures and improvements	(16,019,159)	(251,160)	19,640	-	(16,250,679)
Equipment	(12,095,649)	(2,930,299)	872,308	(1,098)	(14,154,738)
Total accumulated depreciation	<u>(133,491,016)</u>	<u>(12,607,037)</u>	<u>891,948</u>	<u>(1,098)</u>	<u>(145,207,203)</u>
Total capital assets being depreciated net	<u>128,973,775</u>	<u>(11,021,908)</u>	<u>-</u>	<u>865,622</u>	<u>118,817,489</u>
Governmental Activities Capital Assets Net	<u>\$ 136,825,863</u>	<u>\$ (8,049,665)</u>	<u>\$ (93,678)</u>	<u>\$ 484,486</u>	<u>\$ 129,167,006</u>
Business-Type Activities					
Capital assets not being depreciated:					
Land	\$ 30,616	\$ -	\$ -	\$ -	\$ 30,616
Construction in progress	14,234	-	-	(14,234)	-
Total capital assets not being depreciated	<u>44,850</u>	<u>-</u>	<u>-</u>	<u>(14,234)</u>	<u>30,616</u>
Capital assets being depreciated:					
Structures and improvements	1,402,496	4,058	-	14,234	1,420,788
Equipment	2,357,791	363,830	(41,876)		2,679,745
Total capital assets being depreciated	<u>3,760,287</u>	<u>367,888</u>	<u>(41,876)</u>	<u>14,234</u>	<u>4,100,533</u>
Less accumulated depreciation for:					
Structures and improvements	(341,846)	(28,732)	-	-	(370,578)
Equipment	(1,878,526)	(125,987)	41,876	-	(1,962,637)
Total accumulated depreciation	<u>(2,220,372)</u>	<u>(154,719)</u>	<u>41,876</u>	<u>-</u>	<u>(2,333,215)</u>
Total capital assets being depreciated net	<u>1,539,915</u>	<u>213,169</u>	<u>-</u>	<u>14,234</u>	<u>1,767,318</u>
Business-Type Activities Capital Assets Net	<u>\$ 1,584,765</u>	<u>\$ 213,169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,797,934</u>

Depreciation expense was charged to governmental functions as follows:

	<u>Depreciation</u>
Governmental Activities	
General government	\$ 409,935
Public protection	359,867
Health and sanitation	54,812
Public ways and facilities	11,700,248
Public assistance	55,816
Education	26,359
Total Depreciation Governmental Activities	<u>\$ 12,607,037</u>

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 5 – CAPITAL ASSETS (continued)

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

Business-Type Activities

Transit	\$ 93,200
Solid Waste	61,519
Total Depreciation Business-Type Activities	<u>\$ 154,719</u>

NOTE 6 – LONG-TERM LIABILITIES

Long-term debt at June 30, 2013 consisted of the following:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2013</u>
Governmental Activities:						
Pension Obligation Bonds - 1998 issue to refund the County's obligations to PERS	1998	2017	5.90%-6.65%	\$115,000-\$5,255,000	\$ 9,140,000	\$ 4,445,000
Certificate of Participation - 2005 issue to repay temporary transfer from the County Pool	2005	2026	8.50%	\$145,000-\$490,000	4,560,000	4,090,000
Total Governmental Activities					<u>\$ 13,700,000</u>	<u>\$ 8,535,000</u>

The following is a summary of long-term liability transactions for the year ended June 30, 2013:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2013</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Pension Obligation Bonds - 1998 issue	\$ 5,255,000	\$ -	\$ 810,000	\$ 4,445,000	\$ 920,000
Certificate of Participation - 2005 issue	4,260,000	-	170,000	4,090,000	185,000
Compensated Absences	1,013,095	1,407,200	1,460,645	959,650	639,798
Liability for Self-Insurance	1,162,590	182,354	286,866	1,058,078	250,000
Contract Payable	1,528,167	4,390	143,677	1,388,880	150,000
Net OPEB Obligation	11,274,668	2,755,130	-	14,029,798	-
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 24,493,520</u>	<u>\$ 4,349,074</u>	<u>\$ 2,871,188</u>	<u>\$ 25,971,406</u>	<u>\$ 2,144,798</u>
Business-Type Activities					
Transit Fund					
Compensated Absences	\$ 10,034	\$ 38,754	\$ 28,901	\$ 19,887	\$ 13,259
Net OPEB Obligation	125,964	40,223	-	166,187	-
Solid Waste Fund					
Capital Lease	161,734	-	38,946	122,788	40,601
Compensated Absences	57,789	112,897	112,262	58,424	38,951
Net OPEB Obligation	896,533	230,844	-	1,127,377	-
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 1,252,054</u>	<u>\$ 422,718</u>	<u>\$ 180,109</u>	<u>\$ 1,494,663</u>	<u>\$ 92,811</u>

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 6 – LONG-TERM LIABILITIES (continued)

As of June 30, 2013, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30:	Governmental Activities		Governmental Activities	
	Certificates of Participation		Pension Obligation Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 185,000	\$ 347,650	\$ 920,000	\$ 293,370
2015	200,000	331,925	1,040,000	232,650
2016	215,000	314,925	1,170,000	164,010
2017	235,000	296,650	1,315,000	86,790
2018	255,000	276,675		
2019-2023	1,640,000	1,019,575		
2024-2026	1,360,000	237,575		
	<u>\$ 4,090,000</u>	<u>\$ 2,824,975</u>	<u>\$ 4,445,000</u>	<u>\$ 776,820</u>

Certificate of participation retirements and related interest payments are paid from a debt service fund. Loans payable retirements and related interest payments are paid from the Solid Waste Fund. Claims and judgments will be paid from the County's General Fund. Compensated absences liabilities will be paid by several of the County's funds.

Certificates of Participation (COPs)

2005 COPs

The 2005 COPs were issued in May 2005 and the proceeds were used to repay a \$3 million County Treasurer's temporary transfer of funds from the County Treasury Pool, pay the final set-aside for the 2004-05 tax revenue anticipation notes (TRANS), and establish a reserve fund for the 2005 COPs. As of June 30, 2013, the outstanding principal amount of the 2005 COPs was \$4,090,000.

1998 Pension Obligation Bonds

The County has outstanding pension obligation bonds (the 1998 POBs) that are payable from the County general fund. The 1998 POBs were issued in the original principal amount of \$9,140,000, and mature on June 1, 2017. As of June 30, 2013, the outstanding principal amount of the 1998 POBs was \$4,445,000.

Contract Payable

In February 2005, the County transferred the Trinity Hospital to Mountain Community Medical Services Authority (MCMS). As stated in the project agreement, Trinity Public Utilities District (TPUD) was willing to use up to \$1.8 million of its existing reserves (up to \$2.789 million according to Amendment No.1 Project Agreement No.1) to temporarily assume responsibility to manage and direct MCMS and support hospital and health care services. The County is solely responsible for refunding TPUD for the use of these funds to help MCMS carry out its obligations. As of June 30, 2013 the County owes \$1,388,880 to TPUD. All TPUD reserves transferred to MCMS shall be fully reimbursed with accrued interest equal to what TPUD would have earned if the transferred amount were deposited with the Local Agency Investment Fund (LAIF) or its equivalent.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 6 – LONG-TERM LIABILITIES (continued)

Certificates of Participation (COPs) (continued)

Contract Payable (continued)

In accordance with the agreement, TPUD has increased the electrical rates for all electric services paid for by the County effective until TPUD's said reserves have been fully reimbursed with interest. The annual payment to TPUD is not to exceed \$150,000.

Hospital District Operations

As of July 2007, the County of Trinity is no longer responsible or liable for Hospital operations and facilities. The hospital remains open under the management and operation of the Healthcare District, providing the same services as prior to its transfer to the Healthcare District.

Status of Accumulated Hospital Fund Operating Deficit

As a former County enterprise, the operations of the former Trinity Hospital were accounted for in a separate enterprise fund (The Hospital Fund) in the audited financial statements of the County until fiscal year 2010-11.

Prior to the transfer of the former Trinity Hospital to the Authority and subsequently to the District, the hospital fund had an accumulated deficit in the amount of \$7.5 million, which remains in the County pooled treasury. Beginning in fiscal year 2010-11, we merged the old Hospital Fund into the General Fund due to the County's obligation to absorb the accumulated operational deficit. As of June 30, 2013 the total accumulated operational deficit attributable to the old Hospital Fund was \$7,712,079.

NOTE 7 – LANDFILL CLOSURE AND POST-CLOSURE MAINTENANCE COSTS

The County currently owns and maintains the Weaverville landfill. State and federal laws and regulations require that the County place a final cover on its landfills when 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 landfills, an estimated liability is being recognized based on the future closure and post-closure maintenance costs that will be incurred near or after the date the landfill no longer accepts waste.

The recognition of the estimated liability for closure and post-closure maintenance costs is based on the estimated remaining life of the landfill. The estimated liability of all County landfill sites for closure and post-closure maintenance costs was \$ 3,282,050 for fiscal year 2013, and was based on approximately 67.37% usage (filled) of the landfill. It is estimated that an additional \$1,589,629 liability will be incurred as closure and post-closure maintenance costs between the date of the balance sheet and the date the landfills are expected to be closed. The estimated total current cost of the landfill closure and post-closure maintenance costs of \$ 4,871,679 is based on the amount that would be paid if all equipment, facilities and services required to close, monitor and maintain

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 7 – LANDFILL CLOSURE AND POST-CLOSURE MAINTENANCE COSTS (continued)

the landfills were acquired as of the balance sheet date. However, the costs for landfill closure and post-closure maintenance are based on yearly estimates, reviewed by the California Integrated Waste Management Board, as prepared by the County.

These cost estimates are subject to change based on such factors as inflation or deflation, changes in technology, or changes in federal or state landfill laws and regulations. The County is currently reviewing its plan to close the landfill.

The County is required by state and federal laws and regulations to make annual contributions to finance closure and post-closure maintenance costs. The County has established a trust fund to maintain the funds necessary to be in compliance with state and federal financial assurance requirements. The balance of the monies assigned to finance closure and post-closure maintenance costs at year end was \$452,333.

NOTE 8 – LEASES

Capital Leases

The County has entered into certain capital lease arrangements under which the related equipment will become the property of the County when all terms of the lease agreement are fulfilled. The following is a schedule of minimum capital lease payments, payable from the Solid Waste Fund as of June 30, 2013:

Fiscal Year Ending June 30	Business-type Activities
2014	\$ 45,820
2015	45,819
2016	40,000
Total minimum lease payments	131,639
Less: Amount representing interest	8,851
Net present value of capital lease payments	<u>\$ 122,788</u>

Equipment and related accumulated amortization under capital leases are as follows:

Equipment and related accumulated amortization under capital leases for business-type activities is as follows:

Equipment	\$ 234,927
Less: accumulated depreciation	125,854
Net Value	<u>\$ 109,073</u>

Amortization of equipment under capital leases is included with depreciation expense.

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 8 – LEASES (continued)

Operating Leases

The County is committed under various non-cancelable operating leases for office buildings. The minimum future lease commitments on these leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Payments</u>
2014	\$ 140,333
2015	144,726
2016	105,230
2017	305,721
2018	313,533
2019-2021	742,310
Total	<u>\$ 1,751,853</u>

Rent expenditures were \$346,976 for the fiscal year ended June 30, 2013.

NOTE 9 – NET POSITION/FUND BALANCES

Net Position

The government-wide activities fund financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents net position of the County, not restricted for any project or other purpose.

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

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 9 – NET POSITION/FUND BALANCES (continued)

Fund Balances

In governmental fund financial statements, fund balances are classified primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources in the fund as follows:

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

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

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 9 – NET POSITION/FUND BALANCES (continued)

Fund Balances (continued)

A detailed schedule of fund balances as of June 30, 2013 is as follows:

	General Fund	Road Fund	Human Services	HOME Grants	Other Governmental	Total
Fund Balances:						
Non-spendable:						
Prepays	\$ 5,075	\$ -	\$ -	\$ -	\$ -	\$ 5,075
Advances	251,783	-	-	-	-	251,783
Inventory	-	969,993	-	-	-	969,993
Total Non-spendable	<u>256,858</u>	<u>969,993</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,226,851</u>
Restricted:						
Public protection	-	-	-	-	674,632	674,632
Public ways and facilities	-	-	-	-	939,564	939,564
Health and sanitation	-	-	-	-	3,286,462	3,286,462
Public assistance	-	-	-	-	811,124	811,124
Road repairs	-	6,502,506	-	-	-	6,502,506
Fish and game preservation	-	-	-	-	21,877	21,877
Tobacco programs	-	-	-	-	8,040	8,040
Improvement loan programs	-	-	-	2,810,847	1,433,112	4,243,959
Transportation programs	-	-	-	-	39,431	39,431
Non-transit programs	-	-	-	-	6,975	6,975
Lighting district programs	-	-	-	-	256,750	256,750
Bioterrorism programs	-	-	-	-	65,849	65,849
Total Restricted	<u>-</u>	<u>6,502,506</u>	<u>-</u>	<u>2,810,847</u>	<u>7,543,816</u>	<u>16,857,169</u>
Assigned to:						
Capital projects	-	-	-	-	114	114
Transportation programs	-	-	-	-	5	5
Debt service	-	-	-	-	1,419,244	1,419,244
Total Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,419,363</u>	<u>1,419,363</u>
Unassigned:	786,982	-	(335,743)	-	(2,037,089)	(1,585,850)
Total Fund Balance	<u>\$ 1,043,840</u>	<u>\$ 7,472,499</u>	<u>\$ (335,743)</u>	<u>\$ 2,810,847</u>	<u>\$ 6,926,090</u>	<u>\$ 17,917,533</u>

NOTE 10 – PRIOR PERIOD ADJUSTMENTS

The adjustments to governmental funds address an adjustment to CDBG Grant to account for a project completed in a previous fiscal year that was excluded from the list of loans receivable. The following is a summary of the restatement.

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

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 10 – PRIOR PERIOD ADJUSTMENTS (continued)

	<u>Governmental Activities</u>	<u>Governmental Funds</u>
Prior Period Adjustments:		
Beginning balance July 1, 2012	\$ 136,938,192	\$ 21,505,960
General Government:		
Adjust for unavailable property taxes	-	(2,152,951)
CDBG Grants:		
Restatement of loan balances	231,880	231,880
Beginning balance July 1, 2012 as restated	<u>\$ 137,170,072</u>	<u>\$ 19,584,889</u>
		<u>Business-Type Activities</u>
Prior Period Adjustments:		
Beginning balance July 1, 2012		\$ 8,067,138
Adjustments:		
Removal of Trinity County Waterworks District No. 1		(10,602,956)
Beginning balance July 1, 2012 as restated		<u>\$ (2,535,818)</u>

NOTE 12 – DEFICIT FUND BALANCE/NET POSITION

The following funds had deficit fund balances/deficit net position at June 30, 2013:

Major Governmental Funds:	
Human Services	\$ 335,743
Total Major Governmental Funds	<u>\$ 335,743</u>
Nonmajor Governmental Funds:	
Miscellaneous Grants	\$ 460,950
Special Aviation	7,293
Disaster recovery Initiative	454,835
Mental Health	361,198
Emergency Services	352,668
General Government	357,291
Capital projects	42,854
Total Nonmajor Governmental Funds	<u>\$ 2,037,089</u>
Major Enterprise Fund:	
Solid Waste	\$ 3,296,979
Total Enterprise Funds	<u>\$ 3,296,979</u>

These deficits are expected to be eliminated through receipts of grants or transfers from the General Fund over time.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 13 – PUBLIC EMPLOYEE RETIREMENT SYSTEM

Plan Description

The County contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute. Copies of PERS' annual financial reports may be obtained from their Executive Office located at 400 Q Street, Sacramento, California 95811.

Funding Policy

The County makes the contribution required of County employees on their behalf and for their account in the amount of 7% for miscellaneous employees and 9% for safety employees. The employee rates are set by statute and therefore generally remain unchanged from year to year. The present employer actuarially determined rates of annual covered payroll were 28.843% for miscellaneous employees and 38.927% for safety employees. For the year ended June 30, 2013, the County contributed \$2,900,370 on employees' behalf and for their account.

Annual Pension Cost

For fiscal year 2012-2013, the County's annual pension cost of \$3,267,281 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2009 actuarial report. The assumptions included 7.75% investment rate of return (net of administrative expenses) and projected annual salary increases that vary by duration of service and included an inflation component of 3.00%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and/or losses. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis.

THREE-YEAR TREND INFORMATION FOR PERS

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2011	\$ 2,451,415	100%	\$ -
6/30/2012	\$ 3,103,286	100%	\$ -
6/30/2013	\$ 3,267,281	100%	\$ -

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 13 – PUBLIC EMPLOYEE RETIREMENT SYSTEM (continued)

Funding Status

The funded status of the County's Miscellaneous Plan (in thousands) as of June 30, 2011, the date of the latest actuarial valuation, is as follows:

(a)	(b)	(a)-(b)	(b)/(a)		(c)	[(a)-(b)/(c)]
Actuarial Accrued Liability	Actuarial Asset Value (AVA)	Underfunded Actuarial Accrued Liability (UL)	Funded Ratios		Covered Payroll	UL as a % of Payroll
			Market (AVA)	Rate		
\$ 81,246,726	\$ 56,096,115	\$ 25,150,611	69.0%	61.1%	\$ 9,300,935	270.4

This information is no longer available for the Safety Plan, which is only available on a pooled basis and can be obtained from CalPERS.

The schedule of funding progress presented as required supplementary information (RSI) immediately following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

NOTE 14 – POST-EMPLOYMENT HEALTH CARE BENEFITS

The County provides post-employment medical, dental and life insurance benefits through the Public Agency Retirement Service (PARS) that provides retirees with health insurance through the PERS Choice health insurance plan. To qualify an employee must have attained age 50 and a minimum of five years of CalPERS-credited service and be eligible to retire (Service retirement through CalPERS). The County will pay the single member monthly premium but the employee is responsible for spouses and dependents.

As of June 30, 2013, the County had on deposit \$343,079 in the PARS trust for payment of its OPEB liability. The County is charging each department their proportionate share of the pay as you go costs for post-employment benefits. This charge funds the pay-as-you-go cost of about \$1.9 million annually. During the fiscal year 2012-13, 328 retirees received benefits at a cost of \$1,906,005.

