



County of San Diego, California Popular Annual Financial Report Fiscal year ended June 30, 2013



ABOUT THIS REPORT

Citizens of San Diego County:

Our Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2013 was prepared by the Auditor and Controller's office to provide readers of interest an easy to understand summary of our financial activities. The data from this report was taken from our Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. Both reports are available online at www.sdcity.ca.gov/auditor/cafr.html.

The information included in this report contains an overview of the County's economy and outlook, an analysis of the County's financial position and key financial information concerning the County's investments, capital assets and debt. It also includes a summary of our General Management System, around which we have built a culture of operational excellence, and highlights the five County business groups. It also provides summaries of how the County's monies were received and spent and includes significant statistical and demographic data.

It is important to note that the financial data in this report is unaudited, includes information exclusively on primary government funds and is presented on a non-GAAP (Generally Accepted Accounting Principles) basis. This means that it excludes discrete component unit and fiduciary fund information, contains condensed financial information and does not provide all of the necessary financial statements and note disclosures required by GAAP.

We hope you enjoy reading this report and invite you to access our audited CAFR online for more detailed information on your County finances. We welcome your questions, comments and suggestions regarding the information in this report. You can contact our office at (619) 531-5413.

County Mission

“To efficiently provide public services that build strong and sustainable communities.”



Donald F. Steuer
Donald F. Steuer

**Assistant Chief
Administrative Officer**
Chief Operating Officer



Tracy M. Sandoval
Tracy M. Sandoval

**Deputy Chief
Administrative Officer**
Auditor & Controller

ABOUT SAN DIEGO COUNTY

Board of Supervisors



Greg Cox
District 1
Chair



Dianne Jacob
District 2
Vice-Chair



Dave Roberts
District 3



Ron Roberts
District 4



Bill Horn
District 5

The County was incorporated on February 18, 1850, and functions under a charter adopted in July 1933. A five-member Board of Supervisors elected to four-year terms in district nonpartisan elections governs the County. The Board of Supervisors appoints the following officers: the Chief Administrative Officer (CAO), the County Counsel, the Probation Officer and the Clerk of the Board of Supervisors. The Chief Administrative Officer appoints the Assistant CAO/Chief Operating Officer, the Auditor and Controller and all other appointive officers. Elected officials include the Assessor/Recorder/County Clerk, District Attorney, Sheriff and Treasurer-Tax Collector.

It is the second largest County by population in California behind Los Angeles County. There are 18 incorporated cities in the County; of them, the City of San Diego is the largest and Del Mar is the smallest. Tijuana, Mexico is a substantial urban neighbor with a shared border, workforce, and economy.

San Diego County Population

Carlsbad	108,246	Imperial Beach	26,496	San Marcos	87,040
Chula Vista	251,613	La Mesa	58,244	Santee	55,033
Coronado	23,176	Lemon Grove	25,554	Solana Beach	12,987
Del Mar	4,199	National City	58,838	Vista	95,264
El Cajon	100,460	Oceanside	169,350	Unincorporated	492,491
Encinitas	60,482	Poway	48,559	Total	3,150,178
Escondido	145,908	San Diego	1,326,238		

Source: Adopted Operational Plan Fiscal Years 2013-14 & 2014-15

Statistics



Personal Income
Per Capita
\$49,711



Adopted Annual
Budget
\$4.85 Billion



School
Enrollment
499,850



Unemployment
Rate
7.8%

Sources: 2013 CAFR Statistical Table 13 and Adopted Operational Plan Fiscal Years 2012-2013 & 2013-2014

ABOUT SAN DIEGO COUNTY

County Economy and Outlook

The 2007-2009 recession and the sluggish growth thereafter have caused the US economy to continue to perform at a level below that which existed prior to the recession.

San Diego certainly shared the pain of the recession along with the rest of Southern California. However, San Diego's economy is moving in the right direction. Job creation in San Diego will occur in 2013 across all private industry sectors; but Federal defense budget cuts are a cause for concern for San Diego's defense and military sectors. The loss of government jobs is expected to continue this year and next. However, overall unemployment in the San Diego region continues to improve. San Diego County is forecasted to post an average annual unemployment rate of 6.5% for 2013 and 6.2% in 2014.

Another indicator of economic health is county taxable sales. Taxable sales began to decline overall in the county in 2007 and that trend continued in 2008 and 2009. In 2010, taxable sales showed moderate growth which continued in 2011. Sales tax revenues for the region in 2012 have shown continued improvement. Growth in taxable sales is expected to continue in 2013 and 2014.

The state of the economy plays a significant role in the County's ability to provide core services and the mix of other services sought by the public. The real estate market slump has impacted the County's general purpose revenue (GPR), although GPR is expected to increase marginally in fiscal year 2014 from fiscal year 2013. General purpose revenue is relied upon to fund local services where no other funding is available, as well as to fund the County's share of costs for services that are provided in partnership with the State and federal government.

County management continues to evaluate and respond to the changing economic environment and its impact on the cost and the demand for County services.

Source: 2013 CAFR Letter of Transmittal



Employment Mix [Industry¹]



[1] Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, and household domestic workers.

[2] Excludes the U.S. Department of Defense.

Source: Adopted Operational Plan Fiscal Years 2013-14 & 2014-15

ACHIEVEMENTS

Outstanding Achievement

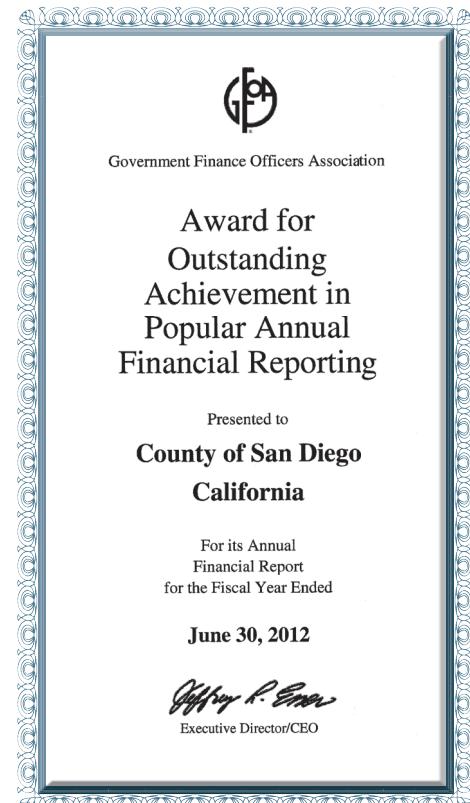
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR Award) to the County of San Diego for its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2012. The PAFR Award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive the PAFR Award, a government unit must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability and reader appeal. A PAFR Award is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

Other Awards and Recognitions

Various County programs received awards for operational and service delivery achievements, technological innovations, and educational outreach.

