COACHELLA VALLEY
ASSOCIATION OF GOVERNMENTS

Comprehensive Annual Financial Report

Year ended June 30, 2013

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ASSOCIATION OF GOVERNMENTS

Comprehensive Annual Financial Report

Year ended June 30, 2013

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Executive Committee
Coachella Valley Association of Governments
Palm Desert, California

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Coachella Valley Association of Governments ("Association"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Association, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As described in Note 1 to the financial statements, during the year ended June 30, 2013, the Association implemented GASB Statements No. 63 and 65. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the Association's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 16, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and *budgetary comparison information* on pages 3-10 and 49-53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Association's basic financial statements. The supplementary schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional

procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report February 12, 2014 on our consideration of the Associations 's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Associations's internal control over financial reporting and compliance.

Mayer Hoffman McCann P.C.

Irvine, California
February 12, 2014

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

The following discussion and analysis of the financial performance of Coachella Valley Association of Governments ("Association") provides an overview of the Association's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

Using the Accompanying Financial Statements

This annual report consists of a series of financial statements. The *Statement of Net Assets* and the *Statement of Activities* provide information about the activities of the Association as a whole and present a long-term view of the Association's finances. Also included in the accompanying report are the *fund financial statements*. The fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Association's operations in more detail than the government-wide statements by providing information about the Association's most significant funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and a section that presents *combining statements* for nonmajor governmental funds. The *basic financial statements* include two kinds of statements that present different views of the Association:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the Association's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the Association government, reporting the Association's operations in *more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that provided additional financial and budgetary information.

See independent auditors' report.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Reporting the Association as a Whole

The accompanying **government-wide financial statements** include two statements that present financial data for the Association as a whole. One of the most important questions asked about the Association's finances is, "Is the Association as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Association as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Association's net assets and changes in them. You can think of the Association's net assets – the difference between assets and liabilities –as one way to measure the Association's financial health, or *financial position*. Over time, *increases and decreases* in the Association's net assets are one indicator of whether its *financial health* is improving or deteriorating.

Reporting the Association's Major Funds

The **fund financial statements** provide detailed information about the Association's most significant funds - not the Association as a whole. Some funds are required to be established by grant or legal requirements. However, the Executive Committee establishes other funds to help it control and manage money for particular purposes or to show that it is meeting administrative responsibilities for using certain resources.

Governmental funds – the Association's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *current financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Association's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Association's programs.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

A summary of the government-wide *statement of net assets* follows:

Statements of Net Assets

	Fiscal Year 2013	Fiscal Year 2012	Dollar Change	Total Percent Change
Assets:				
Cash and investments	$ 44,663,273	$ 44,485,810	$ 177,463	0.4 %
Accounts receivable	179,872	458,795	(278,923)	(60.8) %
Interest receivable	30,247	40,761	(10,514)	(25.8) %
Due from other governments	4,766,944	5,182,751	(415,807)	(8.0) %
Loans receivable	14,025,856	10,164,115	3,861,741	38.0 %
Capital assets:				
Land	10,682,344	10,682,344	-	- %
Other capital assets, net	120,971	149,429	(28,458)	(19.1) %
Total Assets	74,469,507	71,164,005	3,305,502	4.7 %
Liabilities:				
Accounts payable	284,810	510,015	(225,205)	(44.2) %
Due to other governments	5,320,148	3,233,218	2,086,930	64.6 %
Unearned revenue	103,000	-	103,000	100.0 %
Noncurrent liabilities:				
Due within one year:				
Revenue bonds payable	1,020,977	961,135	59,842	6.2 %
Compensated absences	83,205	139,618	(56,413)	(3.8) %
Due in more than one year:				
Revenue bonds payable	26,207,117	27,228,094	(1,020,977)	6.6 %
Insurance payable	127,790	102,700	25,090	24.4 %
Advancement of 2009 Measure "A" funds	3,727,612	1,290,517	2,437,095	188.9 %
Compensated absences	72,762	-	72,762	100.0 %
Total Liabilities	36,947,421	33,465,297	3,482,124	10.4 %
Net Position:				
Invested in capital assets, net of related debt	10,803,315	10,831,773	(28,458)	(0.3) %
Restricted for Transportation	24,452,383	25,038,282	(585,899)	(2.3) %
Restricted for Other	1,040,745	860,732	180,013	20.9 %
Unrestricted	1,225,643	967,921	257,722	26.6 %
Total Net Assets	$ 37,522,086	$ 37,698,708	$ (176,622)	(0.5) %

See independent auditors' report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

A summary of the government-wide *statement of activities* follows:

Statements of Activities

	Fiscal Year 2013	Fiscal Year 2012	Dollar Change	Total Percent Change
Operating Expenses:				
Administrative	$ 377,495	$ 296,995	$ 80,500	27.3 %
Transportation	17,578,258	17,206,266	371,992	2.1 %
Other	3,162,821	4,202,454	(1,039,633)	(24.7) %
Interest expense	1,696,075	1,590,544	105,531	6.6 %
Total Expenses	22,814,649	23,296,259	(481,610)	(2.1) %
Program Revenues:				
Operating grants and contributions	22,230,014	16,571,215	5,658,799	34.2 %
General Revenues:				
Interest income	3,059	2,287	772	33.8 %
Other revenues	404,954	394,428	10,526	2.7 %
Total Revenues	22,638,027	16,967,930	5,670,097	33.4 %
Changes in Net Assets	(176,622)	(6,328,329)	6,151,707	(97.2) %
Net Assets - Beginning of Year	37,698,708	44,027,037	(6,328,329)	(14.4) %
Net Assets - End of Year	$ 37,522,086	$ 37,698,708	$ (176,622)	0.5 %

The increase or decrease in net assets can provide an indication as to whether the overall financial position of the Association improved or deteriorated during the year. Net assets of the Association's governmental activities decreased by 0.5 percent ($37.52 million compared to $37.70 million), which is minimal.

See independent auditors' report.

MAJOR FUNDS

General Fund - The General Fund accounts for all of the general revenues of the Association not specifically levied or collected for some special purpose, and for the expenditures related to the rendering of general services by the Association. At the end of the current fiscal year, unreserved fund balance of the General Fund was $1,198,085.

The reasons for significant changes in the revenues and expenditures of the Association's General Fund from the prior year are as follows:

- An increase in the total revenues by $11,099, mainly due to an increase in the member dues and investment incomes.
- An increase in Total Expenditures by $41,554 mainly due to hiring of an employee for a vacant position.

Transportation Uniform Mitigation Fees (TUMF) Fund - The TUMF Fund accounts for the revenues generated by the Traffic Mitigation Fees and provides additional funds necessary to construct the transportation improvements generated by the development in the valley. At the end of the current fiscal year, the total fund balance was $9,468,402.

The reasons for significant changes in the revenues and expenditures of the Association's TUMF Fund from the prior year are as follows:

- An increase in Mitigation Fees revenue by $1,061,009 as the economy has improved and start-up construction projects begun to pick-up in the current fiscal year.
- An increase in Total Expenditures by $806,466 mainly due to an increase in the allocated amount of reimbursement requests for arterial projects received from the jurisdictions.

Measure A Fund - The Measure A Fund accounts for the revenues generated by the Measure A half cent sales tax and is used mainly for the construction and/or improvement of the regional arterials in the Coachella Valley. At the end of the current fiscal year, the total fund balance was $31,935,335.