The County's Annual OPEB cost, the percentage of annual OPEB costs contributed and the Net OPEB Obligation for the past three years are as follows (in \$000s):

Year Ended June 30	Annual OPEB-Subsidy Obligation	Annual Actual Contribution	Percentage of Annual Cost Contribution	Net Pension Obligation End of Year
2011	\$ 4,389	\$ 1,707	38.89%	\$ 9,687
2012	\$ 4,493	\$ 1,883	41.91%	\$ 12,297
2013	\$ 4,932	\$ 1,906	38.65%	\$ 15,323

COUNTY OF TRINITY

Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

NOTE 14 – POST-EMPLOYMENT HEALTH CARE BENEFITS (continued)

The status of the net OPEB obligation as of June 30, 2013 was as follows:

Annual required contribution	\$ 4,477,411
Interest on net OPEB-implicit subsidy obligation	478,264
Annual OPEB-implicit subsidy cost	<u>4,955,675</u>
Contributions made	<u>1,906,005</u>
Increase in obligation	3,049,670
OPEB-implicit subsidy obligation - beginning of year	12,297,165
Prior Period Adjustment	(23,473)
OPEB-implicit subsidy obligation - end of year	<u><u>\$ 15,323,362</u></u>

The funding status of the plan as of June 30, 2011 (the most recent actuarial valuation date) was as follows:

Actuarial value of plan assets	\$ 310,611
Unfunded actuarial accrued liability (UAAL)	\$ 59,888,212
Funded ratio (actuarial value of plan assets/AAL)	0.52%
Covered payroll (active plan members)	\$ 12,501,000
UAAL as a percentage of covered payroll	479.07%

The cost method for valuation of liabilities used for this valuation is the entry age normal method. This is one of a family of valuation methods known as projected benefit methods. The chief characteristic of projected benefits methods is that the actuarial present value of all plan benefits is determined as of the valuation date and then allocated between the period before and after the valuation date. The present value of the plan benefits earned prior to the valuation date is called the actuarial liability. The present value of plan benefits to be earned after the valuation date is called the present value of future normal costs.

Under the entry age normal actuarial cost method, an individual entry age normal cost ratio is determined for each participant by taking the value, as of the entry age in the plan, of the participant's projected future benefits (assuming the current plan benefit provisions had always been in existence) and dividing it by the value, as of the participant's entry age, of the participant's expected future salary. This ratio for each participant is then multiplied by the present value, as of the valuation date, of the participant's future salary. The sum of these values for all active participants is the plan's present value (as of the valuation date) of future normal costs. The excess of the present value of all plan benefits over the present value of future normal costs is the actuarial liability. The difference between the actuarial liability and the value of the plan assets as of the valuation date is the unfunded actuarial liability.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 14 – POST-EMPLOYMENT HEALTH CARE BENEFITS (continued)

The unfunded actuarial liability is amortized over an open period of 30 years from July 1, 2009, with payments increasing by a payroll growth assumption of 3.25% per annum. Payments are assumed to be made throughout the year. Subsequent gains and losses and benefit improvements will be amortized over the same remaining period.

NOTE 15 – 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 is a member of a joint powers agency (JPA) called Trindel Insurance Fund (Trindel). The County is self-insured through Trindel for general liability up to \$100,000 per claim, property up to \$25,000 per claim, Workers Compensation up to \$300,000 with excess coverage based on a statutory limit and medical malpractice up to \$5,000 per claim.

The County also belongs to another larger JPA called the County Supervisors Association of California Excess Insurance Authority (CSAC-EIA). CSAC-EIA along with other commercial carriers increases the coverage for general liability to \$25.0 million. Also, CSAC-EIA, with other commercial carriers, covers replacement cost on property to \$600.0 million. CSAC-EIA, with other commercial carriers, covers medical malpractice up to \$1.5 million with an excess insurance layer of coverage up to \$21,505,000.

Trindel Insurance Fund is classified as a claims-servicing or account pool, wherein the County retains the risk of loss and is considered self-insured with regard to liability coverage for general and property liability, workers compensation and medical malpractice. The County currently reports all of its risk management activities in its General Fund.

Changes in the balance of claims liability during the fiscal years ended June 30, 2013 and 2012 was as follows:

	2013	2012
Unpaid claims, Beginning	\$ 1,162,590	\$ 980,670
Incurred claims (including IBNRs) current year and adjustments	182,354	382,992
Claim payments	<u>(286,866)</u>	<u>(201,072)</u>
Unpaid claims, Ending	<u>\$ 1,058,078</u>	<u>\$ 1,162,590</u>

NOTE 16 – CONTINGENT LIABILITIES

Federal Grants – The County participates in several federal and state grant programs. These programs have been audited in accordance with the provisions of the federal Single Audit Act of 1984 and applicable state requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The County expects such amounts, if any, to be immaterial.

COUNTY OF TRINITY

Notes to the Basic Financial Statements For the Year Ended June 30, 2013

NOTE 16 – CONTINGENT LIABILITIES (continued)

Medi-Cal Programs – Under Medi-Cal programs, final settlements for cost reports filed by the County Department of Mental Health is dependent upon a review by the Department of Health Care Services (DHCS). Preliminary estimates of the amounts to be received from third-parties are included in the financial statements. Final determination of amounts due for services to program patients is made when the cost reports are settled, and any adjustments are made in the period such amounts are fully determined.

Litigation – The County is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the County Counsel, these actions when finally adjudicated will not have a material adverse effect on the financial position of the County.

Transfer of Hospital – As of June 30, 2013 the County's obligation to TPUD is \$1,388,880 for the advance of hospital operating cash through December 31, 2006 (see note 6). Per the Agreement with TPUD, the County commenced repayment through an electrical rate surcharge, not to exceed \$150,000 per year, starting January 1, 2006.

Additionally, pursuant to the terms of the fully executed Amendment No. 1 of Project Agreement No. 2 reflects a credit effective July 1, 2007, in the amount of \$695,800 for assessed value of parcels transferred from the County to the TPUD.

NOTE 17 – SUBSEQUENT EVENTS

On July 9, 2013, the County entered into a loan agreement with a financial institution for \$3,000,000 at 2.50+%. The loan was used as part of a cash management policy to maintain the County's working capital until sufficient taxes or revenues were collected to fund the County's operations. \$1,000,000 was paid back on December 20, 2013, and the final amount of \$2,000,000 is scheduled to be paid on or before May 1, 2014.



REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF TRINITY

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 6,503,800	\$ 6,625,800	\$ 7,160,562	\$ 534,762
Licenses and permits	516,280	519,039	511,659	(7,380)
Fines, forfeitures and penalties	84,645	84,645	122,028	37,383
Use of money and property	14,328	14,328	13,498	(830)
Intergovernmental	2,246,942	2,375,377	2,402,910	27,533
Charges for services	2,768,940	2,919,588	2,954,386	34,798
Miscellaneous	452,950	671,227	556,567	(114,660)
Total revenues	<u>12,587,885</u>	<u>13,210,004</u>	<u>13,721,610</u>	<u>511,606</u>
Expenditures:				
General Government:				
Assessor:				
Salaries and benefits	195,641	195,641	185,877	9,764
Services and supplies	42,824	42,824	41,137	1,687
Total Assessor	<u>238,465</u>	<u>238,465</u>	<u>227,014</u>	<u>11,451</u>
Auditor-Controller's Office:				
Salaries and benefits	517,666	518,866	502,816	16,050
Services and supplies	137,521	325,568	211,150	114,418
Reimbursements	(153,815)	(153,815)	(153,815)	--
Capital assets	158,047	--	--	--
Total Auditor-Controller's Office	<u>659,419</u>	<u>690,619</u>	<u>560,151</u>	<u>130,468</u>
Board of Supervisors:				
Salaries and benefits	133,132	131,132	130,988	144
Services and supplies	250,776	260,002	260,346	(344)
Total Board of Supervisors	<u>383,908</u>	<u>391,134</u>	<u>391,334</u>	<u>(200)</u>
Administration and Personnel:				
Salaries and benefits	450,649	420,349	405,283	15,066
Services and supplies	41,735	75,234	74,956	278
Reimbursements	(97,155)	(97,155)	(97,155)	--
Total Administration and Personnel	<u>395,229</u>	<u>398,428</u>	<u>383,084</u>	<u>15,344</u>
Collections:				
Salaries and benefits	60,225	60,225	48,776	11,449
Services and supplies	(326)	(326)	11,088	(11,414)
Total Collections	<u>59,899</u>	<u>59,899</u>	<u>59,864</u>	<u>35</u>
Delinquent Collections:				
Salaries and benefits	166,724	166,724	145,581	21,143
Services and supplies	31,357	31,357	29,835	1,522
Total Delinquent Collections	<u>198,081</u>	<u>198,081</u>	<u>175,416</u>	<u>22,665</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
County Counsel:				
Salaries and benefits	\$ 1,357	\$ 1,493	\$ 1,492	\$ 1
Services and supplies	117,009	140,009	138,298	1,711
Reimbursements	(78,196)	(78,196)	(78,196)	--
Total County Counsel	<u>40,170</u>	<u>63,306</u>	<u>61,594</u>	<u>1,712</u>
Director of General Plan				
Salaries and benefits	40,000	40,000	15,383	24,617
Total Director of General Plan	<u>40,000</u>	<u>40,000</u>	<u>15,383</u>	<u>24,617</u>
Elections Department:				
Salaries and benefits	77,983	96,483	82,857	13,626
Services and supplies	38,349	89,369	99,482	(10,113)
Total Elections Department	<u>116,332</u>	<u>185,852</u>	<u>182,339</u>	<u>3,513</u>
General Services:				
Salaries and benefits	506,977	529,003	358,103	170,900
Services and supplies	(11,608)	119,423	237,001	(117,578)
Reimbursements	(234,773)	(234,773)	(234,773)	--
Total General Services	<u>260,596</u>	<u>413,653</u>	<u>360,331</u>	<u>53,322</u>
Information Technology:				
Salaries and benefits	330,170	340,769	321,174	19,595
Services and supplies	53,490	38,290	54,944	(16,654)
Reimbursements	(200,776)	(200,776)	(200,776)	--
Capital assets	42,733	53,911	49,131	4,780
Total Information Technology	<u>225,617</u>	<u>232,194</u>	<u>224,473</u>	<u>7,721</u>
Insurance General:				
Salaries and benefits	91,167	91,167	88,332	2,835
Services and supplies	222,265	222,265	(169,117)	391,382
Reimbursements	(173,768)	(173,768)	(173,768)	--
Total Insurance General	<u>139,664</u>	<u>139,664</u>	<u>(254,553)</u>	<u>394,217</u>
Treasurer-Tax Collector:				
Salaries and benefits	275,341	266,841	260,470	6,371
Services and supplies	51,080	59,580	47,741	11,839
Reimbursements	(48,558)	(48,558)	(48,558)	--
Total Treasurer-Tax Collector	<u>277,863</u>	<u>277,863</u>	<u>259,653</u>	<u>18,210</u>
County Audit:				
Services and supplies	11,005	11,005	7,523	3,482
Total County Audit	<u>11,005</u>	<u>11,005</u>	<u>7,523</u>	<u>3,482</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
County Advertising:				
Services and supplies	\$ 59,200	\$ 59,200	\$ 59,200	\$ --
Total County Advertising	<u>59,200</u>	<u>59,200</u>	<u>59,200</u>	<u>--</u>
Contributions to Other Funds				
Services and supplies	23,000	23,000	18,071	4,929
Total County Advertising	<u>23,000</u>	<u>23,000</u>	<u>18,071</u>	<u>4,929</u>
Surveyor:				
Services and supplies	27,159	27,159	20,722	6,437
Total Surveyor	<u>27,159</u>	<u>27,159</u>	<u>20,722</u>	<u>6,437</u>
Miscellaneous				
Services and supplies	--	--	2,670	(2,670)
Total Surveyor	<u>--</u>	<u>--</u>	<u>2,670</u>	<u>(2,670)</u>
Total General Government	<u>3,155,607</u>	<u>3,449,522</u>	<u>2,754,269</u>	<u>695,253</u>
Public Protection:				
Agricultural Commissioner:				
Salaries and benefits	146,683	229,375	137,361	92,014
Services and supplies	35,372	(10,628)	64,168	(74,796)
Total Agricultural Commissioner	<u>182,055</u>	<u>218,747</u>	<u>201,529</u>	<u>17,218</u>
Animal Control:				
Salaries and benefits	136,262	146,023	132,476	13,547
Services and supplies	23,349	21,229	34,341	(13,112)
Total Animal Control	<u>159,611</u>	<u>167,252</u>	<u>166,817</u>	<u>435</u>
Building Inspector:				
Salaries and benefits	442,942	442,942	429,893	13,049
Services and supplies	96,009	96,009	101,235	(5,226)
Total Building Inspector	<u>538,951</u>	<u>538,951</u>	<u>531,128</u>	<u>7,823</u>
Recorder:				
Salaries and benefits	101,989	101,989	83,022	18,967
Services and supplies	43,600	56,600	73,610	(17,010)
Total Recorder	<u>145,589</u>	<u>158,589</u>	<u>156,632</u>	<u>1,957</u>
Court Services:				
Salaries and benefits	336	336	336	--
Services and supplies	11,078	11,078	11,078	--
Total Court Services	<u>11,414</u>	<u>11,414</u>	<u>11,414</u>	<u>--</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
District Attorney-Public Advocate:				
Salaries and benefits	\$ 682,783	\$ 717,450	\$ 699,920	\$ 17,530
Services and supplies	147,608	129,931	145,398	(15,467)
Total District Attorney-Public Advocate	<u>830,391</u>	<u>847,381</u>	<u>845,318</u>	<u>2,063</u>
Jail:				
Salaries and benefits	1,785,884	1,705,884	1,588,800	117,084
Services and supplies	568,064	813,540	949,432	(135,892)
Total Jail	<u>2,353,948</u>	<u>2,519,424</u>	<u>2,538,232</u>	<u>(18,808)</u>
Juvenile Hall:				
Salaries and benefits	880,796	880,796	835,238	45,558
Services and supplies	202,195	202,495	209,741	(7,246)
Total Juvenile Hall	<u>1,082,991</u>	<u>1,083,291</u>	<u>1,044,979</u>	<u>38,312</u>
Planning Department:				
Salaries and benefits	207,766	207,766	170,273	37,493
Services and supplies	89,423	89,423	80,116	9,307
Total Planning Department	<u>297,189</u>	<u>297,189</u>	<u>250,389</u>	<u>46,800</u>
Probation Department:				
Salaries and benefits	1,095,863	1,105,863	992,990	112,873
Services and supplies	154,045	179,045	228,243	(49,198)
Total Probation Department	<u>1,249,908</u>	<u>1,284,908</u>	<u>1,221,233</u>	<u>63,675</u>
Sheriff Department:				
Salaries and benefits	2,079,809	2,177,309	1,937,666	239,643
Services and supplies	533,161	686,161	890,916	(204,755)
Capital assets	100,500	--	5,000	(5,000)
Total Sheriff Department	<u>2,713,470</u>	<u>2,863,470</u>	<u>2,833,582</u>	<u>29,888</u>
Coroner:				
Services and supplies	52,771	52,771	49,292	3,479
Total Coroner	<u>52,771</u>	<u>52,771</u>	<u>49,292</u>	<u>3,479</u>
Fire Protection:				
Services and supplies	11,400	33,169	24,189	8,980
Total Fire Protection	<u>11,400</u>	<u>33,169</u>	<u>24,189</u>	<u>8,980</u>
Grand Jury:				
Services and supplies	20,121	20,121	13,977	6,144
Total Grand Jury	<u>20,121</u>	<u>20,121</u>	<u>13,977</u>	<u>6,144</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
LAFCO:				
Services and supplies	\$ 6,300	\$ 6,300	\$ 6,300	\$ --
Total LAFCO	<u>6,300</u>	<u>6,300</u>	<u>6,300</u>	<u>--</u>
Public Defender:				
Services and supplies	504,666	669,666	669,666	--
Total Public Defender	<u>504,666</u>	<u>669,666</u>	<u>669,666</u>	<u>--</u>
Total Public Protection	<u>10,160,775</u>	<u>10,772,643</u>	<u>10,564,677</u>	<u>207,966</u>
Public Ways and Facilities:				
Public Works Miscellaneous:				
Services and supplies	284,000	244,000	8,859	235,141
Total Public Works Miscellaneous	<u>284,000</u>	<u>244,000</u>	<u>8,859</u>	<u>235,141</u>
Total Public Ways and Facilities	<u>284,000</u>	<u>244,000</u>	<u>8,859</u>	<u>235,141</u>
Health and Sanitation:				
Health Department:				
Salaries and benefits	517,571	517,571	476,728	40,843
Services and supplies	1,225,261	1,126,018	1,071,477	54,541
Total Health Department	<u>1,742,832</u>	<u>1,643,589</u>	<u>1,548,205</u>	<u>95,384</u>
Total Health and Sanitation	<u>1,742,832</u>	<u>1,643,589</u>	<u>1,548,205</u>	<u>95,384</u>
Public Assistance:				
Veteran's Services Office:				
Salaries and benefits	36,948	36,948	33,531	3,417
Services and supplies	7,404	9,904	8,624	1,280
Total Veteran's Services Office	<u>44,352</u>	<u>46,852</u>	<u>42,155</u>	<u>4,697</u>
Agency on Aging:				
Services and supplies	5,255	5,255	5,255	--
Total Agency on Aging	<u>5,255</u>	<u>5,255</u>	<u>5,255</u>	<u>--</u>
Commission on Aging:				
Services and supplies	500	500	--	500
Total Commission on Aging	<u>500</u>	<u>500</u>	<u>--</u>	<u>500</u>
Total Public Assistance	<u>50,107</u>	<u>52,607</u>	<u>47,410</u>	<u>5,197</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures (continued):				
Education:				
Library Department:				
Salaries and benefits	211,738	211,738	170,865	40,873
Services and supplies	69,607	69,107	103,332	(34,225)
Total Library Department	<u>281,345</u>	<u>280,845</u>	<u>274,197</u>	<u>6,648</u>
Trinity County COOP Extension:				
Salaries and benefits	9,582	8,832	8,393	439
Services and supplies	15,418	16,168	16,128	40
Total Trinity County COOP Extension	<u>25,000</u>	<u>25,000</u>	<u>24,521</u>	<u>479</u>
Total Education	<u>306,345</u>	<u>305,845</u>	<u>298,718</u>	<u>7,127</u>
Debt service: interest	<u>\$ 50</u>	<u>\$ 18,050</u>	<u>\$ 13,845</u>	<u>\$ 4,205</u>
Total Expenditures	<u>15,699,716</u>	<u>16,486,256</u>	<u>15,235,983</u>	<u>1,250,273</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,111,831)</u>	<u>(3,276,252)</u>	<u>(1,514,373)</u>	<u>1,761,879</u>
Other financing sources (uses):				
Transfers in	3,986,786	4,771,468	3,885,365	(886,103)
Transfers out	<u>(1,841,755)</u>	<u>(1,965,351)</u>	<u>(1,309,512)</u>	<u>655,839</u>
Total other financing sources (uses)	<u>2,145,031</u>	<u>2,806,117</u>	<u>2,575,853</u>	<u>(230,264)</u>
Net change in fund balance	<u>\$ (966,800)</u>	<u>\$ (470,135)</u>	1,061,480	<u>\$ 1,531,615</u>
Fund balance - beginning			<u>(17,640)</u>	
Fund balance - ending			<u>\$ 1,043,840</u>	

