

**COUNTY OF AMADOR**

**AUDIT REPORT**

**JUNE 30, 2009**

**COUNTY OF AMADOR  
AUDIT REPORT  
JUNE 30, 2009**

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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, 2009, 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.

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, 2009, 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.

In accordance with *Government Auditing Standards*, we have also issued under separate cover, our report dated April 19, 2010, 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.

Board of Supervisors  
County of Amador

The Management's Discussion and Analysis and the other required supplementary information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made 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 basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, such information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

*Gallina LLP*

Roseville, California  
April 19, 2010

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**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

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# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

### 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, 2009. 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 2008-2009 fiscal year by \$70,731,077 (net assets). Of this amount, \$15,059,030 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors, \$13,628,646 is restricted for specific purpose (restricted net assets), and \$42,043,401 is invested in capital assets, net of related debt.
- The County of Amador's total net assets decreased by \$10,340,666. The decrease in net assets are mainly attributable to:
  - \$2,440,740 net decrease in governmental funds due to expenditures in excess of revenues,
  - \$406,209 decrease due to expenditures for capital assets net of current year depreciation in governmental funds,
  - \$8,138,037 decrease is mostly due to the transfer of Amador Superior Court building to State of California,
  - \$726,847 increase due to revenue which was unavailable on the fund statements,
  - \$783,625 decrease due to long-term debt proceeds which increases long-term liabilities in statement of assets,
  - \$465,617 increase due to repayment of debt principal which reduces long-term liabilities in the statement of net assets,
  - \$74,506 decrease due to increases in liability from compensated absences and unamortized bond issuance costs,
  - \$239,546 decrease due to OPEB liability
  - \$332,365 decrease due to internal service funds activities reported as governmental activities,
  - \$788,288 increase due to business type activities of which \$872,153 is landfill closure/post closure activities, and
  - \$93,610 increase restatement prior year net assets.
- As of June 30, 2009 the County of Amador's governmental funds reported combined fund balances of \$34,050,080, a decrease of \$2,440,740. Approximately 46% of the combined fund balances, \$15,739,793 is available to meet the County's current and future needs (unreserved fund balance).

# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

- At the end of the fiscal year, unreserved fund balance for the general fund was \$11,118,598, or 35% of total general fund expenditures. All the remaining unreserved fund balance will be budgeted in the subsequent fiscal year.
- The County's total long-term debt decreased by \$436,457 from the prior year. The decrease is primarily due to revised engineering estimates of landfill closure/post closure liability cost and retirement of long-term debt.

### **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.

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 component units: the Amador Fire Protection District and the Amador IHSS Public Authority. These two component units have the same board as the County.

**The government-wide financial statements can be found on pages 15-17 of this report.**



# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

**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.

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, Road 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 18-23 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.

## COUNTY OF AMADOR

### Management's Discussion and Analysis June 30, 2009

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 24-27 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 28-29 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 30-60 of this report.**

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 61-66 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 67-81 of this report.**

# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

### Governmental-Wide Financial Analysis

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

#### County of Amador's Net Assets June 30, 2009

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Assets:</b>						
Current and other assets	\$ 41,835,771	\$ 42,549,594	\$ (1,322,638)	\$ (1,518,941)	\$ 40,513,133	\$ 41,030,653
Capital assets	47,681,910	56,397,474	3,623,179	3,704,401	51,305,089	60,101,875
Total assets	<u>89,517,681</u>	<u>98,947,068</u>	<u>2,300,541</u>	<u>2,185,460</u>	<u>91,818,222</u>	<u>101,132,528</u>
<b>Liabilities:</b>						
Current and other liabilities	3,951,211	2,507,042	283,908	265,260	4,235,119	2,772,302
Long-term liabilities	11,059,697	10,804,299	5,792,329	6,484,184	16,852,026	17,288,483
Total liabilities	<u>15,010,908</u>	<u>13,311,341</u>	<u>6,076,237</u>	<u>6,749,444</u>	<u>21,087,145</u>	<u>20,060,785</u>
<b>Net Assets:</b>						
Invested in capital net of related debt	38,530,527	47,564,051	3,512,874	3,582,349	42,043,401	51,146,400
Restricted net assets	13,628,646	16,429,119	--	--	13,628,646	16,429,119
Unrestricted net assets	22,347,600	21,642,557	(7,288,570)	(8,146,333)	15,059,030	13,496,224
Total net assets	<u>\$ 74,506,773</u>	<u>\$ 85,635,727</u>	<u>\$ (3,775,696)</u>	<u>\$ (4,563,984)</u>	<u>\$ 70,731,077</u>	<u>\$ 81,071,743</u>

### Analysis of Net Assets

Net assets exceeded liabilities by \$70,731,077 at the close of the 2008-09 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 \$15,059,030 (unrestricted net assets) may be used to meet the government's ongoing obligations to the citizens and creditors. \$13,628,646 (restricted net assets) is restricted for a specific purpose. The remaining portion and largest \$42,043,401 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 \$10,340,666. The decrease in net assets is attributable to:

- \$2,440,740 net decrease in governmental funds due to expenditures in excess of revenues,
- \$406,209 decrease due to expenditures for capital assets net of current year depreciation in government in governmental funds,
- \$8,138,037 decrease is mostly due to the transfer of Amador Superior Court building to State of California,
- \$726,847 increase due to revenue which was unavailable on the fund statements,

# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

- \$783,625 decrease due to long-term debt proceeds which increases long-term liabilities in statement of assets,
- \$465,617 increase due to repayment of debt principal which reduces long-term liabilities in statement of net assets,
- \$74,506 decrease due to increases in liability from compensated absences and unamortized bond issuance costs,
- \$239,546 decrease OPEB liability,
- \$332,365 decrease due to internal service funds activities reported as governmental activities,
- \$788,288 increase due to business type activities of which \$872,153 is landfill closure/post closure activities, and
- \$93,610 increase restatement prior year net assets.

County of Amador's Changes in Net Assets  
For the Year Ended June 30, 2009

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 7,427,098	\$ 10,151,321	\$ 951,718	\$ 809,369	\$ 8,378,816	\$ 10,960,690
Operating grants and contributions	26,160,762	30,684,555	28,697	323,400	26,189,459	31,007,955
<b>General Revenues:</b>						
Property taxes	20,205,153	20,811,849	--	67,640	20,205,153	20,879,489
Sales and use taxes	1,898,815	2,343,470	--	--	1,898,815	2,343,470
Other	1,618,812	1,548,129	--	--	1,618,812	1,548,129
Unrestricted interest and investment earnings	1,243,403	1,767,933	14,636	21,590	1,258,039	1,789,523
Miscellaneous	986	23,647	--	--	986	23,647
Transfers	(583,334)	(50,000)	583,334	50,000	--	--
Special item - transfer of court facilities	(8,053,579)	--	--	--	(8,053,579)	--
<b>Total revenues</b>	<b>49,918,116</b>	<b>67,280,904</b>	<b>1,578,385</b>	<b>1,271,999</b>	<b>51,496,501</b>	<b>68,552,903</b>
<b>Expenses:</b>						
General government	6,769,606	7,135,434	--	--	6,769,606	7,135,434
Public protection	27,726,669	27,891,492	--	--	27,726,669	27,891,492
Public ways and facilities	7,032,091	8,008,989	--	--	7,032,091	8,008,989
Health and sanitation	8,066,269	8,210,880	--	--	8,066,269	8,210,880
Public assistance	9,649,915	9,136,317	--	--	9,649,915	9,136,317
Education	1,130,750	1,205,892	--	--	1,130,750	1,205,892
Culture and recreation	387,014	457,562	--	--	387,014	457,562
Interest on long-term debt	378,366	396,756	--	--	378,366	396,756
Landfill	--	--	341,504	4,537,557	341,504	4,537,557
Airport	--	--	336,692	332,386	336,692	332,386
County Service Areas	--	--	111,901	25,711	111,901	25,711
<b>Total expenses</b>	<b>61,140,680</b>	<b>62,443,322</b>	<b>790,097</b>	<b>4,895,654</b>	<b>61,930,777</b>	<b>67,338,976</b>
<b>Change in net assets</b>	<b>(11,222,564)</b>	<b>4,837,582</b>	<b>788,288</b>	<b>(3,623,655)</b>	<b>(10,434,276)</b>	<b>1,213,927</b>
Net assets at beginning year, restated	85,729,337	80,798,145	(4,563,984)	(940,329)	81,165,353	79,857,816
<b>Net assets at end of year</b>	<b>\$ 74,506,773</b>	<b>\$ 85,635,727</b>	<b>\$ (3,775,696)</b>	<b>\$ (4,563,984)</b>	<b>\$ 70,731,077</b>	<b>\$ 81,071,743</b>