- ▶ The San Diego County Taxpayers Association recognized the County of San Diego with its highest honor as the winner of the 2013 Grand Golden Watchdog Award for the Sheriff's Department Multi-Discipline Graffiti Abatement Program.
- ▶ 2-1-1 San Diego and Health and Human Services Central Region ACCESS Customer Service Center received a Community & County Partnership of the Year award from the San Diego Hunger Coalition honoring the creation of a 211-ACCESS email line. This service has allowed community partners to better determine the status of a client's case.
- ▶ The Office of Emergency Services (OES) received a 2012 Digital Government Achievement Award from the Center for Digital Government for the County's web portal to access emergency information at www.sdcountyemergency.com.
- ▶ Examples of the 2013 National Association of Counties Achievement Awards received included:
 - ▶ New Homeowners Property Tax Guide - English/Spanish - designed to assist English and Spanish speaking homeowners on the property tax process in order to empower and educate new homeowners on their real estate purchase.
 - ▶ Putting the "WOW" factor into Educational Outreach - provides awe-inspiring interactive educational outreach to elementary, middle and high school age students that demonstrates how Environmental Health Specialists use science on the job to motivate students to continue their education and consider a career in environmental health.
 - ▶ 1st Grade @ the Library — a program with participating elementary schools that encourages first graders and their families to read together and become lifelong library users.

Note: Other Awards and Recognitions are listed in the 2013 CAFR Letter of Transmittal.



THE GENERAL MANAGEMENT SYSTEM

County employees must embrace the GMS and understand how the process applies to their individual job. This requires setting clear expectations, providing incentives, evaluating performance, and rewarding those who meet or exceed expectations. Motivation, Rewards and Recognition encourages individual and group excellence.

Although the County is divided into distinct groups, departments and divisions for operational purposes, the County has many critical functions and goals that cross these organizational lines. Functional threading ensures coordination throughout the organization to pursue shared goals, solve problems, and exchange information.

Motivation, Rewards & Recognition

Functional Threading

Strategic Plan looks ahead five years to anticipate significant needs, challenges, and risks that are likely to develop.

Long-range planning requires assessing both where we are and where we want to be.

Strategic Planning

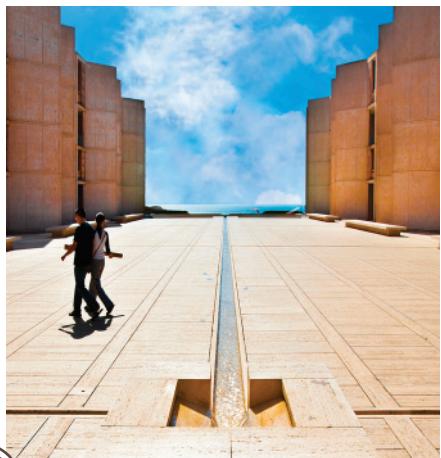
The County of San Diego works to provide the best possible services to residents while serving as responsible stewards of public dollars. We have built a culture of operational excellence through the adoption of the General Management System (GMS). The GMS guides planning, implementation and monitoring of all County functions that affect how we deliver services to County residents, businesses and visitors. It is a closed loop of five overlapping elements that form an ongoing cycle of sound fiscal management and operational excellence.

Monitoring & Control

Monitoring and Control shows us whether we are on track to achieve our goals. We evaluate progress at regular intervals and make necessary adjustments. Progress is evaluated monthly, quarterly, and annually.

Operational Planning allocates resources to specific programs and services that support our long-term goals over the next two fiscal years. This includes adoption of an annual budget and approval in principle of a second year spending plan.

Operational Planning



STRATEGIC INITIATIVES



County Strategic Initiatives and Objectives

The County provides a full range of public services to residents, including law enforcement, detention and correction, emergency response services, health and sanitation, parks and recreation, libraries and roads. The County also serves as a delivery channel for many State services, such as foster care, public health care and elections. These services are provided by five business Groups (Public Safety, the Health and Human Services Agency, Land Use and Environment, Community Services and Finance and General Government), each headed by a General Manager who reports to the CAO. All County programs support at least one of the following County Strategic Initiatives and objectives:

Safe Communities

Promote safe communities.

Objectives:

- Prevent crime and make neighborhoods safe places to live, work and play
- Provide for a strong, collaborative criminal justice system that holds offenders accountable and protects victims' rights
- Reduce recidivism and help offenders successfully reenter society
- Ensure the most vulnerable residents are protected from abuse and neglect
- Help communities prepare, respond, and recover from natural disasters, public health threats, environmental hazards and other emergencies

Sustainable Environments

Support environments that foster viable, livable communities while bolstering economic growth

Objectives:

- Provide for planning, development, infrastructure and services that support the local economy and are fundamental to a strong, vibrant region
- Implement land use strategies that protect and promote our natural and agricultural resources, diverse habitats and sensitive species
- Promote an environment where communities can prosper and residents can enjoy parks, open spaces, clean air and water, and outdoor experiences
- Encourage residents of all ages to engage in community life, civic activities, and recreational interests

Healthy Families

Make it easier for residents to lead healthy lives while improving opportunities for children and adults

Objectives:

- Help residents of every age adopt a healthy lifestyle
- Make neighborhoods healthy places to live, work and play
- Improve access to high-quality and efficient care that leads to improved physical and behavioral health
- Assist families in achieving and maintaining self-sufficiency and promote the future well-being and prospects of all residents



COUNTY FINANCIALS

Government-Wide Statement of Net Position

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 \$4.24 billion at the close of fiscal year 2013, an increase of \$214.9 million or 5.1% over fiscal year 2012. This included an increase of approximately \$120 million in the County's restricted and unrestricted net position (an 11% increase over fiscal year 2012) and an increase of \$95 million in net investment in capital assets (a 3% increase over fiscal year 2012).

The largest portion of the County's net position (71%) reflects its investment of \$3.03 billion in capital assets, net of related debt (which includes: land, easements, buildings and improvements, equipment, software and infrastructure; less any related outstanding debt used to acquire those assets). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in 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 liquidated for these liabilities.

An additional portion of the County's net position, i.e. restricted net position equaled \$620 million and represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, laws and/or regulations of other governments. The remaining portion of the County's net position includes \$595 million in unrestricted net position.

June 30, 2013 and 2012 [In thousands]		
	Total Primary Government 2013	2012
Assets		
Current and other assets	\$ 3,366,027	3,311,091
Capital assets	3,381,573	3,294,862
Total assets	6,747,600	6,605,953
Liabilities		
Long-term liabilities	2,025,912	2,050,639
Other liabilities	478,142	526,722
Total liabilities	2,504,054	2,577,361
Net Position		
Net investment in capital assets	3,028,491	2,933,430
Restricted	619,855	553,422
Unrestricted	595,200	541,740
Total net position	\$ 4,243,546	4,028,592

Source: 2013 CAFR Management's Discussion and Analysis Table 1

COUNTY FINANCIALS

Key Terms

Here are some definitions that will take the mystery out of the accounting terms you will find throughout the financial sections of this report.

Government-Wide: This PAFR presents the balance sheet (statement of net position) which includes assets, liabilities and net position. It also presents the income statement (statement of changes in net position) which includes revenue and expense information.

Governmental Funds: The County maintains various governmental funds that are used to account for tax, program and other miscellaneous revenues.

Business-type Funds: The County maintains various business-type funds that are used to account for activities for which a fee is charged to external users for goods or services.

Primary Government: Includes all of the governmental and business-type activities belonging to the County but excludes the discrete component unit and fiduciary funds.

Assets: What is owned by the County.

Liabilities: What the County owes.

Net position: The difference between the County's assets and liabilities. It is the net worth of the County.