COUNTY OF TRINITY

Budgetary Comparison Schedule
Road Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 17,000	\$ 17,000	\$ 11,770	\$ (5,230)
Use of money and property	6,000	6,000	25,111	19,111
Intergovernmental	12,147,924	12,147,924	6,288,181	(5,859,743)
Charges for services	1,292,000	1,292,000	1,236,234	(55,766)
Other revenues	70,000	70,000	196,878	126,878
Total Revenues	<u>13,532,924</u>	<u>13,532,924</u>	<u>7,758,174</u>	<u>(5,774,750)</u>
Expenditures:				
Current:				
Public way and facilities	<u>15,338,941</u>	<u>15,338,941</u>	<u>9,009,540</u>	<u>6,329,401</u>
Total Expenditures	<u>15,338,941</u>	<u>15,338,941</u>	<u>9,009,540</u>	<u>6,329,401</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,806,017)</u>	<u>(1,806,017)</u>	<u>(1,251,366)</u>	<u>554,651</u>
Other Financing Sources (Uses):				
Transfers in	4,949,828	4,949,828	--	(4,949,828)
Transfers out	<u>(5,184,389)</u>	<u>(5,184,389)</u>	<u>(173,829)</u>	<u>5,010,560</u>
Total Other Financing Sources (Uses)	<u>(234,561)</u>	<u>(234,561)</u>	<u>(173,829)</u>	<u>60,732</u>
Net Change in Fund Balances	(2,040,578)	(2,040,578)	(1,425,195)	615,383
Fund Balances - Beginning of Year	<u>8,897,694</u>	<u>8,897,694</u>	<u>8,897,694</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 6,857,116</u>	<u>\$ 6,857,116</u>	<u>\$ 7,472,499</u>	<u>\$ 615,383</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Human Services Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 240	\$ 172	\$ 212	\$ 40
Use of money and property	--	(900)	(910)	(10)
Intergovernmental	4,546,879	3,860,903	3,759,532	(101,371)
Charges for services	90,433	109,600	113,541	3,941
Other revenues	21,000	50,635	53,465	2,830
Total Revenues	<u>4,658,552</u>	<u>4,020,410</u>	<u>3,925,840</u>	<u>(94,570)</u>
Expenditures:				
Current:				
Public protection	40,784	44,115	42,632	1,483
Public assistance	7,720,884	7,785,215	7,632,452	152,763
Total Expenditures	<u>7,761,668</u>	<u>7,829,330</u>	<u>7,675,084</u>	<u>154,246</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,103,116)</u>	<u>(3,808,920)</u>	<u>(3,749,244)</u>	<u>59,676</u>
Other Financing Sources (Uses):				
Transfers in	3,297,001	3,989,605	3,586,207	(403,398)
Transfers out	(193,885)	(193,885)	(193,885)	--
Total Other Financing Sources (Uses)	<u>3,103,116</u>	<u>3,795,720</u>	<u>3,392,322</u>	<u>(403,398)</u>
Net Change in Fund Balances	--	(13,200)	(356,922)	(343,722)
Fund Balances - Beginning of Year	<u>21,179</u>	<u>21,179</u>	<u>21,179</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 21,179</u>	<u>\$ 7,979</u>	<u>\$ (335,743)</u>	<u>\$ (343,722)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
HOME Grant Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ 100	\$ 65	\$ (35)
Intergovernmental	--	93,836	93,970	134
Total Revenues	<u>--</u>	<u>93,936</u>	<u>94,035</u>	<u>99</u>
Expenditures:				
Current:				
Public assistance	--	38,645	35,596	3,049
Total Expenditures	<u>--</u>	<u>38,645</u>	<u>35,596</u>	<u>3,049</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>55,291</u>	<u>58,439</u>	<u>3,148</u>
Other Financing Sources (Uses):				
Transfers out	--	(1,200)	(626)	574
Total Other Financing Sources (Uses)	<u>--</u>	<u>(1,200)</u>	<u>(626)</u>	<u>574</u>
Net Change in Fund Balances	--	54,091	57,813	3,722
Fund Balances - Beginning of Year	<u>2,753,034</u>	<u>2,753,034</u>	<u>2,753,034</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,753,034</u>	<u>\$ 2,807,125</u>	<u>\$ 2,810,847</u>	<u>\$ 3,722</u>

COUNTY OF TRINITY

Required Supplementary Information
For the Year Ended June 30, 2013

1. SCHEDULE OF FUNDING PROGRESS – PENSION

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

FUNDED STATUS OF MISCELLANEOUS PLAN

Actuarial Valuation Date	(a)	(b)	(a)-(b) Underfunded Actuarial Liability (UL)	(b)/(a) Funded Ratios		(c)	[(a)-(b)/(c)]
	Actuarial Accrued Liability	Actuarial Asset Value (AVA)	Actuarial Accrued Liability (UL)	(AVA)	Market Rate	Covered Payroll	UL as a % of Payroll
6/30/2009	\$ 72,133,154	\$ 52,315,148	\$ 19,818,006	72.5%	52.7%	\$ 9,205,874	215.3
6/30/2010	75,736,081	54,109,821	21,626,260	71.4%	55.6%	9,459,177	228.6
6/30/2011	81,246,726	56,096,115	25,150,611	69.0%	61.1%	9,300,935	270.4

FUNDED STATUS OF SAFETY PLAN

This information is no longer available for the Safety Plan. Information is available on a pooled basis only and can be obtained from Cal PERS, P.O. Box 942709, Sacramento, CA 94229-2709.

2. SCHEDULE OF FUNDING PROGRESS – OTHER POST EMPLOYMENT BENEFITS PLAN (OPEB)

The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30:

Actuarial Valuation Date	(a)	(b)	(a)-(b) Underfunded Actuarial Liability (UL)	(b)/(a) Funded Ratio	(c)	[(a)-(b)/(c)]
	Actuarial Accrued Liability	Actuarial Asset Value (AVA)	Actuarial Accrued Liability (UL)	Funded Ratio	Covered Payroll	UL as a % of Payroll
6/30/2009	\$ 52,711,291	\$ 241,888	\$ 52,469,403	0.46%	\$ 12,243,107	428.56%
6/30/2010	60,198,823	310,611	59,888,212	0.52%	12,501,000	479.07%
6/30/2011	60,198,823	310,611	59,888,212	0.52%	12,501,000	479.07%

COUNTY OF TRINITY

Notes to the Required Supplementary Information For the Year Ended June 30, 2013

BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between object levels within the same budget unit or between departments or funds are approved by the Board of Supervisors. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The budget approved by the Board of Supervisors for the general fund includes budgeted expenditures and reimbursements for amounts disbursed on behalf of other Governmental Funds. Actual reimbursements for these items have been eliminated in the accompanying budgetary financial schedules. Accordingly, the related budgets for these items have also been eliminated in order to provide a meaningful comparison of actual and budgeted results of operations.

Budgets are adopted on a basis which materially conforms to generally accepted accounting principles. Unexpended appropriations lapse at year end.

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SUPPLEMENTARY FINANCIAL INFORMATION



Four Lakes Loop

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

CDBG Rehab

The Community Development Block Grant (CDBG) Rehab Fund is used to fund all Board of Supervisor approved project expenditures that qualify under CDBG requirements. Subsequently, reimbursement of all qualifying expenditures is sought from the granting department. These grant moneys are loaned to qualified local residents and businesses to assist them in making necessary improvements to their property. These loans are required to be repaid over a set period of time, such as 30 years.

Tobacco Program

The Tobacco Program fund accounts for revenues and expenditures for support of various educational tobacco programs.

Mental Health

The Mental Health fund accounts for revenues and expenditures for support of various mental health programs.

Fish and Game

The Fish and Game fund receives all fine, forfeiture and penalty moneys collected and earmarked for support of the local fish and game programs.

Non-Transit

The Non-Transit Fund accounts for all revenues and expenditures for support of non-transit programs.

TRANS

The TRANS fund is used to manage the short term borrowing and paying of moneys used to assist the County smooth its cash flow needs throughout the year. Moneys are borrowed at the beginning of the fiscal year and repaid before the fiscal year ends.

Special Aviation

The Special Aviation Fund is used to account for all revenues and expenditures for five local area airports.

Miscellaneous Grants

The Miscellaneous Grants Fund is used to account for revenues and expenditures for a variety of grants.

Hayfork Lighting District

The Hayfork Lighting District Fund is used to account for the planning, design, construction, maintenance and administration of Hayfork lighting.

Weaverville Lighting District

The Weaverville Lighting District Fund is used to account for the planning, design, construction, maintenance and administration of Weaverville lighting.

Transportation Commission

The Transportation Commission Fund is used to account for the revenues and expenditures associated with transportation planning and regional coordination, transportation alternatives and marketing, claimant funding and oversight, grants application and management, and administration of the Transportation Commission and its programs.

NONMAJOR GOVERNMENTAL FUNDS

CDC PHEP

The CDC PHEP Fund accounts for a variety of public health emergency preparedness programs.

MHSA Other Funding

The MHSA Other Funding accounts for the MHSA reserve and a minority of the MHSA programs.

MHSA

The Mental Health Services Act (MHSA) Fund accounts for the revenues and expenditures associated with a majority of the MHSA programs.

General Government

The General Government Fund accounts for a variety of small general government programs.

Public Protection

The Public Protection Fund accounts for a variety of small public protection programs.

Public Ways

The Public Ways Fund accounts for a variety of small public ways programs.

Health and Sanitation

The Health and Sanitation Fund accounts for a variety of small health and sanitation programs.

Public Assistance

The Public Assistance Fund accounts for a variety of small public assistance programs.

Disaster Recovery Initiative

The Disaster Recovery Initiative Fund accounts for multi-year grant revenues that reimburse the County for qualified disaster recovery projects.

Health Realignment

The Health Realignment Fund is used to account for all health realignment moneys received by the County. These moneys are transferred to the health operating fund to cover certain qualified health expenditures not covered by other grant programs.

Mental Health Realignment

The Mental Health Realignment Fund is used to account for all mental health realignment moneys received by the County. These moneys are transferred to the mental health operating fund to cover certain qualified mental health expenditures not covered by other grant programs.

Emergency Services

The Emergency Services Fund accounts for all revenues and expenditures dealing with emergency services programs, such as "Maddy" funds.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

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

Capital Projects

The Capital Projects Fund accounts for the financing of various improvements including renovation, acquisition and construction of major capital assets. It provides for the appropriation of State authorized surcharges on fines for non-parking and other criminal cases, which are statutorily designated for renovation and/or construction of courtroom facilities. It provides for the appropriation of certain fine and forfeiture revenues, restricted by Government Code Section 76101 for the support of construction, reconstruction, expansion, improvement, operation or maintenance of County criminal justice and Court facilities, and for improvement of criminal justice automated information systems. It also provides for the accumulation of assigned reserves, by the Board of Supervisors, for future capital needs.

JDF Capital Projects

The JDF Capital Projects Fund accounts for the specific improvements including renovation, acquisition, and construction of the Juvenile Detention Facility.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

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COUNTY OF TRINITY

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

Special Revenue

	CDBG Rehab	Tobacco Program	Mental Health	Fish and Game	Non-Transit	TRANS
<u>Assets</u>						
Cash and investments	\$ --	\$ 60,925	\$ --	\$ 21,864	\$ 6,967	\$ --
Imprest cash	--	--	75	--	--	--
Cash with fiscal agent	--	--	--	--	--	--
Accounts receivable	--	--	4,754	--	--	--
Due from other governments	14,697	37,500	187,847	--	--	--
Taxes receivable	--	--	--	--	--	--
Interest receivable	(73)	47	(64)	13	9	6
Due from other funds	--	--	--	--	--	--
Loans receivable	1,740,359	--	--	--	--	--
Advances to other funds	--	--	--	--	--	--
Total Assets	\$ 1,754,983	\$ 98,472	\$ 192,612	\$ 21,877	\$ 6,976	\$ 6
<u>Liabilities</u>						
Accounts payable	\$ 4,012	\$ 52,932	\$ 141,659	\$ --	\$ --	\$ 1
Salaries and benefits payable	--	--	2,792	--	--	--
Due to other funds	177,264	--	409,359	--	--	--
Unearned revenue	--	--	--	--	--	--
Deposits from others	--	--	--	--	--	--
Advances from other funds	--	--	--	--	--	--
Total Liabilities	181,276	52,932	553,810	--	--	1
<u>Deferred Inflows of Resources</u>						
Unavailable revenue	140,595	37,500	--	--	--	--
<u>Fund Balance</u>						
Restricted	1,433,112	8,040	--	21,877	6,976	--
Assigned	--	--	--	--	--	5
Unassigned	--	--	(361,198)	--	--	--
Total Fund Balances	1,433,112	8,040	(361,198)	21,877	6,976	5
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,754,983	\$ 98,472	\$ 192,612	\$ 21,877	\$ 6,976	\$ 6

continued

COUNTY OF TRINITY

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds
 June 30, 2013

	Special Revenue					
	Special Aviation	Miscellaneous Grants	Hayfork Lighting District	Weaverville Lighting District	Transportation Commission	CDC PHEP
<u>Assets</u>						
Cash and investments	\$ --	\$ --	\$ 104,526	\$ 155,438	\$ 94,650	\$ 45,335
Imprest cash	--	--	--	--	--	--
Cash with fiscal agent	--	--	--	--	--	--
Accounts receivable	--	--	--	--	--	--
Due from other governments	27,457	--	--	--	136,228	43,648
Taxes receivable	--	--	--	--	--	--
Interest receivable	--	(287)	64	94	101	44
Due from other funds	--	--	--	--	--	--
Loans receivable	--	--	--	--	--	--
Advances to other funds	--	--	--	--	--	--
Total Assets	\$ 27,457	\$ (287)	\$ 104,590	\$ 155,532	\$ 230,979	\$ 89,027
<u>Liabilities</u>						
Accounts payable	\$ 5,738	\$ --	\$ 701	\$ 2,671	\$ 19,772	\$ 6,453
Salaries and benefits payable	--	--	--	--	--	--
Due to other funds	1,555	460,663	--	--	--	--
Unearned revenue	--	--	--	--	63,464	--
Deposits from others	--	--	--	--	--	--
Advances from other funds	--	--	--	--	--	--
Total Liabilities	7,293	460,663	701	2,671	83,236	6,453
<u>Deferred Inflows of Resources</u>						
Unavailable revenue	27,457	--	--	--	108,312	16,725
<u>Fund Balance</u>						
Restricted	--	--	103,889	152,861	39,431	65,849
Assigned	--	--	--	--	--	--
Unassigned	(7,293)	(460,950)	--	--	--	--
Total Fund Balances	(7,293)	(460,950)	103,889	152,861	39,431	65,849
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 27,457	\$ (287)	\$ 104,590	\$ 155,532	\$ 230,979	\$ 89,027

continued

COUNTY OF TRINITY

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds
 June 30, 2013

Special Revenue

	MHSA Other Funding	MHSA	General Government	Public Protection	Public Ways	Health and Sanitation
<u>Assets</u>						
Cash and investments	\$ 569,007	\$ 1,122,010	\$ 65,590	\$ 663,283	\$ 757,609	\$ 915,819
Imprest cash	--	--	--	29,451	--	--
Cash with fiscal agent	--	--	--	--	--	--
Accounts receivable	--	--	6,416	--	4,620	690
Due from other governments	36,132	114,417	--	676,514	22,535	89,103
Taxes receivable	--	--	2,315,001	--	--	--
Interest receivable	604	436	962	232	392	291
Due from other funds	409,359	--	--	--	154,408	--
Loans receivable	--	--	--	--	--	--
Advances to other funds	--	--	--	57,203	--	--
Total Assets	\$ 1,015,102	\$ 1,236,863	\$ 2,387,969	\$ 1,426,683	\$ 939,564	\$ 1,005,903
<u>Liabilities</u>						
Accounts payable	\$ --	\$ --	\$ 8,459	\$ 26,252	\$ --	\$ 44,460
Salaries and benefits payable	--	--	--	119	--	--
Due to other funds	--	--	583,850	125,960	--	--
Unearned revenue	--	--	--	--	--	--
Deposits from others	--	--	--	6,410	--	20
Advances from other funds	--	--	--	266,132	--	--
Total Liabilities	--	--	592,309	424,873	--	44,480
<u>Deferred Inflows of Resources</u>						
Unavailable revenue	--	--	2,152,951	327,209	--	40,094
<u>Fund Balance</u>						
Restricted	1,015,102	1,236,863	--	674,601	939,564	921,329
Assigned	--	--	--	--	--	--
Unassigned	--	--	(357,291)	--	--	--
Total Fund Balances	1,015,102	1,236,863	(357,291)	674,601	939,564	921,329
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,015,102	\$ 1,236,863	\$ 2,387,969	\$ 1,426,683	\$ 939,564	\$ 1,005,903

continued

COUNTY OF TRINITY

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds
 June 30, 2013

	Special Revenue				
	Public Assistance	Disaster Recovery Initiative	Health Realignment	Mental Health Realignment	Emergency Services
<u>Assets</u>					
Cash and investments	\$ 206,679	\$ --	\$ 91,671	\$ 21,527	\$ --
Imprest cash	--	--	--	--	--
Cash with fiscal agent	--	--	--	--	--
Accounts receivable	68	--	--	--	--
Due from other governments	--	460,993	--	--	351,811
Taxes receivable	--	--	--	--	--
Interest receivable	120	(178)	--	--	--
Due from other funds	76,389	--	--	--	--
Loans receivable	564,441	--	--	--	--
Advances to other funds	--	--	--	--	--
Total Assets	\$ 847,697	\$ 460,815	\$ 91,671	\$ 21,527	\$ 351,811
<u>Liabilities</u>					
Accounts payable	\$ --	\$ 57,393	\$ --	\$ --	\$ 406
Salaries and benefits payable	--	--	--	--	581
Due to other funds	--	445,934	--	--	372,672
Unearned revenue	--	--	--	--	--
Deposits from others	--	--	--	--	--
Advances from other funds	--	--	--	--	--
Total Liabilities	--	503,327	--	--	373,659
<u>Deferred Inflows of Resources</u>					
Unavailable revenue	36,573	412,323	--	--	330,820
<u>Fund Balance</u>					
Restricted	811,124	--	91,671	21,527	--
Assigned	--	--	--	--	--
Unassigned	--	(454,835)	--	--	(352,668)
Total Fund Balances	811,124	(454,835)	91,671	21,527	(352,668)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 847,697	\$ 460,815	\$ 91,671	\$ 21,527	\$ 351,811

continued

COUNTY OF TRINITY

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds
 June 30, 2013

	Capital Projects			
		JDF		
	Capital Projects	Capital Projects	Debt Service	Total
<u>Assets</u>				
Cash and investments	\$ --	\$ 114	\$ 972,856	\$ 5,875,870
Imprest cash	--	--	--	29,526
Cash with fiscal agent	--	--	463,817	463,817
Accounts receivable	--	--	--	16,548
Due from other governments	--	--	--	2,198,882
Taxes receivable	--	--	--	2,315,001
Interest receivable	--	--	333	3,146
Due from other funds	--	--	--	640,156
Loans receivable	--	--	--	2,304,800
Advances to other funds	--	--	--	57,203
Total Assets	\$ --	\$ 114	\$ 1,437,006	\$ 13,904,949
<u>Liabilities</u>				
Accounts payable	\$ --	\$ --	\$ 17,762	\$ 388,671
Salaries and benefits payable	--	--	--	3,492
Due to other funds	--	--	--	2,577,257
Unearned revenue	--	--	--	63,464
Deposits from others	--	--	--	6,430
Advances from other funds	42,854	--	--	308,986
Total Liabilities	42,854	--	17,762	3,348,300
<u>Deferred Inflows of Resources</u>				
Unavailable revenue	--	--	--	3,630,559
<u>Fund Balance</u>				
Restricted	--	--	--	7,543,816
Assigned	--	114	1,419,244	1,419,363
Unassigned	(42,854)	--	--	(2,037,089)
Total Fund Balances	(42,854)	114	1,419,244	6,926,090
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ --	\$ 114	\$ 1,437,006	\$ 13,904,949

