

COUNTY OF VENTURA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013  
(In Thousands)

|  | Business-type Activities - Enterprise Funds |                   |                        |                      | Governmental Activities    |                        |
|--|---|-------------------|------------------------|----------------------|----------------------------|------------------------|
|  | Total                                       | Medical Center    | Department of Airports | Waterworks Districts | Non-major Enterprise Funds | Internal Service Funds |
| <b>ASSETS</b>  |   |                   |                        |                      |                            |                        |
| Current assets:  |   |                   |                        |                      |                            |                        |
| Cash and investments (Note 3)  | \$ 62,456                                   | \$ 4,521          | \$ 6,712               | \$ 30,369            | \$ 20,854                  | \$ 196,589             |
| Receivables, net (Note 5)  | 147,850                                     | 134,200           | 457                    | 4,465                | 8,728                      | 2,785                  |
| Due from other funds (Note 6)  | 837   | 715               | 9                      | 39                   | 74                         | 8,916                  |
| Due from other governmental agencies   | -   | -                 | -                      | -                    | -                          | 105                    |
| Inventories and other assets   | 3,403                                       | 2,846             | -                      | 427                  | 130                        | 2,244                  |
| Restricted cash and investments (Note 3)   | 306,268                                     | 304,394           | -                      | 215                  | 1,659                      | 592                    |
| Deferred charges   | 971   | 971               | -                      | -                    | -                          | -                      |
| Total current assets   | <u>521,785</u>                              | <u>447,647</u>    | <u>7,178</u>           | <u>35,515</u>        | <u>31,445</u>              | <u>211,231</u>         |
| Noncurrent assets:   |   |                   |                        |                      |                            |                        |
| Long-term receivables (Note 5)   | 2,374                                       | -                 | -                      | -                    | 2,374                      | 191                    |
| Advances to other funds (Note 6)   | -   | -                 | -                      | -                    | -                          | 20,000                 |
| Capital assets (Note 7):   |   |                   |                        |                      |                            |                        |
| Nondepreciable:  |   |                   |                        |                      |                            |                        |
| Land   | 23,184                                      | 2,047             | 9,721                  | 2,537                | 8,879                      | 770                    |
| Easements  | 787   | -                 | 399                    | 285                  | 103                        | -                      |
| Construction in progress   | 84,894                                      | 72,305            | 2,508                  | 7,548                | 2,533                      | 5,363                  |
| Depreciable:   |   |                   |                        |                      |                            |                        |
| Land improvements  | 72,763                                      | 1,084             | 45,240                 | 2,074                | 24,365                     | 1,208                  |
| Structures and improvements  | 301,045                                     | 124,396           | 17,030                 | 123,646              | 35,973                     | 6,220                  |
| Equipment/Vehicles   | 44,969                                      | 37,722            | 2,033                  | 3,023                | 2,191                      | 90,057                 |
| Software   | 11,315                                      | 8,376             | -                      | -                    | 2,939                      | 7,026                  |
| Less accumulated depreciation  | (170,838)                                   | (77,876)          | (30,315)               | (32,186)             | (30,461)                   | (49,566)               |
| Total noncurrent assets  | <u>370,493</u>                              | <u>168,054</u>    | <u>46,616</u>          | <u>106,927</u>       | <u>48,896</u>              | <u>81,269</u>          |
| Total assets   | <u>892,278</u>                              | <u>615,701</u>    | <u>53,794</u>          | <u>142,442</u>       | <u>80,341</u>              | <u>292,500</u>         |
| <b>LIABILITIES</b>   |   |                   |                        |                      |                            |                        |
| Current liabilities:   |   |                   |                        |                      |                            |                        |
| Accounts payable   | 36,907                                      | 33,464            | 276                    | 2,231                | 936                        | 6,397                  |
| Due to other funds (Note 6)  | 19,605                                      | 17,794            | 21                     | 1,067                | 723                        | 920                    |