Current and other assets: Includes such items as pooled cash and investments, cash and investments with fiscal agents, receivables, internal balances, inventories, deposits with others, prepaid items and deferred charges.

Capital assets: Includes such items as County land, easements, construction in progress, buildings and improvements, software, equipment, infrastructure, and accumulated depreciation/amortization, if applicable.

Long-term liabilities: Includes such items as bonds, loans, compensated absences, and other County obligations.

Other liabilities: Includes such items as payables, payroll, accrued interest and unearned revenue.

Net investment in capital assets: Represents amounts invested in capital assets less accumulated depreciation/amortization and any outstanding debt used to acquire these assets.

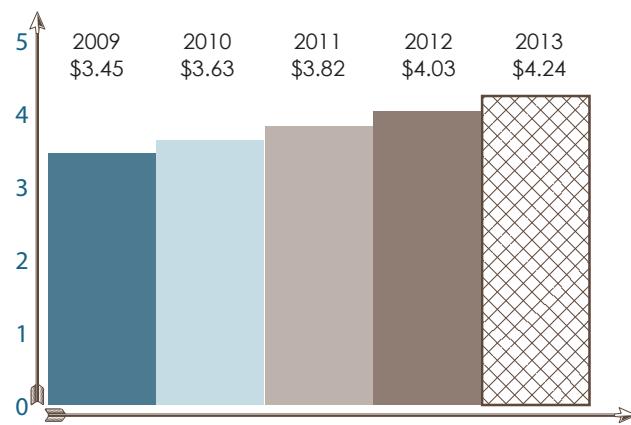
Restricted: What is not available for use by the County because it is set aside for a particular use.

Unrestricted: One-time funds available for the County to use for operations.

Total Net Position

Fiscal Years 2009-2013

[In billions]



The 2013 CAFR is available at: www.sdcounty.ca.gov/auditor/cafr.html

COUNTY FINANCIALS

Government-Wide Statement of Changes in Net Position

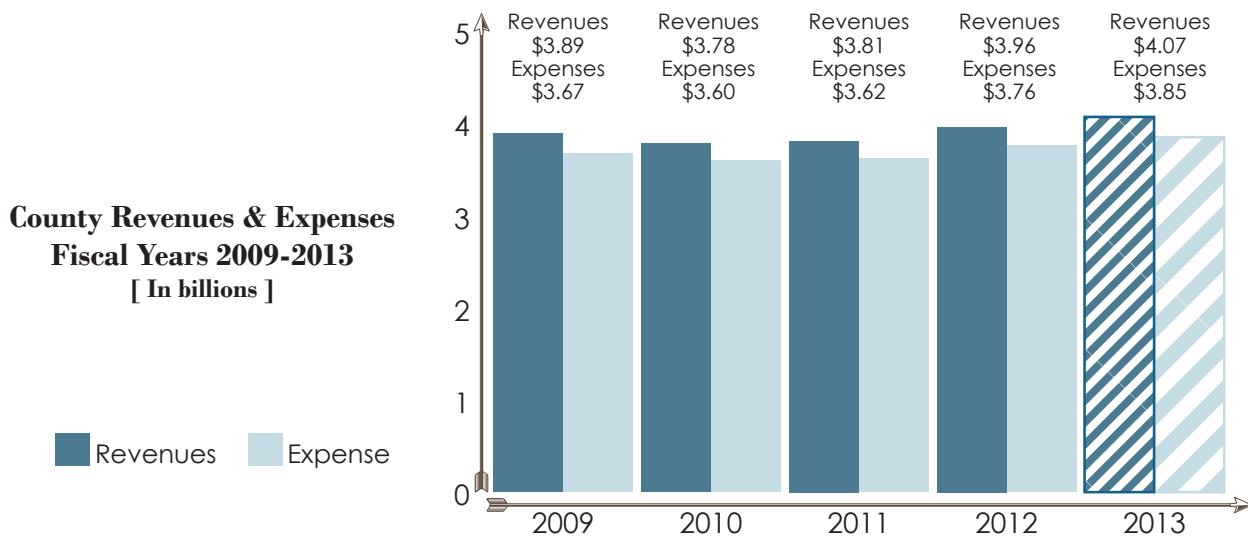
Program revenues are those that derive directly from the program itself or from other parties, not the taxpayers; while general revenues are those not required to be reported as program revenues. All expenses are reported under a specific function - a group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

Notable changes in revenues between fiscal years 2012 and 2013 are attributable in part to: increases in revenue consisting of \$74 million in realignment revenues, \$43 million in aid from Redevelopment Agencies (pre-dissolution)/Successor Agencies (post dissolution), \$33.4 million due to the growth of the Low Income Health Program, \$13 million in current and prior secured property taxes, \$18 million in donated assets; coupled with a decrease of \$37 million in California Assembly Bill 1484 true-up property taxes received from Successor Agencies as one-time revenues in fiscal year 2012, a \$25 million one-time court settlement related to the 2007 wildfires received in fiscal year 2012, and \$19 million in TransNet 1/2 percent sales and use taxes.

For the Years Ended June 30, 2013 and 2012 [In thousands]		Total Primary Government	
		2013	2012
Revenues:			
Program revenues		\$ 532,977	542,831
Charges for services		2,472,899	2,318,061
Operating grants and contributions		32,728	11,005
General revenues			
Property taxes		587,145	616,183
Other taxes		20,912	17,200
Property taxes in lieu of vehicle license fees		303,646	304,614
Sales and use taxes		24,809	18,222
Investment earnings		3,550	13,489
Other		90,912	117,718
Total revenues		4,069,578	3,959,323
Expenses:			
Governmental Activities:			
General government		240,409	271,485
Public protection		1,236,708	1,179,815
Public ways and facilities		135,432	132,166
Health and sanitation		851,246	790,907
Public assistance		1,183,923	1,175,678
Education		34,104	34,669
Recreation and cultural		34,204	36,128
Interest		95,801	102,338
Business-type Activities:			
Airport		14,107	12,736
Sanitation district		22,936	22,335
Wastewater management		5,754	5,980
Total expenses		3,854,624	3,764,237
Changes in net position before extraordinary gain		214,954	195,086
Extraordinary gain			10,423
Change in net position		214,954	205,509
Net position at beginning of year		4,028,592	3,823,083
Net position at end of year		\$ 4,243,546	4,028,592

Source: 2013 CAFR Management's Discussion and Analysis Table 2

COUNTY FINANCIALS



Revenues and Expenses Defined

Revenues:

Charges for services - Fees charged for licenses, permits and franchises, fines, forfeitures, penalties and other fees.

Operating grants and contributions - Aid from local, state and federal agencies.

Capital grants and contributions - Federal and state grants for capital activities and donations made from external entities e.g. developers.

Property taxes - County property taxes levied.

Other taxes - Other taxes levied such as transit occupancy tax and real property transfer tax.

Property taxes in lieu of vehicle license fees - Property taxes collected in lieu of vehicle license fees.

Sales and use taxes - A consumption tax charged at the point of purchase for certain goods and services.

Investment earnings - Earnings on County investments.

Other - Includes various miscellaneous revenue types that are not reported in aforementioned categories.