COUNTY OF TRINITY

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

Special Revenue

	CDBG Rehab	Tobacco Program	Mental Health	Fish and Game	Non-Transit	TRANS
Revenues:						
Taxes	--	--	--	--	--	--
Licenses and permits	--	--	--	--	--	--
Fines, forfeitures and penalties	--	--	--	1,893	--	--
Use of money and property	9	312	(417)	71	52	6,194
Intergovernmental	22,938	112,500	1,339,778	558	--	--
Charges for services	--	--	26,184	--	--	--
Miscellaneous	--	--	55,825	250	--	--
Total Revenues	<u>22,947</u>	<u>112,812</u>	<u>1,421,370</u>	<u>2,772</u>	<u>52</u>	<u>6,194</u>
Expenditures:						
Current:						
General government	--	--	--	--	--	12,473
Public protection	--	--	--	2,455	--	--
Public ways and facilities	--	--	--	--	3,058	--
Health and sanitation	--	157,328	3,475,328	--	--	--
Public assistance	45,603	--	--	--	--	--
Debt Service:						
Principal	--	--	--	--	--	--
Interest	--	--	--	--	--	52,250
Total Expenditures	<u>45,603</u>	<u>157,328</u>	<u>3,475,328</u>	<u>2,455</u>	<u>3,058</u>	<u>64,723</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(22,656)</u>	<u>(44,516)</u>	<u>(2,053,958)</u>	<u>317</u>	<u>(3,006)</u>	<u>(58,529)</u>
Other Financing Sources (Uses):						
Transfers in	16,163	--	2,532,628	--	10,000	67,505
Transfers out	(81,320)	--	(599,727)	--	(18)	(11,336)
Total Other Financing Sources (Uses)	<u>(65,157)</u>	<u>--</u>	<u>1,932,901</u>	<u>--</u>	<u>9,982</u>	<u>56,169</u>
Net Change in Fund Balances	(87,813)	(44,516)	(121,057)	317	6,976	(2,360)
Fund Balances - Beginning of Year	1,289,045	52,556	(240,141)	21,560	--	2,365
Prior period adjustments	231,880	--	--	--	--	--
Fund Balances - End of Year	<u>\$ 1,433,112</u>	<u>\$ 8,040</u>	<u>\$ (361,198)</u>	<u>\$ 21,877</u>	<u>\$ 6,976</u>	<u>\$ 5</u>

continued

COUNTY OF TRINITY

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

	Special Revenue					
	Special Aviation	Miscellaneous Grants	Hayfork Lighting District	Weaverville Lighting District	Transportation Commission	CDC PHEP
Revenues:						
Taxes	\$ --	\$ --	\$ 13,875	\$ 43,813	\$ --	\$ --
Licenses and permits	--	--	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--	--	--
Use of money and property	--	(1,512)	324	457	599	250
Intergovernmental	38,690	--	189	662	156,120	107,579
Charges for services	--	--	--	--	--	--
Miscellaneous	--	--	--	--	3,270	--
Total Revenues	38,690	(1,512)	14,388	44,932	159,989	107,829
Expenditures:						
Current:						
General government	--	478	7,675	28,630	--	--
Public protection	--	--	--	--	--	--
Public ways and facilities	49,405	--	--	--	246,485	--
Health and sanitation	--	--	--	--	--	118,663
Public assistance	--	--	--	--	--	--
Debt Service:						
Principal	--	--	--	--	--	--
Interest	--	--	--	--	--	--
Total Expenditures	49,405	478	7,675	28,630	246,485	118,663
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,715)	(1,990)	6,713	16,302	(86,496)	(10,834)
Other Financing Sources (Uses):						
Transfers in	47,161	--	--	--	56,435	--
Transfers out	(26,941)	--	--	--	--	--
Total Other Financing Sources (Uses)	20,220	--	--	--	56,435	--
Net Change in Fund Balances	9,505	(1,990)	6,713	16,302	(30,061)	(10,834)
Fund Balances - Beginning of Year	(16,798)	(458,960)	97,176	136,559	69,492	76,683
Prior period adjustments	--	--	--	--	--	--
Fund Balances - End of Year	\$ (7,293)	\$ (460,950)	\$ 103,889	\$ 152,861	\$ 39,431	\$ 65,849

continued

COUNTY OF TRINITY

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

	Special Revenue					
	MHSA Other Funding	MHSA	General Government	Public Protection	Public Ways	Health and Sanitation
Revenues:						
Taxes	\$ --	\$ --	\$ (121,405)	\$ --	\$ 218,057	\$ --
Licenses and permits	--	--	--	21,532	--	--
Fines, forfeitures and penalties	--	--	88,549	337,487	--	24,223
Use of money and property	3,283	2,684	4,672	1,590	42,217	1,728
Intergovernmental	393,068	1,244,716	124,357	3,167,727	80,282	3,296,558
Charges for services	--	--	25,087	19,002	--	80,217
Miscellaneous	--	7,500	737	26,914	10,800	74
Total Revenues	<u>396,351</u>	<u>1,254,900</u>	<u>121,997</u>	<u>3,574,252</u>	<u>351,356</u>	<u>3,402,800</u>
Expenditures:						
Current:						
General government	--	--	111,493	--	--	--
Public protection	--	--	--	1,910,215	--	--
Public ways and facilities	--	--	--	--	25,065	--
Health and sanitation	7,500	--	--	--	--	985,209
Public assistance	--	--	--	--	--	--
Debt Service:						
Principal	--	--	--	--	--	--
Interest	--	--	--	--	--	--
Total Expenditures	<u>7,500</u>	<u>--</u>	<u>111,493</u>	<u>1,910,215</u>	<u>25,065</u>	<u>985,209</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>388,851</u>	<u>1,254,900</u>	<u>10,504</u>	<u>1,664,037</u>	<u>326,291</u>	<u>2,417,591</u>
Other Financing Sources (Uses):						
Transfers in	33,887	439,413	4,000	14,489	283,572	118,457
Transfers out	(331,816)	(1,094,984)	(33,955)	(1,358,062)	(571,725)	(2,824,475)
Total Other Financing Sources (Uses)	<u>(297,929)</u>	<u>(655,571)</u>	<u>(29,955)</u>	<u>(1,343,573)</u>	<u>(288,153)</u>	<u>(2,706,018)</u>
Net Change in Fund Balances	90,922	599,329	(19,451)	320,464	38,138	(288,427)
Fund Balances - Beginning of Year	924,180	637,534	1,815,111	354,137	901,426	1,209,756
Prior period adjustments	--	--	(2,152,951)	--	--	--
Fund Balances - End of Year	<u>\$ 1,015,102</u>	<u>\$ 1,236,863</u>	<u>\$ (357,291)</u>	<u>\$ 674,601</u>	<u>\$ 939,564</u>	<u>\$ 921,329</u>

continued

COUNTY OF TRINITY

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

	Special Revenue				
	Public Assistance	Disaster Recovery Initiative	Health Realignment	Mental Health Realignment	Emergency Services
Revenues:					
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--	--
Use of money and property	18,284	(548)	--	--	--
Intergovernmental	1,077,986	274,334	1,590,461	657,603	141,466
Charges for services	--	--	--	--	125,461
Miscellaneous	20,471	--	--	--	--
Total Revenues	1,116,741	273,786	1,590,461	657,603	266,927
Expenditures:					
Current:					
General government	--	--	--	--	--
Public protection	--	--	--	--	523,178
Public ways and facilities	--	--	--	--	--
Health and sanitation	--	--	--	--	--
Public assistance	18,629	497,636	--	--	--
Debt Service:					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Total Expenditures	18,629	497,636	--	--	523,178
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,098,112	(223,850)	1,590,461	657,603	(256,251)
Other Financing Sources (Uses):					
Transfers in	76,389	--	292,662	5,924	--
Transfers out	(1,371,949)	(5,053)	(2,755,590)	(642,000)	(5,227)
Total Other Financing Sources (Uses)	(1,295,560)	(5,053)	(2,462,928)	(636,076)	(5,227)
Net Change in Fund Balances	(197,448)	(228,903)	(872,467)	21,527	(261,478)
Fund Balances - Beginning of Year	1,008,572	(225,932)	964,138	--	(91,190)
Prior period adjustments	--	--	--	--	--
Fund Balances - End of Year	<u>\$ 811,124</u>	<u>\$ (454,835)</u>	<u>\$ 91,671</u>	<u>\$ 21,527</u>	<u>\$ (352,668)</u>

