

COUNTY OF AMADOR

AUDIT REPORT

JUNE 30, 2011

**COUNTY OF AMADOR
AUDIT REPORT
JUNE 30, 2011**

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INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
County of Amador
Jackson, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Amador, California, (the County), as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As stated in Note 8, an actuarial valuation is required at least biennially for other postemployment benefits (OPEB) plans with a total membership of 200 or more to properly report the annual OPEB cost and the actuarial accrued liability in accordance with accounting principles generally accepted in the United States of America. Because the County has not had an actuarial valuation in over two years, the County has not determined the cost of its OPEB for the year ended June 30, 2011. The effects of this departure on the financial statements are not reasonably determinable.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Board of Supervisors
County of Amador

In accordance with *Government Auditing Standards*, we have also issued under separate cover, our report dated March 28, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Amador's basic financial statements. The accompanying information identified in the table of contents as combining and individual fund statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the 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.

Gallina LLP

Roseville, California
March 28, 2012

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

Management's Discussion and Analysis

This section of the Amador County's annual financial report presents our discussion and analysis of the County's activities of the County of Amador for fiscal year ended June 30, 2011. Please read it in conjunction with the County's basic financial statements following this section.

Financial Highlights

- The assets of the County exceeded liabilities at the close of the 2010-2011 fiscal year by \$67,371,648 (net assets). Of this amount, \$15,957,061 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors, \$9,612,995 is restricted for specific purpose (restricted net assets), and \$41,801,592 is invested in capital assets, net of related debt.
- The County of Amador's total net assets decreased by \$4,468,646.
- As of June 30, 2011 the County of Amador's governmental funds reported combined fund balances of \$32,792,880, a decrease of \$1,123,418. Approximately 44.7% of the combined fund balances, \$14,667,747 is available to meet the County's current and future needs (unassigned and assigned fund balance).
- At the end of the fiscal year, available fund balance for the general fund was \$13,474,077, or 43.6% of total general fund expenditures. All of the remaining available fund balance will be budgeted in the subsequent fiscal year.
- The County's total long-term debt increased by \$2,105,912 from the prior year. The increase is primarily due to landfill closure/post closure liability increased cost of \$2,029,452.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County of Amador's basic financial statements. The County of Amador's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements. Government-wide Financial Statements are designed to provide readers with a broad overview of the County of Amador's finances, in a manner similar to a private-sector business.

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

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

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

Both of the government-wide financial statements distinguish functions of the County of Amador that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County of Amador include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation, and cultural services. The business-type activities of the County of Amador include the County Landfill, and Airport.

The government-wide financial statements include the following blended component units: the Road Fund, Amador Fire Protection District, Amador County Public Facilities Financing Authority, Victory Lighting, CSA's 5, 6, and 8, and the Amador IHSS Public Authority. These seven blended component units have the same board as the County's.

The government-wide financial statements can be found on pages 11-13 of this report.

Fund Financial Statements are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County of Amador, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County of Amador can be divided into three categories: governmental funds, proprietary fund, and fiduciary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statement focus on how cash and other financial assets can readily be converted to available resources and the balances left at year-end that is available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the County's financing requirements.

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

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

The County of Amador maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, Social Service Fund, Mental Health Fund, County Improvement Fund, and Water Development Sinking Fund which are considered to be major funds. Data from other governmental funds are combined to a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental funds financial statements can be found on pages 14-19 of this report.

Proprietary funds are maintained two ways. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. The County of Amador uses enterprise funds to account for Landfill and Airport, both, which are considered major funds. Data from nonmajor enterprise funds are combined into a single, aggregate presentation. Internal service funds are an accounting device used to accumulate funds to account for self-insurance, fleet maintenance and replacement, purchasing, and communications. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for Landfill and Airport. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds and internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary funds financial statements can be found on pages 20-23 of this report.

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

The fiduciary funds financial statements can be found on pages 24-25 of this report.

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

The notes can be found on pages 26-59 of this report.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

Required supplementary information is presented concerning the County of Amador's progress funding its obligation to provide pension benefits to its employees. Required supplementary information also includes Schedules of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual for the General Fund, Social Service Fund, and Road Fund.

Required supplementary information can be found on pages 60-64 of this report.

The supplementary information is the combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds.

Supplementary information can be found on pages 65-79 of this report.

Governmental-Wide Financial Analysis

The County has provided prior year's information for a comparative analysis of government-wide data.

Analysis of Net Assets

County of Amador's Net Assets
June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and other assets	\$ 43,323,947	\$ 41,937,125	\$ (1,376,032)	\$ (1,449,563)	\$ 41,947,915	\$ 40,487,562
Capital assets	46,171,347	47,955,266	4,036,941	3,843,130	50,208,288	51,798,396
Total assets	89,495,294	89,892,391	2,660,909	2,393,567	92,156,203	92,285,958
Liabilities:						
Current and other liabilities	6,800,592	4,330,818	306,455	614,435	7,107,047	4,945,253
Long-term liabilities	11,073,339	11,037,990	6,604,169	4,586,607	17,677,508	15,624,597
Total liabilities	17,873,931	15,368,808	6,910,624	5,201,042	24,784,555	20,569,850
Net Assets:						
Invested in capital net of related debt	37,849,447	39,211,125	3,952,145	3,745,244	41,801,592	42,956,369
Restricted net assets	9,612,995	15,043,681	--	--	9,612,995	15,043,681
Unrestricted net assets	24,158,921	20,268,777	(8,201,860)	(6,552,719)	15,957,061	13,716,058
Total net assets	\$ 71,621,363	\$ 74,523,583	\$ (4,249,715)	\$ (2,807,475)	\$ 67,371,648	\$ 71,716,108

Assets exceeded liabilities by \$67,371,648 at the close of the 2010-11 fiscal year. Increases or decreases in net assets may over time serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Of this amount \$15,957,061 (unrestricted net assets) may be used to meet the government's ongoing obligations to the citizens and creditors.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

\$9,612,995 (restricted net assets) is restricted for a specific purpose. The remaining portion and largest \$41,801,592 is the County's investment in capital assets (e.g. land, building, machinery, and equipment), less any related debt. These assets are used to provide services to its citizens and are not available for future spending.

As stated earlier, net assets decreased by \$4,468,646. Governmental activities were responsible for \$3,026,406 of this decrease and business-type activities were responsible for the remainder of \$1,442,240.

County of Amador's Changes in Net Assets For the Year Ended June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for services	\$ 6,530,335	\$ 7,426,608	\$ 975,464	\$ 1,072,098	\$ 7,505,799	\$ 8,498,706
Operating grants and contributions	27,442,287	28,673,890	627,018	105,576	28,069,305	28,779,466
General Revenues:						
Property taxes	18,280,177	17,897,250	--	--	18,280,177	17,897,250
Sales and use taxes	1,898,957	2,058,736	--	--	1,898,957	2,058,736
Other	1,272,095	930,041	--	--	1,272,095	930,041
Unrestricted interest and investment earnings	390,405	665,794	3,967	7,241	394,372	673,035
Miscellaneous	--	282,891	--	--	--	282,891
Transfers	(150,000)	(833,332)	150,000	833,332	--	--
Total revenues	<u>55,664,256</u>	<u>57,101,878</u>	<u>1,756,449</u>	<u>2,018,247</u>	<u>57,420,705</u>	<u>59,120,125</u>
Expenses:						
General government	6,876,282	6,575,896	--	--	6,876,282	6,575,896
Public protection	26,884,530	26,457,619	--	--	26,884,530	26,457,619
Public ways and facilities	5,817,526	5,301,130	--	--	5,817,526	5,301,130
Health and sanitation	8,473,441	7,913,188	--	--	8,473,441	7,913,188
Public assistance	9,005,472	9,177,410	--	--	9,005,472	9,177,410
Education	1,042,917	1,052,054	--	--	1,042,917	1,052,054
Culture and recreation	258,042	246,870	--	--	258,042	246,870
Interest on long-term debt	332,452	360,901	--	--	332,452	360,901
Waste Management	--	--	2,606,267	616,766	2,606,267	616,766
Airport	--	--	555,704	388,707	555,704	388,707
County Service Areas	--	--	36,718	44,553	36,718	44,553
Total expenses	<u>58,690,662</u>	<u>57,085,068</u>	<u>3,198,689</u>	<u>1,050,026</u>	<u>61,889,351</u>	<u>58,135,094</u>
Change in net assets	(3,026,406)	16,810	(1,442,240)	968,221	(4,468,646)	985,031
Net assets at beginning year, restated	<u>74,647,769</u>	<u>74,506,773</u>	<u>(2,807,475)</u>	<u>(3,775,696)</u>	<u>71,840,294</u>	<u>70,731,077</u>
Net assets at end of year	<u>\$ 71,621,363</u>	<u>\$ 74,523,583</u>	<u>\$ (4,249,715)</u>	<u>\$ (2,807,475)</u>	<u>\$ 67,371,648</u>	<u>\$ 71,716,108</u>

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

Governmental activities decreased the County's net assets by \$3,026,406. The decreases in net assets were due to the following:

- \$1,123,418 net decrease in governmental funds due to expenditures in excess of revenues,
- \$1,982,779 decrease due to expenditures for capital assets net of current year depreciation in governmental funds,
- \$1,492 decrease due to governmental funds disposal of asset at loss on sale,
- \$184,699 decrease due to revenue which was unavailable on the fund statements, change in deferred revenue,
- \$422,242 increase due to repayment of debt principal which reduces long-term liabilities in the statement of net assets,
- \$291,523 decrease due to increases in liability from compensated absences and unamortized bond issuance costs, and
- \$135,263 increase due to internal service funds activities reported as governmental activities.

Business-type activities decreased the County's net assets by \$1,442,240. The decreases to net assets were due to the following:

- \$1,948,184 decrease due to an increase in landfill closure/post closure liabilities,
- \$364,778 increase due to airport activities,
- \$141,166 increase due to County Service Areas 5, 6, and 8 activities.

Financial analysis of the Governmental Funds

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

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

As of June 30, 2011 the County of Amador's governmental funds reported combined ending fund balances of \$32,792,880 a decrease of \$1,123,418 in comparison with the prior year. Approximately 44.7% of the combined fund balance, \$14,667,747, constitutes available fund balance (assigned and unassigned combined), which is available to meet the County's current and future needs.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

The remainder of the funds, \$18,125,133 is not available for new spending because it has been committed, restricted or is not spendable as follows:

1. Nonspendable \$3,628,974
2. Restricted \$9,612,995
3. Committed \$4,883,164

The general fund is the chief operating fund of the County. At June 30, 2011, available fund balance of the general fund was \$13,474,077, while total fund balance reached \$17,194,661. As a measure of the general fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 43.6% of total general fund expenditures, while total fund balance represents 55.6% of total general fund expenditures. The fund balance for the County's general fund decreased by \$1,200,281 during the current fiscal year.

In addition to the General Fund, the County maintains four major government funds: the Social Services fund, County Improvement fund, Mental Health fund, and the Water Development Sinking fund. The Social Service fund is used to administer the County's social services programs that promote job-readiness and self-sufficiency of individuals and families. The Social Service fund recorded \$9 million in revenues in 2011, compared to \$9.1 million last year. Expenditures decreased from \$9.2 million in 2010 to \$8.95 million in 2011.

The County Improvement fund is used for the acquisition and construction of County facilities. In 2011 revenues were unchanged from 2010 at \$0.2 million. Expenditures in 2011 were \$120,000 compared to \$2 million reported in 2010.

Mental Health fund provides services to County residents with serious mental disabilities and/or emotional disturbances. Revenues in 2011 were \$3.88 million compared to \$3.8 million in 2010. Expenditures in 2011 were \$4.35 million compared to \$3.9 million in 2010. The increase was due to increase Mental Health Services Act Program.

The Water Development Sinking fund is used for the development of new or additional water for the County. Revenues in 2011 were \$51,880 compared to \$76,888 in 2010. Expenditures in 2011 were \$15,000 compared to \$30,805 in 2010.

Proprietary funds. The County of Amador's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net assets of the enterprise funds decreased by \$1,442,240. The decrease is primarily due to landfill closure/post closure liability activities. The net assets of the internal services funds' increased by \$135,263 to \$3,450,746.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2011

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget can be briefly summarized as follows:

- \$126,776 increase in general governmental budget
- \$1,574,958 increase in public protection budget
- \$ -0- change in public assistance budget
- \$59,432 increase in education budget
- \$61,110 increase in recreation and cultural services budget
- \$29,087 increase in contingency budget

Capital Asset and Debt Administration

Capital assets. The County of Amador's investment in capital assets for its governmental and business type activities as of June 30, 2011, amount to \$50,208,288 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Additional information on the County's capital assets can be found in Note 4 of the Notes to the Basic Financial Statements.