The reasons for significant changes in the revenues and expenditures of the Association's Measure A Fund from the prior year are as follows:

- An increase in Measure A revenues by $3,636,440. This increase does not have a direct relationship to the amount of Sales Tax collected but the amount of reimbursement that was requested by the Association. See note 13 for further clarification.
- A decrease in Total Expenditures by $1,472,734 mainly due to a smaller amount of request for arterial projects reimbursements from jurisdictions.

See independent auditors' report.

CV Link Fund - The CV Link Fund accounts for the revenues received from the various grants and is used mainly for the initial planning of the CV Link project, a pathway that incorporates pedestrians, bicyclists, and low-speed electric vehicles through eight Coachella Valley cities. At the end of the current fiscal year, the total fund balance was ($348,549).

The reasons for significant changes in the revenues and expenditures of the CV Link Fund from the prior year are as follows:

- An increase in Total Expenditures by $443,482 due mainly to the work performed by Consultants in the current fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

A summary of the Association's *capital assets* follows:

Capital Assets
(net of depreciation)

	Balance June 30, 2013	Balance June 30, 2012	Increase (Decrease)
Land	$ 10,682,344	$ 10,682,344	$ -
Furniture and equipment	50,099	60,377	(10,278)
Vehicles	70,872	89,052	(18,180)
Total	$ 10,803,315	$ 10,831,773	$ (28,458)

The decrease to Furniture and Equipment and to Vehicles is mainly due to depreciation.

Additional information on the Association's capital assets is presented in Note 6 of the Notes to Basic Financial Statements.

DEBT ADMINISTRATION

The only activity relating to long-term debt was scheduled annual retirements.

Long-Term Debt

	Balance June 30, 2013	Balance June 30, 2012	Increase (Decrease)
Revenue bonds payable	$ 27,228,094	$ 28,189,229	$ (961,135)
Insurance payable	127,790	102,700	25,090
Advancement of 2009 Measure "A" funds	3,727,612	1,290,517	2,437,095
Compensated absences	155,967	139,618	16,349
Total	$ 31,239,463	$ 29,722,064	$ 1,517,399

Additional information on long-term debt is presented in Note 8 of the Notes to Basic Financial Statements.

See independent auditors' report.

GENERAL FUND BUDGET

There were some major deviations between the final budget of the General Fund and its actual operating results namely:

• Salaries expenditures under budget by	$ 175,283
• Benefits expenditures under budget by	$ 71,407
• Transfers in under budget by	$ 300,221

The deviations occurred because the budget reflected the budgeted expenditures for the General Fund with a Transfers In from other funds to cover the allocated costs to those funds. However, for the financial statements, instead of affecting the Transfers In, the expenditures allocations are transferred to the respective funds directly.

CONTACTING THE ASSOCIATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, members, and resource providers with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Association's Office, attention Director of Administrative Services Department, at 73710 Fred Waring Drive, Suite 200, Palm Desert, California 92260.

See independent auditors' report.

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BASIC FINANCIAL STATEMENTS

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Statement of Net Position

June 30, 2013
(with comparative prior year information)

	Governmental Activities	
	2013	2012
Assets:		
Cash and investments (note 2)	$ 44,663,273	44,485,810
Accounts receivable	179,872	458,795
Interest receivable	30,247	40,761
Due from other governments	4,766,944	5,182,751
Loans receivable (note 3)	14,025,856	10,164,115
Capital assets (note 6):		
Capital assets, not depreciated	10,682,344	10,682,344
Capital assets, being depreciated, net	120,971	149,429
Total assets	74,469,507	71,164,005
Liabilities:		
Accounts payable	284,810	510,015
Due to other governments	5,320,148	3,233,218
Unearned revenue	103,000	-
Noncurrent liabilities (note 8):		
Due within one year	1,104,182	1,100,753
Due in more than one year	30,135,281	28,621,311
Total liabilities	36,947,421	33,465,297
Net position:		
Invested in capital assets	10,803,315	10,831,773
Restricted for:		
Transportation	24,452,383	25,038,282
Other	1,040,745	860,732
Unrestricted	1,225,643	967,921
Total net position	$ 37,522,086	37,698,708

See accompanying notes to the basic financial statements.

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Statement of Activities

Year ended June 30, 2013
(with comparative information for the prior year)

	Program Revenues			Net Governmental Activities	
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	2013	2012
Governmental activities:						
Administrative	$ 377,495	-	-	-	(377,495)	(296,995)
Transportation	17,578,258	-	20,808,862	-	3,230,604	(3,651,985)
Other	3,162,821	-	1,421,152	-	(1,741,669)	(1,185,520)
Interest expense	1,696,075	-	-	-	(1,696,075)	(1,590,544)
Total governmental activities	$ 22,814,649	-	22,230,014	-	(584,635)	(6,725,044)
General revenues:						
Investment income					3,059	2,287
Other revenues					404,954	394,428
Total general revenues					408,013	396,715
Change in net position					(176,622)	(6,328,329)
Net position at beginning of year					37,698,708	44,027,037
Net position at end of year					$ 37,522,086	37,698,708

See accompanying notes to the basic financial statements.

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Governmental Funds - Balance Sheet

June 30, 2013

(with comparative information for the prior year)

	General	Special Revenue: Transportation Uniform Mitigation Fees	Special Revenue: Measure A	Special Revenue: CV Link
Assets				
Assets:				
Cash and investments	$ 1,037,491	11,416,367	31,179,601	150
Accounts receivable	500	-	-	-
Interest receivable	736	7,538	21,272	-
Due from other governments	2,878	613,760	3,153,427	385,939
Due from other funds (note 4)	169,960	-	411,053	-
Total assets	$ 1,211,565	12,037,665	34,765,353	386,089
Liabilities and Deferred Inflows of Resources				
Liabilities:				
Accounts payable	$ 12,946	2,247	8,546	82,108
Due to other governments	134	2,567,016	2,742,267	-
Due to other funds (note 4)	-	-	-	303,981
Unearned revenue	-	-	-	-
Total liabilities	13,080	2,569,263	2,750,813	386,089
Deferred inflows of resources:				
Unavailable revenue	400	-	79,205	348,549
Total deferred inflow of resources	400	-	79,205	348,549
Fund balances:				
Restricted for:				
Transportation	-	9,468,402	31,935,335	-
Environmental	-	-	-	-
Homeless	-	-	-	-
Unassigned	1,198,085	-	-	(348,549)
Total fund balances	1,198,085	9,468,402	31,935,335	(348,549)
Total liabilities, deferred inflows of resources and fund balances	$ 1,211,565	12,037,665	34,765,353	386,089

See accompanying notes to basic financial statements.

Nonmajor Governmental Funds	Totals	
	2013	2012
1,029,664	44,663,273	44,485,810
179,372	179,872	458,795
701	30,247	40,761
610,940	4,766,944	5,182,751
-	581,013	285,685
1,820,677	50,221,349	50,453,802
178,963	284,810	510,015
10,731	5,320,148	3,233,218
277,032	581,013	285,685
103,000	103,000	-
569,726	6,288,971	4,028,918
23,711	451,865	182,417
23,711	451,865	182,417
6,363	41,410,100	44,241,704
896,539	896,539	677,447
334,247	334,247	136,656
(9,909)	839,627	1,186,660
1,227,240	43,480,513	46,242,467
1,820,677	50,221,349	50,453,802

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COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS
Governmental Funds

Reconcilation of the Balance Sheet of Governmental Funds to
the Statement of Net Position

June 30, 2013

Fund balances of governmental funds	$ 43,480,513
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of depreciation have not been recorded as assets in the governmental fund financial statements.	
Cost of capital assets	12,756,824
Accumulated depreciation	(1,953,509)
Loans receivable has not been reported in the governmental funds.	14,025,856
Long term liabilities have not been reported as liabilities in the governmental fund financial statements.	(30,955,706)
Claims payable have not been recorded as a liability in the governmental fund financial statements.	(127,790)
Compensated absences have not been recorded as liabilities in the governmental fund financial statements.	(155,967)
Revenues that are measurable but not available have been deferred in the governmental fund financial statements.	451,865
Net position of governmental activities	$ 37,522,086

See accompanying notes to the basic financial statements.