Governmental activities decreased the County's net assets by \$11,222,564. The decreases in net assets were due to the following:

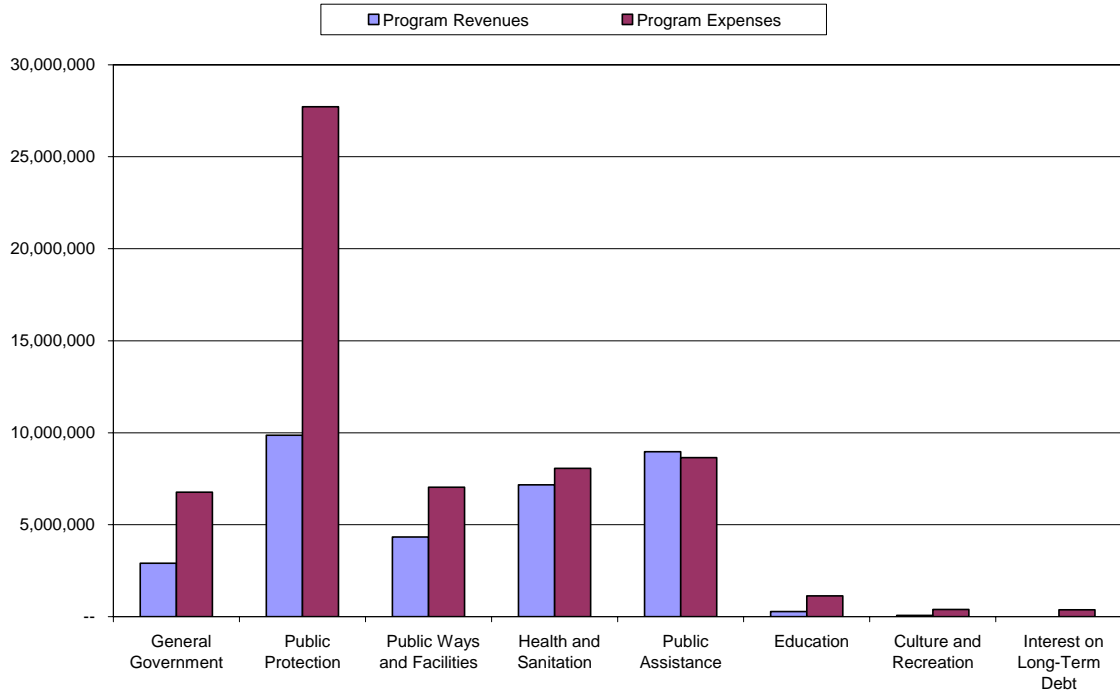
- \$2,440,740 net decrease in governmental funds due to expenditures in excess of revenues,

# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

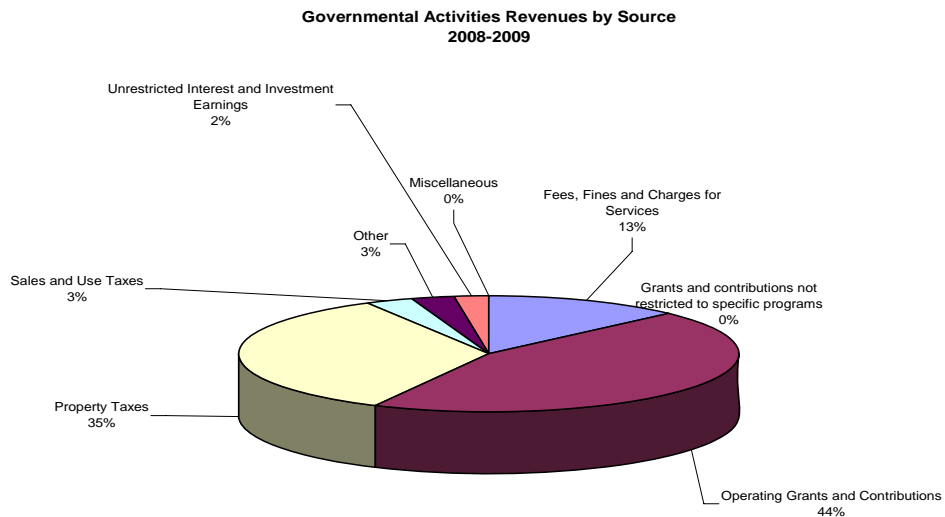
- \$406,209 decrease due to expenditures for capital assets net of current year depreciation in governmental funds,
- \$8,138,037 decrease is mostly due to the transfer of Amador Superior Court building to State of California,
- \$726,847 increase due to revenue which was unavailable on the fund statements,
- \$783,625 decrease due to long-term debt proceeds which increases long-term liabilities in statement of assets,
- \$465,617 increase due to repayment of debt principal which reduces long-term liabilities in the statement of net assets,
- \$74,506 decrease due to increases in liability from compensated absences and unamortized bond issuance costs, and
- \$239,546 decrease OPEB liability, and
- \$332,365 decrease due to internal service funds activities reported as governmental activities.

**Governmental Activities Revenues and Expenses  
2008-2009**



# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009



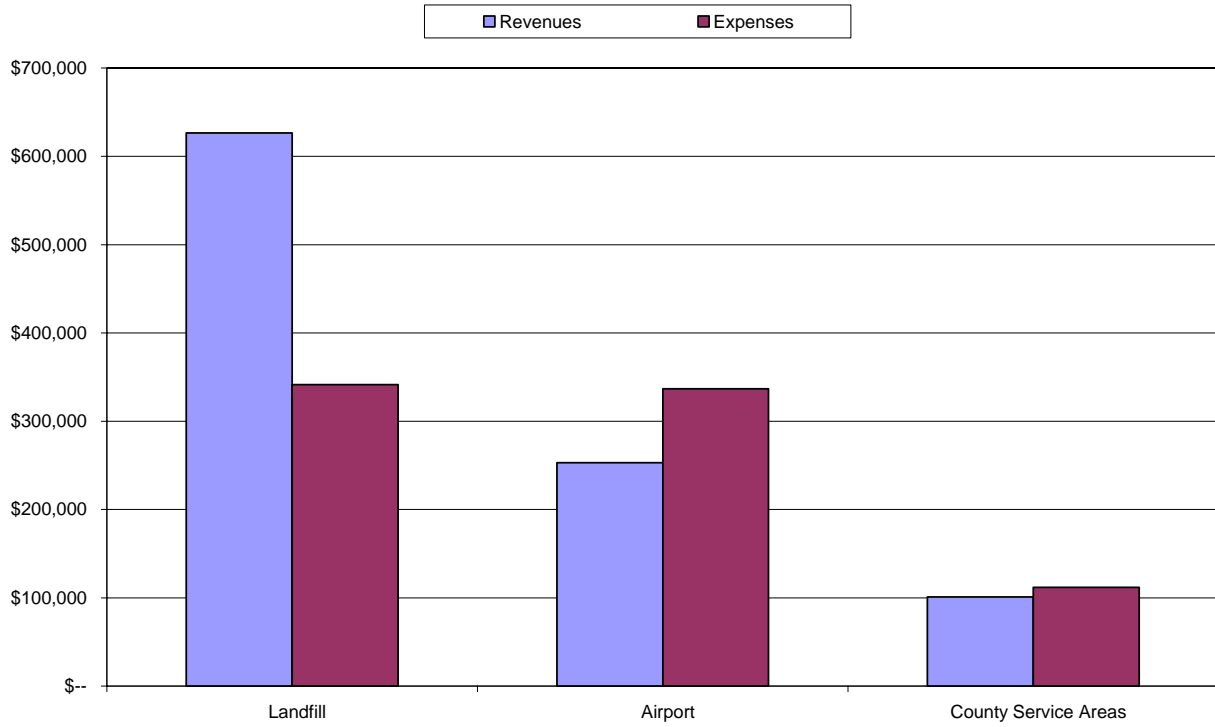
Business-type activities increased the County's net assets by \$788,288. The increases to net assets were due to the following:

- \$872,153 increase due to landfill closure/post closure activities,
- \$83,413 decrease due to airport operating cost,
- \$452 decrease due to County Service Areas 5,6, and 8 activities.

# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

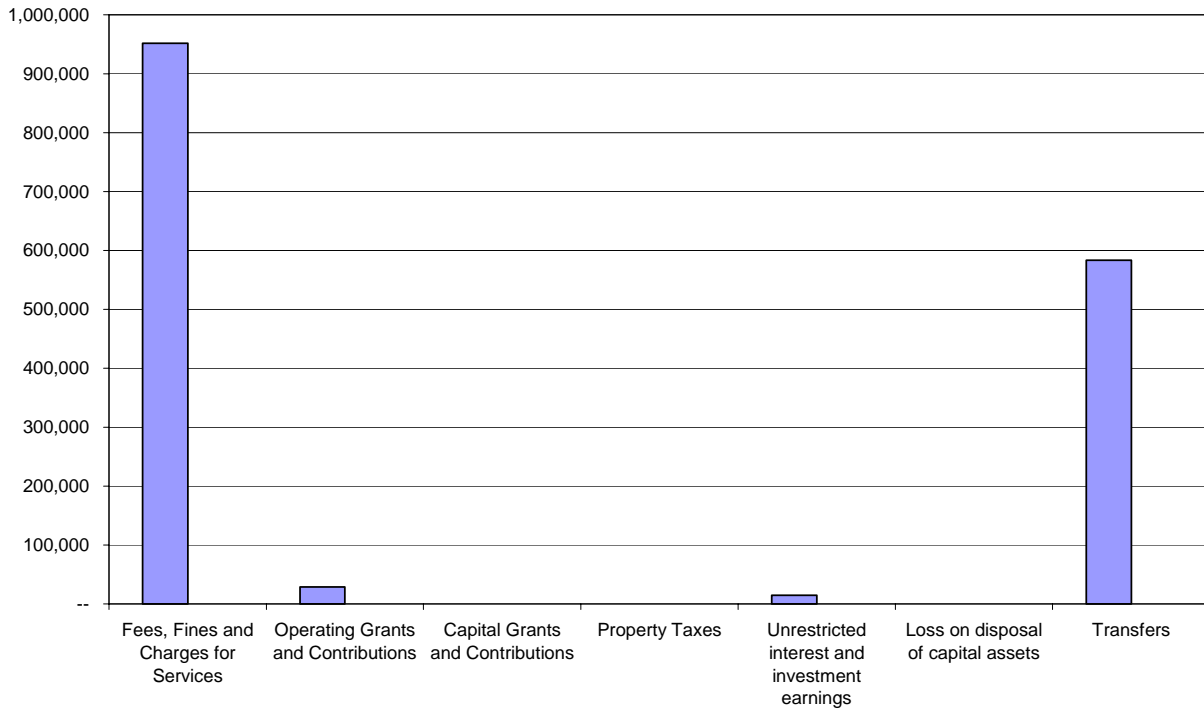
### Business-Type Revenues and Expenses 2008 - 2009



# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

**Business-Type Revenues by Source  
2008 - 2009**



### 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.

**Government 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, 2009 the County of Amador's governmental funds reported combined ending fund balances of \$34,050,080 a decrease of \$2,440,740 in comparison with the prior year. Approximately 46% of the combined fund balance, \$15,739,793, constitutes unreserved fund balance, which is available to meet the County's current and future needs. The remainder of the funds, \$18,310,287 is reserved to indicate that it is not available for new spending because it has been committed:



## COUNTY OF AMADOR

### Management's Discussion and Analysis June 30, 2009

1. imprest cash (\$24,700)
2. liquidate contractual commitments (\$530,638)
3. loans and advances due from other funds (\$3,048,048)
4. general reserve (\$14,706,901)

The general fund is the chief operating fund of the County. At June 30, 2009, unreserved fund balance of the general fund was \$11,118,598, while total fund balance reached \$20,255,593. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 35% of total general fund expenditures, while total fund balance represents 63% of total general fund expenditures. The fund balance for the County's general fund increased by \$371,974 during the current fiscal year.

In addition to the General Fund, the County maintains five major government funds: the Social Services fund, Road 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 \$8.6 million in revenues in 2009, compared to \$8 million last year. Expenditures increased from \$8.9 million in 2008 to \$9.5 million in 2009.

The Road fund is used for planning, design, construction, maintenance and administration of the County's roads and infrastructure. The Road fund reported \$5.2 million in revenues in 2009 compared to \$10.9 million last year. The decrease was the result of completion of major road projects. Expenditures were \$5.9 million in 2009 compared to \$8.7 million in 2008.

The County Improvement fund is used for the acquisition and construction of County facilities. In 2009 revenues were \$.2 million compared to \$.7 million in 2008. Expenditures in 2009 were \$1.7 million compared to \$.5 million reported in 2008. The increase was due to County photovoltaic project at the administrative building.

Mental Health fund provides services to County residents with serious mental disabilities and /or emotional disturbances. Revenues in 2009 were \$2.7 million compared to \$2.8 million in 2008. Expenditures in 2009 were \$3.3 million compared to \$2.8 million in 2008. The increase was due to increase building lease and contracted services.

The Water Development Sinking fund is used for the development of new or additional water for the County. Revenues in 2009 were \$139,036 compared to \$217,707 in 2008. Expenditures in 2009 were \$23,604 compared to \$356,955 in 2008.

**Proprietary funds.** The County of Amador's proprietary funds provide the same type of information found in the government-wide financial statements, but more detail. The net assets of the enterprise funds increased by \$788,288. The increase is primarily due to landfill closure/post closure liability activities. The net assets of the internal services funds' decreased by \$332,365 to \$3,238,457.

# COUNTY OF AMADOR

## Management's Discussion and Analysis June 30, 2009

### General Fund Budgetary Highlights

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

- \$842,100 increase in general governmental budget
- \$1,482,507 increase in public protection budget
- \$7,100 increase in public assistance budget
- \$6,322 increase in education budget
- \$41,277 increase in recreation and cultural services budget
- \$180,084 decrease capital outlay and 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, 2009, amount to \$51,305,089 (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 \$16,852,026. The long-term obligations are as follows:

- \$1,876,288 compensated absences
- \$40,000 liability for self-insurance
- \$9,261,688 notes payable and certificates of participation
- \$5,674,050 landfill closure/post-closure

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.

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**BASIC FINANCIAL STATEMENTS**  
**Government-Wide Financial Statements**

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**COUNTY OF AMADOR**

Statement of Net Assets

June 30, 2009

<b><u>ASSETS</u></b>	Primary Government		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
Cash and investments in Pool	\$ 36,479,492	\$ 691,481	\$ 37,170,973
Imprest cash	26,950	100	27,050
Accounts receivable	157,912	94,886	252,798
Taxes receivable	319,881	--	319,881
Interest receivable	233,468	3,295	236,763
Due from other governments	1,452,081	7,000	1,459,081
Loans and notes receivable	728,648	--	728,648
Internal balances	2,119,400	(2,119,400)	--
Deferred charges	317,939	--	317,939
Capital Assets:			
Nondepreciable	5,126,338	2,176,875	7,303,213
Depreciable, net	42,555,572	1,446,304	44,001,876
Total Assets	<u>\$ 89,517,681</u>	<u>\$ 2,300,541</u>	<u>\$ 91,818,222</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 1,086,639	\$ 25,321	\$ 1,111,960
Due to other governments	119,954	--	119,954
Interest payable	93,605	--	93,605
Deposits held for others	--	258,587	258,587
Unearned revenues	2,651,013	--	2,651,013
Long-Term Liabilities:			
Portion due or payable within one year:	1,381,400	1,216,406	2,597,806
Portion due or payable after one year:	9,678,297	4,575,923	14,254,220
Total Liabilities	<u>15,010,908</u>	<u>6,076,237</u>	<u>21,087,145</u>
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	38,530,527	3,512,874	42,043,401
Restricted for:			
Public safety	883,515	--	883,515
Health and public assistance	619,877	--	619,877
Community development and public facilities	3,012,867	--	3,012,867
Capital projects	8,878,047	--	8,878,047
Other	234,340	--	234,340
Unrestricted	22,347,600	(7,288,570)	15,059,030
Total Net Assets	<u>74,506,773</u>	<u>(3,775,696)</u>	<u>70,731,077</u>
Total Liabilities and Net Assets	<u>\$ 89,517,681</u>	<u>\$ 2,300,541</u>	<u>\$ 91,818,222</u>