Debt Administration. At the end of the current fiscal year, the County had total long-term obligations outstanding of \$17,677,509. The long-term obligations are as follows:

- \$2,202,449 compensated absences
- \$100,000 liability for self-insurance
- \$8,534,558 notes payable and certificates of participation
- \$6,503,502 landfill closure/post-closure
- \$337,000 liability for other post employment benefits

Additional information on the County's long-term obligations can be found in Note 5 of the Notes to the Basic Financial Statements.

Request for Information

This financial report is designed to provide a general overview of the County of Amador's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Amador County Auditor-Controller, 810 Court Street, Jackson, CA 95642.

BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements

COUNTY OF AMADOR

Statement of Net Assets June 30, 2011

<u>ASSETS</u>	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
Cash and investments:			
Held in County treasury, unrestricted	\$ 36,642,684	\$ 656,295	\$ 37,298,979
Held in County treasury, restricted	--	11,214	11,214
Imprest cash	26,950	100	27,050
Accounts receivable	210,471	64,008	274,479
Taxes receivable	338,612	10,727	349,339
Interest receivable	45,871	1,024	46,895
Due from other governments	1,391,453	--	1,391,453
Loans and notes receivable	2,267,972	--	2,267,972
Internal balances	2,119,400	(2,119,400)	--
Deferred charges	280,534	--	280,534
Capital Assets:			
Nondepreciable	7,561,889	2,176,875	9,738,764
Depreciable, net	38,609,458	1,860,066	40,469,524
Total Assets	\$ 89,495,294	\$ 2,660,909	\$ 92,156,203
 <u>LIABILITIES</u>			
Accounts payable	\$ 1,175,952	\$ 47,868	\$ 1,223,820
Due to other governments	122,611	--	122,611
Interest payable	79,653	--	79,653
Deposits held for others	--	258,587	258,587
Unearned revenues	5,422,376	--	5,422,376
Long-Term Liabilities:			
Portion due or payable within one year:	1,655,286	237,995	1,893,281
Portion due or payable after one year:	9,082,021	6,365,206	15,447,227
Liability for post employment benefits	336,032	968	337,000
Total Liabilities	17,873,931	6,910,624	24,784,555
 <u>NET ASSETS</u>			
Invested in capital assets, net of related debt	37,849,447	3,952,145	41,801,592
Restricted for:			
Public safety	3,655,618	--	3,655,618
Health and public assistance	1,218,242	--	1,218,242
Community development and public facilities	3,801,505	--	3,801,505
Capital projects	483,038	--	483,038
Other	454,592	--	454,592
Unrestricted	24,158,921	(8,201,860)	15,957,061
Total Net Assets	71,621,363	(4,249,715)	67,371,648
Total Liabilities and Net Assets	\$ 89,495,294	\$ 2,660,909	\$ 92,156,203

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

COUNTY OF AMADOR

Statement of Activities
For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues	
		Fees, Fines and Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities:			
General government	\$ 6,876,282	\$ 1,707,684	\$ 2,675,142
Public protection	26,884,530	3,761,574	6,899,634
Public ways and facilities	5,817,526	222,544	3,372,858
Health and sanitation	8,473,441	451,592	5,529,408
Public assistance	9,005,472	76,119	8,951,949
Education	1,042,917	239,386	13,006
Culture and recreation	258,042	71,436	290
Debt Service:			
Interest	332,452	--	--
Total Governmental Activities	58,690,662	6,530,335	27,442,287
Business-Type Activities:			
Waste Management	2,606,267	462,740	45,000
Airport	555,704	338,068	582,018
County Service Areas	36,718	174,656	--
Total Business-Type Activities:	3,198,689	975,464	627,018
Total Amador County	\$ 61,889,351	\$ 7,505,799	\$ 28,069,305

General Revenues:

 Taxes:

 Property taxes

 Sales and use taxes

 In-lieu sales tax

 Transient occupancy taxes

 Franchise taxes

 Other

 Unrestricted interest and investment earnings

Transfers

 Total General Revenues and Transfers

Change in Net Assets

Net assets, beginning of the year restated

Net assets, end of the year

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

Net (Expense) Revenue and
Changes in Net Assets

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (2,493,456)		\$ (2,493,456)
(16,223,322)		(16,223,322)
(2,222,124)		(2,222,124)
(2,492,441)		(2,492,441)
22,596		22,596
(790,525)		(790,525)
(186,316)		(186,316)
(332,452)		(332,452)
(24,718,040)		(24,718,040)
--	\$ (2,098,527)	(2,098,527)
--	364,382	364,382
--	137,938	137,938
--	(1,596,207)	(1,596,207)
(24,718,040)	(1,596,207)	(26,314,247)
18,280,177	--	18,280,177
1,898,957	--	1,898,957
696,006	--	696,006
89,431	--	89,431
363,614	--	363,614
123,044	--	123,044
390,405	3,967	394,372
(150,000)	150,000	--
21,691,634	153,967	21,845,601
(3,026,406)	(1,442,240)	(4,468,646)
74,647,769	(2,807,475)	71,840,294
\$ 71,621,363	\$ (4,249,715)	\$ 67,371,648

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

BASIC FINANCIAL STATEMENTS
Fund Financial Statements

COUNTY OF AMADOR

Balance Sheet Governmental Funds June 30, 2011

	<u>General</u>	<u>Social Services</u>	<u>Mental Health</u>	<u>County Improvement</u>
<u>Assets</u>				
Cash and investments	\$ 16,726,405	\$ 382,336	\$ 3,154,569	\$ 1,272,461
Imprest cash	24,300	--	--	--
Accounts receivable	195,620	811	--	--
Taxes receivable	179,312	--	--	--
Due from other governments	687,101	67,768	431,148	--
Interest receivable	21,797	20	136	1,984
Loans and notes receivable	958,398	--	--	--
Advances to other funds	1,372,800	--	--	946,600
	<u>1,372,800</u>	<u>--</u>	<u>--</u>	<u>946,600</u>
Totals Assets	<u>\$ 20,165,733</u>	<u>\$ 450,935</u>	<u>\$ 3,585,853</u>	<u>\$ 2,221,045</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ 767,323	\$ 27,200	\$ 178,705	\$ 170
Due to other governments	46	--	--	--
Deferred revenues	2,203,703	61,917	3,362,190	342,192
Advances from other funds	--	200,000	--	--
	<u>--</u>	<u>200,000</u>	<u>--</u>	<u>--</u>
Total Liabilities	<u>2,971,072</u>	<u>289,117</u>	<u>3,540,895</u>	<u>342,362</u>
Fund Balances:				
Nonspendable	1,372,800	--	--	946,600
Restricted	1,593,351	161,818	44,958	--
Committed	754,433	--	--	--
Assigned	12,324,998	--	--	932,083
Unassigned	1,149,079	--	--	--
	<u>1,149,079</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Fund Balances	<u>17,194,661</u>	<u>161,818</u>	<u>44,958</u>	<u>1,878,683</u>
Total Liabilities and Fund Balances	<u>\$ 20,165,733</u>	<u>\$ 450,935</u>	<u>\$ 3,585,853</u>	<u>\$ 2,221,045</u>

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

Water Development Sinking	Other Governmental Funds	Total Governmental Funds	
\$ 4,122,347	\$ 7,997,694	\$ 33,655,812	<u>Assets</u>
--	400	24,700	Cash and investments
--	2,056	198,487	Imprest cash
--	159,300	338,612	Accounts receivable
--	205,436	1,391,453	Taxes receivable
6,384	11,372	41,693	Due from other governments
1,309,574	--	2,267,972	Interest receivable
--	--	2,319,400	Loans and notes receivable
			Advances to other funds
<u>\$ 5,438,305</u>	<u>\$ 8,376,258</u>	<u>\$ 40,238,129</u>	Totals Assets
			<u>Liabilities and Fund Balance</u>
			Liabilities:
\$ --	\$ 156,638	\$ 1,130,036	Accounts payable
--	122,565	122,611	Due to other governments
--	22,600	5,992,602	Deferred revenues
--	--	200,000	Advances from other funds
			Total Liabilities
	301,803	7,445,249	
			Fund Balances:
1,309,574	--	3,628,974	Nonspendable
--	7,812,868	9,612,995	Restricted
4,128,731	--	4,883,164	Committed
--	261,587	13,518,668	Assigned
--	--	1,149,079	Unassigned
<u>5,438,305</u>	<u>8,074,455</u>	<u>32,792,880</u>	Total Fund Balances
<u>\$ 5,438,305</u>	<u>\$ 8,376,258</u>	<u>\$ 40,238,129</u>	Total Liabilities and Fund Balances

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

COUNTY OF AMADOR

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Assets - Governmental Activities
June 30, 2011

Fund Balance - total governmental funds	\$ 32,792,880
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	45,362,414
Deferred revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	570,226
Internal service funds are used by the County to charge the cost of copying and fleet services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of assets. Internal service fund net assets are:	3,450,746
Deferred charges in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	280,534
Interest payable on long-term liabilities does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds.	(79,653)
Long-term liabilities, including certificates of participation and bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Certificates of Participation	(7,695,000)
Bonds payable	(626,900)
Compensated absences	(2,102,994)
Liability for post employment benefits	<u>(330,890)</u>
Net assets of governmental activities	<u>\$ 71,621,363</u>

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

COUNTY OF AMADOR

Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

	General	Social Services	Mental Health	County Improvement
Revenues:				
Taxes	\$ 20,598,442	\$ --	\$ --	\$ --
Licenses and permits	322,106	--	--	155,263
Intergovernmental	7,935,301	8,920,966	3,858,221	--
Fines and forfeitures	814,777	--	--	--
Use of money and property	256,830	4,040	1,034	8,016
Charges for services	3,044,858	2,263	20,414	17,264
Other	137,848	71,127	4,898	34,332
Total Revenues	<u>33,110,162</u>	<u>8,998,396</u>	<u>3,884,567</u>	<u>214,875</u>
Expenditures:				
Current:				
General government	5,429,376	--	--	--
Public protection	24,160,858	--	--	--
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	4,345,142	--
Public assistance	43,570	8,953,283	--	--
Education	1,028,582	--	--	--
Recreation and cultural services	254,329	--	--	--
Capital outlay	--	--	--	119,425
Debt Service:				
Principal payments	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total Expenditures	<u>30,916,715</u>	<u>8,953,283</u>	<u>4,345,142</u>	<u>119,425</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>2,193,447</u>	<u>45,113</u>	<u>(460,575)</u>	<u>95,450</u>
Other Financing Sources (Uses):				
Transfers in	--	57,099	248,305	--
Transfers out	(3,393,728)	--	--	--
Total Other Financing Sources (Uses)	<u>(3,393,728)</u>	<u>57,099</u>	<u>248,305</u>	<u>--</u>
Change in Fund Balances	(1,200,281)	102,212	(212,270)	95,450
Fund Balances, Beginning of the Year	<u>18,394,942</u>	<u>59,606</u>	<u>257,228</u>	<u>1,783,233</u>
Fund Balances, End of Fiscal Year	<u>\$ 17,194,661</u>	<u>\$ 161,818</u>	<u>\$ 44,958</u>	<u>\$ 1,878,683</u>

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

Water Development Sinking	Other Governmental Funds	Total Governmental Funds
\$ --	\$ 852,787	\$ 21,451,229
--	111,069	588,438
--	6,919,637	27,634,125
--	193,294	1,008,071
51,880	50,634	372,434
--	1,143,084	4,227,883
--	171,764	419,969
<u>51,880</u>	<u>9,442,269</u>	<u>55,702,149</u>

Revenues:

Taxes
Licenses and permits
Intergovernmental
Fines and forfeitures
Use of money and property
Charges for services
Other
Total Revenues

--	8,679	5,438,055
15,000	1,737,386	25,913,244
--	5,194,688	5,194,688
--	4,069,288	8,414,430
--	--	8,996,853
--	--	1,028,582
--	--	254,329
--	--	119,425
--	422,242	422,242
--	327,699	327,699
<u>15,000</u>	<u>11,759,982</u>	<u>56,109,547</u>

Expenditures:

Current:

General government
Public protection
Public ways and facilities
Health and sanitation
Public assistance
Education
Recreation and cultural services
Capital outlay

Debt Service:

Principal payments
Interest and fiscal charges
Total Expenditures

<u>36,880</u>	<u>(2,317,713)</u>	<u>(407,398)</u>
---------------	--------------------	------------------

**Excess (Deficiency) of Revenue Over
(Under) Expenditures**

--	2,408,829	2,714,233
--	(36,525)	(3,430,253)
<u>--</u>	<u>2,372,304</u>	<u>(716,020)</u>

Other Financing Sources (Uses):

Transfers in
Transfers out
Total Other Financing Sources (Uses)