| Due to other governmental agencies   | 7   | 7                 | -                      | -                    | -                          | 48                     |
| Accrued liabilities (Note 8)   | 23,773                                      | 19,853            | 51                     | 3                    | 3,866                      | 2,090                  |
| Compensated absences, current (Note 10)  | 4,651                                       | 4,362             | 74                     | -                    | 215                        | 3,792                  |
| Claims liabilities, current (Notes 10 and 17)  | 7,325                                       | -                 | -                      | -                    | 7,325                      | 28,385                 |
| Certificates of participation, tax-exempt commercial paper, and loans and capital leases payable, current (Note 10)    | 9,047                                       | 8,273             | 36                     | 243                  | 495                        | 1,331                  |
| Total current liabilities  | <u>101,315</u>                              | <u>83,753</u>     | <u>458</u>             | <u>3,544</u>         | <u>13,560</u>              | <u>42,963</u>          |
| Noncurrent liabilities:  |   |                   |                        |                      |                            |                        |
| Unearned revenue   | 537   | -                 | 167                    | 322                  | 48                         | 308                    |
| Deposits and other liabilities   | 1,371                                       | -                 | 292                    | -                    | 1,079                      | -                      |
| Advances from other funds (Note 6)   | 21,237                                      | 20,000            | -                      | 1,237                | -                          | -                      |
| Compensated absences, noncurrent (Note 10)   | 3,163                                       | 2,866             | 71                     | -                    | 226                        | 2,819                  |
| Claims liabilities, noncurrent (Notes 10 and 17)   | -   | -                 | -                      | -                    | -                          | 122,257                |
| Medical malpractice liability (Notes 10 and 17)  | 3,758                                       | 3,758             | -                      | -                    | -                          | -                      |
| Certificates of participation, tax-exempt commercial paper, and loans and capital leases payable, noncurrent (Note 10) | 380,082                                     | 369,683           | 32                     | 5,668                | 4,699                      | 13,559                 |
| Total noncurrent liabilities   | <u>410,148</u>                              | <u>396,307</u>    | <u>562</u>             | <u>7,227</u>         | <u>6,052</u>               | <u>138,943</u>         |
| Total liabilities  | <u>511,463</u>                              | <u>480,060</u>    | <u>1,020</u>           | <u>10,771</u>        | <u>19,612</u>              | <u>181,906</u>         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |   |                   |                        |                      |                            |                        |
| Deferred service concession arrangements (Note 11)   | 9,979                                       | -                 | -                      | -                    | 9,979                      | -                      |
| Total deferred inflows of resources  | <u>9,979</u>                                | <u>-</u>          | <u>-</u>               | <u>-</u>             | <u>9,979</u>               | <u>-</u>               |
| <b>NET POSITION</b>  |   |                   |                        |                      |                            |                        |
| Net investment in capital assets   | 256,025                                     | 74,513            | 46,548                 | 101,016              | 33,948                     | 46,188                 |
| Restricted for (Note 12):  |   |                   |                        |                      |                            |                        |
| Debt service   | 20,353                                      | 19,979            | -                      | 215                  | 159                        | 592                    |
| Grantors   | 465   | -                 | -                      | -                    | 465                        | -                      |
| Tangible net equity reserve  | 1,500                                       | -                 | -                      | -                    | 1,500                      | -                      |
| Unrestricted   | 92,493                                      | 41,149            | 6,226                  | 30,440               | 14,678                     | 63,814                 |
| Total net position   | <u>370,836</u>                              | <u>\$ 135,641</u> | <u>\$ 52,774</u>       | <u>\$ 131,671</u>    | <u>\$ 50,750</u>           | <u>\$ 110,594</u>      |
| Adjustment to allocate the internal service fund activities related to enterprise funds                                | 89  | -                 | -                      | -                    | -                          | -                      |
| Total net position of business-type activities   | <u>\$ 370,925</u>                           |                   |                        |                      |                            |                        |