Expenses:

General government - Services provided by support departments such as the Assessor/Recorder/County Clerk, Auditor & Controller, Treasurer-Tax Collector, County Counsel, Board of Supervisors and the County Technology Office.

Public protection - Services provided by departments such as Agriculture Weights and Measures, District Attorney, Department of Animal Services, Office of Emergency Services, fire protection Permanent Road Divisions, Medical Examiner, Probation, and Sheriff.

Public ways and facilities - Services provided by departments such as Permanent Road Divisions, Public Works, Aviation and the San Diego Lighting Maintenance District.

Health and sanitation - Services provided by departments such as Air Pollution Control, ambulance and paramedic County Service Areas, Environmental Health, Health and Human Services Agency, Public Works, Inactive Waste Site Management and various Sanitation Districts.

Public assistance - Services provided by departments such as Health and Human Services, Housing Authority, Probation and In Home Supportive Services Public Authority.

Education - Services provided by departments such as the County Library, and Farm & Home Advisor.

Recreation and cultural - Services provided by departments such as park County Service Areas, Local Park Planning Areas and Parks and Recreation.

Interest - Expenses associated with County debt.

Airport - Expenses related to the maintenance, operations and development of County airports. A major objective of the airport program is to purchase and develop airport property in order to create tax revenues and create jobs in the private sector.

Sanitation district - Expenses related to the operations of the sanitation district governed under the Board of Supervisors.

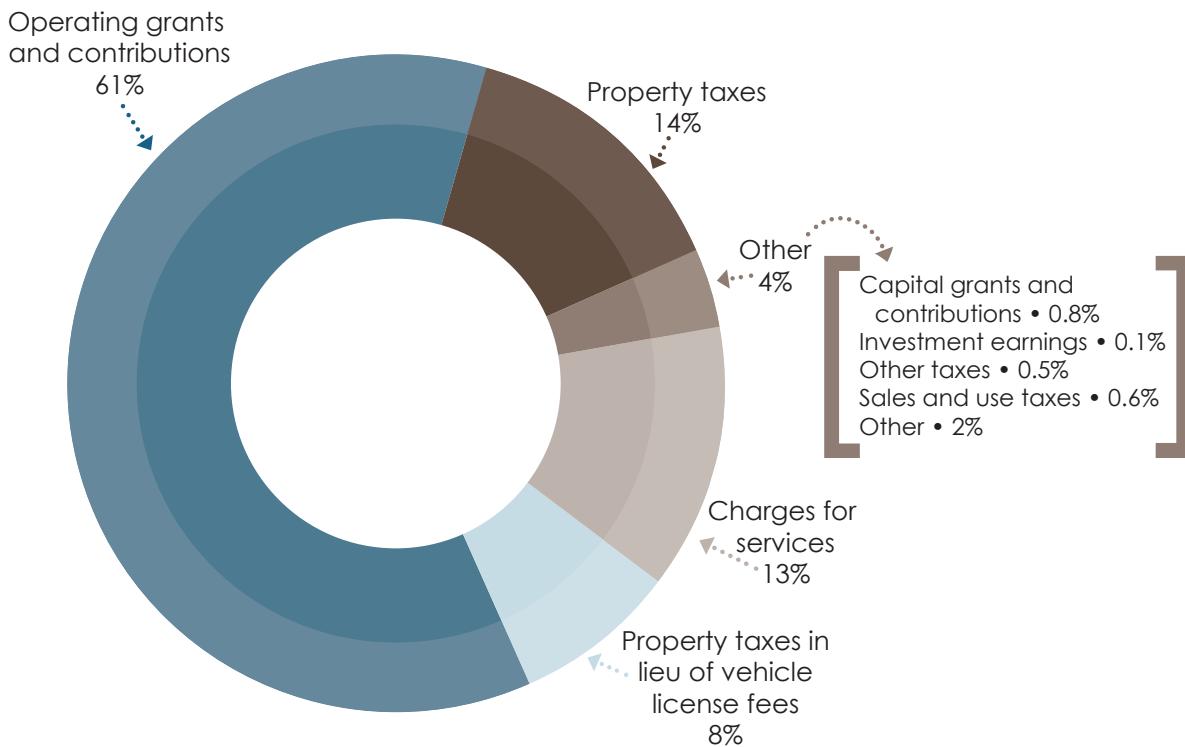
Wastewater management - Expenses related to the operations and support provided to the sanitation district governed by the Board of Supervisors.

Other:

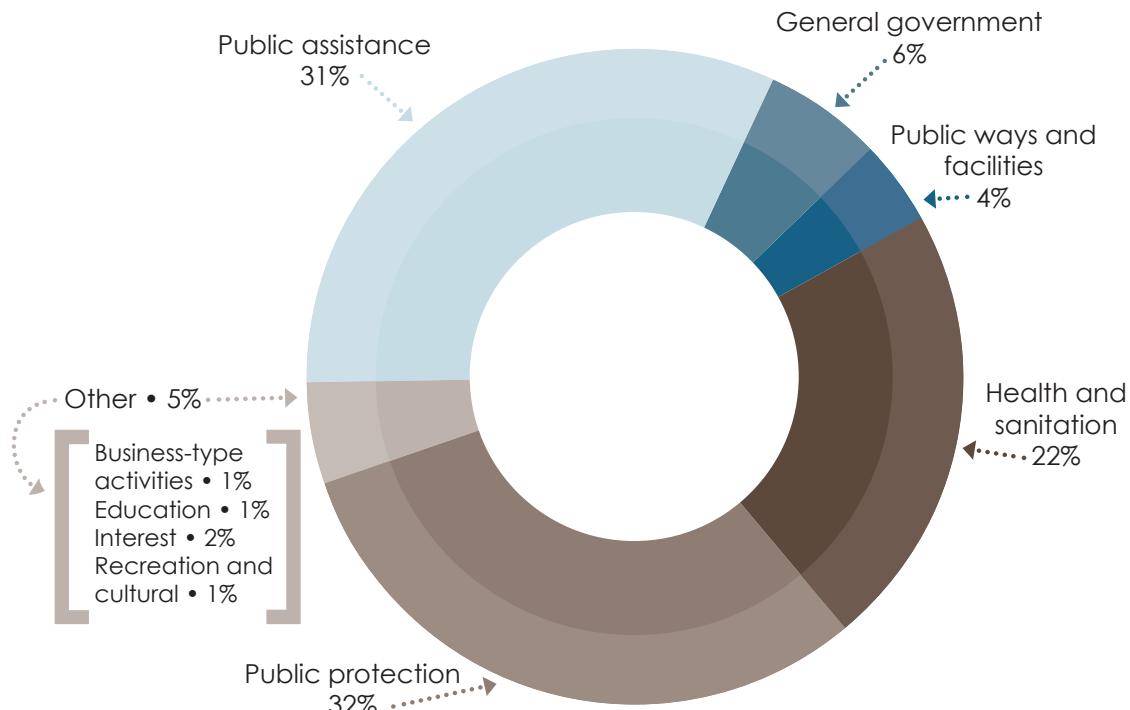
Extraordinary gain or loss - Transactions or other events that are both unusual in nature and infrequent in occurrence.

COUNTY FINANCIALS

Where does the money come from?



Where does the money go?