36,880	54,591	(1,123,418)
<u>5,401,425</u>	<u>8,019,864</u>	<u>33,916,298</u>
<u>\$ 5,438,305</u>	<u>\$ 8,074,455</u>	<u>\$ 32,792,880</u>

Change in Fund Balances

Fund Balances, Beginning of the Year

Fund Balances, End of Fiscal Year

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

COUNTY OF AMADOR

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2011

Net change to fund balance - total governmental funds \$ (1,123,418)

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

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

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	212,244	
Less: current year depreciation	<u>(2,195,024)</u>	(1,982,780)

Governmental funds report the disposal of assets only to the extent that
proceeds are received from the sale. In the Statement of Net Activities,
a gain or loss is reported for each disposal. This is the net book value of
assets which were disposed. (1,492)

Revenues in the Statement of Activities do not provide current financial
resources and, therefore, are not reported as revenue in the governmental funds.
Change in deferred revenue (184,699)

Long-term debt proceeds provide current financial resources to governmental
funds, but issuing debt increases long-term liabilities in the statement of net
assets. Repayment of debt principal is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the statement of net assets
Principal payments 422,242

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

Change in compensated absences	(195,427)
Change in other post-employment benefits	(91,344)
Accrued interest payable	13,952
Change in unamortized bond issuance cost	(18,703)

Internal service funds are used by management to charge the costs of certain
activities to individual funds. The net revenue of certain activities of the
the internal service funds is reported with governmental activities. 135,263

Change in net assets of governmental activities \$ (3,026,406)

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

COUNTY OF AMADOR

Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-Type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds		Internal Service Funds
ASSETS					
Current Assets:					
Cash and investments:					
Held in County treasury, unrestricted	\$ 10,439	\$ 22,469	\$ 623,387	\$ 656,295	\$ 2,986,872
Held in County treasury, restricted	11,214	--	--	11,214	--
Imprest cash	--	100	--	100	2,250
Accounts receivable	64,008	--	--	64,008	11,984
Taxes receivable	10,727	--	--	10,727	--
Interest receivable	100	83	841	1,024	4,178
Total Current Assets	<u>96,488</u>	<u>22,652</u>	<u>624,228</u>	<u>743,368</u>	<u>3,005,284</u>
Capital Assets:					
Nondepreciable	676,022	1,500,853	--	2,176,875	15,000
Depreciable, net	237,940	1,622,126	--	1,860,066	793,933
Total Noncurrent Assets	<u>913,962</u>	<u>3,122,979</u>	<u>--</u>	<u>4,036,941</u>	<u>808,933</u>
Total Assets	<u>\$ 1,010,450</u>	<u>\$ 3,145,631</u>	<u>\$ 624,228</u>	<u>\$ 4,780,309</u>	<u>\$ 3,814,217</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 35,973	\$ 11,895	\$ --	\$ 47,868	\$ 45,916
Deposits held for others	--	--	258,587	258,587	--
Current portion of long-term liabilities:					
Loans payable	--	13,761	--	13,761	--
Capital lease	--	--	--	--	24,272
Compensated absences	2,447	5,004	--	7,451	42,275
Liability for landfill post-closure costs	216,783	--	--	216,783	--
Total Current Liabilities	<u>255,203</u>	<u>30,660</u>	<u>258,587</u>	<u>544,450</u>	<u>112,463</u>
Long-term Liabilities:					
Loans payable	--	71,035	--	71,035	--
Capital lease	--	--	--	--	103,590
Compensated absences	2,447	5,005	--	7,452	42,276
Advances from other funds	2,119,400	--	--	2,119,400	--
Claims liability	--	--	--	--	100,000
Liability for landfill post-closure costs	6,286,719	--	--	6,286,719	--
Other post employment benefits	575	393	--	968	5,142
Total Long-term Liabilities	<u>8,409,141</u>	<u>76,433</u>	<u>--</u>	<u>8,485,574</u>	<u>251,008</u>
Total Liabilities	<u>8,664,344</u>	<u>107,093</u>	<u>258,587</u>	<u>9,030,024</u>	<u>363,471</u>
NET ASSETS					
Invested in capital assets, net of related debt	913,962	3,038,183	--	3,952,145	808,933
Unrestricted	<u>(8,567,856)</u>	<u>355</u>	<u>365,641</u>	<u>(8,201,860)</u>	<u>2,641,813</u>
Total Net Assets	<u>(7,653,894)</u>	<u>3,038,538</u>	<u>365,641</u>	<u>(4,249,715)</u>	<u>3,450,746</u>
Total Liabilities and Net Assets	<u>\$ 1,010,450</u>	<u>\$ 3,145,631</u>	<u>\$ 624,228</u>	<u>\$ 4,780,309</u>	<u>\$ 3,814,217</u>

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

COUNTY OF AMADOR

Statement of Revenues, Expenses and Changes in Net Assets
 Proprietary Funds
 For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds			Governmental	
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 462,726	\$ 154,626	\$ 165,897	\$ 783,249	\$ 3,700,732
Other	14	183,442	8,759	192,215	58,249
Total Operating Revenues	<u>462,740</u>	<u>338,068</u>	<u>174,656</u>	<u>975,464</u>	<u>3,758,981</u>
Operating Expenses:					
Salaries and benefits	118,366	110,787	--	229,153	656,681
Services and supplies	302,856	79,605	36,718	419,179	3,280,757
Closure/Postclosure care costs	2,163,494	--	--	2,163,494	--
Special projects	13,175	281,347	--	294,522	--
Depreciation	8,376	78,421	--	86,797	259,202
Total Operating Expenses	<u>2,606,267</u>	<u>550,160</u>	<u>36,718</u>	<u>3,193,145</u>	<u>4,196,640</u>
Operating Income (Loss)	<u>(2,143,527)</u>	<u>(212,092)</u>	<u>137,938</u>	<u>(2,217,681)</u>	<u>(437,659)</u>
Non-Operating Revenues (Expenses):					
Interest income	343	396	3,228	3,967	17,971
Intergovernmental revenues	45,000	582,018	--	627,018	39
Loss on disposition of capital assets	--	--	--	--	(11,108)
Interest expense	--	(5,544)	--	(5,544)	--
Total Non-Operating Revenues (Expenses)	<u>45,343</u>	<u>576,870</u>	<u>3,228</u>	<u>625,441</u>	<u>6,902</u>
Net Income (Loss) before Transfers	(2,098,184)	364,778	141,166	(1,592,240)	(430,757)
Transfers in	<u>150,000</u>	<u>--</u>	<u>--</u>	<u>150,000</u>	<u>566,020</u>
Change in Net Assets	(1,948,184)	364,778	141,166	(1,442,240)	135,263
Net Assets, Beginning of Year	<u>(5,705,710)</u>	<u>2,673,760</u>	<u>224,475</u>	<u>(2,807,475)</u>	<u>3,315,483</u>
Net Assets, End of Year	<u>\$ (7,653,894)</u>	<u>\$ 3,038,538</u>	<u>\$ 365,641</u>	<u>\$ (4,249,715)</u>	<u>\$ 3,450,746</u>

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

COUNTY OF AMADOR

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds				Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ 450,099	\$ 351,619	\$ 174,656	\$ 976,374	\$ --
Receipts from interfund services provided	--	--	--	--	3,890,188
Payments to suppliers	(585,061)	(533,944)	(36,718)	(1,155,723)	(3,262,657)
Payments to employees	(115,651)	(112,302)	--	(227,953)	(643,724)
Net Cash Provided (Used) by Operating Activities	(250,613)	(294,627)	137,938	(407,302)	(16,193)
Cash Flows from Investing Activities:					
Interest received	407	454	3,897	4,758	21,196
Net Cash Provided (Used) by Investing Activities	407	454	3,897	4,758	21,196
Cash Flows from Capital and Related Financing Activities:					
Purchase of capital assets	--	(280,609)	--	(280,609)	(214,671)
Interest payments on debt	--	(5,544)	--	(5,544)	--
Principal payments on debt	--	(13,090)	--	(13,090)	(3,943)
Net Cash Provided (Used) by Capital and Related Financing Activities	--	(299,243)	--	(299,243)	(218,614)
Cash Flows from Non-Capital Financing Activities:					
Aid from other governmental agencies	40,649	582,018	--	622,667	39
Transfers received from other funds	150,000	--	--	150,000	566,020
Net Cash Provided (Used) by Non-Capital Financing Activities	190,649	582,018	--	772,667	566,059
Net Increase (Decrease) in Cash and Cash Equivalents	(59,557)	(11,398)	141,835	70,880	352,448
Cash and Cash Equivalents, Beginning of Year	81,210	33,967	481,552	596,729	2,636,674
Cash and Cash Equivalents, End of Year	<u>\$ 21,653</u>	<u>\$ 22,569</u>	<u>\$ 623,387</u>	<u>\$ 667,609</u>	<u>\$ 2,989,122</u>

continued

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

COUNTY OF AMADOR

Statement of Cash Flows (continued)
 Proprietary Funds
 For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds				Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (2,143,527)	\$ (212,092)	\$ 137,938	\$ (2,217,681)	\$ (437,659)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation	8,376	78,421	--	86,797	259,202
Changes in assets and liabilities:					
Accounts receivable	(12,641)	13,551	--	910	131,207
Accounts payable	(134,988)	(172,992)	--	(307,980)	(11,900)
Compensated absences payable	2,653	(1,557)	--	1,096	12,405
Claims liability	--	--	--	--	30,000
Landfill closure liability	2,029,452	--	--	2,029,452	--
Other post employment benefits	62	42	--	104	552
 Net Cash Provided (Used) by Operating Activities	 <u>(250,613)</u>	 <u>(294,627)</u>	 <u>137,938</u>	 <u>(407,302)</u>	 <u>(16,193)</u>
 Noncash investing, capital and financing activities:					
Borrowing under capital lease	\$ --	\$ --	\$ --	\$ --	\$ 131,805
Purchase of equipment on account	--	--	--	--	(131,805)
 Recap of Cash and Cash Equivalents, as reported on the Statement of Net Assets					
Cash and investments in Pool, unrestricted	\$ 10,439	\$ 22,469	\$ 623,387	\$ 656,295	\$ 2,986,872
Cash and investments in Pool, restricted	11,214	--	--	11,214	--
Imprest cash	--	100	--	100	2,250
	<u>\$ 21,653</u>	<u>\$ 22,569</u>	<u>\$ 623,387</u>	<u>\$ 667,609</u>	<u>\$ 2,989,122</u>

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

COUNTY OF AMADOR

Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Investment Trust Funds	Agency Funds
	<u> </u>	<u> </u>
<u>Assets</u>		
Current Assets:		
Cash and investments	\$ 16,457,472	\$ 10,369,227
Taxes receivable	--	4,921,565
	<u> </u>	<u> </u>
Total Assets	<u>\$ 16,457,472</u>	<u>\$ 15,290,792</u>
 <u>Liabilities and Net Assets</u>		
Current Liabilities:		
Agency obligations	\$ --	\$ 15,290,792
Net Assets:		
Held in trust for external participants	<u>16,457,472</u>	<u>--</u>
Total Liabilities and Net Assets	<u>\$ 16,457,472</u>	<u>\$ 15,290,792</u>

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

COUNTY OF AMADOR

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011

	Investment Trust Funds
ADDITIONS:	
Net investment earnings	\$ 144,746
Contributions to investment pool	<u>48,544,961</u>
Total Additions	48,689,707
DEDUCTIONS:	
Distributions from investment pool	<u>51,437,014</u>
CHANGE IN NET ASSETS	(2,747,307)
NET ASSETS, BEGINNING	<u>\$ 19,204,779</u>
NET ASSETS, ENDING	<u><u>\$ 16,457,472</u></u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 1: **Summary of Significant Accounting Policies**

A. Description of the Reporting Entity

The County of Amador (County), the primary government, is a political subdivision of the State of California. It is governed by an elected board of five County Supervisors. The County provides various services on a county-wide basis including law enforcement, education, detention, social health, fire protection, road construction and maintenance, elections and records, planning, zoning, and tax collection. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board Statement No. 14.

The decision to include a component unit in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statement No. 14. The basic criteria used in the determination of component units are financial accountability of the County for the component unit. Financial accountability generally is defined as the appointment of a voting majority of the component unit's board and the County's ability to impose its will on the organization.

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

The following entities have been classified as blended component units of the County:

Amador County Public Facilities	Amador Fire Protection District
Financing Authority	Amador IHSS Public Authority
Victory Lighting	CSA's 5, 6 and 8

The above component units are legally separate entities governed by the County's Board of Supervisors; as such, their financial data has been combined with the County's financial data and presented as blended component units.

Discretely Presented Component Units – There are no component units of the County which meet the criteria for discrete presentation.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net assets are available, restricted resources are used first before unrestricted resources are used.