See accompanying notes to the basic financial statements

COUNTY OF VENTURA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(In Thousands)

|   | Business-type Activities - Enterprise Funds |                   |                        |                      |                            | Governmental           |
|---|---|-------------------|------------------------|----------------------|----------------------------|------------------------|
|   | Total                                       | Medical Center    | Department of Airports | Waterworks Districts | Non-major Enterprise Funds | Internal Service Funds |
| <b>Operating Revenues:</b>  |   |                   |                        |                      |                            |                        |
| Charges for services  | \$394,328                                   | \$303,236         | \$ 155                 | \$ 29,718            | \$ 61,219                  | \$ 181,569             |
| Rents and royalties   | 12,351                                      | 46                | 4,955                  | 353                  | 6,997                      | 346                    |
| Miscellaneous   | 49  | -                 | 11                     | -                    | 38                         | 198                    |
| Total operating revenues  | <u>406,728</u>                              | <u>303,282</u>    | <u>5,121</u>           | <u>30,071</u>        | <u>68,254</u>              | <u>182,113</u>         |
| <b>Operating Expenses:</b>  |   |                   |                        |                      |                            |                        |
| Salaries and benefits   | 176,094                                     | 169,033           | 2,383                  | -                    | 4,678                      | 75,872                 |
| Services and supplies   | 187,720                                     | 150,424           | 984                    | 24,555               | 11,757                     | 63,146                 |
| Insurance premiums  | 3,086                                       | 1,654             | 70                     | 96                   | 1,266                      | 5,230                  |
| Utilities   | 3,841                                       | 3,156             | 244                    | -                    | 441                        | -                      |
| Provision for claims  | 48,936                                      | -                 | -                      | -                    | 48,936                     | 29,040                 |
| Depreciation and amortization   | 12,535                                      | 5,358             | 2,592                  | 2,211                | 2,374                      | 7,254                  |
| Total operating expenses  | <u>432,212</u>                              | <u>329,625</u>    | <u>6,273</u>           | <u>26,862</u>        | <u>69,452</u>              | <u>180,542</u>         |
| Operating income (loss)   | <u>(25,484)</u>                             | <u>(26,343)</u>   | <u>(1,152)</u>         | <u>3,209</u>         | <u>(1,198)</u>             | <u>1,571</u>           |
| <b>Nonoperating revenues (expenses):</b>  |   |                   |                        |                      |                            |                        |
| State and federal grants  | 32  | -                 | -                      | -                    | 32                         | 30                     |
| Gain from insurance recovery  | 1   | -                 | -                      | 1                    | -                          | 2,104                  |
| Gain (loss) from sale (disposal) of capital assets  | (1,578)                                     | 6                 | (1,007)                | (282)                | (295)                      | (356)                  |
| Interest and investment income  | 342   | 228               | 10                     | 44                   | 60                         | 342                    |
| Interest expense  | (3,033)                                     | (2,907)           | (5)                    | (78)                 | (43)                       | (89)                   |
| Total nonoperating revenues (expenses)  | <u>(4,236)</u>                              | <u>(2,673)</u>    | <u>(1,002)</u>         | <u>(315)</u>         | <u>(246)</u>               | <u>2,031</u>           |
| Net income (loss) before capital contributions and transfers  | (29,720)                                    | (29,016)          | (2,154)                | 2,894                | (1,444)                    | 3,602                  |
| Capital grants and contributions  | 8,318                                       | 2,739             | 2,735                  | 462                  | 2,382                      | -                      |
| Transfers in  | 44,853                                      | 42,999            | -                      | -                    | 1,854                      | 1,690                  |
| Transfers out   | (865)                                       | (423)             | -                      | (256)                | (186)                      | -                      |
| Change in net position  | 22,586                                      | 16,299            | 581                    | 3,100                | 2,606                      | 5,292                  |
| Net position - beginning, as restated   | <u>348,250</u>                              | <u>119,342</u>    | <u>52,193</u>          | <u>128,571</u>       | <u>48,144</u>              | <u>105,302</u>         |
| Net position - ending   | <u>\$370,836</u>                            | <u>\$ 135,641</u> | <u>\$ 52,774</u>       | <u>\$ 131,671</u>    | <u>\$ 50,750</u>           | <u>\$ 110,594</u>      |
| Change in net position - total enterprise funds   | \$ 22,586                                   |                   |                        |                      |                            |                        |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | (179)                                       |                   |                        |                      |                            |                        |
| Change in net position - business-type activities   | <u>\$ 22,407</u>                            |                   |                        |                      |                            |                        |