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS
Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 2013
(with comparative information for the prior year)

	General Fund	Special Revenue: Transportation Uniform Mitigation Fees	Special Revenue: Measure A
Revenues:			
Mitigation fees	$ -	2,126,174	-
Measure A (note 13)	-	1,280,854	11,365,659
Member dues	386,545	-	-
Grants	-	-	-
Investment income	3,059	42,878	115,555
Loan repayments	-	180,000	558,174
Other governmental	-	-	677,484
Miscellaneous	18,110	566	50,883
Total revenues	407,714	3,630,472	12,767,755
Expenditures:			
Salaries	180,904	287,980	295,627
Benefits	61,431	102,374	105,503
Communications	1,576	3,770	3,566
Advertising	75	268	219
Insurance	7,114	11,294	11,557
Memberships and per diem	9,986	4,776	4,331
General and office expenses	3,813	10,111	9,563
Professional services	3,719	6,226	10,720
Consultants	-	32,344	90,405
Leases and maintenance	15,706	24,387	24,866
Staff training	286	823	760
Transportation and meetings	13,862	2,517	2,565
Utilities	2,460	3,856	3,884
Project costs	-	7,239,948	10,638,918
Capital outlay	6,666	1,269	1,038
Debt service:			
Principal	-	-	961,135
Interest	-	-	1,696,075
Total expenditures	307,598	7,731,943	13,860,732
Excess (deficiency) of revenues over (under) expenditures	100,116	(4,101,471)	(1,092,977)
Other financing sources (uses):			
Revenue bonds issued	-	-	-
Advances received	-	-	2,437,095
Transfers in (note 5)	-	-	-
Transfers out (note 5)	(1,765)	-	(46,391)
Total other financing sources (uses)	(1,765)	-	2,390,704
Net change in fund balances	98,351	(4,101,471)	1,297,727
Fund balances (deficit) at beginning of year	1,099,734	13,569,873	30,637,608
Fund balances (deficit) at end of year	$ 1,198,085	9,468,402	31,935,335

See accompanying notes to basic financial statements.

Special Revenue				
CV Link	Nonmajor Governmental Funds	Totals 2013	Totals 2012	
-	-	2,126,174	1,065,165	
-	-	12,646,513	8,992,184	
-	-	386,545	375,053	
-	1,118,795	1,118,795	2,037,732	
-	2,853	164,345	221,811	
-	-	738,174	731,346	
-	2,137,195	2,814,679	6,736,512	
48,542	722,011	840,112	26,103	
48,542	3,980,854	20,835,337	20,185,906	
40,015	589,142	1,393,668	1,305,839	
13,720	225,150	508,178	468,332	
345	5,836	15,093	13,905	
-	9,275	9,837	9,986	
1,573	39,171	70,709	69,614	
349	10,726	30,168	31,398	
531	23,910	47,928	47,056	
779	32,049	53,493	1,924,954	
381,954	1,995,857	2,500,560	1,787,344	
3,401	50,131	118,491	119,561	
56	1,677	3,602	1,401	
123	7,621	26,688	21,952	
536	7,844	18,580	17,991	
100	691,546	18,570,512	16,587,874	
-	696	9,669	2,716	
-	-	961,135	3,416,901	
-	-	1,696,075	1,590,544	
443,482	3,690,631	26,034,386	27,417,368	
(394,940)	290,223	(5,199,049)	(7,231,462)	
-	-	-	2,648,003	
-	-	2,437,095	3,888,766	
46,391	131,237	177,628	499,961	
-	(129,472)	(177,628)	(499,961)	
46,391	1,765	2,437,095	6,536,769	
(348,549)	291,988	(2,761,954)	(694,693)	
-	935,252	46,242,467	46,937,160	
(348,549)	1,227,240	43,480,513	46,242,467	

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities

Year ended June 30, 2013

Net changes in fund balances - total governmental funds	$ (2,761,954)
Amounts reported for governmental activities in the Statement of Activities are different because:	
When capital assets owned by the Association are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decreased by the amount of depreciation expense charged for the year.	
Depreciation expense	(28,458)
Repayment of long-term debt is an expenditure in the governmental funds and thus, has the effect of reducing fund balance because current financial resources have been used. The issuance of long-term debt provides current financial resources to governmental funds. For the Association as a whole, however, the payment reduces the liability in the Statement of Net Position and does not result in the recording of an expense in the Statement of Activities. The issuance of long-term debt increases the liability in the Statement of Net Position and does not result in the recording of a revenue in the Statement of Activities.	
Repayment of Revenue Bonds	961,135
Advances received from Riverside County Transportation Commission	(2,437,095)
Changes in compensated absences payable is an expenditure in the governmental funds, but the expenditure reduces long-term liabilities in the statement of net position.	(16,349)
Changes in claims payable is an expenditure in the governmental funds, but the expenditure reduces long-term liabilities in the statement of net position.	(25,090)
Additions to loans receivable are recorded as an increase of the loan receivable account balance for the Statement of Activities. This is the amount of new loans made.	4,785,336
Payments on outstanding loans are recorded as a reduction of the loan receivable account balance for the Statement of Activities. This is the amount of loan payments that were made.	(923,595)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the net change in deferred inflows of resources for the current period.	269,449
Changes in net position of governmental activities	$ (176,621)

See accompanying notes to the basic financial statements.

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Notes to Basic Financial Statements

Year ended June 30, 2013

1. Summary of Significant Accounting Policies

a. Description of Reporting Entity:

The Coachella Valley Association of Governments (the Association) was formed under California's Joint Powers Law on January 22, 1974 for the purpose of improving and coordinating the common governmental responsibilities and services on an area-wide and regional basis under Section 6500 et. seq. of the Government Code.

During its early years, the Association served as an environmental watch dog and as a forum for the exchange of ideas. In 1984, as a result of a major rethinking of the Association's purpose, goals and objectives, the Association's work was expanded to include providing direct services along with its prior work. The basic financial statements of the Association include all activities for which the Association is financially accountable.

In June 1989, the Association's Joint Powers Agreement was amended to provide additional powers that could be used to operate programs created through implementing agreements. The first such agreement was to make the Association the Transportation Authority for the Coachella Valley. As this Authority, the Association has the responsibility to coordinate the building of $890,000,000 worth of regional arterials and advise the Riverside County Transportation Commission (RCTC) on State highway projects on Highways 86 and 111. The philosophy behind the new agreements is that the Association should serve as an umbrella, for programs that might otherwise become single purpose special districts that could operate without concern for how their operations affect each other and general purpose local governments. The structure of the Association assures that regional programs will be integrated with each other so we get a better overall result.

In 1991, the Association and the South Coast Air Quality Management District (SCAQMD) pioneered a new way to address air quality issues around the PM-10 mitigation issue. Instead of promulgating rules for the area, SCAQMD indicates the standards that must be met and works with local government to develop measures tailored to the sub-region that can help it meet the standards.