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

**COUNTY OF AMADOR**

Statement of Activities  
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues	
		Fees, Fines and Charges for Services	Operating Grants and Contributions
<b>Primary Government:</b>			
Governmental Activities:			
General government	\$ 6,769,606	\$ 2,033,075	\$ 880,501
Public protection	27,726,669	3,631,995	6,233,150
Public ways and facilities	7,032,091	768,506	3,562,608
Health and sanitation	8,066,269	597,765	6,570,119
Public assistance	9,649,915	79,911	8,886,701
Education	1,130,750	244,468	27,683
Culture and recreation	387,014	71,378	--
Debt Service:			
Interest	378,366	--	--
Total Governmental Activities	61,140,680	7,427,098	26,160,762
Business-Type Activities:			
Landfill	341,504	609,513	17,000
Airport	336,692	241,363	11,697
County Service Areas	111,901	100,842	--
Total Business-Type Activities:	790,097	951,718	28,697
Total Amador County	\$ 61,930,777	\$ 8,378,816	\$ 26,189,459

General Revenues:

  Taxes:

    Property taxes

    Sales and use taxes

    In-lieu sales tax

    Transient occupancy taxes

    Franchise taxes

    Other

  Unrestricted interest and investment earnings

  Miscellaneous

Transfers

Special item - transfer of court facilities to the state

Total General Revenues, Transfers and Special Item

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
\$ (3,856,030)		\$ (3,856,030)
(17,861,524)		(17,861,524)
(2,700,977)		(2,700,977)
(898,385)		(898,385)
(683,303)		(683,303)
(858,599)		(858,599)
(315,636)		(315,636)
(378,366)		(378,366)
<u>(27,552,820)</u>		<u>(27,552,820)</u>
--	\$ 285,009	285,009
--	(83,632)	(83,632)
--	(11,059)	(11,059)
<u>--</u>	<u>190,318</u>	<u>190,318</u>
<u>(27,552,820)</u>	<u>190,318</u>	<u>(27,362,502)</u>
20,205,153	--	20,205,153
1,898,815	--	1,898,815
1,028,945	--	1,028,945
90,912	--	90,912
386,430	--	386,430
112,525	--	112,525
1,243,403	14,636	1,258,039
986	--	986
(583,334)	583,334	--
<u>(8,053,579)</u>	<u>--</u>	<u>(8,053,579)</u>
<u>16,330,256</u>	<u>597,970</u>	<u>16,928,226</u>
(11,222,564)	788,288	(10,434,276)
<u>85,729,337</u>	<u>(4,563,984)</u>	<u>81,165,353</u>
<u>\$ 74,506,773</u>	<u>\$ (3,775,696)</u>	<u>\$ 70,731,077</u>

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

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**BASIC FINANCIAL STATEMENTS**  
**Fund Financial Statements**

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**COUNTY OF AMADOR**

Balance Sheet  
Governmental Funds  
June 30, 2009

	<u>General</u>	<u>Social Services</u>	<u>Mental Health</u>	<u>Road</u>
<u>Assets</u>				
Cash and investments	\$ 19,268,679	\$ 64,343	\$ 1,808,881	\$ 2,426,901
Imprest cash	24,300	--	--	200
Accounts receivable	154,135	383	--	--
Taxes receivable	169,631	--	--	150,250
Due from other governments	435,726	51,218	126,575	342,067
Interest receivable	161,005	1,568	255	6,584
Loans and notes receivable	--	--	--	--
Advances to other funds	1,372,800	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Totals Assets	<u>\$ 21,586,276</u>	<u>\$ 117,512</u>	<u>\$ 1,935,711</u>	<u>\$ 2,926,002</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ 345,234	\$ 36,762	\$ 197,042	\$ 25,467
Due to other governments	86	--	--	--
Deferred revenues	985,363	42,827	1,756,263	213,039
Advances from other funds	--	200,000	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>1,330,683</u>	<u>279,589</u>	<u>1,953,305</u>	<u>238,506</u>
Fund Balances:				
Reserved:				
Imprest cash	24,300	--	--	200
Encumbrances	247,893	1,331	--	92,689
Loans and advances	1,372,800	--	--	--
General	7,492,002	200,000	100,000	1,143,216
Unreserved:				
Designated:				
Subsequent year expenditures	1,646,073	--	--	20,000
Undesignated, and reported in:				
General fund	9,472,525	--	--	--
Special revenue funds	--	(363,408)	(117,594)	1,431,391
Capital projects funds	--	--	--	--
Debt service fund	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>20,255,593</u>	<u>(162,077)</u>	<u>(17,594)</u>	<u>2,687,496</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 21,586,276</u>	<u>\$ 117,512</u>	<u>\$ 1,935,711</u>	<u>\$ 2,926,002</u>

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



County Improvement	Water Development Sinking	Other Governmental Funds	Total Governmental Funds
\$ 3,018,985	\$ 4,620,085	\$ 2,547,213	\$ 33,755,087
--	--	200	24,700
--	--	--	154,518
--	--	--	319,881
--	--	496,495	1,452,081
15,886	24,609	9,991	219,898
--	728,648	--	728,648
946,600	--	--	2,319,400
<u>\$ 3,981,471</u>	<u>\$ 5,373,342</u>	<u>\$ 3,053,899</u>	<u>\$ 38,974,213</u>
\$ 59,542	\$ 18,000	\$ 83,699	\$ 765,746
--	--	119,868	119,954
399,224	--	441,717	3,838,433
--	--	--	200,000
<u>458,766</u>	<u>18,000</u>	<u>645,284</u>	<u>4,924,133</u>
--	--	200	24,700
14,696	--	174,029	530,638
946,600	728,648	--	3,048,048
821,106	4,383,971	566,606	14,706,901
944,683	14,430	52,340	2,677,526
--	--	--	9,472,525
--	--	1,124,228	2,074,617
795,620	228,293	325,371	1,349,284
--	--	165,841	165,841
<u>3,522,705</u>	<u>5,355,342</u>	<u>2,408,615</u>	<u>34,050,080</u>
<u>\$ 3,981,471</u>	<u>\$ 5,373,342</u>	<u>\$ 3,053,899</u>	<u>\$ 38,974,213</u>

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, 2009

Fund Balance - total governmental funds	\$ 34,050,080
Amounts reported for governmental activities in the statement of net assets are different because:	
Deferred charges in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	317,939
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	46,996,996
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:	3,238,457
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.	(93,605)
Deferred revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	1,187,420
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	(8,420,000)
Bonds payable	(731,383)
Compensated absences	(1,799,585)
OPEB liability	(239,546)
	<hr/>
Net assets of governmental activities	<u><u>\$ 74,506,773</u></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, 2009

	<u>General</u>	<u>Social Services</u>	<u>Mental Health</u>	<u>Road</u>
Revenues:				
Taxes	\$ 22,888,008	\$ --	\$ --	\$ 812,000
Licenses and permits	431,938	--	--	94,272
Intergovernmental	6,513,530	8,542,761	2,679,967	3,567,363
Fines and forfeitures	929,793	--	--	67,716
Use of money and property	791,222	31,634	8,181	60,011
Charges for services	2,701,408	--	39,983	576,989
Other	341,955	75,087	--	29,529
Total Revenues	<u>34,597,854</u>	<u>8,649,482</u>	<u>2,728,131</u>	<u>5,207,880</u>
Expenditures:				
Current:				
General government	5,260,640	--	--	--
Public protection	25,091,482	--	--	--
Public ways and facilities	--	--	--	5,909,464
Health and sanitation	--	--	3,316,665	--
Public assistance	134,922	9,461,654	--	--
Education	1,098,208	--	--	--
Recreation and cultural services	379,318	--	--	--
Capital outlay	--	--	--	--
Debt Service:				
Principal payments	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total Expenditures	<u>31,964,570</u>	<u>9,461,654</u>	<u>3,316,665</u>	<u>5,909,464</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>2,633,284</u>	<u>(812,172)</u>	<u>(588,534)</u>	<u>(701,584)</u>
Other Financing Sources (Uses):				
Issuance of bonds	--	--	--	--
Transfers in	--	130,000	--	--
Transfers out	<u>(2,261,310)</u>	--	--	--
Total Other Financing Sources (Uses)	<u>(2,261,310)</u>	<u>130,000</u>	<u>--</u>	<u>--</u>
Change in Fund Balances	371,974	(682,172)	(588,534)	(701,584)
Fund Balances, Beginning of the Year, Restated	<u>19,883,619</u>	<u>520,095</u>	<u>570,940</u>	<u>3,389,080</u>
Fund Balances, End of Fiscal Year	<u>\$ 20,255,593</u>	<u>\$ (162,077)</u>	<u>\$ (17,594)</u>	<u>\$ 2,687,496</u>