Fund Financial Statements

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. *Operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of each fund. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses include costs of providing services and delivering goods. All other expenses not meeting this definition are reported as nonoperating expenses.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

B. Basis of Presentation (continued)

Fund Financial Statements (continued)

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.
- The *Social Service Fund* is used to administer social services that promote job-readiness and self-sufficiency of individuals and families.
- The *Mental Health Fund* is used to provide services to county residents with serious mental disabilities or emotional disturbances.
- The *County Improvement Fund* is used to account for the acquisition and construction of County facilities.
- The *Water Development Sinking Fund* is used to account for the development of new or additional water for Amador County.

The County reports the following major enterprise funds:

- The *Waste Management Fund* is used to provide for operations and maintenance of the County's closed landfill, the collection and disposal of household hazardous wastes, the development and implementation of recycling and waste reduction and recycling programs countywide.
- The *Airport Fund* is used to operate the County's airport for business and recreational use of County residents and visitors.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

B. **Basis of Presentation** (continued)

Fund Financial Statements (continued)

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's fleet maintenance, purchasing and copy services provided to other departments or other governments and the County's self-insurance programs. Activities include the County's self-insurance programs, providing services to County-governed districts, service areas and advisory councils and equipment financing of the County.
- The *Investment Trust Fund* accounts for the external portion of the County's Investment Pool which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.
- The *Agency Funds* account for assets held by the County as an agent for the state and various local governments. These funds typically do not involve a formal trust agreement and are used to account for situations where the role is purely custodial such as the receipt, temporary investment or remittance of fiduciary resources.

C. **Basis of Accounting**

The government-wide, proprietary, and investment trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

C. **Basis of Accounting** (continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available (“susceptible to accrual”). Property and sales taxes, interest, state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

For its business-type activities and enterprise funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

D. **Investments**

California Government Code Section 53600, et seq., authorizes the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, obligations of the state or any local agency of the State of California, bankers’ acceptances, commercial paper, negotiable certificates of deposits, repurchase agreements or reverse repurchase agreements, medium-term notes issued by corporations and the State of California Local Agency Investment Fund. The County Treasurer may also invest in certain open-ended mutual funds permitted by the Government Code.

In accordance with GASB Statement No. 31, investments are reported on the statement of net assets/balance sheet at their fair value and all changes in fair value are reflected in income. Fair values were obtained from custodial statements

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

D. Investments (continued)

for all investments. Investments are marked to fair value annually and an adjustment is made to each fund accordingly. The fair value of each participant's position in the pool is the same as the value of the pool shares determined on a dollar-to-dollar basis, adjusted for investment income distributed at the end of each quarter. Only a withdrawal from the pool of a size that jeopardizes pool participants would cause the withdrawal to be done at market value.

E. Cash and Cash Equivalents

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

F. Accounts Receivable and Deferred Revenues

Receivables consist mostly of amounts due from other agencies. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

The County reports unearned revenue on its financial statements. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the County receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability of unearned revenue is removed from the financial statements and revenue is recognized.

G. Property Taxes

The County levies property taxes July 1 on assessed values established on the lien date of the previous January 1 for all taxable property located within the County. Local assessed values are determined subject to appeal before the Assessment Appeals Board, by the County Assessor's Office. Locally assessed real property is appraised at the 1975-76 base year value and is adjusted each year after 1975 by the change in the California Consumer Price Index not to exceed an increase of 2% per year.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

G. **Property Taxes** (continued)

Article XIII-A of the California Constitution (Proposition 13) requires the County Assessor to reappraise all property from the 1975-76 base year value to current full value upon either a change in ownership or new construction. Thereafter, it continues to be increased annually by the change in the California Consumer Price Index not to exceed 2%. The net asset value for the 2010-2011 fiscal year is \$4.4 billion.

The County is permitted by Division 1, Part 0.5, Chapter 5.5, of the California Revenue and Taxation Code, to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on general obligation bonds or other indebtedness approved by voters prior to July 1, 1978. Taxes are allocated to local agencies and school districts as outlined in Chapter 6 of the California Revenue and Taxation Code.

Taxes are due in one installment (unsecured roll) when billed and are subject to late payment penalties if paid after August 31, or two installments (secured roll) due on November 1 and March 1, and subject to the late payment penalties if paid after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction.

The County and its political subdivisions operate under the provisions of Sections 4701-4717 of the California Revenue and Taxation Code. This provision is otherwise known as the "Teeter Plan." Under this method, the accounts of political subdivisions that adopted the Teeter Plan and levy taxes on the County tax roll are credited with 100% of their respective secured tax levy, regardless of the actual payments and delinquencies. This method then provides for Teetered delinquent penalties and redemptions to flow to the County's general fund.

Pursuant to Section 4703 of the California Revenue and Taxation Code, all counties electing to operate under the "Teeter Plan," are required to maintain a Property Tax Losses Reserve Fund. The fund is used to cover losses that may occur in the amount of tax liens as a result of special sales of tax-defaulted property. Whenever in any year the amount of the Tax Losses Reserve Fund has reached an amount equivalent to 1% of the total of all taxes and assessments levied on the secured roll for that year, the excess may be credited to the County's General Fund. The Tax Losses Reserve Fund balance is in excess of the statutory 1% minimum.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

H. **Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources is reported as a long-term liability in the government-wide financial statements. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave benefits that is estimated will be taken as “terminal leave” prior to retirement.

I. **Capital Assets**

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, draining systems, and flood control. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 for equipment and \$10,000 for buildings and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

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

The County has five networks of infrastructure assets – roads, water/sewer, lighting, drainage, and flood control.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

J. **Interfund Transactions**

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not in spending form.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

K. **Net Assets / Fund Balances**

Net Assets

The government-wide and business-type activities financial statements utilize a net assets presentation. Net assets represent the difference between assets and liabilities and are displayed in three components:

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Assets – This category represents net assets that are subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets – This category represents net assets of the County, not restricted for any project or other purpose.

When both restricted and unrestricted net assets are available, restricted resources are used first, then unrestricted resources as they are needed.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

K. **Net Assets / Fund Balances** (continued)

Fund Balance

In the fund financial statements, the following classifications describe the relative strength of the spending constraints placed on the purposes for which governmental fund resources can be used:

Nonspendable fund balance – This category represents amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.

Restricted fund balance – This category represents amounts with constraints placed on their use by those external to the County, including creditors, grantors, contributors or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – This category represents amounts that can only be used for specific purposes determined by formal action of the County's highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned fund balance – This category represents amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision making or by a body or an official designated for that purpose.

Unassigned fund balance – This category represents the residual classification that includes amounts not contained in the other classifications.

The County's board establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution. When restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, followed by the unrestricted resources that are committed, assigned and unassigned, in this order as they are needed.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

L. New Accounting Pronouncements

Governmental Accounting Standards Board (GASB) Statement No. 54

The GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by establishing fund balance classifications. These classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are described in the fund equity section of this footnote. The definitions of the general fund, special revenue fund types, capital project fund types, debt service fund type, and permanent fund type are clarified by the provisions in this Statement. The requirements of the statement are effective for financial statements with periods beginning after June 15, 2010. Fund balance reclassifications made to conform to the provisions of this statement are required to be applied retroactively by restating beginning fund balance.

M. Use of Estimates

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

Note 2: **Cash and Investments**

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed quarterly to the participating funds using a formula based on the average daily cash balance of each fund. The County has not provided or obtained any legally binding guarantees during the fiscal year ended June 30, 2011, to support the value of shares in the Treasurer's Investment Pool.

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

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 2: **Cash and Investments** (continued)

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

At June 30, 2011, total County cash and investments were as follows:

Cash:

Cash on hand	\$ 484,126
Deposits	1,462,211
Outstanding warrants	<u>(5,039,547)</u>
Total cash and deposits	<u>(3,093,210)</u>

Investments:

In Treasurer's pool	<u>67,257,152</u>
Total cash and investments	<u>\$ 64,163,942</u>

Total cash and investments at June 30, 2011 were presented on the County's financial statements as follows:

Primary government	\$ 37,337,243
Investment trust fund	16,457,472
Agency funds	<u>10,369,227</u>
Total	<u>\$ 64,163,942</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 2: **Cash and Investments** (continued)

Deposits – Custodial Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code requires that a financial institution secure the County’s cash deposits by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of pledged securities in the collateral pool must equal at least 110% of the County’s cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County’s total cash deposits.

Investments

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 Years	None	None
U.S. Treasury Bills	5 Years	None	None
U.S. Agency Securities (Excluding Discount Notes)	5 Years	75%	35%
U.S. Agency Discount Notes	1 Year	None	None
Banker’s Acceptances	180 Days	25%	5%
Commercial Paper - Select Agencies	270 Days	25%	5%
Commercial Paper - Other Agencies	270 Days	25%	5%
Negotiable Certificates of Deposit	3 Years	25%	5%
Non-negotiable Certificates of Deposit	3 Years	25%	5%
Repurchase Agreements	180 Days	20%	None
Medium-Term Corporate Notes	3 years	25%	5%
Money Market Funds	N/A	10%	10%
Local Agency Investment Fund (LAIF)	N/A	None	\$40 Million
California Asset Management Program (CAMP)	N/A	None	\$15 Million
CaITRUST	N/A	None	\$5 Million
Passbook Savings/Demand Deposit/Checking Accounts	N/A	None	None

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 2: **Cash and Investments** (continued)

Investments (continued)

At June 30, 2011, the County had the following investments:

Investments in Investment Pool	Interest Rates	Maturities	Par	Fair Value	Carrying Value	Weighted Average Maturity (Years)
U.S. Treasury Notes	1.414% - 3.298%	03/31/12-01/31/14	\$ 3,000,000	\$ 3,104,099	\$ 3,032,988	1.39
U.S. Government Agencies	0.606% - 4.38%	7/27/11 - 4/27/16	26,000,000	26,262,701	26,171,286	2.42
Corporate Medium-Term Notes	0.536% - 3.056%	12/1/11 - 9/27/13	6,000,000	6,176,281	6,144,788	1.17
California Asset Management Program (CAMP)	Variable	On Demand	4,425,623	4,425,623	4,425,623	0.00
Local Agency Investment Fund (LAIF)	Variable	On Demand	27,482,467	27,525,793	27,482,467	0.00
Total			<u>\$ 66,908,090</u>	<u>\$ 67,494,497</u>	<u>\$ 67,257,152</u>	<u>1.11</u>

Pooled investments are carried at cost or amortized cost. In accordance with Government Accounting Standards Board Statement No. 31, the County calculated the fair value of all investments included in the pooled investments based on quoted market prices. At June 30, 2011 the difference between the cost and fair value of cash and investments was not material (fair value was 100.36% of carrying value).

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2011.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 2: **Cash and Investments** (continued)

Concentration of Credit Risk (continued)

	<u>S&P</u>	<u>Moody's</u>	Based on Fair Value % of Portfolio
U.S. Treasury Notes	AAA	Aaa	4.51%
U.S. Government Agencies	AAA	Aaa	38.91%
Corporate Medium-Term Note	AAA	Aaa	7.62%
Corporate Medium-Term Note	AA	Aa1	0.76%
Corporate Medium-Term Note	AA+	Aa2	0.76%
California Asset Management Program (CAMP)	AAAm	Unrated	6.58%
Local Agency Investment Fund (LAIF)	Unrated	Unrated	40.86%
Total			<u>100.00%</u>

As of the year ended June 30, 2011, more than 5% of the County's pooled investments were invested in the following issuers:

<u>Issuer</u>	<u>Type of Investment</u>	<u>Amount</u>
Federal Home Loan Bank	U.S. Government Agencies	\$ 7,001,838
Federal Farm Credit Bank	U.S. Government Agencies	8,020,030
Federal National Mortgage Association	U.S. Government Agencies	4,578,703
Federal Home Loan Mortgage Corp.	U.S. Government Agencies	6,022,880

Custodial Credit Risk

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

Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The value of the County's

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 2: Cash and Investments (continued)

investment in this pool is reported in the accompanying financial statements at amortized cost. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Local Agency Investment Fund (continued)

At June 30, 2011, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$27,482,467 which approximates fair value. The total amount invested by all public agencies in LAIF on that day was approximately \$66.4 billion. Of that amount, 5.01% was invested in non-derivative financial products and 94.99% in structured notes and asset-backed securities. Fair value is based on information provided by the state for the Local Agency Investment Fund.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2011:

Statement of Net Assets

Net assets held for pool participants	<u>\$ 64,136,892</u>
Equity of internal pool participants	\$ 47,679,420
Equity of external pool participants	<u>16,457,472</u>
Total net assets	<u>\$ 64,136,892</u>