continued

COUNTY OF TRINITY

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

	Capital Projects			Total
	Capital Projects	JDF Capital Projects	Debt Service	
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ 154,340
Licenses and permits	--	--	--	21,532
Fines, forfeitures and penalties	--	--	--	452,152
Use of money and property	--	--	5,772	86,021
Intergovernmental	--	--	--	13,827,572
Charges for services	--	--	--	275,951
Miscellaneous	--	--	58,849	184,690
Total Revenues	<u>--</u>	<u>--</u>	<u>64,621</u>	<u>15,002,258</u>
Expenditures:				
Current:				
General government	48	--	14,163	174,960
Public protection	--	--	--	2,435,848
Public ways and facilities	--	--	--	324,013
Health and sanitation	--	--	--	4,744,028
Public assistance	--	--	--	561,868
Debt Service:				
Principal	--	--	1,130,000	1,130,000
Interest	--	--	708,930	761,180
Total Expenditures	<u>48</u>	<u>--</u>	<u>1,853,093</u>	<u>10,131,897</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(48)</u>	<u>--</u>	<u>(1,788,472)</u>	<u>4,870,361</u>
Other Financing Sources (Uses):				
Transfers in	--	--	1,896,021	5,894,706
Transfers out	(55,421)	--	--	(11,769,599)
Total Other Financing Sources (Uses)	<u>(55,421)</u>	<u>--</u>	<u>1,896,021</u>	<u>(5,874,893)</u>
Net Change in Fund Balances	(55,469)	--	107,549	(1,004,532)
Fund Balances - Beginning of Year	12,615	114	1,311,695	9,851,693
Prior period adjustments	--	--	--	(1,921,071)
Fund Balances - End of Year	<u>\$ (42,854)</u>	<u>\$ 114</u>	<u>\$ 1,419,244</u>	<u>\$ 6,926,090</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
CDBG Rehab
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ 450	\$ 9	\$ (441)
Intergovernmental	10,000	32,500	22,938	(9,562)
Total Revenues	<u>10,000</u>	<u>32,950</u>	<u>22,947</u>	<u>(10,003)</u>
Expenditures:				
Current:				
Public assistance	185,501	206,051	45,603	160,448
Total Expenditures	<u>185,501</u>	<u>206,051</u>	<u>45,603</u>	<u>160,448</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(175,501)</u>	<u>(173,101)</u>	<u>(22,656)</u>	<u>150,445</u>
Other Financing Sources (Uses):				
Transfers in	175,500	175,500	16,163	(159,337)
Transfers out	--	(2,400)	(81,320)	(78,920)
Total Other Financing Sources (Uses)	<u>175,500</u>	<u>173,100</u>	<u>(65,157)</u>	<u>(238,257)</u>
Net Change in Fund Balances	(1)	(1)	(87,813)	(87,812)
Fund Balances - Beginning of Year, Restated	<u>1,520,925</u>	<u>1,520,925</u>	<u>1,520,925</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,520,924</u>	<u>\$ 1,520,924</u>	<u>\$ 1,433,112</u>	<u>\$ (87,812)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Tobacco Program
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 312	\$ 312
Intergovernmental	150,000	150,000	112,500	(37,500)
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>112,812</u>	<u>(37,188)</u>
Expenditures:				
Current:				
Health and sanitation	152,951	173,433	157,328	16,105
Total Expenditures	<u>152,951</u>	<u>173,433</u>	<u>157,328</u>	<u>16,105</u>
Net Change in Fund Balances	(2,951)	(23,433)	(44,516)	(21,083)
Fund Balances - Beginning of Year	<u>52,556</u>	<u>52,556</u>	<u>52,556</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 49,605</u>	<u>\$ 29,123</u>	<u>\$ 8,040</u>	<u>\$ (21,083)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Mental Health
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ (15,000)	\$ (15,000)	\$ (417)	\$ 14,583
Intergovernmental	1,608,655	1,137,306	1,339,778	202,472
Charges for services	22,000	22,000	26,184	4,184
Other revenue	40,000	40,000	55,825	15,825
Total Revenues	<u>1,655,655</u>	<u>1,184,306</u>	<u>1,421,370</u>	<u>237,064</u>
Expenditures:				
Current:				
Health and sanitation	3,920,690	3,971,514	3,475,328	496,186
Total Expenditures	<u>3,920,690</u>	<u>3,971,514</u>	<u>3,475,328</u>	<u>496,186</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,265,035)</u>	<u>(2,787,208)</u>	<u>(2,053,958)</u>	<u>733,250</u>
Other Financing Sources (Uses):				
Transfers in	2,390,909	2,913,082	2,532,628	(380,454)
Transfers out	<u>(125,874)</u>	<u>(125,874)</u>	<u>(599,727)</u>	<u>(473,853)</u>
Total Other Financing Sources (Uses)	<u>2,265,035</u>	<u>2,787,208</u>	<u>1,932,901</u>	<u>(854,307)</u>
Net Change in Fund Balances	--	--	(121,057)	(121,057)
Fund Balances - Beginning of Year	<u>(240,141)</u>	<u>(240,141)</u>	<u>(240,141)</u>	--
Fund Balances - End of Year	<u><u>\$ (240,141)</u></u>	<u><u>\$ (240,141)</u></u>	<u><u>\$ (361,198)</u></u>	<u><u>\$ (121,057)</u></u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Fish and Game
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeits and penalties	\$ 1,500	\$ 1,500	\$ 1,893	\$ 393
Use of money and property	200	200	71	(129)
Intergovernmental	600	600	558	(42)
Other revenue	--	--	250	250
Total Revenues	<u>2,300</u>	<u>2,300</u>	<u>2,772</u>	<u>472</u>
Expenditures:				
Current:				
Public protection	8,400	8,400	2,455	5,945
Total Expenditures	<u>8,400</u>	<u>8,400</u>	<u>2,455</u>	<u>5,945</u>
Net Change in Fund Balances	(6,100)	(6,100)	317	6,417
Fund Balances - Beginning of Year	<u>21,560</u>	<u>21,560</u>	<u>21,560</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 15,460</u>	<u>\$ 15,460</u>	<u>\$ 21,877</u>	<u>\$ 6,417</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Non-Transit
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ 43	\$ 52	\$ 9
Total Revenues	<u> --</u>	<u> 43</u>	<u> 52</u>	<u> 9</u>
Expenditures:				
Current:				
Public way and facilities	10,000	10,043	3,058	6,985
Total Expenditures	<u>10,000</u>	<u>10,043</u>	<u>3,058</u>	<u>6,985</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,000)</u>	<u>(10,000)</u>	<u>(3,006)</u>	<u>6,994</u>
Other Financing Sources (Uses):				
Transfers in	10,000	10,000	10,000	--
Transfers out	--	--	(18)	(18)
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>9,982</u>	<u>(18)</u>
Net Change in Fund Balances	--	--	6,976	6,976
Fund Balances - Beginning of Year	<u> --</u>	<u> --</u>	<u> --</u>	<u> --</u>
Fund Balances - End of Year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,976</u>	<u>\$ 6,976</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
TRANS
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 8,000	\$ 8,000	\$ 6,194	\$ (1,806)
Total Revenues	<u>8,000</u>	<u>8,000</u>	<u>6,194</u>	<u>(1,806)</u>
Expenditures:				
Current:				
General government	13,005	13,005	12,473	532
Debt Service:				
Interest	62,500	62,500	52,250	10,250
Total Expenditures	<u>75,505</u>	<u>75,505</u>	<u>64,723</u>	<u>10,782</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(67,505)</u>	<u>(67,505)</u>	<u>(58,529)</u>	<u>8,976</u>
Other Financing Sources (Uses):				
Transfers in	67,505	67,505	67,505	--
Transfers out	--	(11,336)	(11,336)	--
Total Other Financing Sources (Uses)	<u>67,505</u>	<u>56,169</u>	<u>56,169</u>	<u>--</u>
Net Change in Fund Balances	--	(11,336)	(2,360)	8,976
Fund Balances - Beginning of Year	<u>2,365</u>	<u>2,365</u>	<u>2,365</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,365</u>	<u>\$ (8,971)</u>	<u>\$ 5</u>	<u>\$ 8,976</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Special Aviation
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 445,949	\$ 445,949	\$ 38,690	\$ (407,259)
Total Revenues	<u>445,949</u>	<u>445,949</u>	<u>38,690</u>	<u>(407,259)</u>
Expenditures:				
Current:				
Public way and facilities	451,445	451,445	49,405	402,040
Total Expenditures	<u>451,445</u>	<u>451,445</u>	<u>49,405</u>	<u>402,040</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,496)</u>	<u>(5,496)</u>	<u>(10,715)</u>	<u>(5,219)</u>
Other Financing Sources (Uses):				
Transfers in	47,161	47,161	47,161	--
Transfers out	<u>(26,941)</u>	<u>(26,941)</u>	<u>(26,941)</u>	--
Total Other Financing Sources (Uses)	<u>20,220</u>	<u>20,220</u>	<u>20,220</u>	--
Net Change in Fund Balances	14,724	14,724	9,505	(5,219)
Fund Balances - Beginning of Year	<u>(16,798)</u>	<u>(16,798)</u>	<u>(16,798)</u>	--
Fund Balances - End of Year	<u>\$ (2,074)</u>	<u>\$ (2,074)</u>	<u>\$ (7,293)</u>	<u>\$ (5,219)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Miscellaneous Grants
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ (1,512)	\$ (1,512)
Total Revenues	<u>--</u>	<u>--</u>	<u>(1,512)</u>	<u>(1,512)</u>
Expenditures:				
Current:				
General government	--	--	478	(478)
Total Expenditures	<u>--</u>	<u>--</u>	<u>478</u>	<u>(478)</u>
Net Change in Fund Balances	--	--	(1,990)	(1,990)
Fund Balances - Beginning of Year	<u>(458,960)</u>	<u>(458,960)</u>	<u>(458,960)</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ (458,960)</u></u>	<u><u>\$ (458,960)</u></u>	<u><u>\$ (460,950)</u></u>	<u><u>\$ (1,990)</u></u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Hayfork Lighting District
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 11,410	\$ 11,410	\$ 13,875	\$ 2,465
Use of money and property	350	350	324	(26)
Intergovernmental	170	170	189	19
Total Revenues	<u>11,930</u>	<u>11,930</u>	<u>14,388</u>	<u>2,458</u>
Expenditures:				
Current:				
General government	8,150	8,150	7,675	475
Total Expenditures	<u>8,150</u>	<u>8,150</u>	<u>7,675</u>	<u>475</u>
Net Change in Fund Balances	3,780	3,780	6,713	2,933
Fund Balances - Beginning of Year	<u>97,176</u>	<u>97,176</u>	<u>97,176</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 100,956</u>	<u>\$ 100,956</u>	<u>\$ 103,889</u>	<u>\$ 2,933</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Weaverville Lighting District
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 43,740	\$ 43,740	\$ 43,813	\$ 73
Use of money and property	480	480	457	(23)
Intergovernmental	680	680	662	(18)
Total Revenues	<u>44,900</u>	<u>44,900</u>	<u>44,932</u>	<u>32</u>
Expenditures:				
Current:				
General government	28,180	28,730	28,630	100
Total Expenditures	<u>28,180</u>	<u>28,730</u>	<u>28,630</u>	<u>100</u>
Net Change in Fund Balances	16,720	16,170	16,302	132
Fund Balances - Beginning of Year	<u>136,559</u>	<u>136,559</u>	<u>136,559</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 153,279</u>	<u>\$ 152,729</u>	<u>\$ 152,861</u>	<u>\$ 132</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
 Transportation Commission
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 599	\$ 599
Intergovernmental	256,600	256,600	156,120	(100,480)
Other revenue	--	--	3,270	3,270
Total Revenues	<u>256,600</u>	<u>256,600</u>	<u>159,989</u>	<u>(96,611)</u>
Expenditures:				
Current:				
Public way and facilities	<u>343,035</u>	<u>343,035</u>	<u>246,485</u>	<u>96,550</u>
Total Expenditures	<u>343,035</u>	<u>343,035</u>	<u>246,485</u>	<u>96,550</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(86,435)</u>	<u>(86,435)</u>	<u>(86,496)</u>	<u>(61)</u>
Other Financing Sources (Uses):				
Transfers in	<u>56,435</u>	<u>56,435</u>	<u>56,435</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>56,435</u>	<u>56,435</u>	<u>56,435</u>	<u>--</u>
Net Change in Fund Balances	(30,000)	(30,000)	(30,061)	(61)
Fund Balances - Beginning of Year	<u>69,492</u>	<u>69,492</u>	<u>69,492</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 39,492</u>	<u>\$ 39,492</u>	<u>\$ 39,431</u>	<u>\$ (61)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
 CDC PHEP
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 250	\$ 250
Intergovernmental	107,237	129,961	107,579	(22,382)
Total Revenues	<u>107,237</u>	<u>129,961</u>	<u>107,829</u>	<u>(22,132)</u>
Expenditures:				
Current:				
Health and sanitation	107,237	129,961	118,663	11,298
Total Expenditures	<u>107,237</u>	<u>129,961</u>	<u>118,663</u>	<u>11,298</u>
Net Change in Fund Balances	--	--	(10,834)	(10,834)
Fund Balances - Beginning of Year	<u>76,683</u>	<u>76,683</u>	<u>76,683</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 76,683</u>	<u>\$ 76,683</u>	<u>\$ 65,849</u>	<u>\$ (10,834)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
MHSO Other Funding
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 3,283	\$ 3,283
Intergovernmental	202,975	202,975	393,068	190,093
Total Revenues	<u>202,975</u>	<u>202,975</u>	<u>396,351</u>	<u>193,376</u>
Expenditures:				
Current:				
Health and sanitation	--	--	7,500	(7,500)
Total Expenditures	<u>--</u>	<u>--</u>	<u>7,500</u>	<u>(7,500)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>202,975</u>	<u>202,975</u>	<u>388,851</u>	<u>185,876</u>
Other Financing Sources (Uses):				
Transfers in	--	--	33,887	33,887
Transfers out	(343,849)	(343,849)	(331,816)	12,033
Total Other Financing Sources (Uses)	<u>(343,849)</u>	<u>(343,849)</u>	<u>(297,929)</u>	<u>45,920</u>
Net Change in Fund Balances	(140,874)	(140,874)	90,922	231,796
Fund Balances - Beginning of Year	<u>924,180</u>	<u>924,180</u>	<u>924,180</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 783,306</u>	<u>\$ 783,306</u>	<u>\$ 1,015,102</u>	<u>\$ 231,796</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
MHS
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 2,684	\$ 2,684
Intergovernmental	952,085	952,085	1,244,716	292,631
Other revenue	--	--	7,500	7,500
Total Revenues	<u>952,085</u>	<u>952,085</u>	<u>1,254,900</u>	<u>302,815</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>952,085</u>	<u>952,085</u>	<u>1,254,900</u>	<u>302,815</u>
Other Financing Sources (Uses):				
Transfers in	--	--	439,413	439,413
Transfers out	<u>(1,202,085)</u>	<u>(1,202,085)</u>	<u>(1,094,984)</u>	<u>107,101</u>
Total Other Financing Sources (Uses)	<u>(1,202,085)</u>	<u>(1,202,085)</u>	<u>(655,571)</u>	<u>546,514</u>
Net Change in Fund Balances	(250,000)	(250,000)	599,329	849,329
Fund Balances - Beginning of Year	<u>637,534</u>	<u>637,534</u>	<u>637,534</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 387,534</u>	<u>\$ 387,534</u>	<u>\$ 1,236,863</u>	<u>\$ 849,329</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
General Government
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ (136,000)	\$ (136,000)	\$ (121,405)	\$ 14,595
Fines, forfeits and penalties	91,010	91,010	88,549	(2,461)
Use of money and property	6,900	6,900	4,672	(2,228)
Intergovernmental	131,000	131,000	124,357	(6,643)
Charges for services	20,000	20,000	25,087	5,087
Other revenue	--	--	737	737
Total Revenues	<u>112,910</u>	<u>112,910</u>	<u>121,997</u>	<u>9,087</u>
Expenditures:				
Current:				
General government	157,377	156,677	111,493	45,184
Total Expenditures	<u>157,377</u>	<u>156,677</u>	<u>111,493</u>	<u>45,184</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(44,467)</u>	<u>(43,767)</u>	<u>10,504</u>	<u>54,271</u>
Other Financing Sources (Uses):				
Transfers in	--	4,000	4,000	--
Transfers out	(33,050)	(34,173)	(33,955)	218
Total Other Financing Sources (Uses)	<u>(33,050)</u>	<u>(30,173)</u>	<u>(29,955)</u>	<u>218</u>
Net Change in Fund Balances	(77,517)	(73,940)	(19,451)	54,489
Fund Balances - Beginning of Year, Restated	<u>(337,840)</u>	<u>(337,840)</u>	<u>(337,840)</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ (415,357)</u>	<u>\$ (411,780)</u>	<u>\$ (357,291)</u>	<u>\$ 54,489</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Public Protection
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 17,500	\$ 17,500	\$ 21,532	\$ 4,032
Fines, forfeits and penalties	10,000	84,900	337,487	252,587
Use of money and property	440	1,387	1,590	203
Intergovernmental	3,608,874	3,599,404	3,167,727	(431,677)
Charges for services	16,600	16,600	19,002	2,402
Other revenue	23,079	23,079	26,914	3,835
Total Revenues	<u>3,676,493</u>	<u>3,742,870</u>	<u>3,574,252</u>	<u>(168,618)</u>
Expenditures:				
Current:				
Public protection	2,109,026	2,252,787	1,910,215	342,572
Total Expenditures	<u>2,109,026</u>	<u>2,252,787</u>	<u>1,910,215</u>	<u>342,572</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,567,467</u>	<u>1,490,083</u>	<u>1,664,037</u>	<u>173,954</u>
Other Financing Sources (Uses):				
Transfers in	53,543	81,746	14,489	(67,257)
Transfers out	(1,597,217)	(1,597,973)	(1,358,062)	239,911
Total Other Financing Sources (Uses)	<u>(1,543,674)</u>	<u>(1,516,227)</u>	<u>(1,343,573)</u>	<u>172,654</u>
Net Change in Fund Balances	23,793	(26,144)	320,464	346,608
Fund Balances - Beginning of Year	<u>354,137</u>	<u>354,137</u>	<u>354,137</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 377,930</u>	<u>\$ 327,993</u>	<u>\$ 674,601</u>	<u>\$ 346,608</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Public Ways
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 217,000	\$ 217,000	\$ 218,057	\$ 1,057
Use of money and property	38,837	38,837	42,217	3,380
Intergovernmental	74,000	74,000	80,282	6,282
Other revenue	--	--	10,800	10,800
Total Revenues	<u>329,837</u>	<u>329,837</u>	<u>351,356</u>	<u>21,519</u>
Expenditures:				
Current:				
Public way and facilities	28,089	28,089	25,065	3,024
Total Expenditures	<u>28,089</u>	<u>28,089</u>	<u>25,065</u>	<u>3,024</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>301,748</u>	<u>301,748</u>	<u>326,291</u>	<u>24,543</u>
Other Financing Sources (Uses):				
Transfers in	232,426	233,635	283,572	49,937
Transfers out	(546,257)	(571,725)	(571,725)	--
Total Other Financing Sources (Uses)	<u>(313,831)</u>	<u>(338,090)</u>	<u>(288,153)</u>	<u>49,937</u>
Net Change in Fund Balances	(12,083)	(36,342)	38,138	74,480
Fund Balances - Beginning of Year	<u>901,426</u>	<u>901,426</u>	<u>901,426</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 889,343</u>	<u>\$ 865,084</u>	<u>\$ 939,564</u>	<u>\$ 74,480</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Health and Sanitation
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeits and penalties	\$ 26,925	\$ 26,925	\$ 24,223	\$ (2,702)
Use of money and property	2,115	2,115	1,728	(387)
Intergovernmental	3,257,001	3,835,697	3,296,558	(539,139)
Charges for services	81,007	89,915	80,217	(9,698)
Other revenue	--	--	74	74
Total Revenues	<u>3,367,048</u>	<u>3,954,652</u>	<u>3,402,800</u>	<u>(551,852)</u>
Expenditures:				
Current:				
Health and sanitation	<u>1,060,272</u>	<u>1,126,291</u>	<u>985,209</u>	<u>141,082</u>
Total Expenditures	<u>1,060,272</u>	<u>1,126,291</u>	<u>985,209</u>	<u>141,082</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,306,776</u>	<u>2,828,361</u>	<u>2,417,591</u>	<u>(410,770)</u>
Other Financing Sources (Uses):				
Transfers in	118,759	149,803	118,457	(31,346)
Transfers out	<u>(2,526,305)</u>	<u>(3,302,347)</u>	<u>(2,824,475)</u>	<u>477,872</u>
Total Other Financing Sources (Uses)	<u>(2,407,546)</u>	<u>(3,152,544)</u>	<u>(2,706,018)</u>	<u>446,526</u>
Net Change in Fund Balances	(100,770)	(324,183)	(288,427)	35,756
Fund Balances - Beginning of Year	<u>1,209,756</u>	<u>1,209,756</u>	<u>1,209,756</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,108,986</u>	<u>\$ 885,573</u>	<u>\$ 921,329</u>	<u>\$ 35,756</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Public Assistance
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 20,600	\$ 20,600	\$ 18,284	\$ (2,316)
Intergovernmental	883,098	1,038,716	1,077,986	39,270
Other revenue	85,000	85,000	20,471	(64,529)
Total Revenues	<u>988,698</u>	<u>1,144,316</u>	<u>1,116,741</u>	<u>(27,575)</u>
Expenditures:				
Current:				
Public assistance	129,800	129,800	18,629	111,171
Total Expenditures	<u>129,800</u>	<u>129,800</u>	<u>18,629</u>	<u>111,171</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>858,898</u>	<u>1,014,516</u>	<u>1,098,112</u>	<u>83,596</u>
Other Financing Sources (Uses):				
Transfers in	--	--	76,389	76,389
Transfers out	(1,058,598)	(1,531,286)	(1,371,949)	159,337
Total Other Financing Sources (Uses)	<u>(1,058,598)</u>	<u>(1,531,286)</u>	<u>(1,295,560)</u>	<u>235,726</u>
Net Change in Fund Balances	(199,700)	(516,770)	(197,448)	319,322
Fund Balances - Beginning of Year	<u>1,008,572</u>	<u>1,008,572</u>	<u>1,008,572</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 808,872</u>	<u>\$ 491,802</u>	<u>\$ 811,124</u>	<u>\$ 319,322</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
 Disaster Recovery Initiative
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ (548)	\$ (548)
Intergovernmental	3,543,950	3,640,950	274,334	(3,366,616)
Total Revenues	<u>3,543,950</u>	<u>3,640,950</u>	<u>273,786</u>	<u>(3,367,164)</u>
Expenditures:				
Current:				
Public assistance	3,532,800	3,629,800	497,636	3,132,164
Total Expenditures	<u>3,532,800</u>	<u>3,629,800</u>	<u>497,636</u>	<u>3,132,164</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,150</u>	<u>11,150</u>	<u>(223,850)</u>	<u>(235,000)</u>
Other Financing Sources (Uses):				
Transfers out	(11,150)	(11,150)	(5,053)	6,097
Total Other Financing Sources (Uses)	<u>(11,150)</u>	<u>(11,150)</u>	<u>(5,053)</u>	<u>6,097</u>
Net Change in Fund Balances	--	--	(228,903)	(228,903)
Fund Balances - Beginning of Year	<u>(225,932)</u>	<u>(225,932)</u>	<u>(225,932)</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ (225,932)</u>	<u>\$ (225,932)</u>	<u>\$ (454,835)</u>	<u>\$ (228,903)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Health Realignment
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,599,667	\$ 1,599,667	\$ 1,590,461	\$ (9,206)
Total Revenues	<u>1,599,667</u>	<u>1,599,667</u>	<u>1,590,461</u>	<u>(9,206)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,599,667</u>	<u>1,599,667</u>	<u>1,590,461</u>	<u>(9,206)</u>
Other Financing Sources (Uses):				
Transfers in	292,662	292,662	292,662	--
Transfers out	<u>(2,200,755)</u>	<u>(2,834,470)</u>	<u>(2,755,590)</u>	<u>78,880</u>
Total Other Financing Sources (Uses)	<u>(1,908,093)</u>	<u>(2,541,808)</u>	<u>(2,462,928)</u>	<u>78,880</u>
Net Change in Fund Balances	(308,426)	(942,141)	(872,467)	69,674
Fund Balances - Beginning of Year	<u>964,138</u>	<u>964,138</u>	<u>964,138</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 655,712</u>	<u>\$ 21,997</u>	<u>\$ 91,671</u>	<u>\$ 69,674</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Mental Health Realignment
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 636,000	\$ 636,000	\$ 657,603	\$ 21,603
Total Revenues	<u>636,000</u>	<u>636,000</u>	<u>657,603</u>	<u>21,603</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>636,000</u>	<u>636,000</u>	<u>657,603</u>	<u>21,603</u>
Other Financing Sources (Uses):				
Transfers in	6,000	6,000	5,924	(76)
Transfers out	(642,000)	(642,000)	(642,000)	--
Total Other Financing Sources (Uses)	<u>(636,000)</u>	<u>(636,000)</u>	<u>(636,076)</u>	<u>(76)</u>
Net Change in Fund Balances	--	--	21,527	21,527
Fund Balances - Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 21,527</u>	<u>\$ 21,527</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Emergency Services
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 570,732	\$ 729,999	\$ 141,466	\$ (588,533)
Charges for services	--	--	125,461	125,461
Total Revenues	<u>570,732</u>	<u>729,999</u>	<u>266,927</u>	<u>(463,072)</u>
Expenditures:				
Current:				
Public protection	<u>570,733</u>	<u>723,000</u>	<u>523,178</u>	<u>199,822</u>
Total Expenditures	<u>570,733</u>	<u>723,000</u>	<u>523,178</u>	<u>199,822</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1)</u>	<u>6,999</u>	<u>(256,251)</u>	<u>(263,250)</u>
Other Financing Sources (Uses):				
Transfers out	<u>--</u>	<u>(7,000)</u>	<u>(5,227)</u>	<u>1,773</u>
Total Other Financing Sources (Uses)	<u>--</u>	<u>(7,000)</u>	<u>(5,227)</u>	<u>1,773</u>
Net Change in Fund Balances	(1)	(1)	(261,478)	(261,477)
Fund Balances - Beginning of Year	<u>(91,190)</u>	<u>(91,190)</u>	<u>(91,190)</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ (91,191)</u>	<u>\$ (91,191)</u>	<u>\$ (352,668)</u>	<u>\$ (261,477)</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Capital Projects
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures:				
Current:				
General government	\$ 200	\$ 200	\$ 48	\$ 152
Total Expenditures	<u>200</u>	<u>200</u>	<u>48</u>	<u>152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(200)</u>	<u>(200)</u>	<u>(48)</u>	<u>152</u>
Other Financing Sources (Uses):				
Transfers out	--	(55,421)	(55,421)	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>(55,421)</u>	<u>(55,421)</u>	<u>--</u>
Net Change in Fund Balances	(200)	(55,621)	(55,469)	152
Fund Balances - Beginning of Year	<u>12,615</u>	<u>12,615</u>	<u>12,615</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 12,415</u>	<u>\$ (43,006)</u>	<u>\$ (42,854)</u>	<u>\$ 152</u>

COUNTY OF TRINITY

Budgetary Comparison Schedule
Debt Service
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 5,000	\$ 5,000	\$ 5,772	\$ 772
Other revenue	58,849	58,849	58,849	--
Total Revenues	<u>63,849</u>	<u>63,849</u>	<u>64,621</u>	<u>772</u>
Expenditures:				
Current:				
General government	14,565	14,565	14,163	402
Debt Service:				
Principal	1,130,000	1,130,000	1,130,000	--
Interest	708,930	708,930	708,930	--
Total Expenditures	<u>1,853,495</u>	<u>1,853,495</u>	<u>1,853,093</u>	<u>402</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,789,646)</u>	<u>(1,789,646)</u>	<u>(1,788,472)</u>	<u>1,174</u>
Other Financing Sources (Uses):				
Transfers in	1,896,021	1,896,021	1,896,021	--
Total Other Financing Sources (Uses)	<u>1,896,021</u>	<u>1,896,021</u>	<u>1,896,021</u>	<u>--</u>
Net Change in Fund Balances	106,375	106,375	107,549	1,174
Fund Balances - Beginning of Year	<u>1,311,695</u>	<u>1,311,695</u>	<u>1,311,695</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,418,070</u>	<u>\$ 1,418,070</u>	<u>\$ 1,419,244</u>	<u>\$ 1,174</u>

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NONMAJOR ENTERPRISE FUNDS

ENTERPRISE FUNDS

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

Cemetery Fund

The Cemetery Fund is used to fund operations, maintenance and capital improvements for the Trinity County's cemeteries.

Transit Fund

The Transit Fund is used to fund the operations of Trinity Transit. Trinity Transit provides services between the communities of Douglas City, Hayfork, Junction City, Lewiston, Redding, Weaverville, and Willow Creek. Regional services connect with neighboring systems: Redding Area Bus Authority in Redding, and Redwood Transit System and Klamath-Trinity Non-Emergency Medical Transportation in Willow Creek. Trinity Transit service is managed by the Trinity County Transportation Commission.