1. Summary of Significant Accounting Policies, (Continued)

a. Description of Reporting Entity, (Continued):

In early 1992, the Association and County Waste Management began implementation of the AB 939 garbage reduction plan previously developed by the Association and its members. The goal is implementation of coordinated valley-wide efforts to meet the State's mandated goals of 25% reduction in waste going into landfills by 1995 and 50% by 2000.

Major sources of revenue for the Association consists of Measure A half-cent sales taxes and Transportation Uniform Mitigation Fees. The Association has an agreement with RCTC to receive a share of the Measure A half-cent sales taxes.

General Assembly

The General Assembly is a 65 member body composed of the five members of the Riverside County Board of Supervisors, Mayors, City Council members, and five Tribal members of each member Tribe. Current members are: The County of Riverside, the Cities of Blythe, Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, the Agua Caliente Band of Cahuilla Indians, and the Cabazon Band of Mission Indians.

The General Assembly is the top policy making body of the Association and is required to meet annually to elect officers and adopt work plans and budgets for the ensuing year.

Executive Committee

The Executive Committee is a 17 member body composed of the *five* members of the Riverside County Board of Supervisors, Mayors, and the Tribal Council Chairmen, unless a member's jurisdictional body designates another member of the Association Council or Tribal Council to serve as the member. It is the top policy making body of the Association between sessions of the General Assembly and acts for the General Assembly except when the General Assembly is in session. It employs and oversees the work of the Association's Executive Director and Legal Counsel. In turn, the Executive Director employs and terminates the staff needed to carry out the overall work programs of the Association.

1. Summary of Significant Accounting Policies, (Continued)

Advisory Committees

A number of advisory committees have developed over the years to provide input to the Association's Executive Committee's decision making.

b. Basis of Accounting and Measurement Focus:

The basic financial statements of the Association are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as it's discretely presented component units. The Association has no business-type activities or discretely presented component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, administrative expenses have not been allocated as indirect expenses to the various functions of the Association.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33.

1. Summary of Significant Accounting Policies, (Continued)

Government-wide Financial Statements, (Continued)

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

Fund Financial Statements

The underlying accounting system of the Association is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental funds in the aggregate.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The Association generally considers revenues available if they are collected within 90

1. Summary of Significant Accounting Policies, (Continued)

Governmental Funds, (Continued)

days after the fiscal year-end. Significant revenues subject to accrual under the measurable and available criteria include grant revenues.

Revenue recognition is subject to the measurable and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed nonexchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary nonexchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Long-term loans to other agencies are reported as expenditures (outflows of current financial resources). Repayments of the same are reported as revenues (inflows of current financial resources). The reported fund balance (net current assets) is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables are deferred until they become current receivables. Noncurrent portions of other long-term receivables are offset by fund balance reserve accounts.

1. Summary of Significant Accounting Policies, (Continued)

Governmental Funds (Continued)

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

Deferred Outflows/ Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item *unavailable revenue,* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source for a grant. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

1. Summary of Significant Accounting Policies, (Continued)

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Governmental Fund Balances

Fund balances are reported in the fund statements in the following classifications:

Nonspendable Fund Balance – this includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

Restricted Fund Balance – this includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. If the Board action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.

Committed Fund Balance – this includes amounts that can be used only for the specific purposes determined by a formal action of the Board. It includes legislation (Executive Committee action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if the Executive Committee action limiting the use of the funds is separate from the action (legislation) that created (enables) the funding source, then it is committed, not restricted. The Association considers a resolution to constitute a formal action of the Executive Committee for the purposes of establishing committed fund balance.

1. Summary of Significant Accounting Policies, (Continued)

Assigned Fund Balance – this includes amounts that are designated or expressed by the Executive Committee, but does not require a formal action like a resolution or ordinance. The Executive Committee may delegate the ability of an employee or committee to assign uses of specific funds, for specific purposes.

Unassigned Fund Balance – this includes the remaining spendable amounts which are not included in one of the other classifications.

It is the Association's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the Executive Committee.

c. Fund Classifications:

The Association reports the following major governmental funds:

General Fund - This fund is used to account for all of the general revenues of the Association not specifically levied or collected for some special purpose, and for the expenditures related to the rendering of general services by the Association.

Transportation Uniform Mitigation Fees Special Revenue Fund - This fund is used to account for the revenues generated by the Traffic Mitigation Fees and provides additional funds necessary to construct the transportation improvements generated by the development in the valley.

Measure A Special Revenue Fund - This fund is used to account for the revenues generated by the Measure A half-cent sales tax and is used mainly for the construction and/or improvement of the regional arterials in the Coachella Valley.

CV Link - This fund is used to account for the revenues and expenses related to the Coachella Valley bike path link.

The Association's fund structure also includes the following fund type:

Special Revenue Funds - These funds are used to account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes.

1. Summary of Significant Accounting Policies, (Continued)

d. Reclassification and Eliminations:

Interfund balances must generally be eliminated in the government-wide financial statements, except for net residual amounts due between governmental activities. Any allocations must reduce the expenses of the function from which the expenses are being allocated, so that expenses are reported only once - in the function in which they are allocated.

e. Cash and Investments:

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

The Association pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

f. Employee Leave Benefits:

Vacation time begins to accumulate as of the first day of employment to a maximum of two and a half times the employee's annual entitlement. Sick leave accumulates at the rate of 8.67 hours per month without limit. Employees are not entitled to compensation for accrued sick time upon separation from the Association.

1. Summary of Significant Accounting Policies, (Continued)

g. Capital Assets:

Capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Generally, the Association capitalizes capital assets purchases in excess of $5,000 for capital assets. Capital outlay expenditures include payments to other governments for capital projects that are managed by other governments and ongoing maintenance of those assets lies with those other governments. As such those capital assets have not been reflected in the Statement of Net Position of the Association.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements. Depreciation expense is charged as an expense against operations and accumulated depreciation is reported on the Statement of Net Position. The ranges of lives used for depreciation purposes for each capital asset class are as follows:

Furniture and equipment	7-25 years
Vehicles	7 years

h. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

i. Comparative Data:

The amounts shown for the year ended June 30, 2012 in the accompanying financial statements are included to provide a basis for comparison with 2013 and present summarized totals only. The 2012 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Association's financial statements for the year ended June 30, 2012.

2. Cash and Investments

Cash and investments of the Association consisted of the following at June 30, 2013:

Cash on hand	$ 300
Deposits with financial institutions	169,387
Total cash and deposits	169,687
Investments:	
Local Agency Investment Fund	21,722,543
Riverside County Pooled Investment Fund	22,771,043
Total investments	44,493,586
Total cash and investments	$44,663,273

Deposits

The Association is a voluntary participant in the County of Riverside Treasury Pool. The fair value of the Association's investment in this pool is reported in the accompanying financial statements at amounts based upon the Association's pro-rata share of the fair value provided by the County for the entire County portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County.

The Association's deposits with financial institutions were insured or collateralized as required by State Law.

Investments Authorized by the California Government Code and the Association's Investment Policy

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

2. Cash and Investments, (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States Treasury Obligations	3 years	None	None
Money Market Mutual Funds investing in United States Treasury Investments	N/A	20%	10%
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

N/A - Not Applicable

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Association manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

The Association's investments in the Local Agency Investment Fund of $21,722,543 and the Riverside County Pooled Investment Fund of $22,771,043 are available on demand.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Association's investment policy, or debt agreements, and the actual rating as of year end for each investment type:

2. Cash and Investments, (Continued)

Investment	Minimum Legal Rating	Unrated
Local Agency Investment Fund	N/A	$21,722,543
Riverside County Pooled Investment Fund	N/A	22,771,043

Investment in State Investment Pool

The Association is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Association's investment in this pool is reported in the accompanying financial statements at amounts based upon the Association's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Investment in Riverside County Investment Pool

The Association is a voluntary participant in the County of Riverside Treasury Pool. The fair value of the Association's investment in this pool is reported in the accompanying financial statements at amounts based upon the Association's pro-rata share of the fair value provided by the County for the entire County portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County.