Statement of Changes in Net Assets

Investment earnings	\$ 639,960
Investment expenses	(174,602)
Net withdrawals by pool participants	<u>3,259,457</u>
Change in Net Assets	3,724,815
Net Assets at July 1, 2010	<u>60,412,077</u>
Net Assets at June 30, 2011	<u>\$ 64,136,892</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 3: **Interfund Transactions**

Advances to/from other funds:

<u>Receivable From</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Social Services	\$ 200,000	Initial deposit to establish department
	Waste Management	<u>1,172,800</u>	Project financing
		1,372,800	
County Improvement	Waste Management	<u>946,600</u>	Project financing
		<u>\$ 2,319,400</u>	

Transfers:

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Social Services	\$ 57,099
	Mental Health	248,305
	Solid Waste Enterprise	150,000
	Internal Service Funds	566,020
	Other Governmental Funds	<u>2,372,304</u>
		3,393,728
Other Governmental Funds	Other Governmental Funds	<u>36,525</u>
		<u>\$ 3,430,253</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 4: **Capital Assets**

Capital asset activity for the year ended June 30, 2011, was as follows:

	(Restated)				
	Balance July 1, 2010	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2011
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 6,505,007	\$ --	\$ --	\$ --	\$ 6,505,007
Construction in progress	920,067	136,815	--	--	1,056,882
Total capital assets, not being depreciated	<u>7,425,074</u>	<u>136,815</u>	<u>--</u>	<u>--</u>	<u>7,561,889</u>
Capital assets, being depreciated:					
Infrastructure	43,453,544	--	--	--	43,453,544
Structures and improvements	37,957,625	--	--	--	37,957,625
Equipment	14,755,730	421,906	(647,359)	--	14,530,277
Total capital assets, being depreciated	<u>96,166,899</u>	<u>421,906</u>	<u>(647,359)</u>	<u>--</u>	<u>95,941,446</u>
Less accumulated depreciation for:					
Infrastructure	(34,306,581)	(657,212)	--	--	(34,963,793)
Structures and improvements	(8,769,146)	(919,074)	--	--	(9,688,220)
Equipment	(12,436,794)	(877,940)	634,759	--	(12,679,975)
Total accumulated depreciation	<u>(55,512,521)</u>	<u>(2,454,226)</u>	<u>634,759</u>	<u>--</u>	<u>(57,331,988)</u>
Total capital assets, being depreciated, net	<u>40,654,378</u>	<u>(2,032,320)</u>	<u>(12,600)</u>	<u>--</u>	<u>38,609,458</u>
Governmental activities capital assets, net	<u>\$ 48,079,452</u>	<u>\$ (1,895,505)</u>	<u>\$ (12,600)</u>	<u>\$ --</u>	<u>\$ 46,171,347</u>
	Balance July 1, 2010	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2011
Business-Type Activities:					
Capital assets, not being depreciated:					
Land	\$ 2,176,875	\$ --	\$ --	\$ --	\$ 2,176,875
Construction in progress	306,750	280,608	--	(587,358)	--
Total capital assets, not being depreciated	<u>2,483,625</u>	<u>280,608</u>	<u>--</u>	<u>(587,358)</u>	<u>2,176,875</u>
Capital assets, being depreciated:					
Infrastructure	1,580,953	--	--	587,358	2,168,311
Structures and improvements	1,333,717	--	--	--	1,333,717
Equipment	76,719	--	--	--	76,719
Total capital assets, being depreciated	<u>2,991,389</u>	<u>--</u>	<u>--</u>	<u>587,358</u>	<u>3,578,747</u>
Less accumulated depreciation for:					
Infrastructure	(873,266)	(36,562)	--	--	(909,828)
Structures and improvements	(700,906)	(47,361)	--	--	(748,267)
Equipment	(57,712)	(2,874)	--	--	(60,586)
Total accumulated depreciation	<u>(1,631,884)</u>	<u>(86,797)</u>	<u>--</u>	<u>--</u>	<u>(1,718,681)</u>
Total capital assets, being depreciated, net	<u>1,359,505</u>	<u>(86,797)</u>	<u>--</u>	<u>587,358</u>	<u>1,860,066</u>
Governmental activities capital assets, net	<u>\$ 3,843,130</u>	<u>\$ 193,811</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,036,941</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 4: **Capital Assets** (continued)

Depreciation expense was charged to governmental functions as follows:

	Total
General government	\$ 782,684
Public protection	652,505
Public ways	714,457
Health and sanitation	20,971
Public assistance	16,525
Education	4,158
Culture and recreation	3,724
Depreciation on capital assets held by the County's internal service funds are charged to various functions based on their usage of the assets	259,202
Total	<u>\$ 2,454,226</u>

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

	Total
Waste Management	\$ 8,376
Airport	78,421
Total	<u>\$ 86,797</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 5: **Long-Term Debt**

Long-term liabilities at June 30, 2011 consisted of the following:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2011</u>
<u>Governmental Activities</u>						
Clean Renewable Energy Bond <i>Add solar panels to County Administration Building</i>	11/05/2008	11/25/2022	0.00%	\$52,242	\$ 783,625	\$ 626,900
2005 Certificates of Participation <i>Construct County Administration Building</i>	08/01/2005	10/01/2025	4.00%	\$355,000 - \$670,000	9,090,000	7,695,000
Total Governmental Activities					<u>\$ 9,873,625</u>	<u>\$ 8,321,900</u>
<u>Business-Type Activities</u>						
Notes payable	2001	2018	5.66%	\$12,419 - \$16,446	\$ 194,000	\$ 84,796
Total Business-Type Activities					<u>\$ 194,000</u>	<u>\$ 84,796</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 5: **Long-Term Debt** (continued)

The following is a summary of long-term liability transactions for the year ended June 30, 2011:

	Balance July 1, 2010	Additions	Retirements	Balance June 30, 2011	Amounts Due Within One Year
Governmental Activities					
Certificates of participation	\$ 8,065,000	\$ --	\$ 370,000	\$ 7,695,000	\$ 385,000
Clean Renewable Energy Bond	679,141	--	52,241	626,900	52,242
Capital leases	--	131,805	3,943	127,862	24,272
Compensated absences	1,979,713	1,197,689	989,856	2,187,546	1,093,773
Liability for self-insurance	70,000	35,973	5,973	100,000	100,000
Total Governmental Activities					
Long-term liabilities	<u>\$ 10,793,854</u>	<u>\$ 1,365,467</u>	<u>\$ 1,422,013</u>	<u>\$ 10,737,308</u>	<u>\$ 1,655,287</u>
Business-type Activities					
Notes Payable - Airport	\$ 97,886	\$ --	\$ 13,090	\$ 84,796	\$ 13,761
Compensated absences	13,807	7,999	6,903	14,903	7,451
Post-closure liability	4,474,050	2,029,452	--	6,503,502	216,783
Total Business-type Activities					
Long-term liabilities	<u>\$ 4,585,743</u>	<u>\$ 2,037,451</u>	<u>\$ 19,993</u>	<u>\$ 6,603,201</u>	<u>\$ 237,995</u>

As of June 30, 2011, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30:	Certificates of Participation		Bonds Payable	
	Principal	Interest	Principal	Interest
2012	385,000	310,919	52,242	--
2013	400,000	295,219	52,242	--
2014	415,000	278,919	52,242	--
2015	430,000	262,019	52,242	--
2016	450,000	244,419	52,242	--
2017-2021	2,525,000	932,253	261,208	--
2022-2026	3,090,000	347,663	104,482	--
	<u>\$ 7,695,000</u>	<u>\$ 2,671,411</u>	<u>\$ 626,900</u>	<u>\$ --</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 5: **Long-Term Debt** (continued)

As of June 30, 2011, annual debt service requirements of business activities to maturity are as follows:

Year Ending June 30:	Business Activities	
	Loans Payable	
	Principal	Interest
2012	13,761	4,803
2013	14,433	4,023
2014	15,104	3,206
2015	15,775	2,350
2016	16,446	1,457
2017	9,277	525
	<u>\$ 84,796</u>	<u>\$ 16,364</u>

Claims and judgments will be paid from the County’s Insurance Fund. Compensated absences liabilities will be paid by several of the County’s funds, including the general fund, five special revenue funds, three internal service funds, and one enterprise fund. Historically, 96 percent of these costs have been paid from the County’s governmental funds, with the remaining 4 percent paid from its proprietary funds.

Special Assessment Debt: The total matured and unmatured bonds outstanding related to special assessment debt is \$341,453 at June 30, 2011. The County acts as an agent for the property owners in collecting special assessments, forwarding the collections to bondholders and initiating foreclosure proceedings, when appropriate. The County is not liable for repayment of the special assessment debt, and accordingly, they are not reflected in the accompanying basic financial statements. Cash held on deposit of \$197,875 and corresponding amounts payable are reported in the Agency Fund.

Note 6: **Landfill Closure and Postclosure Maintenance Costs**

The Buena Vista Landfill, located in Amador County, is used as the County’s landfill site. State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. During fiscal year ended June 30, 2005, the landfill was closed and no longer accepts waste. As of June 30, 2011, construction to close the landfill was complete and the County was awaiting certification by the state.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 6: **Landfill Closure and Postclosure Maintenance Costs** (continued)

The recognition of the estimated liability for closure and post closure maintenance costs is based on the estimated remaining life of the landfill. The estimated liability of the County's landfill site for closure and postclosure maintenance costs was \$6,503,502 for fiscal year 2011, and was based on 100% usage (filled) of the landfill. It is estimated that no additional liability will be recognized as closure and postclosure maintenance costs because the landfill has been closed. The estimated total current cost of the landfill closure and postclosure maintenance cost of \$6,503,502 is based on the amount that would be paid if all equipment, facilities and services required to close, monitor and maintain the landfills were acquired as of the balance sheet date. However, the costs for landfill closure and post closure maintenance are based on yearly estimates, reviewed by the California Integrated Waste Management Board, as prepared by the County. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County has filed a Pledge of Revenue with the California Integrated Waste Management Board that waives the requirement to make contributions to a special fund to finance postclosure costs. Future landfill revenues have been pledged to fulfill financial assurance requirements. Also, the County's general fund has guaranteed to cover the remainder of the costs not covered by pledged revenues.

Note 7: **Public Employee Retirement System**

Plan Description

The County contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan for its miscellaneous plan. The County also contributes to the PERS cost-sharing multiple-employer public employee defined benefit pension plan for its safety employees. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute. Copies of PERS' annual financial reports may be obtained from their Executive Office located at 400 P Street, Sacramento, California 95814.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 7: **Public Employee Retirement System** (continued)

Funding Policy

County employees are required by state statute to contribute 7% for miscellaneous employees, 9% for safety employees and 7% for new Tier II (adopted June 2011) of their annual covered salary. The County makes the contributions required of County employees on their behalf and for their account. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rates for fiscal year 2010-2011 were 12.124% for miscellaneous employees, 24.481% for public safety employees and 12.124% for new Tier II employees. The contributions requirements of the plan members are established by states statute and the employer contribution rate is established and may be amended by PERS.

Annual Pension Cost

For fiscal year 2010-2011, the County's annual pension cost of \$3,174,771 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2008 actuarial assumptions included 7.75% investment rate of return (net of administrative expenses) and projected annual salary increases that vary by duration of service ranging from 3.25% to 14.45% for miscellaneous members and include an inflation component of 3.0%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and losses.

PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis.

Three-Year Trend Information for PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/09	\$ 3,500,221	100%	\$ --
06/30/10	3,254,288	100%	--
06/30/11	3,174,771	100%	--

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 7: **Public Employee Retirement System** (continued)

Funded Status and Funding Progress

The following is the funded status information for the County's miscellaneous plan as of June 30, 2010, the most recent actuarial valuation date:

Entry age normal accrued liability	\$	101,032,039
Actuarial value of assets		86,465,470
Unfunded (overfunded) liability (UAAC)		14,566,569
Funded ratio		85.6%
Annual covered payroll		17,339,635
UAAL as a % of payroll		84.0%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 8: **Other Post Employment Benefits (OPEB)**

Plan Description

The County of Amador Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the County. The Plan provides healthcare insurance benefits to eligible retirees. Benefit provisions are established and may be amended by the County.

The County provides retiree medical benefits through the California Public Employees' Retirement System healthcare program. The County contributes the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum required employer contribution towards the retiree monthly premium for eligible retirees participating in PEMHCA.

Funding Policy

The contribution requirements of the plan members and the County are established and may be amended by the County. Because of budgetary constraints, the County did not continue prefunding the plan by contributing at least 100% of the annual required contribution to an irrevocable trust.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 8: **Other Post Employment Benefits (OPEB)** (continued)

Funding Policy (continued)

The annual required contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pension*. The County’s ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize the unfunded actuarial liability over a period of 30 years. The fiscal year 2010-11 ARC is \$390,000.