See accompanying notes to the basic financial statements

COUNTY OF VENTURA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(In Thousands)

|  | Business-type Activities - Enterprise Funds |                   |                              |                         |                                  | Governmental<br>Activities |
|--|---|-------------------|------------------------------|-------------------------|----------------------------------|----------------------------|
|  | Total                                       | Medical<br>Center | Department<br>of<br>Airports | Waterworks<br>Districts | Non-major<br>Enterprise<br>Funds | Internal<br>Service Funds  |
|  |   |                   |                              |                         |                                  |                            |
| <b>Cash flows from operating activities:</b>   |   |                   |                              |                         |                                  |                            |
| Cash receipts from customers   | \$ 316,980                                  | \$ 262,041        | \$ 4,195                     | \$ 29,710               | \$ 21,034                        | \$ 14,178                  |
| Cash receipts from other funds   | 44,041                                      | 1,049             | 944                          | 9                       | 42,039                           | 173,162                    |
| Cash receipts from other sources   | 7,017                                       | 7,017             | -                            | -                       | -                                | 88                         |
| Cash paid to suppliers for goods and services  | (161,936)                                   | (134,619)         | (892)                        | (18,395)                | (8,030)                          | (45,653)                   |
| Cash paid to employees for services  | (175,298)                                   | (168,321)         | (2,349)                      | -                       | (4,628)                          | (76,001)                   |
| Cash paid to other funds   | (24,354)                                    | (6,619)           | (509)                        | (5,579)                 | (11,647)                         | (20,359)                   |
| Cash paid for insurance premiums   | (2,476)                                     | (1,304)           | -                            | -                       | (1,172)                          | (4,694)                    |
| Cash paid for judgments and claims   | <u>(47,560)</u>                             | <u>-</u>          | <u>-</u>                     | <u>-</u>                | <u>(47,560)</u>                  | <u>(24,466)</u>            |
| Net cash provided by (used in)<br>operating activities                                   | <u>(43,586)</u>                             | <u>(40,756)</u>   | <u>1,389</u>                 | <u>5,745</u>            | <u>(9,964)</u>                   | <u>16,255</u>              |
| <b>Cash flows from noncapital<br/>financing activities:</b>                              |   |                   |                              |                         |                                  |                            |
| Transfers received   | 44,904                                      | 43,054            | -                            | -                       | 1,850                            | 1,690                      |
| Transfers paid   | (617)                                       | (310)             | -                            | (256)                   | (51)                             | -                          |
| Advances to other funds  | -   | -                 | -                            | -                       | -                                | (20,000)                   |
| Advances from other funds  | 19,979                                      | 20,000            | -                            | (21)                    | -                                | -                          |
| Interest paid on noncapital debt   | (437)                                       | (425)             | -                            | -                       | (12)                             | -                          |
| State and federal grant receipts   | <u>27</u>                                   | <u>-</u>          | <u>-</u>                     | <u>-</u>                | <u>27</u>                        | <u>30</u>                  |
| Net cash provided by (used in)<br>noncapital financing activities                        | <u>63,856</u>                               | <u>62,319</u>     | <u>-</u>                     | <u>(277)</u>            | <u>1,814</u>                     | <u>(18,280)</u>            |