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COUNTY OF TRINITY

Combining Statement of Net Position
 Nonmajor Enterprise Funds
 June 30, 2013

<u>Assets</u>	Cemetery Fund	Transit Fund	Total
Current Assets:			
Cash and investments	\$ 26,328	\$ --	\$ 26,328
Accounts receivable	--	3,692	3,692
Due from other governments	--	211,305	211,305
Interest receivable	16	106	122
Total Current Assets	<u>26,344</u>	<u>215,103</u>	<u>241,447</u>
Noncurrent Assets:			
Capital assets:			
Non-depreciable	24,616	--	24,616
Depreciable, net	100	629,162	629,262
Total Noncurrent Assets	<u>24,716</u>	<u>629,162</u>	<u>653,878</u>
Total Assets	<u>51,060</u>	<u>844,265</u>	<u>895,325</u>
 <u>Liabilities</u>			
Current Liabilities:			
Accounts payable	2,338	17,100	19,438
Due to other funds		154,407	154,407
Unearned revenue	--	17,565	17,565
Compensated absences	--	13,259	13,259
Total Current Liabilities	<u>2,338</u>	<u>202,331</u>	<u>204,669</u>
Noncurrent Liabilities:			
Compensated absences	--	6,628	6,628
Net OPEB obligation	--	166,187	166,187
Total Noncurrent Liabilities	<u>--</u>	<u>172,815</u>	<u>172,815</u>
Total Liabilities	<u>2,338</u>	<u>375,146</u>	<u>377,484</u>
 <u>Net Position</u>			
Net investment in capital assets	24,716	629,162	653,878
Unrestricted	24,006	(160,043)	(136,037)
Total Net Position	<u>\$ 48,722</u>	<u>\$ 469,119</u>	<u>\$ 517,841</u>

COUNTY OF TRINITY

Combining Statement of Revenues, Expenses and Changes in Net Position Nonmajor Enterprise Funds For the Year Ended June 30, 2013

	Cemetery Fund	Transit Fund	Total
Operating Revenues:			
Charges for services	\$ 10,763	\$ 78,769	\$ 89,532
Other income	--	4,145	4,145
Total Operating Revenues	<u>10,763</u>	<u>82,914</u>	<u>93,677</u>
Operating Expenses:			
Salaries and benefits	--	307,274	307,274
Services and supplies	7,699	307,632	315,331
Depreciation	--	93,200	93,200
Total Operating Expenses	<u>7,699</u>	<u>708,106</u>	<u>715,805</u>
Operating Income (Loss)	<u>3,064</u>	<u>(625,192)</u>	<u>(622,128)</u>
Nonoperating Revenue (Expenses):			
Investment earnings	76	1,313	1,389
Intergovernmental	--	656,136	656,136
Disposal of capital assets	--	500	500
Total Nonoperating Revenue (Expenses)	<u>76</u>	<u>657,949</u>	<u>658,025</u>
Income (Loss) Before Transfers and Contributions	3,140	32,757	35,897
Transfers in	--	477,820	477,820
Transfers out	--	(294,133)	(294,133)
Change in Net Position	3,140	216,444	219,584
Net Position - Beginning of Year	<u>45,582</u>	<u>252,675</u>	<u>298,257</u>
Net Position - End of Year	<u>\$ 48,722</u>	<u>\$ 469,119</u>	<u>\$ 517,841</u>

COUNTY OF TRINITY

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2013

	<u>Cemetery Fund</u>	<u>Transit Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers and users	\$ 10,763	\$ 98,224	\$ 108,987
Cash paid to suppliers	(5,987)	(257,198)	(263,185)
Cash paid to employees	--	(164,991)	(164,991)
Net Cash Provided (Used) by Operating Activities	<u>4,776</u>	<u>(323,965)</u>	<u>(319,189)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Aid from other governmental agencies	--	610,456	610,456
Interfund loans	8	--	8
Return of unused funding	--	(276,305)	(276,305)
Transfers out	--	(17,828)	(17,828)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>8</u>	<u>316,323</u>	<u>316,331</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital grants and allocations	--	293,579	293,579
Purchases of capital assets	--	(367,888)	(367,888)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>(74,309)</u>	<u>(74,309)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	<u>76</u>	<u>1,328</u>	<u>1,404</u>
Net Cash Provided (Used) by Investing Activities	<u>76</u>	<u>1,328</u>	<u>1,404</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,860	(80,623)	(75,763)
Cash and Cash Equivalents, Beginning of Year	<u>21,468</u>	<u>80,623</u>	<u>102,091</u>
Cash and Cash Equivalents, End of Year	<u>\$ 26,328</u>	<u>\$ --</u>	<u>\$ 26,328</u>

continued

COUNTY OF TRINITY

Combining Statement of Cash Flows (continued)
 Nonmajor Enterprise Funds
 For the Year Ended June 30, 2013

	<u>Cemetery Fund</u>	<u>Transit Fund</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 3,064	\$ (625,192)	\$ (622,128)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	--	93,200	93,200
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	--	--	--
Increase (decrease) in:			
Accounts payable	1,712	157,950	159,662
Compensated absences payable	--	9,854	9,854
Net OPEB obligation	--	40,223	40,223
Net Cash Provided (Used) by Operating Activities	<u>\$ 4,776</u>	<u>\$ (323,965)</u>	<u>\$ (319,189)</u>

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments on a cost-reimbursement basis. Internal Service Funds used at the County are listed below:

Copier

The copier fund is a working capital fund for the acquisition, operation and maintenance of the County-owned and/or leased copy machines. Departments are charged for their use of the copiers based on the number of copies made. The revenue offsets the cost of the program.

Motor Pool

The motor pool is a working capital fund for the acquisition, operation and maintenance of the County-owned vehicle fleet and road maintenance equipment. Vehicles purchased are assigned to the operating departments. The departments are then charged for the use of the vehicles. The revenue offsets the cost of the program.

OPEB

The Other Post-Employment Benefits (OPEB) fund is a working capital fund for the billing and accumulation of department's share of OPEB costs and payment of the pay-as-you-go costs in addition to contributions made to an irrevocable trust fund when authorized by the Board of Supervisors. The revenue offsets the cost of the program.

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COUNTY OF TRINITY

Combining Statement of Net Position
Internal Service Funds
June 30, 2013

	<u>Copier</u>	<u>Motor Pool</u>	<u>OPEB</u>	<u>Total</u>
<u>Assets</u>				
Current Assets:				
Pooled cash and investments	\$ 58,092	\$ 115,867	\$ 1,559,970	\$ 1,733,929
Accounts receivable	42	--	4,984	5,026
Due from other governments	--	--	153,923	153,923
Interest receivable	30	57	748	835
Prepays	95	--	--	95
Total Current Assets	<u>58,259</u>	<u>115,924</u>	<u>1,719,625</u>	<u>1,893,808</u>
Noncurrent Assets:				
Capital assets:				
Depreciable, net	59,224	155,325	--	214,549
Total Noncurrent Assets	<u>59,224</u>	<u>155,325</u>	<u>--</u>	<u>214,549</u>
Total Assets	<u>117,483</u>	<u>271,249</u>	<u>1,719,625</u>	<u>2,108,357</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	4,068	58,381	869	63,318
Total Liabilities	<u>4,068</u>	<u>58,381</u>	<u>869</u>	<u>63,318</u>
<u>Net Position</u>				
Net investment in capital assets	59,224	155,325	--	214,549
Unrestricted	54,191	57,543	1,718,756	1,830,490
Total Net Position	<u>\$ 113,415</u>	<u>\$ 212,868</u>	<u>\$ 1,718,756</u>	<u>\$ 2,045,039</u>

COUNTY OF TRINITY

Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2013

	<u>Copier</u>	<u>Motor Pool</u>	<u>OPEB</u>	<u>Total</u>
Operating Revenues:				
Charges for services	\$ 60,593	\$ 123,908	\$ 2,101,963	\$ 2,286,464
Other income	--	--	34,798	34,798
 Total Operating Revenues	 <u>60,593</u>	 <u>123,908</u>	 <u>2,136,761</u>	 <u>2,321,262</u>
Operating Expenses:				
Services and supplies	48,681	47,631	1,906,004	2,002,316
Depreciation	31,368	34,072	--	65,440
 Total Operating Expenses	 <u>80,049</u>	 <u>81,703</u>	 <u>1,906,004</u>	 <u>2,067,756</u>
 Operating Income (Loss)	 <u>(19,456)</u>	 <u>42,205</u>	 <u>230,757</u>	 <u>253,506</u>
Nonoperating Revenue:				
Investment earnings	154	411	3,749	4,314
Intergovernmental	--	--	148,940	148,940
Total Nonoperating Revenue	<u>154</u>	<u>411</u>	<u>152,689</u>	<u>153,254</u>
 Change in Net Position	 <u>(19,302)</u>	 <u>42,616</u>	 <u>383,446</u>	 <u>406,760</u>
 Net Position - Beginning of Year	 <u>132,717</u>	 <u>170,252</u>	 <u>1,335,310</u>	 <u>1,638,279</u>
 Net Position - End of Year	 <u>\$ 113,415</u>	 <u>\$ 212,868</u>	 <u>\$ 1,718,756</u>	 <u>\$ 2,045,039</u>

COUNTY OF TRINITY

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2013

	<u>Copier</u>	<u>Motor Pool</u>	<u>OPEB</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash receipts from customers and users	\$ 60,564	\$ 123,908	\$ 1,977,854	\$ 2,162,326
Cash paid to suppliers	<u>(47,367)</u>	<u>10,750</u>	<u>(1,925,234)</u>	<u>(1,961,851)</u>
Net Cash Provided (Used) by Operating Activities	<u>13,197</u>	<u>134,658</u>	<u>52,620</u>	<u>200,475</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund loans	--	--	148,940	148,940
Transfers in	--	--	--	--
Net Cash Provided (Used) by Investing Activities	<u>--</u>	<u>--</u>	<u>148,940</u>	<u>148,940</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	--	<u>(135,682)</u>	--	<u>(135,682)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>(135,682)</u>	<u>--</u>	<u>(135,682)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received (paid)	<u>163</u>	<u>471</u>	<u>4,009</u>	<u>4,643</u>
Net Cash Provided (Used) by Investing Activities	<u>163</u>	<u>471</u>	<u>4,009</u>	<u>4,643</u>
Net Increase (Decrease) in Cash and Cash Equivalents	13,360	(553)	205,569	218,376
Cash and Cash Equivalents, Beginning of Year	<u>44,732</u>	<u>116,420</u>	<u>1,354,401</u>	<u>1,515,553</u>
Cash and Cash Equivalents, End of Year	<u>\$ 58,092</u>	<u>\$ 115,867</u>	<u>\$ 1,559,970</u>	<u>\$ 1,733,929</u>

continued

COUNTY OF TRINITY

Combining Statement of Cash Flows (continued)
Internal Service Funds
For the Year Ended June 30, 2013

	<u>Copier</u>	<u>Motor Pool</u>	<u>OPEB</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (19,456)	\$ 42,205	\$ 230,757	\$ 253,506
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	31,368	34,072	--	65,440
Changes in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	(29)	--	(158,907)	(158,936)
Increase (decrease) in:				
Accounts payable	1,314	58,381	(19,230)	40,465
	<u>1,314</u>	<u>58,381</u>	<u>(19,230)</u>	<u>40,465</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 13,197</u>	<u>\$ 134,658</u>	<u>\$ 52,620</u>	<u>\$ 200,475</u>

FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are custodial in nature and do not involve the measurement of results of operations. Such funds have no equity accounts since all assets are due to local governments and individuals at some future time.

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COUNTY OF TRINITY

Agency Fund
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013

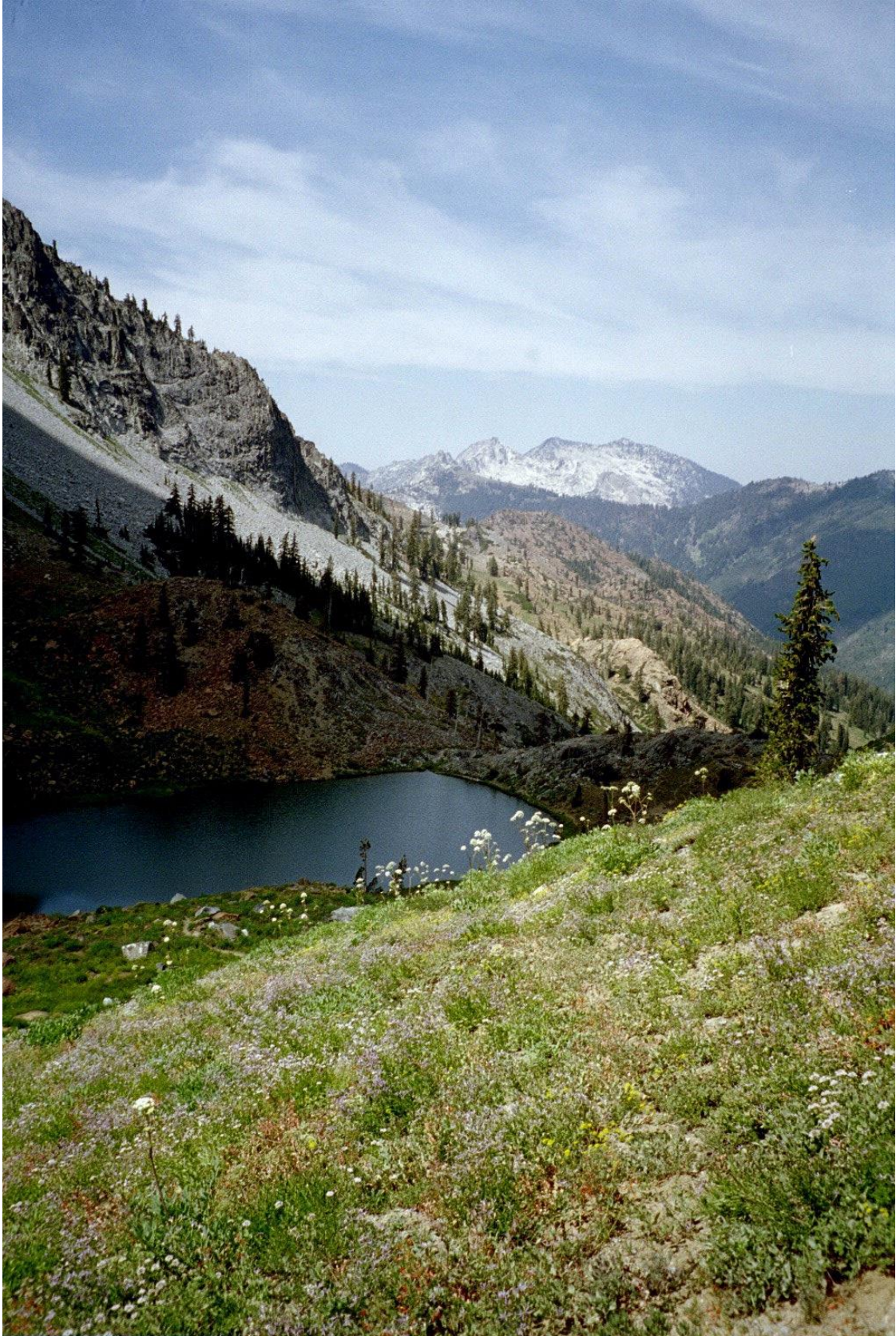
	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
<u>Assets</u>				
Pooled cash and investments	\$ 3,286,186	\$ 581,128	\$ --	\$ 3,867,314
Interest receivable	2,619	--	802	1,817
Total Assets	<u>\$ 3,288,805</u>	<u>\$ 581,128</u>	<u>\$ 802</u>	<u>\$ 3,869,131</u>
<u>Liabilities</u>				
Agency funds held for others	\$ 3,288,805	\$ 581,128	\$ 802	\$ 3,869,131
Total Liabilities	<u>\$ 3,288,805</u>	<u>\$ 581,128</u>	<u>\$ 802</u>	<u>\$ 3,869,131</u>

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

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STATISTICAL SECTION



Four Lakes Loop

COUNTY OF TRINITY

Statistical Section

This part of the County of Trinity's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and required supplementary information.

	<u>Page</u>
Financial Trends Information	
These schedules contain trend information that may assist the reader in assessing the County's current financial performance by placing it in historical perspective	119
Revenue Capacity Information	
These schedules contain information that may assist the reader in assessing the viability of the County's most significant local revenue sources; property taxes	125
Debt Capacity Information	
These schedules present information that may assist the reader in analyzing the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	129
Demographic & Economic Information	
These schedules offer economic and demographic indicators that are commonly used for financial analysis and that can enhance a reader's understanding of the County's present and ongoing financial status	134
Operating Information	
These schedules contain service and infrastructure indicators about how the information in the County's financial statements relates to the services the County provides and the activities it performs	137

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County of Trinity
Government-wide Net Position by Component
For the Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities										
Net investment in capital assets	\$ 129,167,006	\$ 136,825,865	\$ 140,907,817	\$ 146,115,881	\$ 144,181,786	\$ 171,513,586	\$ 164,498,571	\$ 175,571,795	\$ 172,234,670	\$ 180,692,794
Restricted ²	19,372,789	22,853,328	22,740,173	13,674,039	13,674,039	13,674,039	10,686,922	10,337,778	9,660,319	9,224,525
Unrestricted	(20,749,537)	(22,740,998)	(18,953,961)	(7,964,831)	(41,008,663)	2,291,030	(678,457)	969,568	2,298,501	(1,773,418)
Total governmental activities net position	\$ 127,790,258	\$ 136,938,195	\$ 144,694,029	\$ 151,825,089	\$ 116,847,162	\$ 187,478,655	\$ 174,507,036	\$ 186,879,141	\$ 184,193,490	\$ 188,143,901
Business-type Activities										
Invested in capital assets, net of related debt ¹	1,675,146	11,570,130	12,401,020	11,545,289	11,194,001	11,508,670	11,578,253	11,502,722	13,134,041	16,392,766
Restricted ²	-	-	-	103,208	-	-	-	-	94,765	5,643
Unrestricted	(4,454,284)	(3,502,992)	(3,731,928)	(10,507,587)	(14,869,867)	(9,926,571)	(9,450,939)	(8,589,577)	(8,852,203)	(4,221,778)
Total business-type activities net position	\$ (2,779,138) ³	\$ 8,067,138	\$ 8,669,092	\$ 1,140,910	\$ (3,675,866)	\$ 1,582,099	\$ 2,127,314	\$ 2,913,145	\$ 4,376,603	\$ 12,176,631
Primary Government										
Net investment in capital assets	130,842,152	148,395,995	153,308,837	157,661,170	155,375,787	183,022,256	176,076,824	187,074,517	185,368,711	197,085,560
Restricted ²	19,372,789	22,853,328	22,740,173	13,777,247	13,674,039	13,674,039	10,686,922	10,337,778	9,755,084	9,230,168
Unrestricted	(25,203,821)	(26,243,990)	(22,685,889)	(18,472,418)	(55,878,530)	(7,635,541)	(10,129,396)	(7,620,009)	(6,553,702)	(5,995,196)
Total primary government net position	\$ 125,011,120	\$ 145,005,333	\$ 153,363,121	\$ 152,965,999	\$ 113,171,296	\$ 189,060,754	\$ 176,634,350	\$ 189,792,286	\$ 188,570,093	\$ 200,320,532

Notes:

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

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 only when an external party, such as the state or federal government, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.

³ In 2013, GASB Statement No. 61 amended the process in determining component units of the primary government. Due to these changes, Trinity County Waterworks District No. 1 was changed from a blended component unit to a discretely presented component unit.