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

County Improvement	Water Development Sinking	Other Governmental Funds	Total Governmental Funds
\$ --	\$ --	\$ 22,772	\$ 23,722,780
126,059	--	84,201	736,470
15,886	--	3,992,310	25,311,817
--	--	294,447	1,291,956
71,281	139,036	80,559	1,181,924
--	--	957,744	4,276,124
--	--	205,910	652,481
<u>213,226</u>	<u>139,036</u>	<u>5,637,943</u>	<u>57,173,552</u>
--	--	26,680	5,287,320
--	23,604	1,354,146	26,469,232
--	--	--	5,909,464
--	--	4,649,200	7,965,865
--	--	--	9,596,576
--	--	--	1,098,208
--	--	--	379,318
1,678,118	--	--	1,678,118
--	--	465,617	465,617
39,181	--	359,664	398,845
<u>1,717,299</u>	<u>23,604</u>	<u>6,855,307</u>	<u>59,248,563</u>
<u>(1,504,073)</u>	<u>115,432</u>	<u>(1,217,364)</u>	<u>(2,075,011)</u>
783,625	--	--	783,625
80,714	--	1,102,404	1,313,118
--	--	(201,162)	(2,462,472)
<u>864,339</u>	<u>--</u>	<u>901,242</u>	<u>(365,729)</u>
(639,734)	115,432	(316,122)	(2,440,740)
<u>4,162,439</u>	<u>5,239,910</u>	<u>2,724,737</u>	<u>36,490,820</u>
<u>\$ 3,522,705</u>	<u>\$ 5,355,342</u>	<u>\$ 2,408,615</u>	<u>\$ 34,050,080</u>

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, 2009

Net change to fund balance - total governmental funds \$ (2,440,740)

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	1,870,285	
Less: current year depreciation	<u>(2,276,494)</u>	(406,209)

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. (8,138,037)

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 726,847

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

Proceeds from bonds	(783,625)
Principal payments	465,617

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	(55,804)
Change in OPEB liability	(239,546)
Change in unammortized bond issuance cost	(18,702)

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. (332,365)

Change in net assets of governmental activities \$ (11,222,564)

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

**COUNTY OF AMADOR**

Statement of Net Assets  
Proprietary Funds  
June 30, 2009

	Business-Type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds		Internal Service Funds
<b>ASSETS</b>					
Current Assets:					
Cash and investments in Pool	\$ 253,531	\$ 17,435	\$ 420,515	\$ 691,481	\$ 2,724,405
Imprest cash	--	100	--	100	2,250
Accounts receivable	94,886	--	--	94,886	3,394
Due from other governments	7,000	--	--	7,000	--
Interest receivable	1,070	121	2,104	3,295	13,570
Total Current Assets	<u>356,487</u>	<u>17,656</u>	<u>422,619</u>	<u>796,762</u>	<u>2,743,619</u>
Capital Assets:					
Nondepreciable	676,022	1,500,853	--	2,176,875	15,000
Depreciable, net	254,694	1,191,610	--	1,446,304	669,914
Total Noncurrent Assets	<u>930,716</u>	<u>2,692,463</u>	<u>--</u>	<u>3,623,179</u>	<u>684,914</u>
Total Assets	<u>\$ 1,287,203</u>	<u>\$ 2,710,119</u>	<u>\$ 422,619</u>	<u>\$ 4,419,941</u>	<u>\$ 3,428,533</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	\$ 17,902	\$ 7,419	\$ --	\$ 25,321	\$ 81,347
Deposits held for others	--	--	258,587	258,587	--
Current portion of long-term liabilities:					
Loans payable	--	12,419	--	12,419	--
Compensated absences	476	3,511	--	3,987	--
Liability for landfill post-closure costs	1,200,000	--	--	1,200,000	--
Total Current Liabilities	<u>1,218,378</u>	<u>23,349</u>	<u>258,587</u>	<u>1,500,314</u>	<u>81,347</u>
Long-term Liabilities:					
Compensated absences	476	3,511	--	3,987	68,729
Loans payable	--	97,886	--	97,886	--
Advances from other funds	2,119,400	--	--	2,119,400	--
Claims liability	--	--	--	--	40,000
Liability for landfill post-closure costs	4,474,050	--	--	4,474,050	--
Total Long-term Liabilities	<u>6,593,926</u>	<u>101,397</u>	<u>--</u>	<u>6,695,323</u>	<u>108,729</u>
Total Liabilities	<u>7,812,304</u>	<u>124,746</u>	<u>258,587</u>	<u>8,195,637</u>	<u>190,076</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	930,716	2,582,158	--	3,512,874	684,914
Unrestricted	<u>(7,455,817)</u>	<u>3,215</u>	<u>164,032</u>	<u>(7,288,570)</u>	<u>2,553,543</u>
Total Net Assets	<u>(6,525,101)</u>	<u>2,585,373</u>	<u>164,032</u>	<u>(3,775,696)</u>	<u>3,238,457</u>
Total Liabilities and Net Assets	<u>\$ 1,287,203</u>	<u>\$ 2,710,119</u>	<u>\$ 422,619</u>	<u>\$ 4,419,941</u>	<u>\$ 3,428,533</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, 2009

	Business-Type Activities - Enterprise Funds				Governmental
	Waste	Airport	Nonmajor	Total	Internal
	Management		Enterprise	Enterprise	Service
			Funds	Funds	Funds
Operating Revenues:					
Charges for services	\$ 497,873	\$ 237,475	\$ 92,718	\$ 828,066	\$ 3,828,477
Other	111,640	3,888	8,124	123,652	986
Total Operating Revenues	<u>609,513</u>	<u>241,363</u>	<u>100,842</u>	<u>951,718</u>	<u>3,829,463</u>
Operating Expenses:					
Salaries and benefits	112,624	104,527	--	217,151	1,111,560
Services and supplies	206,464	146,088	111,901	464,453	3,396,159
Special projects	14,219	744	--	14,963	--
Depreciation	8,197	78,420	--	86,617	278,038
Total Operating Expenses	<u>341,504</u>	<u>329,779</u>	<u>111,901</u>	<u>783,184</u>	<u>4,785,757</u>
Operating Income (Loss)	<u>268,009</u>	<u>(88,416)</u>	<u>(11,059)</u>	<u>168,534</u>	<u>(956,294)</u>
Non-Operating Revenues (Expenses):					
Interest income	3,810	219	10,607	14,636	61,479
Intergovernmental revenues	17,000	11,697	--	28,697	--
Interest expense	--	(6,913)	--	(6,913)	--
Gain (loss) on sale of assets	--	--	--	--	(3,570)
Total Non-Operating Revenues (Expenses)	<u>20,810</u>	<u>5,003</u>	<u>10,607</u>	<u>36,420</u>	<u>57,909</u>
Net Income (Loss) before Transfers	288,819	(83,413)	(452)	204,954	(898,385)
Transfers in	<u>583,334</u>	<u>--</u>	<u>--</u>	<u>583,334</u>	<u>566,020</u>
Change in Net Assets	872,153	(83,413)	(452)	788,288	(332,365)
Net Assets, Beginning of Year	<u>(7,397,254)</u>	<u>2,668,786</u>	<u>164,484</u>	<u>(4,563,984)</u>	<u>3,570,822</u>
Net Assets, End of Year	<u>\$ (6,525,101)</u>	<u>\$ 2,585,373</u>	<u>\$ 164,032</u>	<u>\$ (3,775,696)</u>	<u>\$ 3,238,457</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, 2009