KEY FINANCIAL DATA

County Pooled Investments

The County investment practices and policies are based upon state law and prudent money management. The objectives of the Pooled Investment Policy are:

- » Safeguard the principal of the funds under the County Treasurer's control.
- » To meet the liquidity needs of the participants.
- » To achieve an investment return on the funds under the control of the County Treasurer within the parameters of prudent risk management.

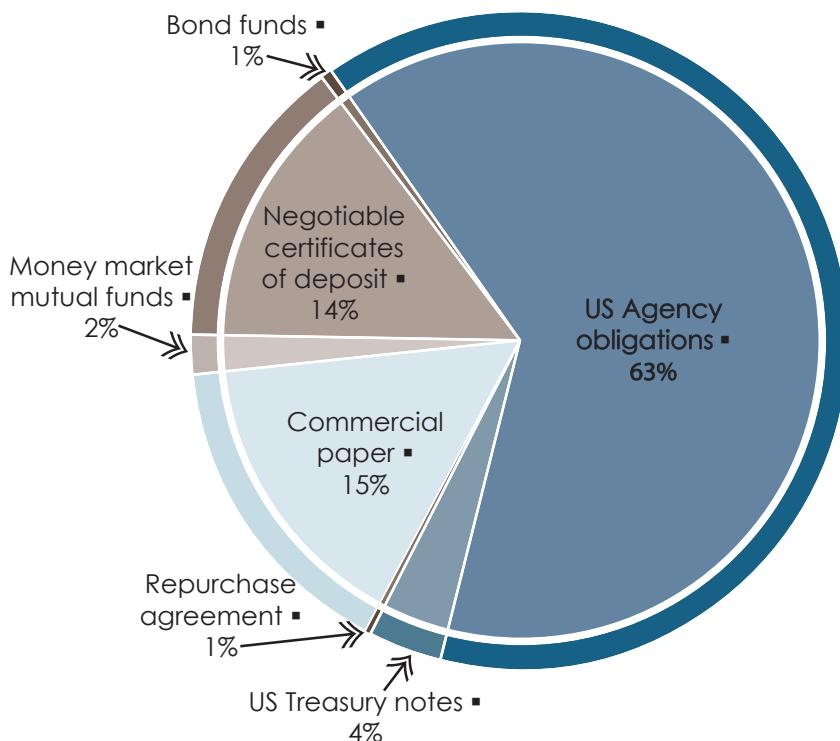
Credit ratings are forward-looking opinions about credit risk. This year the County pool (Pool) remained rated AAAf/S1 by Standard & Poor's (S&P). The 'AAAf' rating indicates the highest level of protection against losses from credit defaults, whereas the 'S1' volatility rating indicates that the Pool possesses low-sensitivity to changing market conditions.

The County's Pooled Money Fund Investment Policy and California State Law set minimum credit ratings for each type of investment held by the Pool. AAA is the highest quality S&P rating an investment can receive.

Pooled Investments [In Thousands]		
Investment	Fair Value	Standard & Poor's Rating
US Agency obligations	\$ 4,198,521	A-1+/AA+
US Treasury notes	245,818	AA+
Repurchase agreement	22,159	AA+
Commercial paper	1,024,733	A-1/A-1+
Money market mutual funds	127,325	AAA
Negotiable certificates of deposit	945,002	A-1/A-1+
Bond funds	35,105	AA
Total investments	\$ 6,598,663	

Note: Data presented in this chart excludes investments with fiscal agents.

Source: 2013 CAFR Notes to the Financial Statements Table 7



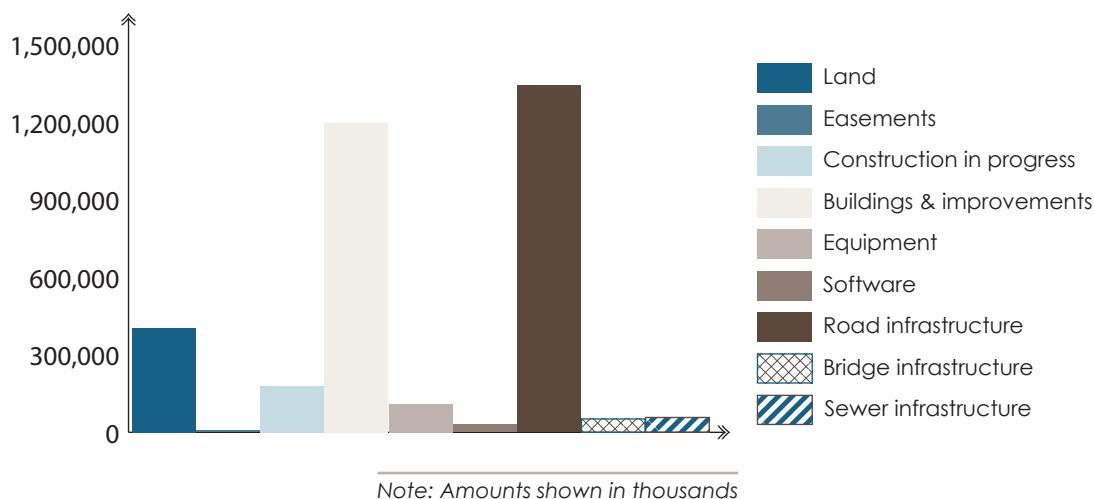
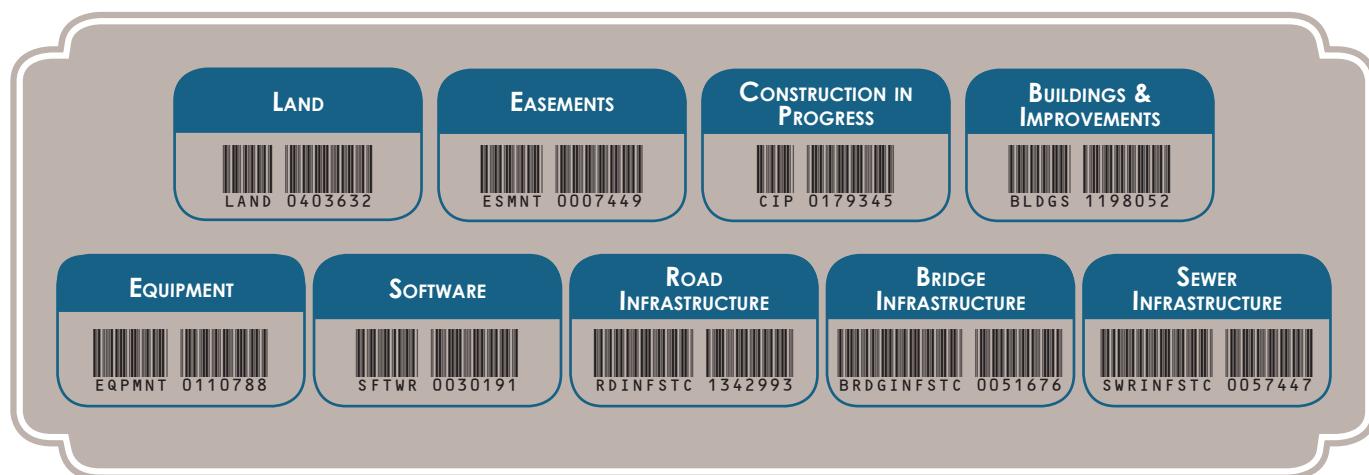
KEY FINANCIAL DATA

Capital Assets

This chart depicts the outstanding capital assets, net of depreciation/amortization, as of June 30, 2013 for both Business-type and Governmental funds.