Annual OPEB Cost and Net OPEB Obligation

For fiscal year 2010-11, the County did not fund the annual required contribution of \$390,000.

The following are the components of the County’s annual OPEB cost for the fiscal year ended June 30, 2011:

Annual required contribution	\$	390,000 ⁽¹⁾
Interest on net OPEB obligation		-
Adjustments to ARC		-
Annual OPEB cost (expense)		390,000
Contributions made		(53,000)
Increase in net OPEB obligation		337,000
Net OPEB obligation, beginning of year		-
Net OPEB obligation, end of year	\$	337,000

(1) Based on the actuarial valuation, dated as of June 30, 2008.

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan (as described in the funding policy above), and the net OPEB obligation for fiscal year 2010-11 is as follows:

Fiscal Year End	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$ 245,000	100%	\$ -
6/30/10	245,000	100%	-
6/30/11	390,000	14%	337,000

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 8: Other Post Employment Benefits (OPEB) (continued)

Funded Status and Funding Progress

The funded status of the plan, based on an actuarial valuation as of June 30, 2008, the plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$	1,212,000
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)	\$	<u>1,212,000</u>
Funded ratio (actuarial value of plan assets/AAL)		0
Covered payroll (active plan members)	\$	23,603,000
UAAL as a percentage of covered payroll		5.13%

GASB Statement No. 45 requires the County to obtain an updated actuarial valuation of its OPEB plan at least biennially. The County's last actuarial valuation was dated as of June 30, 2008. The existing valuation as of June 30, 2008 was used as the basis of reporting the County's cost and liability as June 30, 2011. However, the OPEB cost and the actuarial accrued liability should have been revised to reflect a more recent actuarial valuation dated at least as of June 30, 2010. It was undeterminable the effect an updated valuation would have on the County's OPEB cost and liability as reflected in these financial statements.

Annual OPEB Cost and Net OPEB Obligation (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 8: **Other Post Employment Benefits (OPEB)** (continued)

the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2008 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.75% investment rate of return (net of administrative expenses), which is the expected long-term investment return on CERBT investments, and an annual healthcare minimum cost trend rate of 4.5% after 3 years (actual healthcare minimum costs were used for the first 3 years). This rate includes a 3% inflation assumption. The actuarial value of assets is equal to the market value. The UAAL is being amortized as a level percentage of projected payroll over 30 years on a closed basis. The remaining amortization period at June 30, 2011 was 18 years.

Note 9: **Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County is a member of the County supervisors Association of California Excess Insurance Authority (CSAC-EIA), a public entity risk pool currently operating as a common risk manager and insurance program for counties. Should actual losses among pool participants be greater than anticipated, the County will be assessed its prorated share of the deficiency. Conversely, if the actual pool losses are less than anticipated, the County will be refunded its prorated share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The County maintains a risk management internal service fund (Self-Insurance Fund) to consolidate the County's fully insured Worker's Compensation program and the general liability, medical malpractice and property insurance programs that are partially self-insured. Fund revenues are primarily premium charges to other funds and are planned to equal workers' compensation premiums, estimated payments resulting from self-insurance programs, liability insurance coverage in excess of the self-insured amount and operating expenses. The County maintains a self-insured retention (SIR) of \$100,000 for its general liability program, \$10,000 per occurrence for its medical malpractice program and \$5,000 for its property program. A commercial insurance policy has been purchased, that covers all SIR related losses except for the first \$10,000. Losses which exceed the SIR are covered by the excess insurance policy described above.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 9: **Risk Management** (continued)

The total claims liability of \$100,000 at June 30, 2011, is based on the requirements of Governmental Accounting Standards Board (GASB) Statement No. 10, as amended by GASB Statement No. 30. These statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

Estimates of the liabilities for incurred (both reported and unreported) but unpaid claims, are based on claims loss reports. Liabilities are based on the estimated cost of settling the claims.

Changes in the County's claims liabilities amount for the fiscal years ended June 30, 2011 and 2010, were as follows:

	<u>2011</u>	<u>2010</u>
Unpaid claims, beginning of year	\$ 70,000	\$ 40,000
Estimated claims incurred and adjustments	35,973	44,766
Claims payments	<u>(5,973)</u>	<u>(14,766)</u>
Unpaid claims, end of year	<u>\$ 100,000</u>	<u>\$ 70,000</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2011

Note 10: Fund Balances

Details of the fund balance classifications of the governmental funds as of June 30, 2011, are as follows:

	General Fund	Social Services	Mental Health	County Improvement	Water Development Sinking	Other Governmental Funds	Total
Nonspendable:							
Advances receivable	\$ 1,372,800	\$ --	\$ --	\$ 946,600	\$ --	\$ --	\$ 2,319,400
Notes receivable	--	--	--	--	1,309,574	--	1,309,574
Total Nonspendable	<u>1,372,800</u>	<u>--</u>	<u>--</u>	<u>946,600</u>	<u>1,309,574</u>	<u>--</u>	<u>3,628,974</u>
Restricted for:							
Public safety	894,311	--	--	--	--	2,761,307	3,655,618
Health and public assistance	244,448	161,818	44,958	--	--	767,018	1,218,242
Community development and public facilities	--	--	--	--	--	3,801,505	3,801,505
Capital projects	--	--	--	--	--	483,038	483,038
Other	454,592	--	--	--	--	--	454,592
Total Restricted	<u>1,593,351</u>	<u>161,818</u>	<u>44,958</u>	<u>--</u>	<u>--</u>	<u>7,812,868</u>	<u>9,612,995</u>
Committed for:							
Survey monument	190,956	--	--	--	--	--	190,956
Public safety and health programs	512,910	--	--	--	--	--	512,910
Water improvement projects	--	--	--	--	4,128,731	--	4,128,731
Other	50,567	--	--	--	--	--	50,567
Total Committed	<u>754,433</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,128,731</u>	<u>--</u>	<u>4,883,164</u>
Assigned to:							
Appropriation in subsequent year	4,774,225	--	--	--	--	--	4,774,225
General reserve	7,550,773	--	--	--	--	--	7,550,773
Debt repayment	--	--	--	--	--	261,587	261,587
Capital projects	--	--	--	932,083	--	--	932,083
Total Assigned	<u>12,324,998</u>	<u>--</u>	<u>--</u>	<u>932,083</u>	<u>--</u>	<u>261,587</u>	<u>13,518,668</u>
Unassigned	1,149,079	--	--	--	--	--	1,149,079
Total Fund Balance	<u>\$ 17,194,661</u>	<u>161,818</u>	<u>44,958</u>	<u>1,878,683</u>	<u>5,438,305</u>	<u>8,074,455</u>	<u>32,792,880</u>

Restatements

Adjustments resulting from errors or changes with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports the changes as restatements of beginning fund balance / net assets.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 10: **Fund Balances** (continued)

Restatements (continued)

The impact of the restatements on the fund balances / net assets as previously reported is as follows:

	<u>Governmental Activities</u>
Net assets, beginning of year, as originally reported	\$ 74,523,583
Prior period adjustment:	
Capitalize prior expenditures related to construction in process	<u>124,186</u>
Net assets, beginning of year, as restated	<u>\$ 74,647,769</u>

Note 11: **Joint Venture**

Central Sierra Child Support Agency

The Central Sierra Child Support Agency (the Agency) acts as the local child support agency for Amador, Alpine and Calaveras counties. The Agency operates under a Joint Powers Agreement between Amador, Alpine and Calaveras counties and in compliance with the applicable standards and regulations set forth by the State of California. Central Sierra Child Support Agency has an independent governing board including members from the Board of Supervisors of Amador, Alpine and Calaveras counties. The Agency is a public agency, which is separate and apart from its constituent county. Financial statements for the Authority can be obtained by contacting the Authority at 639 New York Ranch Road, Jackson CA 95642.

Note 12: **Contingent Liabilities**

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

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 13: **Lease Commitments**

Operating Leases

The County has commitments under long-term operating lease agreements for leased office space. Total rent expense under operating lease agreements during the year ended June 30, 2011 was approximately \$1,428,840.

The minimum rental payments required under the operating lease commitments at June 30, 2011, was as follows:

Year Ending June 30:	Governmental Activities
2012	\$ 1,428,840
2013	1,428,840
2014	1,428,840
2015	1,428,840
2016	1,428,840
2017-2021	7,144,200
2022-2023	<u>2,143,260</u>
	<u>\$ 16,431,660</u>

Capital Leases

The County entered into a capital lease agreement under which the related equipment will become the property of the County when all terms of the lease agreement are met. The following is a summary of property leased under capital lease agreements by the County as of June 30, 2011:

	<u>Governmental Activities</u>
	Present Value of Remaining Payments as of June 30, 2011
Stated Interest Rate	<u>Rate</u>
Equipment	<u>4.40%</u> \$ <u>127,862</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2011

Note 13: **Operating Lease Commitments** (continued)

Capital Leases (continued)

The cost of equipment under capital leases are as follows:

	Governmental Activities
Equipment:	
Cost	\$ 131,805
Accumulated amortization	(6,590)
Net	\$ 125,215

As of June 30, 2011, future minimum lease payments under capital leases was as follows:

Year Ending June 30:	Governmental Activities
2012	\$ 29,419
2013	29,419
2014	29,419
2015	29,419
2016	24,516
Total future minimum lease payments	142,192
Less: Interest	(14,330)
Present value of minimum lease payments	\$ 127,862

**REQUIRED
SUPPLEMENTARY INFORMATION**

COUNTY OF AMADOR

Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

SCHEDULE OF FUNDING PROGRESS

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

SAFETY PLAN – Employee Retirement

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

MISCELLANEOUS PLAN – Employee Retirement

<u>Actuarial Valuation Date</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Actuarial Asset Value</u>	<u>Underfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Underfunded Actuarial Liability as Percentage of Covered Payroll</u>
06/30/08	\$ 86,237,358	79,006,257	7,231,101	91.6 %	17,958,492	40.3%
06/30/09	96,063,906	82,802,462	13,261,444	86.2%	17,251,136	76.9%
06/30/10	101,032,039	86,465,470	14,566,569	85.6%	17,339,635	84.0%

Retiree Health Care Plan

<u>Actuarial Valuation Date</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Actuarial Asset Value</u>	<u>Underfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Underfunded Actuarial Liability as Percentage of Covered Payroll</u>
06/30/08	\$ 1,212,000	\$ --	\$ 1,212,000	0.0%	23,603,000	5.1%

COUNTY OF AMADOR

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

General Fund

For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 20,305,000	\$ 20,305,000	\$ 20,598,442	\$ 293,442
Licenses and permits	249,730	249,730	322,106	72,376
Intergovernmental	9,290,072	9,623,187	7,935,301	(1,687,886)
Fines and forfeitures	1,405,424	1,405,424	814,777	(590,647)
Use of money and property	300,000	300,000	256,830	(43,170)
Charges for services	2,398,205	2,457,169	3,044,858	587,689
Other	486,905	487,954	137,848	(350,106)
Total Revenues	34,435,336	34,828,464	33,110,162	(1,718,302)
Expenditures:				
General government	7,704,042	7,830,818	5,429,376	2,401,442
Public protection	25,545,000	27,119,958	24,160,858	2,959,100
Public assistance	139,640	139,640	43,570	96,070
Education	1,063,132	1,122,564	1,028,582	93,982
Culture and recreation	216,496	277,606	254,329	23,277
Contingency	1,059,221	1,088,308	--	1,088,308
Total Expenditures	35,727,531	37,578,894	30,916,715	6,662,179
Excess (deficiency) of revenue over (under) expenditures	<u>(1,292,195)</u>	<u>(2,750,430)</u>	<u>2,193,447</u>	<u>4,943,877</u>
Other Financing Sources (Uses):				
Transfers out	<u>(4,191,020)</u>	<u>(4,391,020)</u>	<u>(3,393,728)</u>	<u>997,292</u>
Total other financing sources (uses)	(4,191,020)	(4,391,020)	(3,393,728)	997,292
Net change in fund balance	(5,483,215)	(7,141,450)	(1,200,281)	5,941,169
Fund balance, beginning of fiscal year	<u>18,394,942</u>	<u>18,394,942</u>	<u>18,394,942</u>	<u>--</u>
Fund balance, end of fiscal year	<u>\$ 12,911,727</u>	<u>\$ 11,253,492</u>	<u>\$ 17,194,661</u>	<u>\$ 5,941,169</u>