3. Loans Receivable

	Outstanding Balance at June 30, 2013
The Association made loans to the following entities for the construction of the Monterey, Cook and Washington interchanges:	
County of Riverside, payable through 2016	$2,725,137
City of Indian Wells, payable through 2017	335,415
The Association made a loan to the following entity for the construction of Mesquite Avenue from Gene Autry Trail to Dinah Shore Drive:	
City of Palm Springs, payable through 2039	270,953
The Association made a loan to the following entity for the construction of Hobson Way:	
City of Blythe, payable through 2015	360,000
The Association made loans to the following entities for the construction of Miles Avenue/Clinton Street:	
City of Indio, payable through 2022	2,232,697
County of Riverside, payable through 2022	2,232,697
The Association is paying 100% of the cost incurred on Jefferson/I-10 Interchange until the start of construction. The impacted jurisdictions will pay their portion of the 25% local share once construction on the interchange begins.	1,602,371
The Association is collecting from the following entity the difference between what the TUMF amount would have been and what the Local Measure "A" amount that was collected, less a credit:	
City of La Quinta, payable through 2022	4,266,586
Total loans receivable	$14,025,856

4. Interfund Receivables and Payables

Receivable Funds	Payable Funds	Amount
General Fund	Other Governmental Funds	$ 169,960
Measure A Fund	CV Link	303,981
	Other Governmental Funds	107,072
		$ 581,013

Interfund receivables and payables represent short-term borrowings to manage cash flows.

5. Interfund Transfers

Transfer In to Fund	Transfers Out of Funds	Amount
Other Governmental Funds	Other Governmental Funds	$ 129,471
	General Fund	1,765
CV Link	Measure A Fund	46,391
		$ 177,627

The largest transfer above was from the AB 2766 Grant Fund to the Street Sweeping Fund in the amount of $127,260 for eligible project costs.

6. Capital Assets

A summary of capital asset activity for the year ended June 30, 2013 is as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
Capital assets, not being depreciated				
Land	$10,682,344	-	-	10,682,344
Capital assets, being depreciated:				
Furniture and equipment	164,968	-	-	164,968
Vehicles	1,909,512	-	-	1,909,512
Total capital assets, being depreciated	2,074,480	-	-	2,074,480
Less accumulated depreciation:				
Furniture and equipment	(104,591)	(10,278)	-	(114,869)
Vehicles	(1,820,460)	(18,180)	-	(1,838,640)
Total accumulated depreciation	(1,925,051)	(28,458)	-	(1,953,509)
Total capital assets being depreciated, net	149,429	(28,458)	-	120,971
Total capital assets, net	$10,831,773	(28,458)	-	10,803,315

Depreciation expense was charged to the following function in the Statement of Activities:

Transportation	$28,458

7. Transportation Uniform Mitigation Fee Program

As required under Measure A, Measure A monies cannot be allocated to individual cities in the Coachella Valley unless they participate in the Traffic Uniform Mitigation Fee (TUMF) program necessary for implementation of the planned Regional Arterial System. The participating cities collected the following amounts of TUMF since inception, which have been remitted to the Association:

Fiscal Period From	Fiscal Period To	Fiscal Year Ending	
1990	1994		$ 13,585,887
1995	1999		13,642,573
2000	2004		26,394,448
		2005	8,889,616
		2006	8,830,809
		2007	11,139,455
		2008	8,759,562
		2009	3,279,518
		2010	1,943,744
		2011	1,971,610
		2012	1,262,965
		2013	2,126,174
			$101,826,361

In addition, the Association received $19,813,844 cumulatively through June 30, 2013 relating to Measure A in lieu of TUMF for the Cities of Coachella and Desert Hot Springs, which were not participating in the TUMF program previously, and the City of La Quinta, which was not participating in the TUMF program until April 22, 2013. As part of the agreement for the City of La Quinta to participate in the TUMF program, the City of La Quinta will pay CVAG half of their Local Measure "A" funds they are otherwise qualified to receive until the difference between the amount of local Measure "A" relinquished to CVAG during the time TUMF was not being collected, and the amount of TUMF which their previous building permit activity indicated would have been collected during that same period, has been fully repaid to CVAG. The net amount owed to CVAG as of June 30, 2013 is $4,266,586.

8. Long-term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2013 is as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013	Due within One Year
Revenue bonds payable	$ 28,189,229	-	(961,135)	27,228,094	1,020,977
Advancement of RCTC Measure "A" funds	1,290,517	2,437,095	-	3,727,612	-
Insurance payable	102,700	25,090	-	127,790	-
Compensated absences	139,618	90,832	(74,483)	155,967	83,205
Totals	$ 29,722,064	2,553,017	(1,035,618)	31,239,463	1,104,182

Revenue Bonds Payable

On October 1, 2009, Riverside County Transportation Commission (RCTC) issued $185,000,000 of 2009 Sales Tax Revenue Bonds Series A, B and C (Bonds). The Association's participation in the Bonds was $21,551,975. The Association's portion of the Bond proceeds is for reimbursement of the Association's highway and regional arterial program expenditures. Principal and interest on the Bonds are payable monthly through September 1, 2029. The rate of interest is 4.972% and 5.662% per annum.

On November 17, 2010, RCTC issued $150,000,000 of 2010 Sales Tax Revenue Bonds, Series A and B. The Association's participation in the Bonds was $8,584,820. The Association's portion of the Bond proceeds was for reimbursement of the Association's highway and regional arterial program expenditures that were previously reflected in long-term liabilities as Advancement of Measure A funds. Principal and interest on the Bonds are payable monthly through September 1, 2029. The rate of interest is 7.307% per annum.

8. Long-term Liabilities, (Continued)

As of June 30, 2013, annual debt service requirement of the revenue bonds payable is as follows:

Fiscal Year Ending	Principal	Interest
2014	$ 1,020,977	1,554,380
2015	1,084,610	1,493,639
2016	1,152,274	1,429,084
2017	1,224,233	1,360,469
2018	1,300,762	1,287,537
2019-2023	7,833,553	5,172,165
2024-2028	10,627,618	2,518,805
2029-2030	2,984,067	109,814
Total	$27,228,094	14,925,893

Advancement of RCTC Measure "A" Funds

On November 17, 2005, the Association entered into an agreement with the Riverside County Transportation Commission (RCTC) for advancement of Measure "A" highway and major regional road project funds. These funds were used to finance a portion of the cost of highway and regional road improvements projects. Under the terms of the agreement, the amount of the advance shall not exceed $43,300,000, and shall accrue interest from the date of the advance at a rate of ½ percent over the interest rate paid by RCTC. The Association shall repay the advance, together with all accrued and unpaid interest, to RCTC in 240 monthly installments or until RCTC converts the advances to bonds. The amount of funds advanced to the Association in fiscal year ended June 30, 2013 was $2,437,095. As of June 30, 2013, the outstanding balance of the advancement was $3,727,612.

Compensated Absences

The Association's policies relating to compensated absences are described in Note 1. This liability amounting to $155,967 at June 30, 2013 is expected to be paid in future years from future resources and is typically liquidated from the General Fund.