At June 30, 2013, the County's capital assets, net of depreciation/amortization totaled \$3.38 billion. Capital assets are used to provide services to county residents. Some of the significant capital asset activity in fiscal year 2013 was as follows:

- \$49.9 million towards construction of the Women's Detention Facility in Santee.
- \$29.9 million towards the construction and improvement of County maintained roads, bridges and other road related infrastructure.
- \$28.1 million towards acquisition of equipment.
- \$23.4 million towards the construction of the Registrar of Voters Building.
- \$23.1 million in infrastructure donated by developers.
- \$5.5 million towards sewer improvements at various locations.
- \$2.4 million towards improvements at Palomar Airport Taxiways.

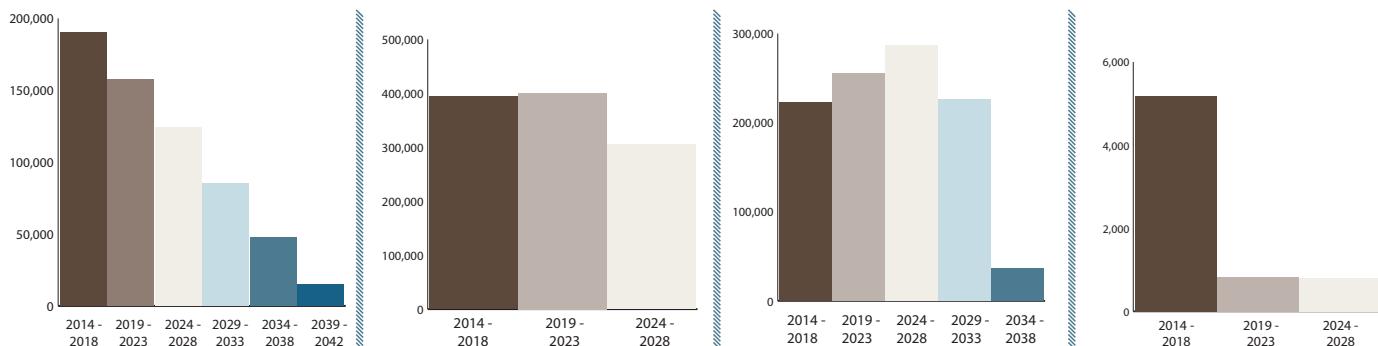


KEY FINANCIAL DATA

Long-Term Liabilities

At June 30, 2013 the County's long-term liabilities totaled \$2.026 billion: \$1.746 billion in long-term debt principal of certificates of participation, bonds and loans; and \$280 million of other long-term liabilities including capital leases, claims and judgments, compensated absences, landfill postclosure, pollution remediation, and unamortized premiums, discounts and deferred amounts on refundings.

County Debt Service Requirements to Maturity [In thousands]



Certificates of Participation and Lease Revenue Bonds [COP/LRB]

COP/LRB provide funds for the acquisition and construction of major capital facilities and equipment. The repayment of these COP/LRB is secured by a lease structure where the borrowing entity leases certain properties to another entity, a lessor, which in turn leases the properties back to the borrower. These lessors are the San Diego County Capital Asset Leasing Corporation (SANCAL), and the San Diego Regional Building Authority (SDRBA).

Taxable Pension Obligation Bonds [POB]

POB are issued by the County to reduce its pension unfunded actuarial accrued liability and to achieve interest rate savings by issuing bonds at interest rates which are less than the assumed rate of return earned on proceeds placed in the San Diego County Employees Retirement Association's pension plan. They are also issued to refund previously issued Pension Obligation debt.

Tobacco Settlement Asset-Backed Bonds [TSAB]

TSAB are issued by the Tobacco Securitization Joint Powers Authority of Southern California to securitize future revenue streams available to the County pursuant to various agreements.

Loans

Loans provide funds for the construction of low income housing; for various projects in County facilities to increase energy efficiency; for the construction of a sewer line and installation of a control tower, at the Ramona Airport; and for lighting improvements in its El Cajon Library Facility.

County Principal Debt Outstanding [In thousands]

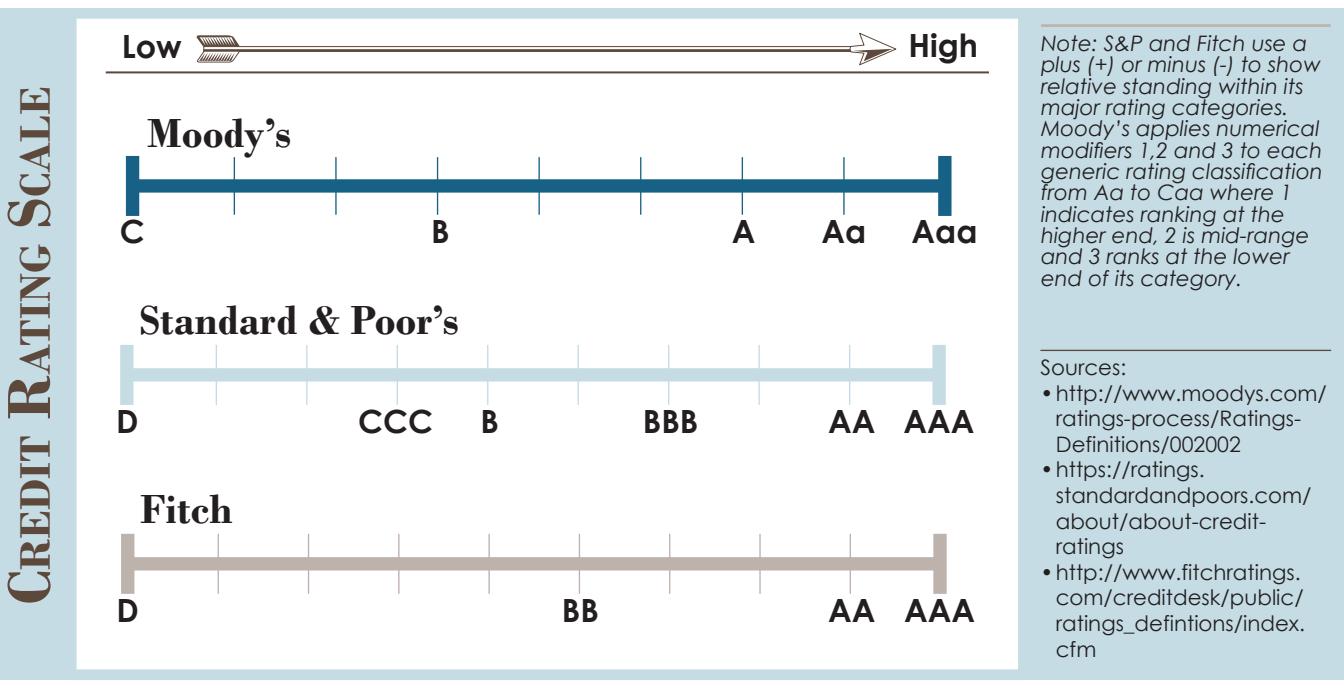


Note: The charts on this page include debt principal, unaccrued appreciation and interest.

