

COUNTY OF KERN

ANNUAL DISCLOSURE REPORT

FISCAL YEAR 2016-17



COUNTY OF KERN
COUNTY ADMINISTRATIVE OFFICE
1115 TRUXTUN AVENUE
BAKERSFIELD, CALIFORNIA
DATED: JANUARY 9, 2018

COUNTY OF KERN, STATE OF CALIFORNIA

BOARD OF SUPERVISORS

Mick Gleason
Zack Scrivner
Mike Maggard
David Couch
Leticia Perez

First District
Second District
Third District
Fourth District
Fifth District

COUNTY OFFICIALS

Ryan Alsop, County Administrative Officer
Jordan Kaufman, Treasurer-Tax Collector
Mary Bedard, Auditor-Controller-County Clerk
Mark Nations, County Counsel

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INTRODUCTION

This Annual Disclosure Report (“Report”) is designed to meet the continuing disclosure requirements of the Securities and Exchange Commission (SEC) rule 15c2-12. The County has covenanted, within the Continuing Disclosure Agreements (“Agreements”) related to the Applicable Issuances as outlined in the section below, to provide the following financial information and operating data relating to the County not later than 195 days following the end of the County’s 2016-17 fiscal year. In accordance with the disclosure regulations and the Agreements, the Fiscal Year 2016-17 Comprehensive Annual Financial Report (CAFR), the FY 2016-17 Solid Waste Enterprise Fund Audited Financial Statements and the FY 2017-18 County Adopted Budget are provided.

This report along with the CAFR, the Solid Waste Enterprise Fund Audited Financial Statements and the County Budget will be filed with the Municipal Securities Rulemaking Board (MSRB). Notices of material events will be filed by the County with the MSRB. The County is fully committed to annually updating information and disclosing material events when they occur. The County has never failed to comply in any material respects with any previous undertakings with regard to said Rule to provide annual reports. No material events as defined in Rule 15c2-12 have occurred within the County during the period beginning July 1, 2017 through the date of this report.

The information herein is subject to change without notice and delivery of this Report shall not, under any circumstances, create any implication that there has been no change in the affairs of the County.

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APPLICABLE ISSUANCES

County of Kern Taxable Pension Obligation Bonds, Series 1995. Bonds issued to offset unfunded accrued actuarial liability.

Par Amount \$227,818,439.25
Dated Date November 1, 1995
Final Maturity August 15, 2021

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
492279AR5	8/15/2018	\$7,511,947
492279AS3	8/15/2019	\$7,495,928
492279AT1	8/15/2020	\$7,544,774
492279AU8	8/15/2021	\$4,144,601

County of Kern Taxable Pension Obligation Refunding Bonds, Series 2003A. Bonds issued to offset unfunded accrued actuarial liability.

Par Amount \$238,177,066.85
Dated Date May 28, 2003
Final Maturity August 15, 2026

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
492279CM4*	8/15/2017	\$15,125,000
492279CN2	8/15/2023	\$123,175,000
492279CP7	8/15/2023	\$5,468,431
492279CQ5	8/15/2024	\$9,848,899
492279CR3	8/15/2025	\$9,810,901
492279CS1	8/15/2026	\$6,488,836

*This security was active during the reporting period and was paid prior to the issuance of this report.

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APPLICABLE ISSUANCES (Cont'd)

County of Kern 2009 Certificates of Participation (Capital Improvement Projects). Certificates issued for the construction of County Fire Station 65, Pine Mountain Fire Station, the Information Technology Building, the 7th Standard Road Corridor, and the Hageman Road at Santa Fe Way Separation of Grade. In addition, there were various Local Transportation Projects including reconstruction, and installation of roads, installation of bike paths, construction of curbs and gutters and other activities related to a number of roads throughout the County. On December 14, 2016, the 2016 Refunding Certificates of Participation were issued to advance refund the 2009 Certificates of Participation (Capital Improvement Projects). On December 28, 2016, the outstanding amounts were defeased. The outstanding amounts will be paid in full by February 1, 2019.

Par Amount	\$95,410,000
Dated Date	April 22, 2009
Final Maturity	August 1, 2035

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
49225HJG4*	8/1/2017	\$2,635,000
49225HJH2	8/1/2018	\$2,745,000
49225HJJ8	8/1/2019	\$2,870,000
49225HJK5	8/1/2020	\$2,995,000
49225HJL3	8/1/2021	\$3,140,000
49225HJM1	8/1/2022	\$3,295,000
49225HJN9	8/1/2023	\$3,470,000
49225HJP4	8/1/2024	\$3,645,000
49225HJQ2	8/1/2025	\$3,850,000
49225HJR0	8/1/2026	\$4,055,000
49225HJS8	8/1/2027	\$4,270,000
49225HJT6	8/1/2028	\$4,510,000
49225HJU3	8/1/2029	\$4,765,000
49225HJV1	8/1/2035	\$25,130,000
49225HJW9	8/1/2035	\$10,000,000

*This security was active during the reporting period and was paid prior to the issuance of this report.

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APPLICABLE ISSUANCES (Cont'd)

County of Kern 2016 Refunding Certificates of Participation, Series A (Capital Improvement Projects). Certificates refunded the 2009 Certificates of Participation (Capital Improvement Projects).

Par Amount \$80,350,000
Dated Date December 28, 2016
Final Maturity November 1, 2034

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
49225HKN7*	11/1/2017	\$2,930,000
49225HKP2	11/1/2018	\$3,080,000
49225HKQ0	11/1/2019	\$3,245,000
49225HKR8	11/1/2020	\$3,405,000
49225HKS6	11/1/2021	\$3,580,000
49225HKT4	11/1/2022	\$3,765,000
49225HKU1	11/1/2023	\$3,965,000
49225HKV9	11/1/2024	\$4,160,000
49225HKW7	11/1/2025	\$4,380,000
49225HKX5	11/1/2026	\$4,600,000
49225HKY3	11/1/2027	\$4,785,000
49225HKZ0	11/1/2028	\$4,935,000
49225HLA4	11/1/2029	\$5,095,000
49225HLB2	11/1/2030	\$5,275,000
49225HLC0	11/1/2031	\$5,465,000
49225HLD8	11/1/2032	\$5,665,000
49225HLE6	11/1/2034	\$12,020,000

*This security was active during the reporting period and was paid prior to the issuance of this report.

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APPLICABLE ISSUANCES (Cont'd)

Kern Public Services Financing Authority Lease Revenue Refunding Bonds, 2010 Series (County Services Facility Project). Bonds were issued to refund the Kern Public Services Financing Authority's 2002 Lease Revenue Bonds, Series A. The original bonds were issued to construct the County Service Facility located at 1600 East Belle Terrace in Bakersfield.