	Business-Type Activities - Enterprise Funds				Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>					
Receipts from customers and users	\$ 615,290	\$ 241,363	\$ 151,850	\$ 1,008,503	\$ --
Receipts from interfund services provided	--	--	--	--	3,826,069
Payments to suppliers	(681,687)	(143,646)	(111,901)	(937,234)	(1,115,384)
Payments to employees	(332,198)	(101,380)	--	(433,578)	(3,508,055)
Net Cash Provided (Used) by Operating Activities	(398,595)	(3,663)	39,949	(362,309)	(797,370)
<b>Cash Flows from Investing Activities:</b>					
Interest received	3,219	461	11,639	15,319	77,525
Net Cash Provided (Used) by Investing Activities	3,219	461	11,639	15,319	77,525
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Purchase of capital assets	(5,395)	--	--	(5,395)	(110,290)
Interest payments on debt	--	(6,913)	--	(6,913)	--
Principal payments on debt	--	(11,747)	--	(11,747)	--
Net Cash Provided (Used) by Capital and Related Financing Activities	(5,395)	(18,660)	--	(24,055)	(110,290)
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Aid from other governmental agencies	17,000	11,697	--	28,697	--
Taxes received	36,280	--	--	36,280	--
Transfers received from other funds	583,334	--	--	583,334	566,020
Net Cash Provided (Used) by Non-Capital Financing Activities	636,614	11,697	--	648,311	566,020
Net Increase (Decrease) in Cash and Cash Equivalents	235,843	(10,165)	51,588	277,266	(264,115)
Cash and Cash Equivalents, Beginning of Year	17,688	27,700	368,927	414,315	2,990,770
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 253,531</u>	<u>\$ 17,535</u>	<u>\$ 420,515</u>	<u>\$ 691,581</u>	<u>\$ 2,726,655</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, 2009

	Business-Type Activities - Enterprise Funds				Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ 268,009	\$ (88,416)	\$ (11,059)	\$ 168,534	\$ (956,294)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation	8,197	78,420	--	86,617	278,038
Changes in assets and liabilities:					
Accounts receivable	12,777	--	--	12,777	(3,394)
Due from other governments	(7,000)	--	--	(7,000)	--
Accounts payable	2,326	3,537	--	5,863	2,694
Compensated absences payable	596	2,796	--	3,392	(7,064)
Deposits held for others	--	--	55,485	55,485	--
Claims liability	--	--	--	--	(110,000)
Other liabilities	--	--	--	--	(1,350)
Due from other governments	--	--	(4,477)	(4,477)	--
Landfill closure liability	(683,500)	--	--	(683,500)	--
 Net Cash Provided (Used) by Operating Activities	 <u>(398,595)</u>	 <u>(3,663)</u>	 <u>39,949</u>	 <u>(362,309)</u>	 <u>(797,370)</u>
 Recap of Cash and Cash Equivalents, as reported on the Statement of Net Assets					
Cash and investments in Pool	\$ 253,531	\$ 17,435	\$ 420,515	\$ 691,481	\$ 2,724,405
Imprest cash	--	100	--	100	2,250
	<u>\$ 253,531</u>	<u>\$ 17,535</u>	<u>\$ 420,515</u>	<u>\$ 691,581</u>	<u>\$ 2,726,655</u>

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

**COUNTY OF AMADOR**

Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2009

	<u>Investment Trust Funds</u>	<u>Agency Funds</u>
<u>Assets</u>		
Current Assets:		
Cash and investments	\$ 19,204,779	\$ 10,933,682
Taxes receivable	--	4,604,623
Total Assets	<u>\$ 19,204,779</u>	<u>\$ 15,538,305</u>
<u>Liabilities and Net Assets</u>		
Current Liabilities:		
Agency obligations	\$ --	\$ 15,538,305
Net Assets:		
Held in trust for external participants	<u>19,204,779</u>	<u>--</u>
Total Liabilities and Net Assets	<u>\$ 19,204,779</u>	<u>\$ 15,538,305</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, 2009

	Investment Trust Funds
<b>ADDITIONS:</b>	
Net investment earnings	\$ 682,812
Contributions to investment pool	<u>51,655,300</u>
Total Additions	52,338,112
<b>DEDUCTIONS:</b>	
Distributions from investment pool	<u>52,428,552</u>
<b>CHANGE IN NET ASSETS</b>	(90,440)
<b>NET ASSETS, BEGINNING</b>	<u>19,295,219</u>
<b>NET ASSETS, ENDING</b>	<u><u>\$ 19,204,779</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, 2009

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 30<sup>th</sup> 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, 2009

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, 2009

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 *Road Fund* is used to account for the planning, design, construction, maintenance and administration of the County's roads and infrastructure.
- 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, 2009

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.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this



# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

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

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 financial 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 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.

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

### 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. **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.

### H. **Encumbrances**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid.

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

### 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.

### J. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). 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 reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources. 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.

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

### K. Other Assets

Inventory: Inventory consists of expendable supplies held for consumption. In governmental funds, inventories are valued at cost. In proprietary funds, they are valued at lower of cost or market. Cost is determined by using either the weighted average or the first-in, first-out method. The consumption method of accounting of inventory is used where cost is recorded as an expenditure at the time individual inventory items are used. For the governmental fund types, the reserve for inventory indicates that a portion of the fund balance is not an available financial resource.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

### L. 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, 2009, 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, 2009

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, 2009, total County cash and investments were as follows:

*Cash:*

Cash on hand	\$ 187,876
Deposits	1,375,796
Outstanding warrants	<u>(4,146,731)</u>
Total cash overdrafts	(2,583,059)

*Investments:*

In Treasurer's pool	<u>69,919,543</u>
Total cash and investments	<u><u>\$ 67,336,484</u></u>

Total cash and investments at June 30, 2009 were presented on the County's financial statements as follows:

Primary government	\$ 37,198,023
Investment trust fund	19,204,779
Agency funds	<u>10,933,682</u>
Total	<u><u>67,336,484</u></u>

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$40 Million
California Asset Management Program (CAMP)	N/A	None	\$15 Million
CalTRUST	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, 2009

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

**Investments** (continued)

At June 30, 2009, 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	3.125% - 3.125%	11/30/09-11/15/12	\$ 3,000,000	\$ 3,165,275	\$ 3,098,603	2.22
U.S. Treasury Bills	3.125% - 3.125%	7/9/09-7/9/09	1,000,000	999,980	998,483	0.03
U.S. Government Agencies	3.250% - 7.000%	7/15/09-4/28/14	20,000,000	20,342,581	20,089,721	2.86
Corporate Medium-Term Notes	3.125% - 5.875%	8/10/09-12/1/11	3,000,000	3,074,376	3,052,604	1.02
California Asset Management Program (CAMP)	N/A	On Demand	7,895,465	7,895,465	7,895,465	0.00
Local Agency Investment Fund (LAIF)	N/A	On Demand	34,784,667	34,784,667	34,784,667	0.00
Total			<u>\$ 69,680,132</u>	<u>\$ 70,262,344</u>	<u>\$ 69,919,543</u>	<u>0.98</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, 2009 the difference between the cost and fair value of cash and investments was not material (fair value was 100.49% of carrying value). Therefore, an adjustment to fair value was not required.