KEY FINANCIAL DATA

	Credit Ratings		
	Moody's	Standard & Poor's	Fitch
Issuer Rating	Aa1	AAA	AAA
Certificates of Participation San Diego County Capital Asset Leasing Corporation (SANCAL)	Aa3	AA+	AA+
Certificates of Participation San Diego Regional Building Authority (SDRBA) Metropolitan Transit System Towers	Aa3	AA+	AA+
Lease Revenue Bonds SDRBA County Operations Center 1A	Aa3	AA+	AA+
Refunding Lease Revenue Bonds SDRBA San Miguel	A1	AA+	not rated
Pension Obligation Bonds	Aa3	AA+	AA+
Tobacco Settlement Asset-Backed Bonds - Series 2006A1 (Senior)	B1	BBB	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006A2 (Senior)	B3	BB+	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006A3 (Senior)	B2	B+	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006B (First Subordinate)	not rated	CCC+	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006C (Second Subordinate)	not rated	CCC	not rated
Tobacco Settlement Asset-Backed Bonds - Series 2006D (Third Subordinate)	not rated	CCC	not rated
San Diego County Redevelopment Agency Bonds	not rated	not rated	not rated

Source: 2013 CAFR Management's Discussion and Analysis Table 3



PROPERTY TAX

The Property Tax Rate

To generate the annual secured tax roll, the County Auditor applies the one percent (1%) tax rate set by Proposition 13, enacted in 1978, and other tax rates for voter approved debt to the combined assessed valuation roll. Additionally, the County Auditor compiles the fixed charge special assessments to be included in the tax roll on behalf of local governmental entities.

Sources: 2013 CAFR Statistical Table 6; Details of the direct and overlapping rates were provided by the County Auditor and Controller's Property Tax Services Division.

The \$1.00 per \$100 of Assessed Value (Proposition 13) tax rate beginning in Fiscal Year 1979 is distributed according to State Law on a percentage basis to each of the eligible taxing agencies in the County.

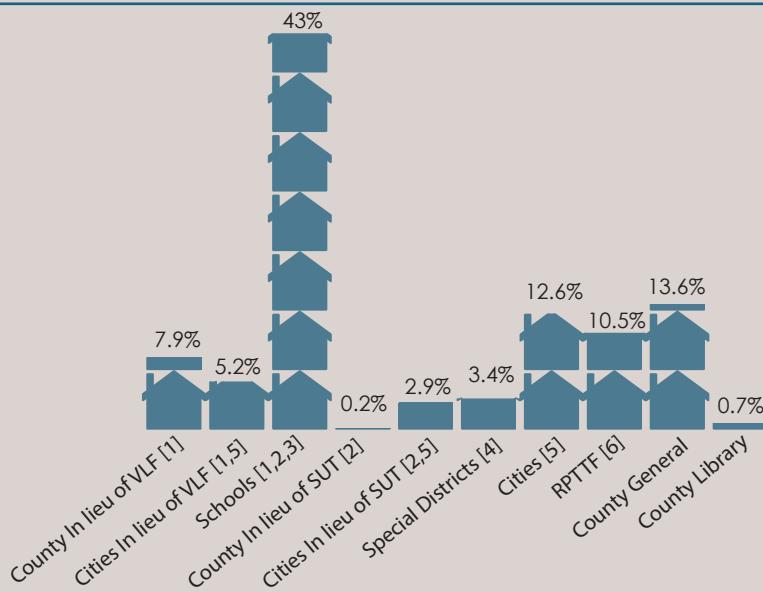
Overlapping rates for cities, schools and special districts are chargeable to property owners within their respective tax rate areas (TRA). Overlapping rates do not apply to all property owners (e.g., the rates for special districts apply only to property owners whose property is located within the geographic boundary (TRA) of the special district).

Year	Direct Rate				Total Direct Rate	+ Overlapping Rates			Total Rates
	County	Cities	Schools	Special Districts		Cities	Schools	Special Districts	
2009	0.138	0.229	0.597	0.036	1.000	0.004	0.050	0.007	0.061
2010	0.140	0.232	0.594	0.034	1.000	0.004	0.063	0.008	0.075
2011	0.140	0.232	0.594	0.034	1.000	0.004	0.066	0.008	0.078
2012	0.140	0.231	0.595	0.034	1.000	0.004	0.073	0.009	0.086
2013	0.140	0.232	0.594	0.034	1.000	0.004	0.073	0.009	0.086

Tax Rate Area: A specific geographic area, all of which is within the jurisdiction of the same combination of local agencies and school entities for the current fiscal year. The County currently has 4,968 Tax Rate Areas.

Property Tax Allocation

The County collected \$3.87 billion of the 1% property tax as of June 30, 2013. This chart shows the Fiscal Year 2013 Property Tax Collection Allocation.



- [1] Represents the exchange of Property Tax for Cities and County Vehicle License Fee (VLF) as authorized under Senate Bill 1096, chaptered August 5, 2004.
- [2] Represents the exchange of Property Tax for Cities and County Sales and Use Tax (SUT) as authorized under Assembly Bill 1766, chaptered August 2, 2003.
- [3] The collection allocated to Educational Revenue Augmentation Fund (ERAF) was used to pay the in lieu of vehicle license fee (VLF) and in lieu of sales and use tax (SUT) to County and Cities.
- [4] Includes districts under the Board of Supervisors.
- [5] Refer to "Cities' 1% Collection Allocation" report for details.
- [6] The redevelopment agencies were dissolved in FY 2011-12 (ABx1 26). Their share of property taxes were deposited to the redevelopment successor agencies' Redevelopment Property Tax Trust Fund (RPTTF).

Sources: 2013 CAFR Statistical Table 8; Details of the Property Tax Collection Allocation were provided by the County Auditor and Controller's Property Tax Services Division

2013 ACHIEVEMENTS OF NOTE

By the Numbers

1

[Health and Human Services Agency]

Implemented the multi-year Community Nutrition Education Program grant to provide nutrition education and promote access to healthy foods to 3,432 at-risk, low-income individuals who receive or are potentially eligible to receive CalFresh nutrition assistance.

2

[Probation] Educated crime victims of

their constitutional rights and provided victim input to the court regarding sentencing, restitution and other conditions of probation. Contacted 99% (13,237 of 13,342) of available victims and informed them of their right to restitution and a victim impact statement.

3

[Public Works] Completed 24 oil collection and outreach events resulting in the recycling of 92,487 gallons of used oil and 33,336 used oil filters, exceeding the goals of 10 events, 80,000 gallons of used oil and 15,000 filters.

[Housing and Community Development] Provided rental assistance to permanently house 294 homeless veterans through the Veterans Affairs Supportive Housing (VASH) program, exceeding the goal of 200. Use of these vouchers is dependent upon referrals received from the U.S. Department of Veterans Affairs.

[Clerk of the Board of Supervisors] Provided opportunities to San Diego residents by processing and mailing 100% of 27,012 completed United States Passport applications on the same day they are received.

Serving the Public



[Health and Human Services Agency] Built a better service delivery system to support the health of the children who seek routine immunizations at the "Vaccines are Important for Preschoolers" clinic, by connecting them to a certified application assistant for health care coverage.