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

**County of Trinity
Changes in Net Position
For the Last Ten Fiscal Years
(accrual basis of accounting)**

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses										
Governmental activities:										
General government	\$ 3,279,153	\$ 3,352,682	\$ 4,316,266	\$ 4,133,083	\$ 4,986,467	\$ 6,645,690	\$ 4,548,037	\$ 5,084,624	\$ 5,262,247	\$ 7,033,711
Public protection	14,346,337	12,584,410	11,649,415	10,879,074	10,932,558	13,260,582	12,485,709	11,602,967	113,716,856	9,175,861
Public ways and facilities	16,810,768	17,595,067	17,219,700	19,022,868	20,260,538	6,368,378	17,417,866	15,376,432	10,966,561	17,077,400
Health and sanitation	6,761,926	7,266,864	6,969,232	6,564,267	6,193,325	6,843,570	7,093,843	8,251,472	5,293,442	8,278,708
Public assistance	8,735,699	8,470,969	7,749,746	7,379,055	6,987,791	7,368,044	6,857,847	6,631,019	5,612,813	7,599,024
Education	352,530	373,304	411,766	387,830	349,531	316,584	433,357	356,345	352,917	524,064
Culture and Recreation	-	-	-	-	-	-	-	67	3,043	-
Interest on long-term debt	774,660	836,347	883,825	862,010	1,010,408	1,070,913	984,830	1,048,836	624,643	96,075
Total governmental activities expenses	51,061,073	50,479,643	49,199,950	49,228,187	50,720,618	41,873,761	49,821,489	48,351,762	141,832,522	49,784,843
Business-type Activities:										
Solid Waste	2,686,161	2,672,505	2,642,332	2,472,165	2,364,033	3,099,765	2,218,317	2,129,282	1,975,526	2,015,278
Waterworks District No. 1	-	806,765	789,533	911,287	911,287	784,271	823,362	761,885	796,592	1,218,408
Hospital	-	-	-	-	-	-	-	24,217	7,199,342	10,187,123
Cemeteries	7,699	7,432	6,332	11,817	9,001	7,617	10,815	4,491	4,947	10,825
Transit	699,678	599,991	509,931	398,210	324,318	295,899	220,368	189,515	164,190	147,840
Total business-type activities expenses	3,393,538	4,086,693	3,948,128	3,793,479	3,608,639	4,187,552	3,272,862	3,109,390	10,140,597	13,579,474
Total Primary government expenses	\$ 54,454,611	\$ 54,566,336	\$ 53,148,078	\$ 53,021,666	\$ 54,329,257	\$ 46,061,313	\$ 53,094,351	\$ 51,461,152	\$ 151,973,119	\$ 63,364,317
Program Revenues										
Governmental activities:										
Fees, fines & charges for services										
General government	2,147,942	1,995,691	1,899,101	2,115,873	2,878,858	1,488,774	1,043,613	1,174,813	2,658,117	2,480,228
Public protection	1,795,582	1,639,311	1,521,761	1,763,372	1,781,417	2,344,757	2,343,930	2,080,200	811,714	1,882,152
Public ways and facilities	1,248,004	1,214,243	1,049,881	863,068	926,362	1,072,108	809,486	869,839	111,057	539,652
Health and sanitation	390,401	438,287	458,478	361,442	364,930	438,956	357,277	467,566	32,310	2,889,135
Public assistance	113,753	105,672	136,559	97,235	141,973	237,107	196,326	197,381	62,051	924,374
Education	3,783	4,827	4,788	3,488	5,987	16,496	3,060	7,127	2,357	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	53,600
Operating grants and contributions	25,544,623	25,913,802	27,254,095	21,361,499	23,114,085	32,430,396	25,493,738	24,456,564	25,322,879	22,772,024
Capital grants and contributions	2,084,841	3,267,688	1,445,414	8,353,713	8,353,713	8,353,713	3,351,646	3,354,914	935,479	936,372
Total governmental activities program revenues	33,328,929	34,579,521	33,770,077	34,919,690	37,567,325	46,382,307	33,599,076	32,608,404	29,935,964	32,477,537
Business-type Activities:										
Fees, fines & charges for services										
Solid Waste	2,140,316	2,222,736	2,214,900	2,237,318	2,696,980	2,265,211	1,545,637	2,389,888	2,016,188	2,026,950
Waterworks District No. 1	-	432,694	439,408	442,615	442,615	526,346	487,602	761,885	366,413	520,404
Hospital	-	-	-	-	-	-	-	-	3,293,115	8,007,016
Cemeteries	10,763	13,362	3,811	10,832	5,416	7,018	12,076	17,340	4,548	1,206
Transit	78,769	73,458	46,930	31,463	38,479	22,462	17,956	18,014	15,777	18,854
Operating grants and contributions	678,060	456,601	905,653	441,160	79,872	89,862	196,770	201,828	167,140	641,675
Capital grants and contributions	-	64,804	14,520	-	-	-	95,000	-	-	-
Total business-type activities program revenues	2,907,908	3,263,655	3,625,222	3,163,388	3,263,362	2,910,899	2,355,041	3,388,955	5,863,181	11,216,105
Total primary government program revenues	\$ 36,236,837	\$ 37,843,176	\$ 37,395,299	\$ 38,083,078	\$ 40,830,687	\$ 49,293,206	\$ 35,954,117	\$ 35,997,359	\$ 35,799,145	\$ 43,693,642

¹ In 2013, GASB Statement No. 61 amended the process in determining component units of the primary government. Due to these changes, Trinity County Waterworks District No. 1 was changed from a blended component unit to a discretely presented component unit

² In February 2005, the County transferred the Trinity Hospital to Mountain Community Medical Services Authority (MCMS).

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

(continued)

County of Trinity
Changes in Net Position - continued
For the Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006 ²	2005	2004
Net (Expense)/Revenue ¹										
Governmental activities	\$ (17,732,144)	\$ (15,900,122)	\$ (15,429,873)	\$ (14,308,497)	\$ (13,153,293)	\$ 4,508,546	\$ (16,222,413)	\$ (15,743,358)	\$ (9,551,388)	\$ (18,100,469)
Business-type activities	(494,058)	(823,038)	(322,906)	(630,091)	(345,277)	(1,276,653)	(917,821)	(43,483)	(4,277,416)	(2,363,369)
Total primary government net expense	<u>\$ (18,226,202)</u>	<u>\$ (16,723,160)</u>	<u>\$ (15,752,779)</u>	<u>\$ (14,938,588)</u>	<u>\$ (13,498,570)</u>	<u>\$ 3,231,893</u>	<u>\$ (17,140,234)</u>	<u>\$ (15,786,841)</u>	<u>\$ (13,828,804)</u>	<u>\$ (20,463,838)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 5,955,766	\$ 6,211,025	\$ 5,656,667	\$ 3,436,487	\$ 3,555,181	\$ 4,107,847	\$ 4,860,733	\$ 4,473,847	\$ 2,829,382	\$ 2,842,949
Sales and use taxes	1,057,980	1,131,953	1,053,647	2,517,641	2,441,996	2,398,104	1,324,413	1,067,012	2,286,488	1,178,464
Transient occupancy taxes	140,058	203,384	202,050	206,005	225,624	241,841	238,072	206,559	204,233	199,088
Property transfer taxes	77,470	53,565	56,333	55,207	45,344	61,635	70,955	110,675	99,984	76,247
Other	83,628	59,097	(7,403)	(23,974)	33,093	145,985	281,208	577,399	171,388	247,930
Unrestricted interest and investment earnings	128,099	164,963	283,808	181,204	485,613	612,975	655,862	511,146	367,349	544,706
Miscellaneous	990,502	702,040	862,655	931,869	605,032	1,816,800	1,042,168	1,075,340	718,491	3,290,585
Gain (Loss) on sale of capital assets	-	-	-	-	-	-	-	-	-	(11,905)
Special items	-	-	436,146	-	-	(932,380)	-	-	-	-
Transfers	(81,173)	(44,935)	(67,180)	(345,072)	(459,135)	(551,225)	(185,288)	(68,925)	(1,173,011)	(19,805)
Total governmental activities	<u>8,352,330</u>	<u>8,481,092</u>	<u>8,476,723</u>	<u>6,959,367</u>	<u>6,932,748</u>	<u>7,901,582</u>	<u>8,288,123</u>	<u>7,953,053</u>	<u>5,504,304</u>	<u>8,348,259</u>
Business-type Activities:										
Taxes	146,967	144,004	200,866	211,234	190,212	90,005	108,791	155,728	55,268	43,919
Investment earnings	16,213	19,555	21,522	(9,922)	(57,946)	(125,373)	(164,926)	(118,349)	(97,051)	35,617
Miscellaneous	6,385	12,591	72,043	(9,581)	8,958	(83,686)	2,837	37,693	-	2,645
Special items	-	-	-	-	-	356,402 ²	-	-	(3,723,600) ³	-
Transfers	81,173	44,935	67,180	345,072	459,135	551,225	185,288	68,925	1,173,011	19,805
Total business-type activities	<u>250,738</u>	<u>221,085</u>	<u>361,611</u>	<u>536,803</u>	<u>600,359</u>	<u>788,573</u>	<u>131,990</u>	<u>143,997</u>	<u>(2,592,372)</u>	<u>101,986</u>
Total Primary government	<u>\$ 8,603,068</u>	<u>\$ 8,702,177</u>	<u>\$ 8,838,334</u>	<u>\$ 7,496,170</u>	<u>\$ 7,533,107</u>	<u>\$ 8,690,155</u>	<u>\$ 8,420,113</u>	<u>\$ 8,097,050</u>	<u>\$ 2,911,932</u>	<u>\$ 8,450,245</u>
Change in Net Position										
Governmental activities:	\$ (9,379,814)	\$ (7,419,030)	\$ (6,953,150)	\$ (7,349,130)	\$ (6,220,545)	\$ 12,410,128	\$ (7,934,290)	\$ (7,790,305)	\$ (4,047,084)	\$ (9,752,210)
Business-type activities	(243,320)	(601,953)	38,705	(93,288)	255,082	(488,080)	(785,831)	100,514	(6,869,788)	(2,261,383)
Total primary government	<u>\$ (9,623,134)</u>	<u>\$ (8,020,983)</u>	<u>\$ (6,914,445)</u>	<u>\$ (7,442,418)</u>	<u>\$ (5,965,463)</u>	<u>\$ 11,922,048</u>	<u>\$ (8,720,121)</u>	<u>\$ (7,689,791)</u>	<u>\$ (10,916,872)</u>	<u>\$ (12,013,593)</u>

Notes:

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

² Special item of \$0.4 million was due to the reclassification of the Post-Closure Fund from Miscellaneous Special Revenue Funds to the Solid Waste Fund

³ Special item of \$3.7million was the loss realized on the disposal of the Hospital segment

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

County of Trinity
Fund Balances, Governmental Funds
For the Last Ten Fiscal Years
(modified accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ 2,351,369	\$ 9,125	\$ 8,125	\$ 9,384	\$ 12,872	\$ 12,797	\$ 12,797
Unreserved				4,613,612	5,019,772	5,721,809	5,777,105	6,381,504	6,140,220	620,455
Nonspendable	256,858	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	786,982	(17,640)	(501,553)	-	-	-	-	-	-	-
Total general fund	<u>\$ 1,043,840</u>	<u>\$ (17,640)</u>	<u>\$ (501,553)</u>	<u>\$ 6,964,981</u>	<u>\$ 5,028,897</u>	<u>\$ 5,729,934</u>	<u>\$ 5,786,489</u>	<u>\$ 6,394,376</u>	<u>\$ 6,153,017</u>	<u>\$ 633,252</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ 10,840,571	\$ 5,100,728	\$ 4,580,279	\$ 5,142,375	\$ 3,956,713	\$ 3,578,801	\$ 4,729,817
Unreserved, reported in:										
Special revenue funds	-	-	-	7,097,303	9,135,445	6,273,474	3,389,890	4,750,599	4,779,169	4,001,393
Capital projects funds	-	-	-	32,971	(35,832)	(306,319)	(149,270)	(117,659)	(246,776)	(277,232)
Debt service funds	-	-	-	1,181,601	1,292,368	1,535,046	1,464,548	1,411,662	1,401,472	493,315
Nonspendable	969,993	5,479,570	5,718,959	-	-	-	-	-	-	-
Restricted	16,857,169	15,671,686	14,208,369	-	-	-	-	-	-	-
Assigned	1,419,363	1,314,174	1,276,112	-	-	-	-	-	-	-
Unassigned	(2,372,832)	(959,471)	(648,876)	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 16,873,693</u>	<u>\$ 21,505,959</u>	<u>\$ 20,554,564</u>	<u>\$ 19,152,446</u>	<u>\$ 15,492,709</u>	<u>\$ 12,082,480</u>	<u>\$ 9,847,543</u>	<u>\$ 10,001,315</u>	<u>\$ 9,512,666</u>	<u>\$ 8,947,293</u>

¹ Starting in fiscal year 2010-11, fund balances are presented in accordance with the Governmental Accounting Standards Board Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions. As a result, certain funds previously shown as special revenue funds are reported under the General Fund.

² Beginning in fiscal year 2010-11, the old Hospital Fund was merged into the General Fund due to the County's obligation to absorb the accumulated operational deficit

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

County of Trinity
Changes in Fund Balances, Governmental Funds
For the Last Ten Fiscal Years
(modified accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Taxes	\$ 7,314,902	\$ 7,659,024	\$ 6,961,294	\$ 6,191,366	\$ 6,301,238	\$ 6,955,412	\$ 6,775,381	\$ 6,435,492	\$ 5,591,475	\$ 4,544,678
Licenses, fees and permits	544,961	522,827	590,004	563,454	556,057	571,671	590,113	578,187	537,132	433,667
Fines, forfeits and penalties	574,392	287,149	314,356	341,351	455,063	213,914	118,027	137,098	195,361	192,807
Use of money and property	123,785	161,082	177,692	180,433	483,944	612,123	657,878	514,813	369,825	546,941
Aid from other governments	26,372,165	28,375,928	27,291,510	29,715,211	31,467,797	40,784,109	28,845,384	27,811,478	26,258,358	23,708,396
Charges for services	4,580,112	4,588,055	4,151,213	4,113,840	4,914,136	4,615,950	4,025,258	4,082,132	9,452,255	8,142,668
Other	991,600	702,040	862,104	924,972	602,273	1,955,256	1,037,544	1,205,600	718,491	3,286,519
Total Revenues	\$ 40,501,917	\$ 42,296,105	\$ 40,348,173	\$ 42,030,627	\$ 44,780,508	\$ 55,708,435	\$ 42,049,585	\$ 40,764,800	\$ 43,122,897	\$ 40,855,676
Expenditures:										
Current:										
General government	2,929,229	2,532,495	3,892,119	3,572,711	4,223,982	6,205,815	4,528,653	4,954,541	5,626,730	6,716,197
Public protection	13,043,157	11,637,937	10,750,244	10,018,104	10,879,697	13,243,897	12,056,408	11,208,547	12,260,832	8,793,749
Public ways and facilities	9,342,412	8,894,463	8,373,237	7,657,746	9,194,147	14,553,306	10,317,542	8,870,037	8,061,320	8,254,665
Health and sanitation	6,292,233	6,915,113	6,561,991	6,274,981	6,159,022	6,855,397	7,043,297	8,247,787	7,970,224	8,184,819
Public assistance	8,277,326	7,980,766	7,281,059	6,987,667	6,992,170	7,356,604	6,798,452	6,555,437	6,756,922	7,537,736
Education	298,718	313,467	346,454	345,966	344,891	318,192	331,032	311,064	289,737	449,942
Recreational and cultural services	-	-	-	-	-	-	-	67	5,043	91,665
Capital Outlay	-	-	-	1,005,470	1,426,164	1,136,343	273,963	381,113	507,449	488,576
Debt Service:										
Principal	1,130,000	1,014,379	910,000	720,000	788,038	1,391,661	490,000	465,313	400,313	345,313
Interest	775,025	831,798	876,585	1,030,086	956,967	1,077,978	988,511	871,861	629,088	791,832
Total Expenditures	\$ 42,088,100	\$ 40,120,418	\$ 38,991,689	\$ 37,612,731	\$ 40,965,078	\$ 52,139,193	\$ 42,827,858	\$ 41,865,767	\$ 42,507,658	\$ 41,654,494
Excess of revenue over (under) expenditures										
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	-	-	-	-	177,714	-	4,560,000	-
Special item	-	-	-	-	-	(932,380)	-	-	-	-
Loss contingency upon transfer of hospital	-	-	-	-	-	-	-	1,049,372	1,800,000	-
Transfers in	13,366,278	9,786,738	7,095,892	12,327,790	11,858,742	12,369,644	8,359,156	9,265,283	3,381,974	2,008,134
Transfers out	(13,447,451)	(10,172,673)	(7,163,072)	(12,672,562)	(12,317,877)	(12,920,869)	(8,520,256)	(9,334,208)	(4,549,809)	(2,080,400)
Total other financing sources (uses)	(81,173)	(385,935)	(67,180)	(344,772)	(459,135)	(1,483,605)	16,614	980,447	5,192,165	(72,266)
Net change in fund balance	\$ (1,667,356)	\$ 1,789,752	\$ 1,289,304	\$ 4,073,124	\$ 3,356,295	\$ 2,085,637	\$ (761,659)	\$ (120,520)	\$ 5,807,404	\$ (871,084)
Debt service as a percentage of noncapital expenditures	5.17%	5.26%	4.92%	5.02%	4.62%	5.09%	3.60%	3.33%	2.51%	2.84%

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

County of Trinity
Governmental Activities Tax Revenues By Source
For the Last Ten Fiscal Years

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Property</u> <u>Tax ¹</u>	<u>Sales & Use</u> <u>Tax ²</u>	<u>Transient</u> <u>Occupancy</u> <u>Tax ³</u>	<u>Property</u> <u>Transfer</u> <u>Tax ⁴</u>	<u>Other</u> <u>Taxes</u>	<u>Total</u>
2013	\$ 6,102,733	\$ 1,057,980	\$ 140,058	\$ 77,470	\$ 83,628	\$ 7,461,869
2012	6,211,025	1,131,953	203,384	53,565	59,097	7,659,024
2011	5,656,667	1,053,647	202,050	56,333	(7,403)	6,961,294
2010	3,436,487	2,517,641	206,005	55,207	(23,974)	6,191,366
2009	3,555,181	2,441,996	225,624	45,344	33,093	6,301,238
2008	4,107,847	2,398,104	241,841	61,635	145,985	6,955,412
2007	4,860,733	1,324,413	238,072	70,955	281,208	6,775,381
2006	4,473,847	1,067,012	206,559	110,675	577,399	6,435,492
2005	2,829,382	2,286,488	204,233	99,984	171,388	5,591,475
2004	2,842,949	1,178,464	199,088	76,247	247,930	4,544,678
Change 2004-2013	114.7%	-10.2%	-29.7%	1.6%	-66.3%	64.2%

Notes:

- ¹ Property tax revenues increased 114.7% in the last 10 fiscal years due to additional assessments by the Assessor's Office based on reappraisals of real property due to changes in ownership or
- ² Sales and use tax revenues decreased 10.2% in the last ten years due to a combination of (i) rate increases (an additional 1% sales tax effective April 1, 2009), (ii) a decline in taxable sales, and (iii) Proposition 172 Sales tax Augmentation Revenues previously recorded as Sales & Use Tax is now recorded as Operating Grants and Contributions.
- ³ Transient Occupancy Tax (5% as of August 20, 1996, decreased by 29.7% in the last ten years due to a decrease in tourism and room rates.
- ⁴ Property transfer tax revenues increased 1.6% in the last 10 years due to an increase in property