**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.

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

**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, 2009.

	<b>S&amp;P</b>	<b>Moody's</b>	<b>Based on Fair Value % of Portfolio</b>
U.S. Treasury Notes	AAA	Aaa	4.50%
U.S. Treasury Bills	AAA	Aaa	1.42%
U.S. Government Agencies (FNMA)	AAA	Aaa	4.39%
U.S. Government Agencies (FHLB)	AAA	Aaa	7.24%
U.S. Government Agencies (FHLMC)	AAA	Aaa	10.09%
U.S. Government Agencies (FFCB)	AAA	Aaa	7.22%
Corporate Medium-Term Notes (Bank of America)	AAA	Aaa	0.72%
Corporate Medium-Term Note (Berkshire Hathaway)	AAA	Aa2	0.72%
Corporate Medium-Term Note (GECC)	AA+	Aa2	0.73%
Corporate Medium-Term Note (JP Mortgage Chase)	AAA	Aaa	0.74%
Corporate Medium-Term Note (Walmart)	AA	Aa2	0.72%
Corporate Medium-Term Note (Wells Fargo Co)	AA-	Aa3	0.74%
California Asset Management Program (CAMP)	AAAm	Unrated	11.23%
Local Agency Investment Fund (LAIF)	Unrated	Unrated	49.54%
Total			<u>100.00%</u>

As of the year ended June 30, 2009, more than 5% of the County's pooled investments were invested in the following issuers:

Issuer	Type of Investment	Amount
Federal Home Loan Bank	Federal Agency Obligation	\$ 5,089,375
Federal Home Loan Mortgage Corporation	Federal Agency Obligation	7,091,488
Federal Farm Credit Bank	Federal Agency Obligation	5,073,594



# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

### 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 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.

At June 30, 2009, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$34,784,667 which approximates fair value. The total amount invested by all public agencies in LAIF on that day was approximately \$50.7 billion. Of that amount, 14.71% was invested in non-derivative financial products and 85.29% 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, 2009:

#### **Statement of Net Assets**

Net assets held for pool participants	<u>\$ 67,309,434</u>
Equity of internal pool participants	\$ 48,104,655
Equity of external pool participants	<u>19,204,779</u>
Total net assets	<u>\$ 67,309,434</u>

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

**County Investment Pool Condensed Financial Statements** (continued)

**Statement of Changes in Net Assets**

Investment earnings	\$ 2,251,173
Investment expenses	(245,917)
Net withdrawals by pool participants	<u>(4,690,023)</u>
 Increase in Net Assets	 (2,684,767)
 Net Aassets at July 1, 2008	 <u>69,994,201</u>
 Net assets at June 30, 2009	 <u><u>\$ 67,309,434</u></u>

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><u>\$ 2,319,400</u></u>	

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

Note 3: **Interfund Transactions** (continued)

***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;

Transfer From	Transfer To	Amount
General Fund	Other Governmental Funds	\$ 1,031,242
	County Improvement Fund	80,714
	Internal Service Funds	566,020
	Solid Waste Enterprise	583,334
		<u>2,261,310</u>
Other Governmental Funds	Other Governmental Funds	71,162
	Social Services	130,000
		<u>\$ 2,462,472</u>

Note 4: **Capital Assets**

Capital asset activity for the year ended June 30, 2009, was as follows:

	Balance July 1, 2008	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2009
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 4,694,096	\$ --	\$ --	\$ --	\$ 4,694,096
Construction in progress	10,526,486	491,609	(8,053,579)	(2,532,274)	432,242
Total capital assets, not being depreciated	<u>15,220,582</u>	<u>491,609</u>	<u>(8,053,579)</u>	<u>(2,532,274)</u>	<u>5,126,338</u>
Capital assets, being depreciated:					
Infrastructure	40,921,270	--	--	2,532,274	43,453,544
Structures and improvements	37,151,987	1,100,000	(294,362)	--	37,957,625
Equipment	14,659,017	381,747	(474,270)	--	14,566,494
Total capital assets, being depreciated	<u>92,732,274</u>	<u>1,481,747</u>	<u>(768,632)</u>	<u>2,532,274</u>	<u>95,977,663</u>
Less accumulated depreciation for:					
Infrastructure	(32,873,530)	(713,931)	--	--	(33,587,461)
Structures and improvements	(7,172,138)	(898,423)	201,384	1,659	(7,867,518)
Equipment	(11,509,714)	(942,178)	474,270	10,510	(11,967,112)
Total accumulated depreciation	<u>(51,555,382)</u>	<u>(2,554,532)</u>	<u>675,654</u>	<u>12,169</u>	<u>(53,422,091)</u>
Total capital assets, being depreciated, net	<u>41,176,892</u>	<u>(1,072,785)</u>	<u>(92,978)</u>	<u>2,544,443</u>	<u>42,555,572</u>
Government activities capital assets, net	<u>\$ 56,397,474</u>	<u>\$ (581,176)</u>	<u>\$ (8,146,557)</u>	<u>\$ 12,169</u>	<u>\$ 47,681,910</u>

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

	Balance July 1, 2008	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2009
<b>Business-Type Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 2,176,875	\$ --	\$ --	\$ --	\$ 2,176,875
Total capital assets, not being depreciated	<u>2,176,875</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,176,875</u>
Capital assets, being depreciated:					
Infrastructure	1,580,953	--	--	--	1,580,953
Structures and improvements	1,333,717	--	--	--	1,333,717
Equipment	74,741	5,395	(1,305)	--	78,831
Total capital assets, being depreciated	<u>2,989,411</u>	<u>5,395</u>	<u>(1,305)</u>	<u>--</u>	<u>2,993,501</u>
Less accumulated depreciation for:					
Infrastructure	(800,141)	(36,563)	--	--	(836,704)
Structures and improvements	(606,183)	(47,361)	--	--	(653,544)
Equipment	(55,561)	(2,693)	1,305	--	(56,949)
Total accumulated depreciation	<u>(1,461,885)</u>	<u>(86,617)</u>	<u>1,305</u>	<u>--</u>	<u>(1,547,197)</u>
Total capital assets, being depreciated, net	<u>1,527,526</u>	<u>(81,222)</u>	<u>--</u>	<u>--</u>	<u>1,446,304</u>
Business-type activities capital assets, net	<u>\$ 3,704,401</u>	<u>\$ (81,222)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 3,623,179</u>

Depreciation expense was charged to governmental functions as follows:

	<b>Total</b>
General government	\$ 760,574
Public protection	673,128
Public ways	800,006
Health and sanitation	28,275
Public assistance	6,629
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	<u>278,038</u>
Total	<u>\$ 2,554,532</u>

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

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

	<b><u>Total</u></b>
Waste Management	\$ 8,197
Airport	<u>78,420</u>
Total	<b><u><u>\$ 86,617</u></u></b>

Note 5: **Long-Term Debt**

Long-term liabilities at June 30, 2009 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, 2009</u>
<b><u>Governmental Activities</u></b>						
Clean Renewable Energy Bond <i>Add solar panels to County Administratin Building</i>	11/5/2008	11/25/2022	0.00%	\$52,242	\$ 783,625	\$ 731,383
2005 Certificates of Participation <i>Construct County Administration Building</i>	8/1/2005	10/1/2025	4.00%	\$355,000 - \$670,000	<u>9,090,000</u>	<u>8,420,000</u>
Total Governmental Activities					<b><u>\$ 9,873,625</u></b>	<b><u>\$ 9,151,383</u></b>
<b><u>Business-Type Activities</u></b>						
Notes payable	2001	2018	5.66%	\$12,419 - \$16,446	\$ 194,000	\$ 110,305
Total Business-Type Activities					<b><u>\$ 194,000</u></b>	<b><u>\$ 110,305</u></b>

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

The following is a summary of long-term liability transactions for the year ended June 30, 2009:

	Balance July 1, 2008	Additions	Retirements	Balance June 30, 2009	Amounts Due Within One Year
<b>Governmental Activities</b>					
Certificates of participation	\$ 8,760,000	\$ --	\$ 340,000	\$ 8,420,000	\$ 355,000
Clean Renewable Energy Bond	--	783,625	52,242	731,383	52,242
Notes Payable - Fire Protection District	73,375	--	73,375	--	--
Compensated absences	1,820,924	47,390	--	1,868,314	934,158
Liability for self-insurance	150,000	110,000	220,000	40,000	40,000
<b>Total Governmental Activities</b>					
Long-term liabilities	<u>\$ 10,804,299</u>	<u>\$ 941,015</u>	<u>\$ 685,617</u>	<u>\$ 11,059,697</u>	<u>\$ 1,381,400</u>
<b>Business-type Activities</b>					
Notes Payable - Airport	\$ 122,052	\$ --	\$ 11,747	\$ 110,305	\$ 12,419
Compensated absences	4,582	3,392	--	7,974	3,987
Post-closure liability	6,357,550	--	683,500	5,674,050	1,200,000
<b>Total Business-type Activities</b>					
Long-term liabilities	<u>\$ 6,484,184</u>	<u>\$ 3,392</u>	<u>\$ 695,247</u>	<u>\$ 5,792,329</u>	<u>\$ 1,216,406</u>

As of June 30, 2009, 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
2010	\$ 355,000	\$ 340,519	\$ 52,242	\$ --
2011	370,000	326,019	52,242	--
2012	385,000	310,919	52,242	--
2013	400,000	295,219	52,242	--
2014	415,000	278,919	52,242	--
2015-2019	2,335,000	1,126,994	261,208	--
2020-2024	2,845,000	601,281	208,965	--
2025-2026	1,315,000	58,078	--	--
	<u>\$ 8,420,000</u>	<u>\$ 3,337,948</u>	<u>\$ 731,383</u>	<u>\$ --</u>

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

As of June 30, 2009, annual debt service requirements of business activities to maturity are as follows:

Year Ending June 30:	Business Activities	
	Loans Payable	
	Principal	Interest
2010	\$ 12,419	\$ 6,247
2011	13,090	5,544
2012	13,761	4,803
2013	14,433	4,023
2014	15,104	3,206
2015-2017	41,498	4,333
	\$ 110,305	\$ 28,156

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.