[District Attorney] Expanded services for domestic violence victims in the northern region of San Diego County through the implementation of a High Risk Domestic Violence Team in partnership with local providers and law enforcement.



[Sheriff] Deployed the San Diego Regional Sex Offender Notification System to the public in March 2013. This system allows the public to subscribe to receive alerts on changes to the status of sex offenders as reported in the Megan's Law database.

[Agriculture, Weights and measures] Protected residential gardens and commercial produce from insidious pest infestations and avoided the widespread use of pesticides against new pests by placing and maintaining traps designed for early pest detection.

[County Library] Provided virtual library services that are available and relevant such as e-books, audio downloads, video downloads and access to premium databases.

[Assessor/Recorder/County Clerk] Provided the public with a variety of online forms and related services. This provides a more efficient and effective level of customer service by leveraging the latest in online form processing and electronic signature technology.

[Treasurer-Tax Collector] To safeguard public funds and maintain public trust, efficiently managed the provisions of banking services for public entities and County departments. The Treasurer-Tax Collector provided accurate recording of all funds on deposit and facilitated daily reconciliation of funds.

Operational Excellence

[Health and Human Services Agency]

California State Association of Counties 2012 Merit Award — Live Well San Diego — an ongoing plan to steer people away from a state of chronic disease and spiraling health care costs by promoting health, safety and a thriving region.



[Department of Child Support Services]

Earned recognition from the California Department of Child Support Services in 2012 for Top Overall Performance among large California county child support services departments. This is the third time in four years that San Diego County had been the top performer among the State's large counties.

[Department of Parks and Recreation] Earned the 2012 Recreation Facility/Park Design Achievement Award from the California Park and Recreation Society District 12 for the Sellers-Keever Educational Activity Center in Imperial Beach. Named for Charlie Keever and Jonathan Sellers, two boys who were killed in the area in 1993, the center was designed with help from the boys' mothers and was honored for excellence in design of facilities that promote recreation and strengthen community, safety and security.



[General Services] For the sixth consecutive year the Department of General Services was recognized by the California Counties Facilities Services Association with an Award of Excellence for exceptional dedication to facilities excellence and outstanding leadership in programs that extend the life of public facilities.

[County Communications Office] The County Communications Office's County News Center received a STAR Award for Overall Excellence in government programming from the States of California and Nevada chapter of the National Association of Telecommunications Officers and Advisors.

Note: Other Awards and Recognitions are listed in the 2013 CAFR Letter of Transmittal and Adopted Operational Plan Fiscal Years 2013-14 & 2014-15

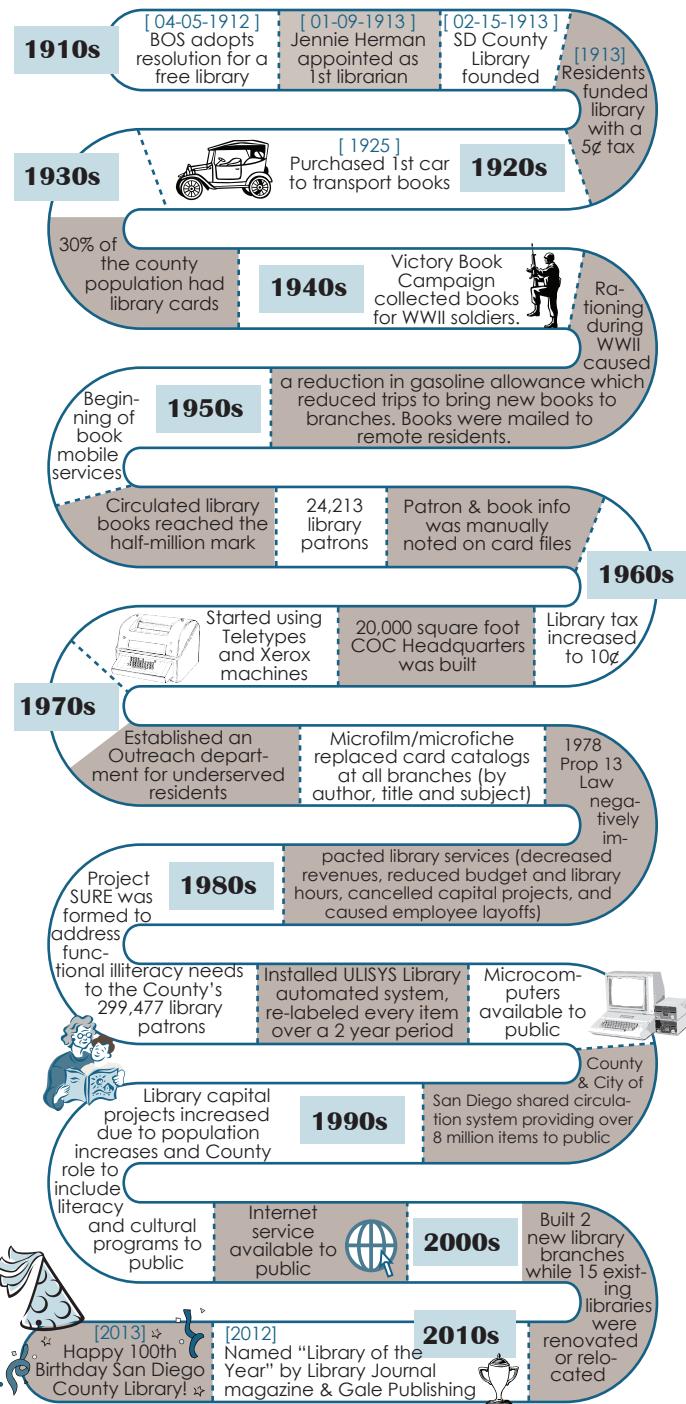
SAN DIEGO COUNTY LIBRARY

Celebrating 100 Years of Stories!

The San Diego County Library was founded to provide library service to remote and isolated populations of San Diego County. The dream began in 1898 when James L. Gillis, soon to be the California State Librarian, conceived of the idea of bringing library service to everyone in California. He decided that the only way to bring equal, economical, and complete library service to all Californians was to work through the counties. Laws in 1909 and 1911 allowed County Supervisors to establish county library services in areas not covered by city libraries. The San Diego Board of Supervisors received many petitions from County residents asking for library service. A County Library Organizer, Harriet Eddy traveled tirelessly by stagecoach to the various communities in San Diego County to talk about library service. On April 5, 1912, the Board of Supervisors (BOS) adopted a resolution stating, "Whereas, it is fitting and just for the best interests and welfare of the people of San Diego County that they be given every proper privilege for education, culture, and pleasure, and whereas the establishment of a county free library in San Diego County would offer such means for advancement and improvement, therefore be it resolved that a county free library be established."

On January 9, 1913, Jennie Herman, the former librarian of Tulare County, was appointed the first librarian of San Diego County. On February 15, 1913, the San Diego County Library was formed. The library system started with nine branches, a small school collection and 700 books. Early Library collections were placed in stores, community facilities, government offices and private homes.

Today the Library has 33 branches, 2 bookmobiles and 42 million books, movies and music CDs available to library cardholders.



Visit www.sdcl.org for branch locations and to access the complete "History of the Library" article.

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