Par Amount \$11,250,000
Dated Date December 16, 2010
Final Maturity March 1, 2032

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
49224PBB6	3/1/2018	\$425,000
49224PBC4	3/1/2019	\$440,000
49224PBD2	3/1/2020	\$460,000
49224PBE0	3/1/2021	\$480,000
49224PBF7	3/1/2022	\$505,000
49224PBG5	3/1/2024	\$1,085,000
49224PBH3	3/1/2026	\$1,210,000
49224PBJ9	3/1/2027	\$655,000
49224PBK6	3/1/2028	\$690,000
49224PBL4	3/1/2029	\$725,000
49224PBM2	3/1/2030	\$765,000
49224PBN0	3/1/2032	\$1,660,000

County of Kern Refunding Revenue Certificates of Participation, Series 2011 (Solid Waste System Improvements). Refunding Certificates issued to defease all outstanding principal of the 2002 Revenue Certificates of Participation (Solid Waste System Improvements).

Par Amount \$10,860,000
Dated Date March 24, 2011
Final Maturity August 1, 2016

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
49225HKC1*	8/1/2016	\$1,955,000

*The final security in this issuance was paid off on August 1, 2016.

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APPLICABLE ISSUANCES (Cont'd)

County of Kern 2011 Refunding Certificates of Participation, Series A (Capital Improvement Projects). Certificates refunded the 1997 Certificates of Participation (Fire Department Projects) and the 1999 Certificates of Participation (Capital Improvement Projects).

Par Amount \$14,990,000
Dated Date March 30, 2011
Final Maturity November 1, 2019

<u>CUSIP</u>	<u>Maturity</u>	<u>Principal at Issuance</u>
49225HKK3*	11/1/2017	\$1,460,000
49225HKL1	11/1/2018	\$1,535,000
49225HKM9	11/1/2019	\$1,600,000

*This security was active during the reporting period and was paid prior to the issuance of this report.

COUNTY CONTACTS

To obtain additional information regarding the above referenced issuances or any other issuances by the County of Kern or to request County financial, statistical, or operational information please contact the following person:

Nancy Lawson, Assistant County Administrative Officer
Budget and Finance (661) 868-3198

Fax Machine (661) 868-3190

Kern County Homepage www.kerncounty.com

**COUNTY OF KERN
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**TABLE 1
GOVERNMENTAL FUNDS BUDGETS**

	<i>Actual 2015-16 Uses/Sources ⁽¹⁾</i>	<i>Actual 2016-17 Uses/Sources</i>	<i>Adopted 2017-18 Budget</i>
REQUIREMENTS:			
General Government	\$119,806,151	\$122,317,418	\$150,501,431
Public Protection	768,334,474	763,624,490	784,677,851
Public Ways and Facilities	41,203,219	47,000,120	82,768,291
Health and Sanitation	257,342,989	305,867,070	371,847,170
Public Assistance	634,587,799	617,219,500	653,535,839
Education	8,131,428	8,396,606	8,156,104
Recreation and Cultural ⁽²⁾	11,706,968	105,392	181,518
Debt Service	21,198,554	10,943,746	9,746,364
Contingencies and Reserves			95,007,631
Total Requirements	\$1,862,311,582	\$1,875,474,342	\$2,156,422,199
AVAILABLE FUNDS:			
Current Property Taxes	\$262,405,838	\$246,364,766	\$252,311,045
Other Taxes	164,290,661	153,281,600	147,632,834
Licenses, Permits and Franchises	26,807,162	25,364,770	21,562,755
Fines, Forfeitures and Penalties	21,228,112	22,245,975	21,978,016
Use of Money and Property	24,937,929	13,631,630	5,230,179
Aid from Other Governmental Agencies	788,026,351	883,138,443	814,297,928
Charges for Current Services	186,109,257	197,486,874	194,221,371
Miscellaneous Revenue	17,547,075	16,089,673	15,967,101
Other Financing Sources (Uses)	448,848,125	454,889,483	500,647,049
Use of Available Fund Balance			182,573,921
Total Available Funds	\$1,940,200,510	\$2,012,493,214	\$2,156,422,199

⁽¹⁾ Adjustments to Actual FY 2015-16 previously reported in the County of Kern FY 2015-16 Annual Disclosure Report resulted from revenues being correctly reclassified. Adjustments include the removal of accounts related to the transition of Kern Medical and revision of various capital project accounts.

⁽²⁾ The FY 2016-17 and forward change in the Recreation and Culture category is primarily due to the merger of the Parks and Recreation Department into the General Services Division of the County Administrative Office. These figures are now included in the General Government category.

Source: County of Kern Fiscal Year 2017-18 Adopted Budget

**COUNTY OF KERN
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**TABLE 2
STATEMENT OF GENERAL FUND REVENUE AND EXPENDITURES
FISCAL YEARS ENDED JUNE 30, 2014, 2015, 2016, and 2017
(Dollars in thousands)**

	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>
<u>Revenue:</u>				
Taxes	\$337,457	\$360,017	\$315,286	\$300,809
Licenses, Permits and Franchises	12,126	13,050	10,363	12,343
Fines, Forfeitures and Penalties	16,181	14,889	13,259	12,786
Use of Money and Property	12,985	10,409	23,849	9,024
Intergovernmental Revenue	102,069	149,535	147,115	144,493
Charges for Current Services	77,145	83,225	80,605	78,861
Other Revenue	3,690	4,549	4,096	6,149
Total Revenue	\$561,653	\$635,704	\$594,573	\$564,465
<u>Expenditures:</u>				
General Government	\$108,891	\$107,628	\$118,022	\$126,943
Public Protection	393,466	391,542	408,778	402,748
Public Ways and Facilities	0	237	0	0
Health and Sanitation	44,787	41,043	32,214	64,623
Public Assistance	12,391	12,488	13,169	13,974
Education	8,038	7,919	8,034	7,945
Recreational and Cultural Services	12,560	11,831	11,816	0
Capital Outlay	2,150	15	106	7,338
Debt Service	2,986	1,982	13,533	4,501
Total Expenditures	\$585,269	\$574,685	\$605,672	\$628,072
Excess Revenues Over (Under) Expenditures	(\$23,616)	\$61,019	(\$11,099)	(\$63,607)
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	\$153,133	\$159,998	\$166,930	\$167,581
Operating Transfers Out	(155,254)	(146,297)	(174,767)	(117,474)
Inception of Capital Leases	2,150	15	106	7,338
Total Other Financing Sources (Uses)	\$29	\$13,716	(\$7,731)	\$57,445
Fund Balance at Beginning of Year	\$250,085	\$226,326	\$300,833	\$292,774
Prior Period Adjustments	(172)	(228)	10,771	1,531
Fund Balance at End of Year	\$226,326	\$300,833	\$292,774	\$288,143

Source: County of Kern Comprehensive Annual Financial Reports for Fiscal Years Ended June 30, 2014, 2015, 2016, and 2017.