9. Liability, Property And Workers' Compensation Protection

Description Self-Insurance Pool Pursuant to Joint Powers Agreement:

The Association is a member of the California Joint Powers Insurance Authority (Insurance Authority). The Insurance Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500 et. seq. The purpose of the Insurance Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverages. The Insurance Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Self-Insurance Programs of the Insurance Authority:

Each member pays an annual contribution (formerly called the primary deposit) to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

General Liability Insurance:

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $30,000 for each occurrence and is

9. Liability, Property And Workers' Compensation Protection, (Continued)

General Liability Insurance, (Continued)

evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $30,000 to $750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of $750,000 up to the reinsurance attachment point of $5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from $5 million to $10 million are paid under a reinsurance contract subject to a $2.5 million annual aggregate deductible. Costs of covered claims from $10 million to $15 million are paid under two reinsurance contracts subject to a combined $3 million annual aggregate deductible. On a cumulative basis for all 2011-12 reinsurance contracts the annual aggregate deductible is $5.5 million. (6) Costs of covered claims from $15 million up to $50 million are covered through excess insurance policies.

The overall coverage limit for each member including all layers of coverage is $50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of $35 million per occurrence. This $35 million subsidence sub-limit is composed of (a) $5 million retained within the pool's SIR, (b) $10 million in reinsurance and (c) $20 million in excess insurance. The excess insurance layer has a $20 million annual aggregate.

Purchased Insurance:

Property Insurance

The Association participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The Association's property is currently insured according to a schedule of covered property submitted by the Association to the Authority. Coachella Valley Association of Governments property currently has all-risk property insurance protection in the amount of $682,497. There is a $5,000 deductible per occurrence except for non-emergency vehicle insurance which has a $1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

9. Liability, Property And Workers' Compensation Protection, (Continued)

Crime Insurance, (Continued)

The Coachella Valley Association of Governments purchases crime insurance coverage in the amount of $1,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

Adequacy of Protection:

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2012-13.

Included in long-term liabilities is a cumulative deposit payable due to the Insurance Authority in the amount of $127,790.

The aforementioned information is not included in the accompanying financial statements. Complete financial statements for the Insurance Authority may be obtained at their administrative office located at 8081 Moody Street, La Palma, California 90623.

10. Operating Leases

The Association leases office space under an operating lease which was amended in September 1998 to extend the lease term to August 14, 2016. The lease was again amended in February 2008 to increase the amount of office space leased. The base rent is subject to annual revisions based on changes in the Consumer Price Index. The lease also requires payment of a share of common area operating costs. The rental expense for the fiscal year ended June 30, 2013 was $99,331. Minimum rental commitments exclusive of the allocation of operating costs are as follows:

Year Ending June 30	
2014	$ 100,320
2015	100,445
2016	100,445
2017	12,556
	$313,766

11. Defined Benefit Pension Plan

Plan Description

The Association participates in the Miscellaneous 2% at 55 Risk Pool of the California Public Employee's Retirement System (PERS), a cost-sharing, multiple-employer defined benefit pension plan administered by PERS. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by State statue and District ordinance. Copies of the PERS' annual financial report may be obtained from the PERS Executive Office - 400 P Street, Sacramento, California 95814.

Funding Policy

The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by PERS. Active Association employees are required to contribute 7% of their annual covered salary to PERS. The Association makes the contributions required of Association employees on their behalf and for their account. The Association is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The current rate is 11.329% of covered payroll. The Association's contributions to CalPERS for the years ending June 30, 2013, 2012 and 2011 were $155,737, $143,157, and $143,289, respectively and were equal to the required contribution for each year.

12. Capital Projects and Programs

The following represents the unexpended project budgets as of June 30, 2013. Unexpended project budgets may be reprogrammed to other projects upon finalization of all pending items (final bills, disposition of change orders, etc.).

Jefferson Street and Varner Road (North of I-10)	$ 4,169,502
Jefferson/I-10 Interchange	5,100,517
Palm Drive/Gene Autry/I-10 Interchange	14,780,910
Monroe Street (Avenue 52 to I-10)	1,470,842
Indian Avenue/I-10 Interchange	740,867
Indian Avenue (Garnet to and including Railroad Crossing Bridge)	3,653,806
Gene Autry Trail (1-10 to Vista Chino Drive)	1,262,115

12. Capital Projects and Programs, (Continued)

Varner Road (Adams to Jefferson)	1,943,865
Indian Canyon Drive (across White Water River Wash)	213,174
Frank Sinatra Dr. Intersection at Hwy 111	670,712
Monterey/I-10 Interchange	2,634,905
Madison Street (Avenue 52 to Indio Boulevard)	13,480,108
Highway 111 (Indian Wells)	4,999,330
Portola Avenue (North of Gerald Ford Drive)	534,935
Hwy 111 (bet. Rubidoux St. and 760' W. of Madison St)	5,511,060
Indian Ave (between 20th Ave and Dillon Road)	8,547,562
Interchange Preparation Fund	5,932,924
Adams Street Bridge	695,842
Cathedral Canyon Bridge	1,786,158
Date Palm Drive Bridge	1,570,889
Date Palm/I-10 Interchange	8,242,614
Monterey Ave. Widening (Dinah Shore to Gerald Ford)	770,034
Dillon (I-10 & Dillon/SR865 Interchanges)	149,239
Portola Ave (NW of Fred Waring Dr)	800,000
Varner Road (Intersection. at Ramon)	374,153
Varner Road (Ramon Road to Monterey Ave.)	1,496,605
Airport Blvd. (Harrison Street to Hwy 111)	7,898,603
Frank Sinatra Bridge over WWR	3,015,007
Avenue 56 Grade Separation	13,080,554
Avenue 66 Grade Separation	178,587
Ramon Road Bridge Widening	7,932,428
Avenue 52 Grade Separation	4,125,000
Vista Chino Drive Bridge	86,025
Date Palm Dr. Improvement (to and including Vista Chino Dr. intersection)	118,049
Washington St./Hwy 111 Intersection Improvements	582,483
Unexpended project budgets	128,549,404
Less amounts to be provided in future years	(87,145,669)
Restricted fund balance associated with specific capital projects and programs	$41,403,735

13. Measure A Fund Program

Measure A is a half-cent local retail transaction and use tax that was initially approved by the voters in November 1988 for 20 years and extended in November 2002 for an additional 30 years, through June 2039, to fund key transportation improvements in Riverside County. RCTC has the responsibility of receiving and managing the Measure A funds, including the allocation of the Measure A funds to the three geographic areas of the County and the programs within each area. The Association does not have direct control over the Coachella Valley highways and regional arterial program funds that are allocated by RCTC in accordance with the extended Measure A ordinance. Revenues are recognized when a Measure A highway or regional arterial program project expenditures, including debt service payments on advances (see Note 8), have been incurred. Measure A funds controlled by RCTC related to the Coachella Valley highway and regional arterial program that have not been expended by the Association are held by RCTC in a separate restricted special revenue fund. The Association's allocation of the Measure A funds for the past five years is as follows:

Fiscal Year Ending	
2009	$ 11,149,164
2010	14,489,106
2011	14,299,352
2012	15,499,553
2013	17,695,596

14. Fund Deficits

The following funds reported deficit balances at June 30, 2013:

CV Link	$ (348,549)
Other Governmental Funds:	
Energy Partnership Fund	(9,909)

Deficit balances are a result of the implementation of GASB Statement No. 33. Grant revenues not collected within 90 days of the end of the fiscal year are recorded as unavailable revenue instead of revenue.