| <b>Cash flows from capital and related<br/>financing activities:</b>                     |   |                   |                              |                         |                                  |                            |
| Proceeds from capital debt   | 10,091                                      | 10,074            | -                            | -                       | 17                               | 2,304                      |
| Proceeds from capital grants and contributions   | 10,732                                      | 2,739             | 3,606                        | 662                     | 3,725                            | -                          |
| Proceeds from insurance recovery   | 1   | -                 | -                            | 1                       | -                                | 2,104                      |
| Acquisition and construction of capital assets   | (43,862)                                    | (30,373)          | (2,740)                      | (7,464)                 | (3,285)                          | (12,328)                   |
| Principal paid on capital lease obligations  | (423)                                       | (415)             | -                            | -                       | (8)                              | (20)                       |
| Principal paid on capital debt   | (3,894)                                     | (3,548)           | (44)                         | (241)                   | (61)                             | (338)                      |
| Interest paid on capital debt  | (3,342)                                     | (3,207)           | (5)                          | (78)                    | (52)                             | (130)                      |
| Proceeds from sales of capital assets  | <u>8</u>                                    | <u>-</u>          | <u>-</u>                     | <u>8</u>                | <u>-</u>                         | <u>612</u>                 |
| Net cash provided by (used in)<br>capital and related financing activities               | <u>(30,689)</u>                             | <u>(24,730)</u>   | <u>817</u>                   | <u>(7,112)</u>          | <u>336</u>                       | <u>(7,796)</u>             |
| <b>Cash flows from investing activities:</b>   |   |                   |                              |                         |                                  |                            |
| Interest and investment income received  | <u>384</u>                                  | <u>233</u>        | <u>11</u>                    | <u>65</u>               | <u>75</u>                        | <u>450</u>                 |
| Net cash provided by investing activities  | <u>384</u>                                  | <u>233</u>        | <u>11</u>                    | <u>65</u>               | <u>75</u>                        | <u>450</u>                 |
| Net increase (decrease) in cash and<br>cash equivalents                                  | (10,035)                                    | (2,934)           | 2,217                        | (1,579)                 | (7,739)                          | (9,371)                    |
| Total cash and cash equivalents,<br>beginning of the year                                | <u>74,206</u>                               | <u>7,455</u>      | <u>4,495</u>                 | <u>32,163</u>           | <u>30,093</u>                    | <u>205,960</u>             |
| Total cash and cash equivalents,<br>end of the year                                      | <u>\$ 64,171</u>                            | <u>\$ 4,521</u>   | <u>\$ 6,712</u>              | <u>\$ 30,584</u>        | <u>\$ 22,354</u>                 | <u>\$ 196,589</u>          |
| <b>Reconciliation of cash and cash equivalents<br/>to the Statement of Net Position:</b> |   |                   |                              |                         |                                  |                            |
| Cash and investments   | \$ 62,456                                   | \$ 4,521          | \$ 6,712                     | \$ 30,369               | \$ 20,854                        | \$ 196,589                 |
| Restricted cash and investments  | <u>1,715</u>                                | <u>-</u>          | <u>-</u>                     | <u>215</u>              | <u>1,500</u>                     | <u>-</u>                   |
| Total cash and cash equivalents, end of the year   | <u>\$ 64,171</u>                            | <u>\$ 4,521</u>   | <u>\$ 6,712</u>              | <u>\$ 30,584</u>        | <u>\$ 22,354</u>                 | <u>\$ 196,589</u>          |

(Continued)