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TABLE 3
GENERAL FUND BALANCE SHEET
AT JUNE 30, 2014, 2015, 2016, and 2017
(Dollars in Thousands)

	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>
Assets:				
Pooled Cash and Investments	\$110,882	\$229,810	\$242,033	\$226,433
Revolving Fund Cash	1,220	1,322	1,321	1,309
Interest Receivable	283	560	920	1,096
Taxes Receivable	55,042	31,926	33,473	30,723
Accounts Receivable	0	0	1,433	3,035
Accrued Revenue	21,779	21,437	21,037	21,797
Due from Other Funds	66,053	45,598	28,002	33,300
Loans Receivable	0	699	0	0
Advances to Other Funds	23,286	0	3,000	5,000
Due from Other Agencies	1,342	4,160	12,500	12,582
Deposits with Others	136	136	136	136
Prepaid Items	0	5,457	206	0
Total Assets	<u>\$280,023</u>	<u>\$341,105</u>	<u>\$344,061</u>	<u>\$335,411</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:				
Liabilities:				
Accounts Payable	\$8,700	\$9,877	\$13,230	\$10,320
Salaries and Employee Benefits Payable	17,834	18,756	21,374	22,449
Due to Other Funds	521	6,281	11,289	4,904
Advances from Grantors and Third Parties	1,632	1,428	1,445	1,928
Total Liabilities	<u>\$28,687</u>	<u>\$36,342</u>	<u>\$47,338</u>	<u>\$39,601</u>
Deferred Inflows of Resources:				
Unavailable Revenue - Property Taxes	\$25,010	\$3,231	\$3,810	\$4,049
Unavailable Revenue - Other	0	699	139	3,618
Total Deferred Inflows of Resources	<u>\$25,010</u>	<u>\$3,930</u>	<u>\$3,949</u>	<u>\$7,667</u>
Fund Balance				
Nonspendable	\$42,785	\$18,088	\$22,035	\$22,370
Restricted	9,718	10,867	11,471	11,915
Committed	16	0	37,301	44,488
Assigned	100,909	156,780	147,459	118,153
Unassigned	72,898	115,098	74,508	91,217
Total Fund Balance	<u>\$226,326</u>	<u>\$300,833</u>	<u>\$292,774</u>	<u>\$288,143</u>
Total Liabilities and Fund Balance	<u>\$280,023</u>	<u>\$341,105</u>	<u>\$344,061</u>	<u>\$335,411</u>

Source: County of Kern Comprehensive Annual Financial Reports for Fiscal Years Ended June 30, 2014, 2015, 2016, and 2017.

TABLE 4

**BREAKDOWN OF BUDGETED REVENUE SOURCES
FOR FISCAL YEAR 2017-18**

Taxes	18.55%
Licenses, Permits and Franchises	1.00%
Fines, Forfeitures and Penalties	1.02%
Use of County Property and Money	0.24%
Aid from Other Governmental Agencies	37.76%
Charges for Services	9.01%
Miscellaneous Revenues ⁽¹⁾	<u>32.42%</u>
Total	100.00%

⁽¹⁾ Includes Other Financing Sources, Balances carried forward from prior year and cancelation of prior year reserves and designations

Source: County of Kern Fiscal Year 2017-18 Adopted Budget

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TABLE 5

SUMMARY OF TAX LEVIES AND COLLECTIONS FOR THE SECURED TAX ROLL
FISCAL YEARS 2007-08 THROUGH 2016-17

(Dollars in Thousands)

<u>Fiscal Year</u>	<u>Total Levy</u>	<u>Total Collected</u> ⁽¹⁾	<u>Total Collected at Fiscal Year-End as Percent of Tax Levy</u>
2007-08	\$971,779	\$926,755	95.4%
2008-09	1,016,294	975,420	96.0%
2009-10	977,544	941,531	96.3%
2010-11	1,019,564	992,648	97.4%
2011-12	1,048,417	1,025,352	97.8%
2012-13	1,081,258	1,060,498	98.1%
2013-14	1,106,614	1,086,941	98.2%
2014-15	1,163,968	1,142,410	98.1%
2015-16	1,093,665	1,073,935	98.2%
2016-17	1,147,342	1,114,915	97.2%

⁽¹⁾Figures do not include redemptions of delinquent taxes or delinquency penalties.

Source: County of Kern Treasurer-Tax Collector

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TABLE 6

ASSESSED VALUATION
FISCAL YEARS 2008-09 THROUGH 2017-18

(Dollars in Thousands)

<i>Fiscal Year</i>	<i>Secured Assessed Valuation</i> ⁽¹⁾⁽³⁾	<i>Unsecured Assessed Valuation</i>	<i>Less Exemptions</i> ⁽²⁾	<i>Net Assessed Valuation</i> ⁽³⁾	<i>Redevelopment Agency Exemptions</i>
2008-09	\$83,094,627	\$2,867,813	\$2,360,803	\$83,601,637	\$3,550,541
2009-10	81,120,674	3,265,233	2,563,031	81,822,876	3,283,406
2010-11	81,182,505	3,415,217	2,584,193	82,013,529	3,063,710
2011-12	82,373,823	4,302,692	2,649,832	84,026,683	2,988,401
2012-13	86,811,945	6,094,453	2,748,534	90,157,864	2,995,938
2013-14	87,709,909	7,471,075	2,916,966	92,264,018	3,181,921
2014-15	92,603,386	8,154,380	2,977,287	97,780,479	3,434,656
2015-16 ⁽⁴⁾	84,028,730	8,328,464	3,113,532	89,243,662	3,621,861
2016-17	81,052,885	7,625,479	3,246,813	85,431,551	3,877,795
2017-18	86,561,074	7,502,991	3,308,268	90,755,798	4,168,002

⁽¹⁾ Includes Aircraft and Public Utilities.

⁽²⁾ Includes all Non-subvented Exemptions and Homeowners Exemptions.

⁽³⁾ Recalculated Secured Assessed Valuation per the Kern Tax Rates and Assessed Valuation Books for the years listed.

⁽⁴⁾ Value reflects decrease in oil and gas property values resulting from a decline in market price for a barrel of oil as of January 1, 2015. (For purposes of oil and gas property valuation for a fiscal year, the price of oil on the preceding January 1 is used.)

Source: County of Kern Tax Rates and Assessed Valuations Book, FY 2008-09 through FY 2017-18

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TABLE 7

PRINCIPAL TAXPAYERS
2017-18 SECURED TAX ROLL

<i><u>Company</u></i>	<i><u>Net Secured Assessed Value</u></i>	<i><u>Total Tax on Secured Property</u></i> ⁽¹⁾
Chevron USA, Inc.	\$4,986,966,740	\$57,117,134
California Resources Elk Hills, Inc.	3,305,512,280	37,179,237
Aera Energy, LLC	2,308,215,739	24,852,486
Pacific Gas & Electric Co.	1,083,126,680	15,393,001
Southern California Edison Co.	992,185,621	14,101,236
Freeport McMoran Oil & Gas LLC	1,048,720,338	10,936,373
Oxy USA Inc.	921,808,965	10,828,604
US Borax Inc.	690,870,877	8,126,708
Paramount Farms International LLC	506,679,045	5,664,398
Paramount Land Company LLC	437,408,273	5,548,623

⁽¹⁾ Property Tax is allocated to County, Cities and Other Districts

Source: County of Kern Tax Rates and Assessed Valuations Book, FY 2017-18

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TABLE 8

COUNTY OF KERN EMPLOYMENT LEVELS
 FISCAL YEARS 2008-09 THROUGH 2017-18

<u>Fiscal Year</u> ⁽¹⁾	<u>Permanent Full-time</u>	<u>Permanent Part-time</u>
2008-09	9,466	329
2009-10	9,532	316
2010-11	8,547	265
2011-12	8,465	263
2012-13	8,729	265
2013-14	8,942	261
2014-15 ⁽²⁾	9,032	255
2015-16 ⁽³⁾	9,123	262
2016-17 ⁽⁴⁾	7,592	133
2017-18 ⁽⁵⁾	7,608	139

⁽¹⁾ Figures for FY 2008-09 through 2013-14 represent numbers of authorized employees as of the adoption of the budget each year.