COUNTY OF AMADOR

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Social Services
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 10,188,281	\$ 10,238,802	\$ 8,920,966	\$ (1,317,836)
Use of money and property	--	--	4,040	4,040
Charges for services	--	--	2,263	2,263
Other	70,700	70,700	71,127	427
Total Revenues	<u>10,258,981</u>	<u>10,309,502</u>	<u>8,998,396</u>	<u>(1,311,106)</u>
Expenditures:				
Current:				
Public assistance	<u>10,258,617</u>	<u>10,258,834</u>	<u>8,953,283</u>	<u>1,305,551</u>
Total Expenditures	<u>10,258,617</u>	<u>10,258,834</u>	<u>8,953,283</u>	<u>1,305,551</u>
Excess (deficiency) of revenue over (under) expenditures	<u>364</u>	<u>50,668</u>	<u>45,113</u>	<u>(5,555)</u>
Other Financing Sources (Uses):				
Transfers in	<u>--</u>	<u>--</u>	<u>57,099</u>	<u>57,099</u>
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>57,099</u>	<u>57,099</u>
Change in Fund Balance	364	50,668	102,212	51,544
Fund Balance, Beginning of Fiscal Year	<u>59,606</u>	<u>59,606</u>	<u>59,606</u>	<u>--</u>
Fund Balance, End of Fiscal Year	<u>\$ 59,970</u>	<u>\$ 110,274</u>	<u>\$ 161,818</u>	<u>\$ 51,544</u>

COUNTY OF AMADOR

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Mental Health
For the Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 5,677,620	\$ 5,677,621	\$ 3,858,221	\$ (1,819,400)
Use of money and property	2,500	2,500	1,034	(1,466)
Charges for services	18,000	18,000	20,414	2,414
Other	--	--	4,898	4,898
	<u>5,698,120</u>	<u>5,698,121</u>	<u>3,884,567</u>	<u>(1,813,554)</u>
Total Revenues				
Expenditures:				
Current:				
Health and sanitation	5,698,120	5,699,206	4,345,142	1,354,064
	<u>5,698,120</u>	<u>5,699,206</u>	<u>4,345,142</u>	<u>1,354,064</u>
Total Expenditures				
	<u>5,698,120</u>	<u>5,699,206</u>	<u>4,345,142</u>	<u>1,354,064</u>
Excess (deficiency) of revenue over (under) expenditures	--	(1,085)	(460,575)	(459,490)
Other Financing Sources (Uses):				
Transfers in	--	--	248,305	248,305
Total other financing sources (uses)	--	--	248,305	248,305
Change in Fund Balance	--	(1,085)	(212,270)	(211,185)
Fund Balance, Beginning of Fiscal Year	<u>257,228</u>	<u>257,228</u>	<u>257,228</u>	<u>--</u>
Fund Balance, End of Fiscal Year	<u>\$ 257,228</u>	<u>\$ 256,143</u>	<u>\$ 44,958</u>	<u>\$ (211,185)</u>

COUNTY OF AMADOR

Notes to Required Supplementary Information For the Fiscal Year Ended June 30, 2011

BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

SUPPLEMENTARY INFORMATION

COUNTY OF AMADOR

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>
<u>Assets</u>				
Cash and investments	\$ 7,253,500	\$ 482,958	\$ 261,236	\$ 7,997,694
Imprest cash	400	--	--	400
Accounts receivable	2,056	--	--	2,056
Due from other governments	205,436	--	--	205,436
Taxes receivable	159,300	--	--	159,300
Interest receivable	10,288	733	351	11,372
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 7,630,980</u>	<u>\$ 483,691</u>	<u>\$ 261,587</u>	<u>\$ 8,376,258</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 155,985	\$ 653	\$ --	\$ 156,638
Due to other governments	122,565	--	--	122,565
Deferred revenues	22,600	--	--	22,600
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>301,150</u>	<u>653</u>	<u>--</u>	<u>301,803</u>
Fund Balances:				
Restricted	7,329,830	483,038	--	7,812,868
Assigned	--	--	261,587	261,587
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>7,329,830</u>	<u>483,038</u>	<u>261,587</u>	<u>8,074,455</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 7,630,980</u>	<u>\$ 483,691</u>	<u>\$ 261,587</u>	<u>\$ 8,376,258</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2011

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
Revenues:				
Taxes	\$ 852,787	\$ --	\$ --	\$ 852,787
Licenses and permits	48,387	62,682	--	111,069
Intergovernmental	6,919,637	--	--	6,919,637
Fines and forfeitures	193,294	--	--	193,294
Use of money and property	45,566	2,753	2,315	50,634
Charges for services	1,108,926	34,158	--	1,143,084
Other	171,764	--	--	171,764
Total Revenues	<u>9,340,361</u>	<u>99,593</u>	<u>2,315</u>	<u>9,442,269</u>
Expenditures:				
Current:				
General government	--	8,679	--	8,679
Public protection	1,737,386	--	--	1,737,386
Public ways and facilities	5,194,688	--	--	5,194,688
Health and sanitation	4,069,288	--	--	4,069,288
Debt Service:				
Principal payments	--	--	422,242	422,242
Interest and fiscal charges	--	--	327,699	327,699
Total Expenditures	<u>11,001,362</u>	<u>8,679</u>	<u>749,941</u>	<u>11,759,982</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(1,661,001)</u>	<u>90,914</u>	<u>(747,626)</u>	<u>(2,317,713)</u>
Other Financing Sources (Uses):				
Transfers in	1,620,063	--	788,766	2,408,829
Transfers out	<u>(36,525)</u>	--	--	<u>(36,525)</u>
Total Other Financing Sources (Uses)	<u>1,583,538</u>	<u>--</u>	<u>788,766</u>	<u>2,372,304</u>
Change in Fund Balances	(77,463)	90,914	41,140	54,591
Fund Balances, Beginning of Fiscal Year	<u>7,407,293</u>	<u>392,124</u>	<u>220,447</u>	<u>8,019,864</u>
Fund Balances, End of Fiscal Year	<u>\$ 7,329,830</u>	<u>\$ 483,038</u>	<u>\$ 261,587</u>	<u>\$ 8,074,455</u>

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

COUNTY OF AMADOR

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011

	Road	Memorial Hall	Health	Fish & Game
<u>Assets</u>				
Cash and investments	\$ 3,441,444	\$ 206,599	\$ 657,134	\$ 30,450
Imprest cash	200	--	--	--
Accounts receivable	--	--	(6)	--
Due from other governments	106,754	--	57,358	--
Taxes receivable	159,300	--	--	--
Interest receivable	5,577	322	928	49
	<u>\$ 3,713,275</u>	<u>\$ 206,921</u>	<u>\$ 715,414</u>	<u>\$ 30,499</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 118,691	\$ --	\$ 6,267	\$ --
Due to other governments	--	--	--	--
Deferred revenues	--	--	22,600	--
	<u>118,691</u>	<u>--</u>	<u>28,867</u>	<u>--</u>
 Fund Balances:				
Restricted	3,594,584	206,921	686,547	30,499
	<u>3,594,584</u>	<u>206,921</u>	<u>686,547</u>	<u>30,499</u>
 Total Liabilities and Fund Balances				
	<u>\$ 3,713,275</u>	<u>\$ 206,921</u>	<u>\$ 715,414</u>	<u>\$ 30,499</u>

Continued

COUNTY OF AMADOR

Combining Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2011

	Miscellaneous Special Revenue Funds	Special Districts Governed by County Board of Supervisors			Totals
		Victory Lighting	IHSS Public Authority	Amador Fire Protection	
<u>Assets</u>					
Cash and investments	\$ 662,738	\$ 35,609	\$ 80,271	\$ 2,139,255	\$ 7,253,500
Imprest cash	--	--	100	100	400
Accounts receivable	--	--	--	2,062	2,056
Due from other governments	--	--	100	41,224	205,436
Taxes receivable	--	--	--	--	159,300
Interest receivable	--	55	--	3,357	10,288
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 662,738</u>	<u>\$ 35,664</u>	<u>\$ 80,471</u>	<u>\$ 2,185,998</u>	<u>\$ 7,630,980</u>
<u>Liabilities and Fund Balances</u>					
<u>Liabilities:</u>					
Accounts payable	\$ --	\$ --	\$ --	\$ 31,027	\$ 155,985
Due to other governments	122,565	--	--	--	122,565
Deferred revenues	--	--	--	--	22,600
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>122,565</u>	<u>--</u>	<u>--</u>	<u>31,027</u>	<u>301,150</u>
<u>Fund Balances:</u>					
Restricted	<u>540,173</u>	<u>35,664</u>	<u>80,471</u>	<u>2,154,971</u>	<u>7,329,830</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>540,173</u>	<u>35,664</u>	<u>80,471</u>	<u>2,154,971</u>	<u>7,329,830</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 662,738</u>	<u>\$ 35,664</u>	<u>\$ 80,471</u>	<u>\$ 2,185,998</u>	<u>\$ 7,630,980</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2011

	Road	Memorial Hall	Health	Fish & Game
Revenues:				
Taxes	\$ 832,250	\$ --	\$ --	\$ --
Licenses and permits	48,387	--	--	--
Intergovernmental	3,504,868	--	1,637,267	--
Fines and forfeitures	20,000	--	86,921	1,505
Use of money and property	21,278	1,314	5,901	291
Charges for services	246,412	--	278,481	--
Other	17,847	--	44,993	--
Total Revenues	<u>4,691,042</u>	<u>1,314</u>	<u>2,053,563</u>	<u>1,796</u>
Expenditures:				
Current:				
Public protection	--	--	--	1,093
Public ways and facilities	5,194,688	--	--	--
Health & Sanitation	--	--	3,905,235	--
Total Expenditures	<u>5,194,688</u>	<u>--</u>	<u>3,905,235</u>	<u>1,093</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(503,646)</u>	<u>1,314</u>	<u>(1,851,672)</u>	<u>703</u>
Other Financing Sources (Uses):				
Transfers in	--	--	1,620,063	--
Transfers out	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>1,620,063</u>	<u>--</u>
Change in Fund Balances	<u>(503,646)</u>	<u>1,314</u>	<u>(231,609)</u>	<u>703</u>
Fund Balances, Beginning of Fiscal Year	<u>4,098,230</u>	<u>205,607</u>	<u>918,156</u>	<u>29,796</u>
Fund Balances, End of Fiscal Year	<u><u>\$ 3,594,584</u></u>	<u><u>\$ 206,921</u></u>	<u><u>\$ 686,547</u></u>	<u><u>\$ 30,499</u></u>

Continued

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2011

	Miscellaneous Special Revenue Funds	Special Districts Governed by County Board of Supervisors			Totals
		Victory Lighting	IHSS Public Authority	Amador Fire Protection	
Revenues:					
Taxes	\$ --	\$ 2,695	\$ --	\$ 17,842	\$ 852,787
Licenses and permits	--	--	--	--	48,387
Intergovernmental	--	38	135,756	1,641,708	6,919,637
Fines and forfeitures	84,868	--	--	--	193,294
Use of money and property	4,065	218	635	11,864	45,566
Charges for services	--	--	--	584,033	1,108,926
Other	--	--	--	108,924	171,764
Total Revenues	88,933	2,951	136,391	2,364,371	9,340,361
Expenditures:					
Current:					
Public protection	--	808	--	1,735,485	1,737,386
Public ways and facilities	--	--	--	--	5,194,688
Health & Sanitation	--	--	164,053	--	4,069,288
Total Expenditures	--	808	164,053	1,735,485	11,001,362
Excess (Deficiency) of Revenue Over (Under) Expenditures	88,933	2,143	(27,662)	628,886	(1,661,001)
Other Financing Sources (Uses):					
Transfers in	--	--	--	--	1,620,063
Transfers out	(36,525)	--	--	--	(36,525)
Total Other Financing Sources (Uses)	(36,525)	--	--	--	1,583,538
Change in Fund Balances	52,408	2,143	(27,662)	628,886	(77,463)
Fund Balances, Beginning of Fiscal Year	487,765	33,521	108,133	1,526,085	7,407,293
Fund Balances, End of Fiscal Year	\$ 540,173	\$ 35,664	\$ 80,471	\$ 2,154,971	\$ 7,329,830

Nonmajor Capital Project Funds

Capital projects funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

COUNTY OF AMADOR

Combining Balance Sheet Nonmajor Capital Project Funds June 30, 2011

	<u>Parks & Rec Impact Fee</u>	<u>Amador Community Facility</u>	<u>Totals</u>
Assets:			
Cash and investments	\$ 437,866	\$ 45,092	\$ 482,958
Interest receivable	670	63	733
 Total Assets	<u>\$ 438,536</u>	<u>\$ 45,155</u>	<u>\$ 483,691</u>
 Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ --	\$ 653	\$ 653
 Fund Balance:			
Restricted	438,536	44,502	483,038
Total Fund Balances	<u>438,536</u>	<u>44,502</u>	<u>483,038</u>
 Total Liabilities and Fund Balances	<u>\$ 438,536</u>	<u>\$ 45,155</u>	<u>\$ 483,691</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds For the Year Ended June 30, 2011

	Parks & Rec Impact Fee	Amador Community Facility	Totals
Revenues:			
Licenses and permits	\$ 62,682	\$ --	\$ 62,682
Use of money and property	2,589	164	2,753
Charges for services	--	34,158	34,158
	65,271	34,322	99,593
Total Revenues			
Expenditures:			
Current:			
General government	--	8,679	8,679
	--	8,679	8,679
Total Expenditures			
	65,271	25,643	90,914
Change in Fund Balance			
Fund Balance, Beginning of Fiscal Year	373,265	18,859	392,124
	373,265	18,859	392,124
Fund Balance, End of Fiscal Year	\$ 438,536	\$ 44,502	\$ 483,038

Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government’s council is that the costs of providing goods to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government’s council has decided that periodic determination of net income is appropriate for accountability purposes.