15. Commitments and Contingencies

The California Department of Transportation's Audit and Investigations Divisions audited the costs claimed by and reimbursed to the Association for the period November 1, 1999 through May 31, 2004. As a result of the audit, the Department of Transportation is seeking a reimbursement from the Association of approximately $5,100,000 for disallowed costs. The Association has requested that the Riverside County Transportation Commission (RCTC), who is in charge of administering the Congestion, Mitigation and Air Quality (CMAQ) funds, to enter into an agreement with the Department of Transportation to deprogram $2.6 million in projects eligible to be reimbursed under the current CMAQ project cycle. The balance of $2.5 million would be repaid from deprogramming future CMAQ project cycles. As a result, no liability has been recorded in the accompanying financial statements.

The Association approved a contribution of $30 million for the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP), which would mitigate all of the regional transportation projects listed in the current Transportation Project Prioritization Study (TPPS). Under the CVMSHCP, the $30 million of transportation funds would contribute to both land acquisition and the establishment of an Endowment Fund, which would ensure monitoring and management of the acquired lands. The CVMSHCP area includes 1.1 million acres, encompassing the entire Coachella Valley and the surrounding mountains. The MSHCP will benefit the local jurisdictions by providing Take Authorization for all development, including public infrastructure projects, undertaken by the Permittees (signatories to the MSHCP) outside the Conservation Areas. By providing Take Authorization for public and private development projects, the MSHCP eliminates the need for projects to conduct biological surveys and negotiate individual project mitigation with the US Fish and Wildlife Service and the California Department of Fish and Game. At June 30, 2013, the remaining commitment to the MSHCP is $11,216,554. The liability has not been recorded in the accompanying financial statements because the contributions are contingent upon the receipt of future transportation revenues that have not yet been earned.

16. Expenditures in Excess of Appropriations

Expenditures for the year ended June 30, 2013 exceeded the appropriations of the following funds:

	Budget	Actual	Variance
Transportation Uniform Mitigation Fees Fund	$2,581,835	7,731,943	(5,150,108)
CV Link	-	443,482	(443,482)

REQUIRED SUPPLEMENTARY INFORMATION

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COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year ended June 30, 2013

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Member dues	$ 386,545	386,545	386,545	-
Investment income	2,000	2,000	3,059	1,059
Miscellaneous	11,000	11,000	18,110	7,110
Total revenues	399,545	399,545	407,714	8,169
Expenditures:				
Salaries	356,187	356,187	180,904	175,283
Benefits	132,838	132,838	61,431	71,407
Communications	2,224	2,224	1,576	648
Advertising	242	242	75	167
Insurance	14,141	14,141	7,114	7,027
Memberships and per diem	36,343	36,343	9,986	26,357
General and office expenses	12,300	12,300	3,813	8,487
Professional services	17,942	17,942	3,719	14,223
Leases and maintenance	30,830	30,830	15,706	15,124
Staff training	5,594	5,594	286	5,308
Transportation and meetings	11,527	11,527	13,862	(2,335)
Utilities	6,109	6,109	2,460	3,649
Capital outlay	15,000	15,000	6,666	8,334
Total expenditures	641,277	641,277	307,598	333,679
Excess (deficiency) of revenues over (under) expenditures	(241,732)	(241,732)	100,116	341,848
Other financing sources (uses):				
Transfers in	300,221	300,221	-	(300,221)
Transfers out	(45,622)	(45,622)	(1,765)	43,857
Total other financing sources (uses)	254,599	254,599	(1,765)	(256,364)
Net change in fund balances	12,867	12,867	98,351	85,484
Fund balance at beginning of year	1,099,734	1,099,734	1,099,734	-
Fund balances at end of year	$ 1,112,601	1,112,601	1,198,085	85,484

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Transportation Uniform Mitigation Fees Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year ended June 30, 2013

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Mitigation fees	$ 1,100,000	1,100,000	2,126,174	1,026,174
Measure A	465,000	465,000	1,280,854	815,854
Investment income	50,000	50,000	42,878	(7,122)
Loan repayment	180,000	180,000	180,000	-
Miscellaneous	5,000	5,000	566	(4,434)
Total revenues	1,800,000	1,800,000	3,630,472	1,830,472
Expenditures:				
Salaries	264,516	264,516	287,980	(23,464)
Benefits	92,749	92,749	102,374	(9,625)
Communications	4,402	4,402	3,770	632
Advertising	1,682	1,682	268	1,414
Insurance	9,982	9,982	11,294	(1,312)
Memberships and per diem	4,142	4,142	4,776	(634)
General and office expenses	15,708	15,708	10,111	5,597
Professional services	12,046	12,046	6,226	5,820
Consultants	137,500	137,500	32,344	105,156
Leases and maintenance	28,007	28,007	24,387	3,620
Staff training	2,806	2,806	823	1,983
Transportation and meetings	3,757	3,757	2,517	1,240
Utilities	4,538	4,538	3,856	682
Project costs	2,000,000	2,000,000	7,239,948	(5,239,948)
Capital outlay	-	-	1,269	(1,269)
Total expenditures	2,581,835	2,581,835	7,731,943	(5,150,108)
Excess (deficiency) of revenues over (under) expenditures	(781,835)	(781,835)	(4,101,471)	(3,319,636)
Other financing sources (uses):				
Transfers out	(61,816)	(61,816)	-	61,816
Total other financing sources (uses)	(61,816)	(61,816)	-	61,816
Net change in fund balances	(843,651)	(843,651)	(4,101,471)	(3,257,820)
Fund balance at beginning of year	13,569,873	13,569,873	13,569,873	-
Fund balances at end of year	$ 12,726,222	12,726,222	9,468,402	(3,257,820)

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Measure A Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year ended June 30, 2013

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Measure A	15,342,200	15,342,200	11,365,659	(3,976,541)
Investment income	251,200	251,200	115,555	(135,645)
Loan repayments	736,766	736,766	558,174	(178,592)
Other governmental	57,513,374	57,513,374	677,484	(56,835,890)
Miscellaneous	650,000	650,000	50,883	(599,117)
Total revenues	74,493,540	74,493,540	12,767,755	(61,725,785)
Expenditures:				
Salaries	356,200	356,200	295,627	60,573
Benefits	129,466	129,466	105,503	23,963
Communications	4,473	4,473	3,566	907
Advertising	2,045	2,045	219	1,826
Insurance	13,443	13,443	11,557	1,886
Memberships and per diem	3,484	3,484	4,331	(847)
General and office expenses	17,864	17,864	9,563	8,301
Professional services	13,438	13,438	10,720	2,718
Consultants	712,500	712,500	90,405	622,095
Leases and maintenance	36,835	36,835	24,866	11,969
Staff training	5,382	5,382	760	4,622
Transportation and meetings	5,927	5,927	2,565	3,362
Utilities	6,110	6,110	3,884	2,226
Project costs	82,913,721	82,913,721	10,638,918	72,274,803
Capital outlay	30,000	30,000	1,038	28,962
Debt service:				
Principal	3,114,199	3,114,199	961,135	2,153,064
Interest	-	-	1,696,075	(1,696,075)
Total expenditures	87,365,087	87,365,087	13,860,732	73,504,355
Excess (deficiency) of revenues over (under) expenditures	(12,871,547)	(12,871,547)	(1,092,977)	11,778,570
Other financing sources (uses):				
Advances received	4,486,002	4,486,002	2,437,095	(2,048,907)
Transfers out	(83,222)	(83,222)	(46,391)	36,831
Total other financing sources (uses)	4,402,780	4,402,780	2,390,704	(2,012,076)
Net change in fund balances	(8,468,767)	(8,468,767)	1,297,727	9,766,494
Fund balance at beginning of year	30,637,608	30,637,608	30,637,608	-
Fund balances at end of year	$ 22,168,841	22,168,841	31,935,335	9,766,494