⁽²⁾ Authorized positions as of December 5, 2014

⁽³⁾ Authorized positions as of December 18, 2015

⁽⁴⁾ Authorized positions as of January 5, 2017. Does not include employees transferred to the Kern County Hospital Authority on July 1, 2017.

⁽⁵⁾ Authorized positions as of December 7, 2017.

Source: Kern County Administrative Office - Human Resources Division

COUNTY OF KERN
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TABLE 9
BARGAINING UNITS

<i>Bargaining Unit</i>	<i>Number of Employees ⁽¹⁾</i>	<i>Ending Term of Labor Agreement ⁽²⁾</i>
Service Employees' International, Local 521 (SEIU 521)	4,406	October 31, 2019
Kern Law Enforcement Association (KLEA)	541	December 31, 2017
Kern County Fire Fighters Union (KCCFU)	490	September 30, 2017
Kern County Probation Officers' Association (KCPOA)	418	July 24, 2015
Kern County Detention Officers' Association (KCDOA)	300	December 31, 2017
Kern County Prosecutors' Association (KCPA)	90	September 30, 2017
SEIU 521 - Criminal Justice Unit	-	October 31, 2019
Kern County Sheriff's Command Association (KCSCA)	22	March 13, 2015
Kern County Sheriff's Command Association II (KCSCA II)	7	March 13, 2015
SEIU 521 - Extra Help	486	October 31, 2019
Kern County Probation Managers' Association (KCPMA)	14	August 27, 2017

⁽¹⁾ Filled positions as of December 18, 2017. Does not include Courts, Air Pollution Control District, or rehired retirees.

⁽²⁾ The County is currently negotiating a successor Memorandum of Understanding for each expired labor agreement.

Source: Kern County Human Resources Division

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TABLE 10

MEMBERSHIP IN KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
AT JUNE 30, 2013 THROUGH JUNE 30, 2017

	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>
Retirees and Beneficiaries ⁽¹⁾	8,235	8,185	8,412	8,716	9,017
Active Plan Participants	<u>8,517</u>	<u>8,525</u>	<u>8,492</u>	<u>8,635</u>	<u>8,738</u>
Total	16,752	16,710	16,904	17,351	17,755

⁽¹⁾Includes those currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.

Source: KCERA Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017.

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TABLE 11

KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SCHEDULE OF ANNUAL EMPLOYER CONTRIBUTIONS
AND PERCENTAGE CONTRIBUTED

<i><u>Fiscal Year</u></i> <i><u>Ended June 30</u></i>	<i><u>Annual Required</u></i> <i><u>Contributions</u></i> ⁽¹⁾ <i><u>(in thousands)</u></i>	<i><u>Percentage</u></i> <i><u>Contributed</u></i>
2012	\$189,837	100%
2013	211,677	100%
2014	220,393	100%
2015	215,477	100%
2016	216,229	100%
2017	224,351	100%
2018	239,713 ⁽²⁾	N/A

⁽¹⁾ Contributions include all plan sponsors.

⁽²⁾ Estimate includes Courts and County only.

Source: KCERA Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017.

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TABLE 12

KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SCHEDULE OF FUNDING PROGRESS

(Dollars in Thousands)

<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Assets ⁽¹⁾</i>	<i>Actuarial Accrued Liability (AAL) ⁽²⁾</i>	<i>Unfunded (Overfunded) AAL</i>	<i>Funded Ratio</i>	<i>Annual Covered</i>	<i>Unfunded (Overfunded) AAL Percentage of Annual Covered Payroll</i>
06/30/11	\$2,839,747	\$4,672,348	\$1,832,601	60.78%	\$539,836	339.47%
06/30/12	2,960,507	4,894,990	1,934,483	60.48%	543,558	355.89%
06/30/13	3,120,632	5,108,619	1,987,987	61.09%	555,752	357.71%
06/30/14	3,342,122	5,492,440	2,150,318	60.85%	555,634	387.00%
06/30/15	3,529,786	5,657,173	2,127,387	62.39%	556,824	382.06%
06/30/16	3,685,447	5,813,092	2,127,645	63.40%	567,261	375.07%
06/30/17	3,913,073	6,191,433	2,278,360	63.20%	572,081	398.26%

⁽¹⁾ Excludes assets for SRBR Reserves Unallocated to 0.5% COLA benefits and COLA Contribution Reserve. Excludes assets for Contingency Reserve (unless the Contingency Reserve is negative).

⁽²⁾ Excludes liabilities held for SRBR Reserves Unallocated to 0.5% COLA benefits.

Source: KCERA Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017 and KCERA Actuarial Valuation as of June 30, 2017

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TABLE 13

KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
DEVELOPMENT OF UNRECOGNIZED GAIN (LOSS)

<i>Six-Month Period Ended</i>	<i>Investment Gain (Loss)</i>	<i>Deferred Factor</i>	<i>Deferred Return (Loss)</i>
6/30/2017	\$124,859,668	90%	\$112,373,701
12/31/2016	24,716,100	80%	19,772,880
6/30/2016	(29,765,355)	70%	(20,835,749)
12/31/2015	(268,158,347)	60%	(160,895,008)
6/30/2015	(20,642,498)	50%	(10,321,249)
12/31/2014	(167,479,888)	40%	(66,991,955)
6/30/2014	74,319,473	30%	22,295,842
12/31/2013	153,308,491	20%	30,661,698
6/30/2013	(4,669,505)	10%	(466,951)
Total Deferred Loss			(\$74,406,790)

Source: KCERA Actuarial Valuation as of June 30, 2017 and Kern County Employees' Retirement Association

COUNTY OF KERN
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TABLE 14

KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
 ACTUARIAL ASSUMPTIONS

<i>Actuarial Assumption</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Interest	7.50%	7.50%	7.25%
Inflation	3.25%	3.25%	3.00%
Salary Increase ⁽¹⁾	varies	varies	varies

⁽¹⁾Varies by service, including inflation. General: 4.00% to 9.00%. Safety: 4.00% to 12.50%.

Source: KCERA Comprehensive Annual Financial Report for the Fiscal Years Ended June 30, 2016 and June 30, 2017

TABLE 15

KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT RESULTS BASED ON MARKET VALUE (NET OF FEES)

<i>Year Ended</i> <u>June 30</u>	<i>Annualized</i> <i>Rate of</i> <u>Return</u>
2010	13.30%
2011	19.20%
2012	1.00%
2013	10.40%
2014	15.00%
2015	2.40%
2016	-0.50%
2017	11.80%

Source: KCERA Comprehensive Annual Financial Report for Fiscal Years ended
June 30, 2010 through 2017.