COUNTY OF AMADOR

Combining Statement of Net Assets
All Nonmajor Enterprise Funds
June 30, 2011

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
<u>ASSETS</u>					
Current Assets:					
Cash and investments in Pool	\$ 43,393	\$ 494,546	\$ 785	\$ 84,663	\$ 623,387
Interest receivable	68	635	7	131	841
	<u>68</u>	<u>635</u>	<u>7</u>	<u>131</u>	<u>841</u>
Total Assets	<u>\$ 43,461</u>	<u>\$ 495,181</u>	<u>\$ 792</u>	<u>\$ 84,794</u>	<u>\$ 624,228</u>
<u>LIABILITIES</u>					
Current Liabilities:					
Deposits held for others	\$ --	\$ 258,587	\$ --	\$ --	\$ 258,587
Total Liabilities	<u>--</u>	<u>258,587</u>	<u>--</u>	<u>--</u>	<u>258,587</u>
<u>NET ASSETS</u>					
Unrestricted	<u>43,461</u>	<u>236,594</u>	<u>792</u>	<u>84,794</u>	<u>365,641</u>
Total Net Assets	<u>43,461</u>	<u>236,594</u>	<u>792</u>	<u>84,794</u>	<u>365,641</u>
Total Liabilities and Net Assets	<u>\$ 43,461</u>	<u>\$ 495,181</u>	<u>\$ 792</u>	<u>\$ 84,794</u>	<u>\$ 624,228</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Net Assets
All Nonmajor Enterprise Funds
For the Year Ended June 30, 2011

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
Operating Revenues:					
Charges for services	\$ --	\$ 138,656	\$ 27,241	\$ --	\$ 165,897
Other	--	--	--	8,759	8,759
Total Operating Revenues	<u>--</u>	<u>138,656</u>	<u>27,241</u>	<u>8,759</u>	<u>174,656</u>
Operating Expenses:					
Services and supplies	--	9,018	27,700	--	36,718
Total Operating Expenses	<u>--</u>	<u>9,018</u>	<u>27,700</u>	<u>--</u>	<u>36,718</u>
Operating Income (Loss)	<u>--</u>	<u>129,638</u>	<u>(459)</u>	<u>8,759</u>	<u>137,938</u>
Non-Operating Revenues (Expenses):					
Interest income	276	2,415	30	507	3,228
Total Non-Operating Revenues (Expenses)	<u>276</u>	<u>2,415</u>	<u>30</u>	<u>507</u>	<u>3,228</u>
Change in Net Assets	276	132,053	(429)	9,266	141,166
Net Assets, Beginning of Year	43,185	104,541	1,221	75,528	224,475
Net Assets, End of Year	<u>\$ 43,461</u>	<u>\$ 236,594</u>	<u>\$ 792</u>	<u>\$ 84,794</u>	<u>\$ 365,641</u>

COUNTY OF AMADOR

Combining Statement of Cash Flows
All Nonmajor Enterprise Funds
For the Year Ended June 30, 2011

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ --	\$ 138,656	\$ 27,241	\$ 8,759	\$ 174,656
Payments to suppliers	--	(9,018)	(27,700)	--	(36,718)
Net Cash Provided (Used) by Operating Activities	<u>--</u>	<u>129,638</u>	<u>(459)</u>	<u>8,759</u>	<u>137,938</u>
Cash Flows from Investing Activities:					
Interest received	<u>344</u>	<u>2,899</u>	<u>44</u>	<u>610</u>	<u>3,897</u>
Net Cash Provided (Used) by Investing Activities	<u>344</u>	<u>2,899</u>	<u>44</u>	<u>610</u>	<u>3,897</u>
Net Increase (Decrease) in Cash and Cash Equivalents	344	132,537	(415)	9,369	141,835
Cash and Cash Equivalents, Beginning of Year	<u>43,049</u>	<u>362,009</u>	<u>1,200</u>	<u>75,294</u>	<u>481,552</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 43,393</u></u>	<u><u>\$ 494,546</u></u>	<u><u>\$ 785</u></u>	<u><u>\$ 84,663</u></u>	<u><u>\$ 623,387</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	<u>\$ --</u>	<u>\$ 129,638</u>	<u>\$ (459)</u>	<u>\$ 8,759</u>	<u>\$ 137,938</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ --</u></u>	<u><u>\$ 129,638</u></u>	<u><u>\$ (459)</u></u>	<u><u>\$ 8,759</u></u>	<u><u>\$ 137,938</u></u>

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

COUNTY OF AMADOR

Combining Statement of Net Assets
All Internal Service Funds
June 30, 2011

	General Services Support	General Services Motor Pool	Commu- nications	Self Insurance	Total
<u>ASSETS</u>					
Current Assets:					
Cash and investments in Pool	\$ 88,118	\$ 890,001	\$ 91,406	\$ 1,917,347	\$ 2,986,872
Imprest cash	2,150	--	--	100	2,250
Accounts receivable	4,730	6,824	430	--	11,984
Interest receivable	252	1,435	--	2,491	4,178
Total Current Assets	<u>95,250</u>	<u>898,260</u>	<u>91,836</u>	<u>1,919,938</u>	<u>3,005,284</u>
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	15,000	--	--	--	15,000
Depreciable, net	152,831	641,102	--	--	793,933
Total Noncurrent Assets	<u>167,831</u>	<u>641,102</u>	<u>--</u>	<u>--</u>	<u>808,933</u>
Total Assets	<u>\$ 263,081</u>	<u>\$ 1,539,362</u>	<u>\$ 91,836</u>	<u>\$ 1,919,938</u>	<u>\$ 3,814,217</u>
<u>LIABILITIES</u>					
Current Liabilities:					
Accounts payable	\$ 9,533	\$ 29,264	\$ 7,099	\$ 20	\$ 45,916
Current portion of long-term liabilities:					
liabilities:					
Capital lease	24,272	--	--	--	24,272
Compensated absences	16,403	22,163	--	3,709	42,275
Claims liability	--	--	--	100,000	100,000
Total Current Liabilities	<u>50,208</u>	<u>51,427</u>	<u>7,099</u>	<u>103,729</u>	<u>212,463</u>
Long-term Liabilities:					
Capital lease	103,590	--	--	--	103,590
Compensated absences	16,403	22,163	--	3,710	42,276
Liability for post employment benefits	4,537	--	--	605	5,142
Total Long-term Liabilities	<u>124,530</u>	<u>22,163</u>	<u>--</u>	<u>4,315</u>	<u>151,008</u>
Total Liabilities	<u>174,738</u>	<u>73,590</u>	<u>7,099</u>	<u>108,044</u>	<u>363,471</u>
<u>NET ASSETS</u>					
Invested in capital assets, net of related debt	167,831	641,102	--	--	808,933
Unrestricted	(79,488)	824,670	84,737	1,811,894	2,641,813
Total Net Assets	<u>88,343</u>	<u>1,465,772</u>	<u>84,737</u>	<u>1,811,894</u>	<u>3,450,746</u>
Total Liabilities and Net Assets	<u>\$ 263,081</u>	<u>\$ 1,539,362</u>	<u>\$ 91,836</u>	<u>\$ 1,919,938</u>	<u>\$ 3,814,217</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenses
and Changes in Net Assets
All Internal Service Funds
For the Year Ended June 30, 2011

	General Services Support	General Services Motor Pool	Commu- nications	Self Insurance	Total
Operating Revenues:					
Charges for services	\$ 1,094,748	\$ 1,346,321	\$ 156,800	\$ 1,102,863	\$ 3,700,732
Other income	971	57,278	--	--	58,249
Total Operating Revenues	1,095,719	1,403,599	156,800	1,102,863	3,758,981
Operating Expenses:					
Salaries and benefits	396,147	202,446	--	58,088	656,681
Services and supplies	640,895	937,589	168,701	1,533,572	3,280,757
Depreciation	7,559	251,643	--	--	259,202
Total Operating Expenses	1,044,601	1,391,678	168,701	1,591,660	4,196,640
Operating Income (Loss)	51,118	11,921	(11,901)	(488,797)	(437,659)
Non-Operating Revenues (Expenses):					
Intergovernmental	39	--	--	--	39
Sale of capital assets	--	(11,108)	--	--	(11,108)
Interest income	861	5,894	429	10,787	17,971
Total Non-Operating Revenues (Expenses)	900	(5,214)	429	10,787	6,902
Net Income (Loss) before Transfers	52,018	6,707	(11,472)	(478,010)	(430,757)
Transfers In	--	--	--	566,020	566,020
Change in Net Assets	52,018	6,707	(11,472)	88,010	135,263
Net Assets, Beginning of Year	36,325	1,459,065	96,209	1,723,884	3,315,483
Net Assets, End of Year	\$ 88,343	\$ 1,465,772	\$ 84,737	\$ 1,811,894	\$ 3,450,746

COUNTY OF AMADOR

Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2011

	General Services Support	General Services Motor Pool	Commu- nications	Self Insurance	Total
Cash Flows from Operating Activities:					
Receipts from interfund services provided	\$ 1,090,989	\$ 1,396,775	\$ 156,800	\$ 1,245,624	\$ 3,890,188
Payments to employees	(389,388)	(196,959)	--	(57,377)	(643,724)
Payments to suppliers	<u>(655,373)</u>	<u>(914,656)</u>	<u>(165,619)</u>	<u>(1,527,009)</u>	<u>(3,262,657)</u>
Net Cash Provided (Used) by Operating Activities	<u>46,228</u>	<u>285,160</u>	<u>(8,819)</u>	<u>(338,762)</u>	<u>(16,193)</u>
Cash Flows from Investing Activities:					
Interest received	<u>932</u>	<u>7,087</u>	<u>(1)</u>	<u>13,178</u>	<u>21,196</u>
Net Cash Provided (Used) by Investing Activities	<u>932</u>	<u>7,087</u>	<u>(1)</u>	<u>13,178</u>	<u>21,196</u>
Cash Flows from Capital and Related Financing Activities:					
Purchase of capital assets	--	(214,671)	--	--	(214,671)
Principal repayments on capital-related debt	<u>(3,943)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(3,943)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,943)</u>	<u>(214,671)</u>	<u>--</u>	<u>--</u>	<u>(218,614)</u>
Cash Flows from Non-Capital Financing Activities:					
Intergovernmental and other revenues	39	--	--	--	39
Transfers received from other funds	<u>--</u>	<u>--</u>	<u>--</u>	<u>566,020</u>	<u>566,020</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>39</u>	<u>--</u>	<u>--</u>	<u>566,020</u>	<u>566,059</u>
Net Increase (Decrease) in Cash and Cash Equivalents	43,256	77,576	(8,820)	240,436	352,448
Cash and Cash Equivalents, Beginning of Year	<u>47,012</u>	<u>812,425</u>	<u>100,226</u>	<u>1,677,011</u>	<u>2,636,674</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 90,268</u></u>	<u><u>\$ 890,001</u></u>	<u><u>\$ 91,406</u></u>	<u><u>\$ 1,917,447</u></u>	<u><u>\$ 2,989,122</u></u>

continued

COUNTY OF AMADOR

Combining Statement of Cash Flows (continued)
 All Internal Service Funds
 For the Year Ended June 30, 2011

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 51,118	\$ 11,921	\$ (11,901)	\$ (488,797)	\$ (437,659)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation	7,559	251,643	--	--	259,202
Changes in assets and liabilities:					
Accounts receivable	(4,730)	(6,824)	--	142,761	131,207
Accounts payable	(14,478)	22,933	3,082	(23,437)	(11,900)
Claims liability	--	--	--	30,000	30,000
Compensated absences payable	6,272	5,487	--	646	12,405
Other post-employment benefits	487	--	--	65	552
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 46,228</u>	 <u>\$ 285,160</u>	 <u>\$ (8,819)</u>	 <u>\$ (338,762)</u>	 <u>\$ (16,193)</u>
Noncash investing, capital and financing activities:					
Borrowing under capital lease	\$ 131,805	\$ --	\$ --	\$ --	\$ 131,805
Purchase of equipment on account	(131,805)	--	--	--	(131,805)