Source: Auditor Controller's Office - County of Trinity, California

County of Trinity
Assessed Value and Estimated Actual Value of Taxable Property
For the Last Ten Fiscal Years

Fiscal Year <u>June 30</u>	Real <u>Property</u> ¹	Personal <u>Property</u>	Less: Tax Exempt <u>Property</u>	Total Taxable Assessed <u>Value</u>	Total Direct Tax Rate	<u>Net Increase</u>	
						<u>Amount</u>	<u>Percentage</u>
2013	\$ 1,272,849,130	\$ 10,281,660	\$ 42,886,733	\$ 1,240,244,057	1.0%	30,348,419	2.51%
2012	1,241,645,450	10,361,952	42,111,764	1,209,895,638	1.0	23,879,752	2.01
2011	1,216,566,002	10,142,978	40,693,094	1,186,015,886	1.0	23,347,565	2.01
2010	1,189,007,600	13,946,120	40,285,399	1,162,668,321	1.0	49,263,935	4.42
2009	1,138,937,278	13,331,245	38,864,137	1,113,404,386	1.0	78,658,856	7.60
2008	1,056,954,576	14,315,552	36,524,598	1,034,745,530	1.0	75,214,851	7.84
2007	980,508,134	13,174,346	34,151,801	959,530,679	1.0	88,637,438	10.18
2006	890,535,977	13,116,142	32,758,878	870,893,241	1.0	64,027,825	7.94
2005	827,138,778	10,642,177	30,915,539	806,865,416	1.0	56,955,509	7.59
2004	772,260,342	7,796,621	30,147,056	749,909,907	1.0	n/a	n/a

Notes:

- 1 Article XIII A, added to 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.
- a. To reflect annual inflation up to two percent
 - b. To reflect current market value at time of ownership change, and
 - c. To reflect market value for new construction

Source: Assessor's Office - County of Trinity, California

County of Trinity
Direct and Overlapping Property Tax Rates
For the Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>County Direct Rate</u> ¹	<u>Overlapping Rates</u>		<u>Total Direct and Overlapping</u> ²
		<u>Local Special Districts</u>	<u>Schools</u>	
2013	1.00	0.04	0.13	1.17
2012	1.00	0.04	0.09	1.12
2011	1.00	0.04	0.07	1.11
2010	1.00	0.03	0.08	1.11
2009	1.00	0.03	0.02	1.06
2008	1.00	0.04	0.03	1.07
2007	1.00	0.04	0.02	1.06
2006	1.00	0.05	0.02	1.07
2005	1.00	0.06	0.00	1.06
2004	1.00	0.06	0.01	1.06

Notes:

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

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

Source: Auditor Controller's Office - County of Trinity, California

**County of Trinity
Ten Principal Property Taxpayers
Current Year and Nine Years Ago**

<u>Owner</u>	<u>2012/2013 Secured Tax</u>			<u>2003/04 Secured Tax</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Assessed Value</u>
Trinity River Lumber Company	\$ 28,605,897	1	2.21%	\$ 9,051,300	3	1.21%
Pacific Gas & Electric Company	17,619,217	2	1.36%	10,752,100	2	1.43%
Sierra Pacific Industries, Inc	16,925,664	3	1.31%	16,178,900	1	2.16%
Verizon California, Inc.	5,554,567	4	0.43%	9,049,700	4	1.21%
Ryan Partnership	3,925,339	5	0.30%	4,030,100	5	0.54%
IP Networks, Inc.	3,611,172	6	0.28%	-		0.00%
U.S. Department of Interior	2,727,485	7	0.21%	2,359,800	6	0.31%
Kampgrounds of America, Inc.	1,989,517	8	0.15%	-		0.00%
Chagdud Gonpa Foundation	1,854,160	9	0.14%	-		0.00%
Mountain Resorts	1,814,398	10	0.14%	-		0.00%
Weaverville Investment Group	-		0.00%	-		0.00%
Hodges, DL & RG Tstes	-		0.00%	-		0.00%
				2,624,400	7	0.35%
				2,520,900	8	0.34%
				2,072,700	9	0.28%
				2,019,500	10	0.27%
			0.00%			
	<u>84,627,416</u>		<u>6.57%</u>	<u>60,659,400</u>		<u>8.09%</u>
All others Totals	<u>1,206,929,550</u>		<u>93.43%</u>	<u>689,250,507</u>		<u>91.91%</u>
	<u>\$ 1,291,556,966</u>		<u>100.00%</u>	<u>\$ 749,909,907</u>		<u>100.00%</u>

Source: Tax Collector's Office - County of Trinity, California

County of Trinity
Assessed Value of Taxable Property
For the Last Ten Fiscal Years

<u>Fiscal Year</u> <u>June 30</u>	<u>Total Assessed</u> <u>Valuation</u>	<u>Secured</u> <u>Property</u> <u>Tax Levy</u>	<u>Prior</u> <u>Delinquent</u> <u>Tax Collections</u>	<u>Percent of</u> <u>Current Levy</u> <u>Collected</u>	<u>Current</u> <u>Delinquent</u> <u>Taxes</u>
2013	\$ 1,253,751,229	\$ 12,391,454	\$ 1,046,908	94.90%	\$ 672,409
2012	1,209,895,638	12,343,221	421,886	94.44%	686,086
2011	1,195,274,898	12,013,948	831,711	94.43%	669,575
2010	1,183,242,938	12,238,335	669,134	94.94%	619,273
2009	1,124,412,781	11,689,173	449,404	94.56%	636,066
2008	1,047,595,619	10,907,357	439,744	95.97%	439,451
2007	972,922,502	9,946,350	894,493	96.52%	346,505
2006	915,117,545	9,033,639	644,000	96.68%	300,015
2005	850,484,419	8,400,834	385,203	96.46%	297,775
2004	798,515,473	7,847,883	543,041	96.54%	271,807

Figures for 2013 are estimates

Source: Auditor Controller's Office - County of Trinity, California

County of Trinity
Outstanding Lease and Debt Obligations
For the Next Ten Fiscal Years

Governmental Activities

Fiscal Year (June 30)	Certificates of Participation		Notes	Capital Lease	Total
	General	Pension ¹	Payable		
2014	\$ 532,650	\$ 1,213,370	150,000	\$ -	\$ 1,896,020
2015	531,925	1,272,650	150,000	-	1,954,575
2016	529,925	1,334,010	150,000	-	2,013,935
2017	531,650	1,401,790	150,000	-	2,083,440
2018	531,675	-	150,000	-	681,675
2019	530,000	-	150,000	-	680,000
2020	531,625	-	150,000	-	681,625
2021	531,125	-	150,000	-	681,125
2022	533,500	-	150,000	-	683,500
2023	533,325	-	38,880	-	572,205

Business-Type Activities

Fiscal Year (June 30)	Capital Lease ²	Total
2014	\$ 40,601	\$ 40,601
2015	42,326	42,326
2016	39,861	39,861
2017	-	-
2018	-	-
2019	-	-
2020	-	-
2021	-	-
2022	-	-
2023	-	-

Fiscal Year (June 30)	Total Primary Government
2014	1,936,621
2015	1,996,901
2016	2,053,796
2017	2,083,440
2018	681,675
2019	680,000
2020	681,625
2021	681,125
2022	683,500
2023	572,205

¹ Pension COP matures in 2017

² Capital Lease matures in 2016

Source: Auditor Controller's Office - County of Trinity, California

County of Trinity
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2013	n/a	n/a	\$ -	n/a	n/a
2012	n/a	n/a	-	n/a	n/a
2011	n/a	n/a	-	n/a	n/a
2010	n/a	n/a	-	n/a	n/a
2009	n/a	n/a	-	n/a	n/a
2008	n/a	n/a	-	n/a	n/a
2007	n/a	n/a	-	n/a	n/a
2006	n/a	n/a	-	n/a	n/a
2005	n/a	n/a	-	n/a	n/a
2004	n/a	n/a	-	n/a	n/a

Notes: Trinity County does not have any general obligation bonds.

**County of Trinity
Direct and Overlapping Debt
As of June 30, 2013**

Assessed Valuation (including unitary utility valuation)	\$ 1,300,343,944
	\$ 1,300,343,944

DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:	Total Debt 6/30/2013	Percentage Applicable ¹	County's Share of 6/30/2013 Debt
Direct General Fund Obligation Debt			
Trinity County Certificates of Participation	\$ 4,090,000	100.000%	\$ 4,090,000
Trinity County Pension Obligations	4,445,000	100.000%	4,445,000
	8,535,000		8,535,000
Overlapping General Fund Obligation Debt			
Redwood Joint Community College District Certificates of Participation	325,100	0.250%	813
Shasta-Tehama-Trinity Community College District Certificates of Participation	18,625,000	6.279%	1,169,464
Total Overlapping General Fund Obligation Debt	18,950,100		1,170,277
Total Direct and Overlapping Debt	27,485,100		9,705,277
OVERLAPPING TAX AND ASSESSMENT DEBT:			
<i>School Districts</i>			
Redwoods Joint Community College District	28,780,000	0.250%	71,950
Shasta-Tehama-Trinity Community College District	27,100,000	6.279%	1,701,609
Klamath-Trinity Joint Unified School District	4,765,000	12.334%	587,715
South Trinity Joint Unified School District	2,299,999	83.757%	1,926,410
Total Overlapping Tax and Assessment Debt	62,944,999		4,287,684
COMBINED TOTAL DEBT	\$ 90,430,099		\$ 13,992,961

Ratios to 2012-23 Assessed Valuation:

Total Direct Debt (\$8,535,000)	0.66%
Overlapping Tax and Assessment Debt	0.33%
Combined Total Debt	1.08%

Notes:

¹ The percentage of overlapping debt applicable to the county is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the county divided by the district's total taxable assessed value.

² Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

County of Trinity
Legal Debt Margin Information
As of June 30, 2013
(in thousands)

	Fiscal Year 2013	
	1.25%	3.75%
Debt limit	\$ 15,816	\$ 47,448
Total net debt applicabl to limit	3,634	-
Legal debt margin	12,182	47,448
Total net debt applicable to the limit as a percentage of debt limit		
Legal Debt Margin Calculation:		
Assessed value	\$ 1,308,485	\$ 1,308,485
Less: Exempt real property	43,214	43,214
Total assessed value	1,265,271	1,265,271
CERTIFICATES OF PARTICIPATION		
Debt limit (1.25% and 3.75% of total assessed value)	\$ 15,816	\$ 47,448
Debt applicable to limit:		
Certificates of Participation	4,090	4,090
Less: Amount set aside for repayment of outstanding debt	(456)	(456)
Total net certificates of participation applicable to limit	3,634	
PENSION OBLIGATION BONDS		
Debt applicable to limit:		
Pension Obligation Bonds	4,445	4,445
Less: Amount set aside for repayment of outstanding debt	(8)	(8)
Total net pension obligation bonds applicable to limit	4,437	
Total net debt applicable to limit	8,071	8,071
Legal debt margin	\$ 7,745	\$ 39,377

Notes:

1 Using the California Attorney General's Opinion regarding Revenue and Taxation Code section 135 and applying that opinion to the California Government Code Section 29909, the County of Trinity's outstanding bonded debt should not exceed 1.25% of total assessed property value. By law, the bonded debt subject to these limitations may be offset by amounts set aside for repaying bonded debt.

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Source: Auditor Controller's Office - County of Trinity, California

County of Trinity
County Total Taxable Sales
Last Ten Fiscal Years
(\$ in 1,000's)

<u>Calendar Year</u>	<u>Total Taxable Sales</u>
2013	\$ N/A
2012	N/A
2011	83,385
2010	82,571
2009	71,121
2008	74,298
2007	76,265
2006	75,783
2005	72,880
2004	73,813

Source: California State Board of Equalization

County of Trinity
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population¹</u>	<u>Personal Income¹</u>	<u>Per Capita Personal Income¹</u>	<u>School Enrollment²</u>	<u>Unemployment Rate³</u>
2013	13,439	n/a	n/a	1,622	n/a
2012	13,526	\$ 460,245	\$ 34,027	1,657	15.8%
2011	13,744	442,187	32,173	1,729	17.8%
2010	13,777	417,573	30,309	1,711	18.4%
2009	13,762	397,952	28,917	1,785	17.1%
2008	13,656	400,183	29,305	1,888	12.7%
2007	13,648	386,174	28,295	1,936	10.5%
2006	13,634	365,798	26,830	2,007	9.9%
2005	13,440	348,992	25,967	2,004	10.3%
2004	13,159	347,504	26,408	2,101	11.0%

Sources:

- 1 2004-2011: US Department of Commerce, Bureau of Economic Analysis - www.bea.gov
 2012: Estimate is 5% growth from 2011 based on CA Dept of Finance Personal Income:
www.dof.ca.gov/html/fs_data/latestcondata/FS_Income.htm
- 2 California Department of Education, Educational Demographics Office - www.ed-dadta.k12.ca.us
- 3 Employment Development Department, Labor Market Information - www.labormarketinfo.edd.ca.gov

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

Function/program	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
General Government	38.7	39.2	44.5	44.5	59.5	74.5	74.5	69	70.6	91
Public Protection	97.1	91.1	100.1	99.1	111.8	112.8	112.8	112.8	110.8	123.8
Public Ways and Facilities	39	44	51	51	64	63	63	67	70	72.5
Health and Sanitation	44	48	47	46	51	54.4	54.4	49.2	49.2	56
Public assistance	53	55	74.75	59.75	61.75	58.75	58.75	56	59.5	73
Education	3.75	3	3	3	3	7	7	7	7	8
Total full-time equivalent employees	275.55	280.3	320.35	303.35	351.05	370.45	370.45	361	367.1	424.3

Source: Auditor Controller's Office - County of Trinity, California

**County of Trinity
Major Employers
For the Fiscal Year Ended June 30, 2013**

<u>Firm</u>	<u>Product or Service</u>	<u>Estimated Employment</u>
Trinity County Schools	K-12 Education	440
Trinity County	Government Services	330
Mountain Community Health Care District	Hospital	154
Trinity River Lumber	Lumber Mill	140
Top's Superfoods	Grocery	92
U.S. Forest Service, Weaverville	Federal Forest	50
Cal Trans	Government Services	48
CVS	Drug/Retail	35
U.S. Forest Service, Hayfork	Federal Forest	30
Trinity Public Utilities District	Electric	22

Source: Trinity County Auditor's Office, Trinity County Office of Education, State of California Employment Development Department and listed individual employers

COUNTY OF TRINITY

**Operating Indicators by Function
Last Seven Fiscal Years**

Function	Fiscal Year						
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Airport							
Aviation Encroachments		18	20	18	16	16	15
Hanger Leases		46	46	46	46	46	45
Education							
Library branches located in the county		3	3	3	3	3	3
Items checked out		30,633	39,170	44,929	49,613	43,552	38,164
Library cards issued		375	132	304	405	265	239
Number of computers provided for public use		12	12	12	12	12	12
Health & Human Services							
Public Guardian total clients (conservatees + additional referrals)		60	52	20	18	23	39
Veterans Service Officer number of benefit claims filed						17	57
Public Health							
Women, Infants, and Children (WIC) visits		306	339	363	359	309	327
Immunizations		2690	2915	2621	2824	3085	1797
Mental Health							
Emergency Response clients						389	399
Adult Medication Clinic clients						64	63
Children's Medication Support clients						31	31
Total Mental Health clients served						772	822
Alcohol and drug Services - Division Restructured 9/2007							
Adult Outpatient Treatment and Recovery Services Program clients						106	112
Prevention (school-based youth) groups						81	42
PC 1210 STOP (formerly Proposition 36) clients						23	25
Total Alcohol and Drug Services clients served						187	154
Social Services							
Adult Protective Services total clients served		84	95	115	91	95	147
CalWORK's average caseload		208	200	202	187	182	145
Child Welfare Services total child abuse referrals received		280	222	198	268	167	196
Child Welfare Services percent timely investigations:							
%Timely immediate investigations		100	86	90.4	98.1	100	98.01
% Timely ten day investigations		87.1	85.4	92.7	89.75	94	97.5
County Medical Services Program average number of continuing cases/eligible's		146	175	183	214	290	373
Food Stamps average caseload		105	105	95	83	104	90
Foster care average number of cases		35	33	32	47	37	44
In Home Supportive Services total clients served		164	162	144	144	140	159
Medi-Cal average number of eligible's		1149	4655	2594	2940	2084	1677
Highways and Streets							
Street resurfacing (miles)		2	10	4.5	6	6	6
Sheriff							
Physical arrests		416	396	321	325	391	460

COUNTY OF TRINITY

Capital Assets Statistics by Function
Last Seven Fiscal Years

Function	Fiscal Year						
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Public Safety							
Sheriff:							
Stations	4	4	4	4	4	4	4
Law Enforcement Vehicles	26	27	28	29	29	29	30
Buildings	3	3	3	3	3	3	3
Reverse 911 System	0	0	1	1	1	1	1
Airplanes	1	1	1	1	1	1	1
20 User Inmate System	1	1	1	1	1	1	1
Home Monitoring System	1	1	1	1	1	1	1
Lake Patrol							
Vessels	3	3	3	3	4	4	4
Vehicles	1	1	1	1	1	1	1
Probation							
Buildings	1	1	1	1	1	1	1
Vehicles	7	7	7	11	11	11	11
Finger Print/Palm Print Machine	0	0	0	1	1	1	1
Education							
Library Building	1	1	1	1	1	1	1
Intergrated Library System	1	1	1	1	1	1	1
Health & Sanitation							
Solid Waste							
Buildings	6	6	6	6	6	6	6
Heavy Equipment	5	5	5	5	5	5	5
Vehicles	13	14	14	15	15	15	15
Airports							
Number of Airports	5	5	5	5	5	5	5
Hangar Maint & Office	1	1	1	1	1	1	1
Public Ways & Facilities							
Road Department							
Roads	544	546	546	546	546	547	547
Buildings	34	35	35	35	35	35	35
Heavy Equipment	25	25	25	25	25	25	28
Vehicles	54	54	55	55	55	55	55
GIS Software	0	0	0	1	1	1	1
Road & Fleet Computer Program	1	1	1	1	1	1	1
Transit							
Public Transportation Buses	2	3	3	5	5	6	8
General Government							
Elections							
Global Accu Vote System OS	1	1	1	1	1	1	1
Information Technology							
HVAC Unit IT Server Room	0	0	1	1	1	1	1
HP Network Server and Racks	1	1	1	1	1	1	1
General Services							
Parks	6	6	6	6	6	6	6
Buildings	68	69	69	69	69	69	69
Fairgrounds	1	1	1	1	1	1	1
Vehicles	27	27	27	28	28	29	30
Heavy Equipment	1	1	1	1	1	1	1
Health Department							
Wireless Network Components WIC	1	1	1	1	1	1	1
PRO -04 Filling Station	0	0	0	0	1	1	1
Public Assistance							
Welfare							
Vehicles	18	18	18	20	21	21	22
Digital Phone System	1	1	1	1	1	1	1
CIV Server Connection	0	0	1	1	1	1	1
Fiber Project Wireless	0	0	0	1	1	1	1
State Grants							
Cell Towers	0	0	0	1	2	2	2