COUNTY OF KERN
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OUTSTANDING INDEBTEDNESS

Short-Term Financing. The County has instituted a cash management program for its General Fund through the issuance of tax and revenue anticipation notes that are a General Fund Obligation of the County. The notes provide cash flow to meet General Fund expenditures during the period prior to collection of property taxes. On July 1, 2016, the County issued \$160,000,000 in aggregate principal amount for its 2016-17 Tax Revenue Anticipation Notes, which matured in the amounts of \$64,000,000, \$56,000,000, and \$40,000,000 on March 15, 2017, May 15, 2017, and June 30, 2017, respectively. No Tax Revenue Anticipation Notes were issued in Fiscal Year 2017-18.

Certificates of Participation. As of June 30, 2017, the County has outstanding certificates of participation in the aggregate principal amount of \$84,945,000. The proceeds of such certificates of participation were used for the acquisition of equipment and the acquisition, construction, and renovation of certain public facilities within the County.

With the exception of the Refunding Revenue Certificates of Participation, Series 2011 (Solid Waste System Improvements), the County's General Fund is available and makes payments with respect to all such obligations. A portion of the 2011 Refunding Certificates of Participation, Series A (Capital Improvement Projects) is paid from the Fire Fund and Kern Medical, offsetting the liability of the General Fund. The County makes payments of principal and interest with respect to the Refunding Revenue Certificates of Participation, Series 2011 (Solid Waste System Improvements) from the Solid Waste Enterprise Fund and therefore such certificates do not constitute a liability of the County's General Fund.

On December 28, 2016, the County issued the 2016 Refunding Certificates of Participation, Series A in the principal amount of \$80,350,000 to advance refund the 2009 Certificates of Participation, Series A. Debt service payments are made from the General Fund and the certificates will fully mature on August 1, 2035.

Pension Obligation Bonds. On November 28, 1995, the County issued \$227,818,439 in aggregate principal amount of its Taxable Pension Obligation Bonds, Series 1995 (the "1995 Pension Bonds"). The par amount outstanding as of June 30, 2017 is \$34,271,199. The County began paying on Capital Appreciation Bonds (CABs) in Fiscal Year 2015-16. The total interest cost of the CABs at final maturity will be \$219,031,561. The 1995 Pension Bonds constitute a liability across all operating funds within the County, therefore, the annual debt service is payable from several sources, including the General Fund. The final maturity of the 1995 Pension Bonds is August 15, 2021, and the debt service on the 1995 Pension Bonds for Fiscal Year 2017-18 is \$38,260,000.

COUNTY OF KERN
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OUTSTANDING INDEBTEDNESS (Cont'd)

On May 28, 2003, the County issued \$288,177,066 in aggregate principal amount of its Taxable Pension Obligation Bonds, Series 2003A and 2003B (the "2003 Pension Bonds"). On August 27, 2008, the County refunded the Series 2003B bonds in the principal amount of \$50,000,000 through a private placement. On March 10, 2014, the County converted the 2008A Pension Obligation Refunding Bonds from an index rate to a fixed rate of 4.19%. The 2003A and the 2008A Pension Bonds constitute a liability across various operating funds within the County, therefore, the annual debt service is payable from several sources, including the General Fund.

The par amount outstanding as of June 30, 2017 is \$169,917,067. The County will begin paying Capital Appreciation Bonds (CABs) on the 2003A pension obligation bonds in Fiscal Year 2023-24. The total interest cost of the CABs at that time will be \$72,347,933. The final maturity of the 2003A Pension Bonds is August 15, 2027, and debt service on the 2003A Pension Bonds for Fiscal Year 2017-18 is \$21,478,521. The first principal payment on the 2008A Pension Bonds is due on August 15, 2026 and the final maturity of the bonds is August 15, 2027. The debt service on the 2008A Pension Bonds for Fiscal Year 2017-18 is \$2,092,500.

Privately Placed and Other Obligations. The County's outstanding principal on privately placed and other obligations is \$31,674,485 as of June 30, 2017. On April 12, 2011, the County entered into a private placement lease/purchase agreement in connection with a project consisting of the acquisition of solar panels and related equipment to be installed on the parking garage adjacent to the County Administrative Center, and other property of the County. The project qualifies as a "qualified conservation purpose" and the County received an allocation for subsidized financing pursuant to the American Recovery and Reinvestment Act. Debt service payments on Qualified Energy Conservation Bonds are made from the General Fund, which have an outstanding principal balance of \$2,863,990, as of June 30, 2017. In December 2011, the County entered into a private placement lease/leaseback arrangement in the amount of \$8,660,000 to refund \$9,450,000 of principal outstanding of the County of Kern 2003 Certificates of Participation. In August 2017, the County entered into a private placement lease/leaseback arrangement in the amount of \$5,377,124 to refund the principal outstanding of \$5,110,000 on the December 2011 arrangement.

Outstanding principal on the 2010 Public Services Financing Refunding Lease Revenue Bonds is \$9,100,000. The debt service payment for the Fiscal Year 2017-18 is \$904,071. Revenue from rental payments is used to fulfill this debt service obligation.

In addition to bonds, the County has outstanding principal balances on equipment capital leases, an Economic Development Bank Loan, and a California Integrated Waste Management Board loan in the amounts of \$10,203,427, \$4,205,068, and \$192,000, respectively.

**COUNTY OF KERN
ANNUAL DISCLOSURE REPORT
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TABLE 16

**CERTIFICATES OF PARTICIPATION, PRIVATELY PLACED OBLIGATIONS AND PENSION OBLIGATION BONDS
OUTSTANDING
AS OF JUNE 30, 2017**

<i>Description of Issue</i>	<i>Source of Payment</i>	<i>Principal Outstanding</i>	<i>Final Maturity</i>	<i>2017-18 Payment Obligation</i>
Certificates of Participation				
2016 Certificates of Participation (Capital Improvement Projects) ⁽¹⁾	General Fund	\$80,350,000	November 1, 2034	\$6,251,575
2011 Refunding Certificates of Participation (Capital Improvement Projects)	General/Kern Hospital Authority	4,595,000	November 1, 2019	1,637,250
Subtotal Certificates of Participation		\$84,945,000		\$7,888,825
Privately Placed and Other Obligations				
Qualified Energy Conservation Bonds (Installment Purchase)	General Fund	\$2,863,990	January 12, 2026	\$457,382
Economic Development Bank Loan (5th District Curb & Gutter Project)	Community Development Block Grant	4,205,068	August 1, 2026	492,106
Equipment Capital Leases	Various Funds ⁽²⁾	10,203,427	Various	3,380,821
Kern Public Services Financing Authority Lease Revenue Refunding Bonds, 2010 Series	Various Funds ⁽³⁾	9,100,000	March 1, 2032	904,071
Airport Terminal Refunding Lease/Leaseback	Airport Enterprise Fund	5,110,000	August 1, 2022	936,305
California Integrated Waste Management Board Loan	Solid Waste Enterprise Fund	192,000	September 1, 2019	64,000
Subtotal Privately Placed and Other Obligations		\$31,674,485		\$6,234,685
Pension Obligation Bonds⁽⁴⁾				
1995 Taxable Pension Obligation Bonds	Various Funds	\$34,271,199	August 15, 2021	\$38,260,000
2003 Taxable Pension Obligation Bonds	Various Funds	169,917,067	August 15, 2027	21,478,521
2008 Taxable Pension Obligation Refunding Bonds Series 2008A	Various Funds	50,000,000	August 15, 2027	2,092,500
Subtotal Pension Obligation Bonds		\$254,188,266		\$61,831,021
Total Long-Term Debt		\$370,807,751		\$75,954,531

⁽¹⁾ On December 14, 2016, the 2009 Certificates of Participation were refunded with the 2016 Refunding Certificates of Participation. See page 20 of this report for further information.