See accompanying notes to the basic financial statements

COUNTY OF VENTURA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(In Thousands)  
(Continued)

|  | Business-type Activities - Enterprise Funds |                    |                              |                         |                                  | Governmental<br>Activities |
|--|---|--------------------|------------------------------|-------------------------|----------------------------------|----------------------------|
|  | Total                                       | Medical<br>Center  | Department<br>of<br>Airports | Waterworks<br>Districts | Non-major<br>Enterprise<br>Funds | Internal<br>Service Funds  |
| <b>Reconciliation of operating income (loss)<br/>to net cash provided by (used in)<br/>operating activities:</b> |   |                    |                              |                         |                                  |                            |
| Operating income (loss)  | \$ (25,484)                                 | \$ (26,343)        | \$ (1,152)                   | \$ 3,209                | \$ (1,198)                       | \$ 1,571                   |
| Adjustments to reconcile operating income (loss)<br>to cash flows from operating activities:                     |   |                    |                              |                         |                                  |                            |
| Depreciation and amortization  | 12,535                                      | 5,358              | 2,592                        | 2,211                   | 2,374                            | 7,254                      |
| Decrease (increase) in:  |   |                    |                              |                         |                                  |                            |
| Accounts receivable  | (38,560)                                    | (33,965)           | 29                           | (373)                   | (4,251)                          | 866                        |
| Due from other funds   | 735   | 734                | -                            | 20                      | (19)                             | 812                        |
| Due from other governmental agencies   | -   | -                  | -                            | -                       | -                                | 24                         |
| Inventories and other assets   | (647)                                       | (563)              | -                            | (103)                   | 19                               | 190                        |
| Long-term receivables  | 77  | 57                 | -                            | -                       | 20                               | -                          |
| Increase (decrease) in:  |   |                    |                              |                         |                                  |                            |
| Accounts payable   | (2,667)                                     | (2,102)            | 3                            | 457                     | (1,025)                          | 1,515                      |
| Accrued liabilities  | 2,987                                       | 1,688              | 9                            | -                       | 1,290                            | 268                        |
| Due to other funds   | 8,584                                       | 14,669             | 3                            | 309                     | (6,397)                          | 156                        |
| Due to other governmental agencies   | (9)   | (9)                | -                            | -                       | -                                | (11)                       |
| Unearned revenue   | (868)                                       | -                  | (46)                         | 15                      | (837)                            | 59                         |
| Claims liabilities   | 104   | -                  | -                            | -                       | 104                              | 3,811                      |
| Deposits and other liabilities   | (153)                                       | -                  | (75)                         | -                       | (78)                             | -                          |
| Medical malpractice liability  | (475)                                       | (475)              | -                            | -                       | -                                | -                          |
| Compensated absences   | 255   | 195                | 26                           | -                       | 34                               | (260)                      |
| Net cash provided by (used in)<br>operating activities   | <u>\$ (43,586)</u>                          | <u>\$ (40,756)</u> | <u>\$ 1,389</u>              | <u>\$ 5,745</u>         | <u>\$ (9,964)</u>                | <u>\$ 16,255</u>           |

**Noncash financing, capital, and investing activities:**

|  |           |           |         |       |         |       |
|--|-----------|-----------|---------|-------|---------|-------|
| Capital additions funded by debt                                     | \$ 20,343 | \$ 20,343 | \$ -    | \$ -  | \$ -    | \$ -  |
| Increase (decrease) in capital assets related to<br>accounts payable | 1,327     | 2,335     | 9       | (528) | (489)   | (28)  |
| Noncash donation of capital assets                                   | 310       | -         | -       | 310   | -       | -     |
| Noncash retirement of capital assets                                 | (2,202)   | (206)     | (1,007) | (289) | (700)   | (968) |
| Decrease in fair value of investments                                | (42)      | (5)       | (1)     | (21)  | (15)    | (108) |
| Increase in capital debt   | 17        | -         | -       | -     | 17      | -     |
| Increase (decrease) in non-operating receivables                     | (2,977)   | (55)      | (871)   | (511) | (1,540) | 113   |
| Decrease in non-operating payables                                   | (248)     | (113)     | -       | -     | (135)   | (22)  |
| Increase in restricted assets with fiscal agents                     | 294,997   | 294,846   | -       | -     | 151     | 418   |
| Increase (decrease) in noncash interest                              | 704       | 725       | -       | -     | (21)    | 41    |

See accompanying notes to the basic financial statements