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

CV Link

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year ended June 30, 2013

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Miscellaneous	$ -	-	48,542	48,542
Total revenues	-	-	48,542	48,542
Expenditures:				
Salaries	-	-	40,015	(40,015)
Benefits	-	-	13,720	(13,720)
Communications	-	-	345	(345)
Insurance	-	-	1,573	(1,573)
Memberships and per diem	-	-	349	(349)
General and office expenses	-	-	531	(531)
Professional services			779	(779)
Consultants	-	-	381,954	(381,954)
Leases and maintenance	-	-	3,401	(3,401)
Staff training	-	-	56	(56)
Transportation and meetings	-	-	123	(123)
Utilities	-	-	536	(536)
Project costs	-	-	100	(100)
Total expenditures	-	-	443,482	(443,482)
Excess (deficiency) of revenues over (under) expenditures	-	-	(394,940)	(394,940)
Other financing sources (uses):				
Transfers in	-	-	46,391	46,391
Total other financing sources (uses)	-	-	46,391	46,391
Net change in fund balances	-	-	(348,549)	(348,549)
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	$ -	-	(348,549)	(348,549)

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Note to Required Supplementary Information

Year ended June 30, 2013

1. Budgets & Budgetary Accounting

The Association adopts an annual budget prepared on the modified accrual basis of accounting for its governmental funds. The Executive Director or his designee is authorized to transfer budgeted amounts between the accounts of any department. Revisions that alter the total appropriations of any department or fund are approved by the Executive Committee. Prior year appropriations lapse unless they are approved for carryover into the following fiscal year. Expenditures may not legally exceed appropriations at the fund level.

SUPPLEMENTARY SCHEDULES

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS
Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2013

	Special Projects	Multi-Species Habitat Conservation	AB2766 Grant	Oil Grant
Assets				
Cash and investments	$ 28,096	-	229,254	62,687
Accounts receivable	-	-	-	-
Interest receivable	-	-	205	32
Due from other governments	1,500	154,443	154,316	-
Total assets	$ 29,596	154,443	383,775	62,719
Liabilities, Deferred Inflow of Resources and Fund Balances				
Liabilities:				
Accounts payable	$ 2,894	4,994	27	4,240
Due to other governments	-	-	-	-
Due to other funds	-	107,072	-	-
Unearned revenue	-	-	-	-
Total liabilities	2,894	112,066	27	4,240
Deferred inflows of resources:				
Unavailable revenue	-	-	23,571	-
Total deferred inflow of resources				
Fund balances:				
Restricted for:				
Transportation	6,363	-	-	-
Environmental	-	42,377	360,177	58,479
Homeless	20,339	-	-	-
Unassigned	-	-	-	-
Total fund balances	26,702	42,377	360,177	58,479
Total liabilities, deferred inflow of resources and fund balances	$ 29,596	154,443	383,775	62,719

Tire Amnesty	AB939 Grant	Air Quality Enhancement	Street Sweeping	Homeless	Energy Partnership	Total
-	23,988	6,769	209,994	468,876	-	1,029,664
-	-	-	-	-	179,372	179,372
-	9	6	184	265	-	701
-	-	-	250,000	50,541	140	610,940
-	23,997	6,775	460,178	519,682	179,512	1,820,677
-	35	-	55,409	92,043	19,321	178,963
-	-	-	-	10,731	-	10,731
-	-	-	-	-	169,960	277,032
-	-	-	-	103,000	-	103,000
-	35	-	55,409	205,774	189,281	569,726
-	-	-	-	-	140	23,711
-	-	-	-	-	-	6,363
-	23,962	6,775	404,769	-	-	896,539
-	-	-	-	313,908	-	334,247
-	-	-	-	-	(9,909)	(9,909)
-	23,962	6,775	404,769	313,908	(9,909)	1,227,240
-	23,997	6,775	460,178	519,682	179,512	1,820,677

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2013

	Special Projects	Multi-Species Habitat Conservation	AB 2766 Grant	Oil Grant
Revenues:				
Grants	$ -	-	-	74,619
Investment income	-	-	762	149
Other governmental	-	-	287,177	-
Miscellaneous	26,400	619,449	-	-
Total revenues	26,400	619,449	287,939	74,768
Expenditures:				
Salaries	-	379,632	20,106	1,529
Benefits	-	139,198	6,412	599
Communications	85	3,555	170	12
Advertising	-	487	-	8,741
Insurance	-	14,881	774	59
Memberships and per diem	-	2,855	2,081	9
General and office expenses	10	15,220	372	3,616
Professional services	5,543	20,617	441	1,626
Consultants	-	-	2,500	42,979
Leases and maintenance	-	31,855	1,626	146
Staff training	-	1,350	27	2
Transportation and meetings	73	4,050	295	2
Utilities	-	5,055	238	18
Project costs	29,975	-	-	9,529
Capital Outlay	-	696	-	-
Total expenditures	35,686	619,451	35,042	68,867
Excess (deficiency) of revenues over (under) expenditures	(9,286)	(2)	252,897	5,901
Other financing sources (uses):				
Transfers in	1,765	-	-	880
Transfers out	-	-	(127,260)	-
Total other financing sources (uses)	1,765	-	(127,260)	880
Net change in fund balances	(7,521)	(2)	125,637	6,781
Fund balances (deficit) at beginning of year	34,223	42,379	234,540	51,698
Fund balances (deficit) at end of year	$ 26,702	42,377	360,177	58,479

Tire Amnesty	AB939 Grant	Air Quality Enhancement	Street Sweeping	Homeless	Energy Partnership	Totals
-	-	-	-	-	1,044,176	1,118,795
-	12	32	1,058	840	-	2,853
-	31,860	-	400,000	1,418,158	-	2,137,195
25,416	-	-	-	50,000	746	722,011
25,416	31,872	32	401,058	1,468,998	1,044,922	3,980,854
789	7,226	481	3,900	-	175,479	589,142
369	3,064	151	1,242	-	74,115	225,150
6	66	5	34	-	1,903	5,836
-	-	-	-	-	47	9,275
30	283	20	15,548	689	6,887	39,171
4	1,978	6	34	-	3,759	10,726
37	221	14	63	11	4,346	23,910
15	114	5	55	-	3,633	32,049
-	-	-	-	1,211,046	739,332	1,995,857
72	615	41	327	-	15,449	50,131
1	11	1	6	-	279	1,677
1	267	1	8	-	2,924	7,621
8	95	9	57	-	2,364	7,844
-	-	2,473	569,569	80,000	-	691,546
-	-	-	-	-	-	696
1,332	13,940	3,207	590,843	1,291,746	1,030,517	3,690,631
24,084	17,932	(3,175)	(189,785)	177,252	14,405	290,223
1,332	-	-	127,260	-	-	131,237
-	(2,212)	-	-	-	-	(129,472)
1,332	(2,212)	-	127,260	-	-	1,765
25,416	15,720	(3,175)	(62,525)	177,252	14,405	291,988
(25,416)	8,242	9,950	467,294	136,656	(24,314)	935,252
-	23,962	6,775	404,769	313,908	(9,909)	1,227,240