⁽²⁾ The debt service payments for the Equipment Capital Leases are made from the budget units owning the equipment.

⁽³⁾ The debt service payments for the Kern Public Services Financing Authority Lease Revenue Refunding Bonds, 2010 Series is made with the lease payments from the entities occupying the facility.

⁽⁴⁾ The debt service payments for the 1995, 2003 and 2008 Pension Obligation Bonds are made on pro rata between various County Funds proportional to the amount of salary cost incurred in those funds.

Source: Kern County Administrative Office

COUNTY OF KERN
ANNUAL DISCLOSURE REPORT
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TABLE 17

CAPITAL LEASE OBLIGATIONS
GOVERNMENTAL AND BUSINESS TYPE ACTIVITIES
AS OF JUNE 30, 2017
(Dollars in Thousands)

<u>Year Ending June 30,</u>	<u>Amount</u>
2018	\$2,833
2019	2,054
2020	1,554
2021	1,531
2022	767
	<hr/>
Net Minimum Lease Payments ⁽¹⁾	8,739
Less Amount Representing Interest	(339)
	<hr/>
Present Value of Net Minimum Lease Payments ⁽²⁾	<u>\$8,400</u>

⁽¹⁾ Includes lower value capital leases not included on Table 16.

⁽²⁾ As of June 30, 2017 there were no capital lease obligations associated to business type activities

Source: County of Kern Fiscal Year 2016-17 Comprehensive Annual Financial Report

COUNTY OF KERN
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TABLE 18
LONG-TERM OPERATING LEASE OBLIGATIONS
AS OF JUNE 30, 2017
(Dollars in Thousands)

<i><u>Year Ending June 30,</u></i>	<i><u>Amount</u></i>
2018	\$14,621
2019	12,767
2020	11,975
2021	10,529
2022	9,891
2023-2027	38,598
2028-2032	10,836
2033-2035	31
2036-2042	30
Total	<u>\$109,278</u>

Source: County of Kern Fiscal Year 2016-17 Comprehensive Annual Financial Report

COUNTY OF KERN
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TABLE 19
COUNTY OF KERN PORTFOLIO STATISTICS
AS OF OCTOBER 31, 2017
(Dollars in Thousands)

<u>Investments</u>	<u>Original Cost</u>	<u>Market Value</u>	<u>Original Yield to Maturity at Book Value</u>
Pooled Funds	\$171,129,377	\$171,129,377	2.30%
Supranationals	105,155,100	104,468,831	1.58%
Negotiable CDs	450,000,000	449,861,779	1.53%
Commercial Paper	154,070,569	154,812,679	1.35%
U.S. Treasuries	108,894,273	108,617,975	1.57%
Federal Agency Issues	1,261,732,496	1,253,061,821	1.38%
Federally Insured Cash Accounts	30,549,142	30,549,142	1.00%
Corporate Notes	693,866,189	685,432,520	1.51%
Total Securities	\$2,975,397,146	\$2,957,934,124	1.43%
Cash, Accruals and Payables	71,742,136	71,742,136	
Total Portfolio	\$3,047,139,282	\$3,029,676,260	

Source: County of Kern Treasurer-Tax Collector Pooled Cash Portfolio Report

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TABLE 20
COUNTY OF KERN
AGING OF MATURING INVESTMENTS
AS OF OCTOBER 31, 2017

<u><i>Aging Interval</i></u>	<u><i>Par Value (In Thousands)</i></u>	<u><i>Percent of Portfolio</i></u>
0 - 366 days	\$1,378,040	45.38%
1 - 3 years	1,262,199	41.57%
3 - 5 years	396,385	13.05%
Over 5 years	0	0.00%
Total	<u>\$3,036,624</u>	<u>100.00%</u>

Source: County of Kern Treasurer-Tax Collector

COUNTY OF KERN
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TABLE 21
 COUNTY OF KERN
 MAJOR EMPLOYERS
 AS OF MARCH 2017

<i>Employer</i>	<i>Type of Business</i>	Estimated Number of Employees
Edwards Air Force Base	Military	9,353
County of Kern	Government	9,300
China Lake Naval Weapons Center	Military	7,000
Grimmway	Agriculture	4,256
Dignity Health	Healthcare Services	3,296
WM. Bolthouse Farms	Agriculture	3,600
Adventist Health Bakersfield	Healthcare Services	2,415
Sun World	Agriculture	1,600
Chevron	Oil & Gas	1,300
City of Bakersfield	Government	1,600

Source: California Employment Development Department - 2017 Kern County Market Overview & Investor Directory

**COUNTY OF KERN
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TABLE 22

**TOTAL AGRICULTURAL PRODUCTION VALUES
FOR YEARS 2010 THROUGH 2015
(Dollars in Thousands)**

	2011	2012	2013	2014⁽¹⁾	2015⁽¹⁾	2016
Fruit and Nut Crops	\$3,020,538	\$3,790,085	\$4,133,389	\$4,769,213	\$4,593,866	\$4,900,990
Field Crops and Rangeland	604,517	539,374	522,365	507,302	340,618	304,712
Vegetable Crops	684,867	714,149	686,879	648,857	654,165	836,670
Nursery Crops	61,816	100,824	111,271	93,270	83,265	102,318
Industrial and Wood Crops	14,470	15,717	14,176	18,498	12,838	9,045
Seed Crops	12,729	7,742	5,305	6,591	11,251	9,410
Livestock and Poultry	354,864	395,078	418,926	443,650	370,376	326,508
Livestock and Poultry Products	787,746	732,385	819,880	980,756	652,917	609,513
Apiary Products	55,429	56,707	57,755	83,737	82,772	88,778
Totals	\$5,596,976	\$6,352,061	\$6,769,946	\$7,551,874	\$6,802,068	\$7,187,944

⁽¹⁾ Fruit and Nut Crops data has been revised since the issuance of the previous report.

Source: Kern County Agricultural Crop Reports 2012 through 2016

COUNTY OF KERN
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TABLE 23

KERN COUNTY SANITARY LANDFILLS
CAPACITY STUDY SUMMARY AS OF JANUARY 1, 2017

<i>Landfill</i>	<i>Projected Closure Date</i>	<i>Calendar Year 2016 Disposal Tonnage</i>	<i>Calendar Year 2016 % of Total Disposal</i>	<i>Remaining Capacity (tons)</i>
Bena Phase 2A	August 2044	444,956	59%	17,976,024
Boron	June 2050	3,134	0%	112,320
Mojave-Rosamond	September 2033	14,606	2%	464,663
Ridgecrest	July 2030	55,442	7%	2,498,728
Shafter-Wasco	December 2058	149,768	20%	9,235,721
Taft	October 2076	43,973	6%	4,232,929
Tehachapi	May 2023	48,318	6%	297,374
Total		760,197	100%	34,817,759

Source: January 2017 Capacity Study, Kern County Sanitary Landfills

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TABLE 24

COUNTY OF KERN
SYSTEM NON-RECYCLED WASTE DISPOSAL BY JURISDICTION

<u>Jurisdiction</u>	<i>Waste Disposal (tons) in Calendar Year 2016</i>	<i>Percentage of Total</i>
Unincorporated Kern County	425,781	42.4%
Cities within Kern County		
Arvin	10,618	1.1%
Bakersfield	334,873	33.4%
California City	7,405	0.7%
Delano	28,239	2.8%
Maricopa	796	0.1%
McFarland	7,474	0.7%
Ridgecrest	27,879	2.8%
Shafter	19,936	2.0%
Taft	7,405	0.7%
Tehachapi	13,597	1.4%
Wasco	16,482	1.6%
All Cities within Kern County	474,704	47.3%
Other Jurisdictions	103,175	10.3%
Total ⁽¹⁾	1,003,660	100.0%

⁽¹⁾ Includes non-recycled waste from non-County operated sites.

Source: Waste Management Jurisdictional Disposal Report for Calendar Year 2016

**COUNTY OF KERN
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**TABLE 25
COUNTY OF KERN
SOLID WASTE ENTERPRISE FUND HISTORICAL REVENUES AND EXPENDITURES
FOR FISCAL YEARS 2012-13 THROUGH 2016-17**

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Land Use Fee/Single Family Unit	\$83	\$83	\$83	\$83	\$83
Non-residential Tipping Fee	\$45	\$45	\$45	\$45	\$45
Tons Disposed	694,505	697,466	722,545	737,915	788,057
<u>Operating Revenue:</u>					
Land Use Fee	\$22,069,561	\$22,309,160	\$22,463,446	\$22,667,860	\$22,814,401
Gate Fee	10,512,288	11,469,839	11,829,523	11,445,317	13,958,026
Bin Fee	5,033,958	5,066,442	4,791,344	4,703,569	5,202,912
Other (includes interest income and tires)	4,426,378	2,225,238	2,343,820	2,167,983	3,063,866
Total Operating Revenue	\$42,042,185	\$41,070,679	\$41,428,133	\$40,984,729	\$45,039,205
<u>Operating Expense:</u>					
Salaries	\$13,264,860	\$13,612,513	\$13,799,326	\$0	\$0
Services and Supplies	14,157,509	15,359,943	15,787,471	30,404,776	34,525,243
Transfer to Closure Reserve	1,536,811.00	1,236,714	913,998	902,982	945,341
Other (excluding depreciation)	240,796	464,421	143,394	369,220	819,757
Total Operating Expense	\$29,199,977	\$30,673,591	\$30,644,189	\$31,676,978	\$36,290,341
Net Operating Revenue	\$12,842,209	\$10,397,088	\$10,783,944	\$9,307,751	\$8,748,864
2011 COP Principal and Interest	1,981,764	1,961,111	1,973,449	1,982,566	854,599
Total Debt Service	\$1,981,764	\$1,961,111	\$1,973,449	\$1,982,566	\$854,599
<u>Debt Service Coverage Ratio 1:</u>					
Net Operating Revenue/Total Debt Service	6.48	5.30	5.46	4.69	10.24
Net Operating Revenue After Debt Service	\$10,860,445	\$8,435,977	\$8,810,495	\$7,325,185	\$7,894,265
<u>Non-operating Revenue (Expense):</u>					
Closure Project Expense	(\$2,453,510)	(\$3,111,907)	(\$193,479)	(\$20,583)	(\$9,204)
Pay-as-you-go Capital Projects	(1,417,663)	(729,266)	(6,562,041)	(1,825,989)	(1,012,519)
Capital Equipment	(287,829)	(377,532)	(1,812,841)	(1,092,368)	(2,377,979)
Other Non-operating Revenue	695	135	602	81	
Net Non-operating Revenue (Expense)	(\$4,158,307)	(\$4,218,570)	(\$8,567,759)	(\$2,938,859)	(\$3,399,702)
Net Operating Revenue After Debt Service	\$10,860,445	\$8,435,977	\$8,810,495	\$7,325,185	\$7,894,265
Net Non-operating Revenue (Expense)	(4,158,307)	(4,218,570)	(8,567,759)	(2,938,859)	(3,399,702)
Total Income (Loss)	\$6,702,138	\$4,217,407	\$242,736	\$4,386,326	\$4,494,563
<u>Available Funds:</u>					
Beginning Balance	\$30,486,214	\$31,577,583	\$32,552,015	\$35,491,759	\$45,583,754
Total Income (Loss)	6,702,138	4,217,407	242,736	4,386,326	4,494,563
Draw from Closure Reserve	1,224,596	2,782,875		4,001,213	
Draw to/from Other Reserves	(4,268,995)	(2,867,151)	(3,065,228)	650,000	(2,680,170)
Proceeds from Loans	(64,000)	(64,000)	(64,000)	(64,000)	(64,000)
Capital Lease Principal Payments					
Other Adjustments to Available Funds	(2,502,371)	(3,094,699)	5,826,236	1,118,456	74,539
Ending Balance	\$31,577,583	\$32,552,015	\$35,491,759	\$45,583,754	\$47,408,686

Source: County of Kern Public Works Department Waste Management Division

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TABLE 26

Historical System Waste Total Tonnage Received

<u>Year</u>	<u>Tonnage Amount</u>	<u>% Change</u>
2005	927,685	8.14%
2006	961,152	3.48%
2007	929,661	-3.39%
2008	846,020	-9.89%
2009	777,083	-8.87%
2010	764,562	-1.64%
2011	756,415	-1.08%
2012	759,693	0.43%
2013	753,656	-0.80%
2014	781,751	3.59%
2015	805,301	2.92%
2016	869,227	7.35%
2017	Unavailable	Unavailable

Source: County of Kern Public Works Department Waste Management Division

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TABLE 27
Solid Waste Enterprise Fund Ordinances
Fee Changes and Effective Dates

		<u>Land Use Fee</u>		<u>Gate Fee</u>		<u>Bin Fee</u>	
<u>Effective</u>	<u>Ordinance</u>	<u>Dwelling Unit</u>	<u>Multi-Unit Residential</u>	<u>Ordinance</u>	<u>Rate</u>	<u>Ordinance</u>	<u>Rate</u>
8/8/1990	G-5316	\$57.00	\$45.60 x "SFDU Factor"	N/A	N/A	N/A	N/A
7/1/1993	G-5941	\$57.00	\$45.60 x Actual Number of Units	G-5940	\$29/ton	G-5940	\$2/CY
7/1/2003	G-6944	\$66.00	\$45.60 x Actual Number of Units	G-6945	\$36/ton	G-6945	\$1.90/CY
7/1/2004	G-7104	\$66.00	\$53.00 x Actual Number of Units	G-6945	\$36/ton	G-6945	\$1.90/CY
7/1/2007	G-7500	\$70.00	\$56.00 x Actual Number of Units	G-7501	\$38.25/ton	G-7501	\$2/CY
7/1/2008	G-7713	\$72.31	\$57.84 x Actual Number of Units	G-7714	\$39.50/ton	G-7730	\$2.05/CY
7/1/2009	G-7864	\$74.84	\$59.86 x Actual Number of Units	G-7865	\$40.50/ton	G-7865	\$2.11/CY
7/1/2011	G-8073	\$77.83	\$62.25 x Actual Number of Units	G-8075	\$42.25/ton	G-8075	\$2.20/CY
7/1/2012	G-8074	\$82.89	\$66.30 x Actual Number of Units	G-8075	\$45.00/ton	G-8075	\$2.34/CY
7/1/2013	G-8401	\$82.89	\$66.30 x Actual Number of Units	G-8075	\$45.00/ton	G-8075	\$2.34/CY
7/1/2014	G-8482	\$82.89	\$66.30 x Actual Number of Units	G-8075	\$45.00/ton	G-8075	\$2.34/CY
7/1/2015	G-8570	\$82.89	\$66.30 x Actual Number of Units	G-8075	\$45.00/ton	G-8075	\$2.34/CY
7/1/2016	G-8640	\$82.89	\$66.30 x Actual Number of Units	G-8075	\$45.00/ton	G-8075	\$2.34/CY
7/1/2017	G-8714	\$82.89	\$66.30 x Actual Number of Units	G-8075	\$45.00/ton	G-8075	\$2.34/CY

Source: County of Kern Public Works Department Waste Management Division

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KERN MEDICAL CENTER - KERN COUNTY HOSPITAL AUTHORITY

Kern Medical Center was the County-owned and operated teaching hospital. On July 1, 2016, the hospital was transferred to the Kern County Hospital Authority (The Authority). The Authority was created after the California Governor approved Assembly Bill 2546 which gave the County the authority to establish by ordinance, the Authority to manage, administer and control Kern Medical Center. As part of the transfer all employees, facilities, certain liabilities and resources were transferred. The County will continue to retain ultimate responsibility for indigent medical care under Section 17000 of the Welfare and Institutions Code. The County and the Authority have contracted with each other with respect to certain health care, administrative, and financial services under separate agreements. These agreements contemplate certain financial relationships between the County and the Authority, including the County's financial support in the form of loans and/or grants, the Authority assumption of certain liabilities of the County incurred in connection with prior operations of the hospital, the continued provision of certain health care services to residents of the County and inmates and the County's consent for the Authority to participate in and receive, certain County general purpose funds and local revenue funds (1991 Realignment) identified or earmarked for health care services to the indigent, including Medi-Cal beneficiaries and uninsured patients. The following table details County contributions to the operations of Kern Medical Center prior to the transfer, and the County cost for certain indigent and inmate healthcare after the transfer.

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TABLE 28
KERN MEDICAL CENTER
GENERAL FUND / REALIGNMENT CASH
(As of June 30)

	Kern Medical Center as a County-owned hospital						Kern County Hospital Authority
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Advances Payable - Year End Balance ⁽¹⁾	\$33,740,332	\$58,171,862	\$85,400,000	\$61,313,984 ⁽⁴⁾	\$4,580,539	\$0	N/A
County Contribution:							
Realignment and							
Contribution for Indigent Care	\$14,383,490	\$17,623,892	\$15,700,694	\$10,500,000	\$11,910,653	\$2,310,769	\$5,673,147
Juvenile Facility ⁽²⁾	3,719,000	3,719,000	3,719,000	3,755,720	3,739,941	3,951,504	3,951,503
Jail Inmate ⁽²⁾	13,718,000	15,561,000	17,561,000	17,734,393	17,126,515	19,292,637	19,761,033
Central Plant Capital Project	3,000,000	0	0	0	0	0	0
County Contribution for Operations	0	0	0	25,801,396	9,900,000	7,147,774	
Other Capital Projects	0	0	0	0	0	453,017	2,090,345
Total County Contribution	\$34,820,490	\$36,903,892	\$36,980,694	\$57,791,509	\$42,677,109	\$33,155,701	\$31,476,028
Write-off of General Fund Loans at June 30 ⁽³⁾	0	0	0	3,817,773		0	0
Total Advances & County Contribution	\$68,560,822	\$95,075,754	\$122,380,694	\$122,923,266	\$47,257,648	\$33,155,701	\$31,476,028

⁽¹⁾ Year-end balance reflects General Fund loans outstanding at June 30.

⁽²⁾ General Fund obligation

⁽³⁾ A \$9,595,980 contribution was included in the Fiscal Year 2013-14 Adopted Budget in anticipation of a write-off.

⁽⁴⁾ Pursuant to GASB 54, the Auditor-Controller determined \$23,286,201 of the outstanding advance payable to be non-spendable as of June 30.

Source: County of Kern

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EXHIBIT A
S.E.C. Rule 15c2-12
Continuing Disclosure Requirements - MATRIX

	Requirement of:							
	1995 Pension Obligation Bond	2003 Pension Obligation Bond, Series 2003A	2008 Pension Obligation Bond, Series 2003B Refunding	2009 Capital Improvement Projects	2010 Public Services Facility Project Refunding	2011 Solid Waste System Improvements Refunding	2011 Capital Improvement Projects Refunding	2016 Capital Improvement Projects Refunding
Governmental Funds Budgets	x	x		x	x		x	x
General Fund Revenues and Expenditures	x	x		x	x		x	x
General Fund Balance Sheet		x		x	x		x	x
Breakdown of Revenue Sources	x	x		x	x		x	x
Summary of Tax Levies and Collections	x	x		x	x		x	x
Assessed Valuation	x	x		x	x		x	x
Principal Taxpayers	x	x		x	x		x	x
County Employment Levels	x	x		x	x		x	x
Bargaining Units		x		x	x		x	x
Membership in Employees Retirement Association	x	x		x	x		x	x
Retirement Association Annual Employer Contributions				x	x		x	x
Retirement Association Schedule of Funding Progress		x		x	x		x	x
Retirement Association Unrecognized Gains and Losses				x	x		x	x
Retirement Association Actuarial Assumptions				x	x		x	x
Retirement Association Market Value Investment Results				x	x		x	x
Outstanding Indebtedness	x	x		x	x		x	x
Certificates of Participation and Pensions Obligation Bonds Outstanding	x	x		x	x		x	x
Capital lease Obligations	x	x		x	x		x	x
Operating Lease Obligations	x	x		x	x		x	x
Investment Portfolio Statistics	x	x		x	x		x	x
Aging of Maturing Investments	x			x	x		x	
Major Employers								
Total Agricultural Production								
Kern County Landfill Capacity								
System Non-Recycled Waste Disposal by Jurisdiction								
Solid Waste Enterprise Fund Historical Revenues and Expenditures						x		
Historical System Waste Total Tonnage Received						x		
Solid Waste Enterprise Fund Ordinance, Fee Changes and Effective Dates						x		
Kern Medical Center General Fund/Realignment Cash				x	x		x	x
Estimated Direct and Overlapping Bonded Debt	x	x						