*New Debt - Clean Renewable Energy Bonds:* On April 25, 2006, the County submitted an application to the Internal Revenue Service for the authority to issue \$2,300,000 in Clean Renewable Energy Bonds (CREBs). The CREBs program is a special no interest federal loan program for financing qualified renewable energy projects. On November 1, 2008, the County issued \$783,625 of the CREBs to pay for construction of a solar energy facility at the Amador County Administration Building, 810 Court Street, Jackson, California. Principal payments will be made annually on December 16 starting in 2008 and ending in 2022. No interest payments are required to be made in relation to these bonds.

*Special Assessment Debt:* The total matured and unmatured bonds outstanding related to special assessment debt is \$455,943 at June 30, 2009. 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 \$193,523 and corresponding amounts payable are reported in the Agency Fund.

## COUNTY OF AMADOR

Notes to Basic Financial Statements  
June 30, 2009

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, 2009, additional work was required to perform correction construction work which would complete closure activities for the landfill, pending certification by the state.

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 \$5,674,050 for fiscal year 2009, 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 \$5,674,050 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



# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

#### Plan Description (continued)

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.

#### Funding Policy

County employees are required by state statute to contribute 7% for miscellaneous employees and 9% for safety employees of their annual covered salary. The County makes the contributions required of County employees on their behalf and for their account which amounted to \$1,746,256 for the year ended June 30, 2009. 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 2008-2009 were 11.817% for miscellaneous employees and 24.211% for public safety 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 2008-2009, the County's annual pension cost of \$3,500,221 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2006 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.

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

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>
06/30/07	\$ 1,610,238	100%	\$ --
06/30/08	3,365,651	100%	--
06/30/09	3,500,221	100%	--

**Funded Status and Funding Progress**

The following is the funded status information for the County’s miscellaneous plan as of June 30, 2007, the most recent actuarial valuation date:

Entry age normal accrued liability	\$ 80,683,864
Actuarial value of assets	73,474,207
Unfunded (overfunded) liability (UAAC)	7,209,657
Funded ratio	91.1%
Annual covered payroll	17,250,905
UAAL as a % of payroll	41.8%

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.

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

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

Plan Description (continued)

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 (\$97 per month in 2009) 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. The County prefunds the plan by contributing at least 100% of the annual required contribution to an irrevocable trust.

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 2008-09 ARC is \$245,000.

The County expects to contribute the full \$245,000 to the CERBT before the end of calendar year 2009. Accordingly, contributions applied for GASB 45 purposes total \$245,000 for the 2008-09 fiscal year.

Annual OPEB Cost and Net OPEB Obligation

For fiscal year 2008-09, the County's annual OPEB cost (expense) of \$245,000 was equal to the annual required contribution.

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 2008-09 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/09	\$245,000	100%	\$--

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

### Annual OPEB Cost and Net OPEB Obligation (continued)

In future years, three year trend information will be presented. Fiscal year 2008-09 was the first year of implementation of GASB Statement 45, and the County elected to implement prospectively; therefore only one year of trend information is available.

### 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)	\$1,212,000
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active Plan members)	\$23,603,000
UAAL as a percentage of covered payroll	5.1%

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 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.

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

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

#### Actuarial Methods and Assumptions (continued)

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, 2009 was 19 years.

### Note 9: **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.

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 2008-2009 fiscal year is \$4.6 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.

## COUNTY OF AMADOR

### Notes to Basic Financial Statements June 30, 2009

Note 9: **Property Taxes** (continued)

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.

Note 10: **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, 2009

Note 10: **Risk Management** (continued)

The Total claims liability of \$40,000 at June 30, 2009, 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, 2009 and 2008, were as follows:

	2009	2008
Unpaid claims, beginning of year	\$ 150,000	\$ 110,000
Estimated claims incurred and adjustments	110,000	108,269
Claims payments	(220,000)	(68,269)
Unpaid claims, end of year	\$ 40,000	\$ 150,000

Note 11: **Net Assets/Fund Balances**

The government-wide and business-type activities fund financial statements utilize a net assets presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *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 presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Included in governmental activities restricted net assets at June 30, 2009, are net assets restricted by enabling legislation of \$13,628,646.
- *Unrestricted Net Assets* – This category represents net assets of the County, not restricted for any project or other purpose.

# COUNTY OF AMADOR

## Notes to Basic Financial Statements June 30, 2009

### Note 11: Net Assets/Fund Balances (continued)

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by actions of the Board and management and can be increased, reduced or eliminated by similar actions.

As of June 30, 2009, reservations of fund balance are described below:

The term “reserved” is used to indicate that a portion of reported fund balance is (1) legally restricted to a specific use or (2) not available for appropriation or expenditure. The County’s management will sometimes designate portions of unreserved (available) fund balance based on tentative future spending plans.

Designated portions of fund balance represent financial resources legally available for uses other than those tentatively planned.

The County has “reserved” fund balances as follows:

- Reserve for Imprest Cash was created to represent the portion of the fund balance that is not available for expenditure because the County maintains various levels of revolving funds for daily operations.
- Reserve for Encumbrances was created to represent encumbrances outstanding at the end of the fiscal year, based on purchase orders and contracts signed by the County but not completed as of the close of the fiscal year.
- Reserve for Loans and Advances was created to represent long-term receivables and interfund loans not available to finance current year expenditures.
- Reserve for General was created to represent the portion of fund equity the County expects to use for unpredicted future events.



## COUNTY OF AMADOR

### Notes to Basic Financial Statements June 30, 2009

Note 12: **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 13: **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.

Note 14: **Operating Lease Commitments**

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, 2009 was approximately \$1,422,131.

**COUNTY OF AMADOR**

Notes to Basic Financial Statements  
June 30, 2009

Note 14: **Operating Lease Commitments** (continued)

The minimum rental payments required under the operating lease commitments at June 30, 2009, was as follows:

<u>Year Ending June 30:</u>	
2010	\$ 1,428,840
2011	1,428,840
2012	1,428,840
2013	1,428,840
2014	1,428,840
2015-2019	7,144,200
2020-2024	<u>5,000,940</u>
	<u>\$ 19,289,340</u>

Note 15: **Special Item**

In compliance with California's Trial Court Facilities Act of 2002, the County transferred county-owned court facilities to the State of California on August 25, 2008. The County incurred \$8,053,579 in costs to renovate its former administrative facility as the final step in completing the transition of court facilities from the County's responsibility to the State of California.

Note 16: **Prior Period Adjustment**

In prior years the group of funds presented as Miscellaneous Special Revenue Funds contained trust funds that included transactions that should have taken place in the Mental Health fund. This year the effect of those transactions was moved to the Mental Health fund. The affect on prior year fund balance is an increase in the Mental Health fund and a decrease in the Miscellaneous Special Revenue Funds in the amount of \$93,610.

Note 17: **Subsequent Events**

Subsequent to the end of the year, the County purchased land for the amount of \$1,800,000. The County plans to use this land to construct a new jail.

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**REQUIRED  
SUPPLEMENTARY INFORMATION**

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**COUNTY OF AMADOR**

Required Supplementary Information  
For the Fiscal Year Ended June 30, 2009

**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>
06/30/05	\$ 67,435,716	\$ 62,910,979	\$ 4,524,737	93.3%	14,522,614	31.2%
06/30/06	73,493,638	67,460,456	6,033,182	91.8%	15,619,449	38.6%
06/30/07	80,683,864	73,474,207	7,209,657	91.1%	17,250,905	41.8%

**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, 2009

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 21,356,575	\$ 21,356,575	\$ 22,888,008	\$ 1,531,433
Licenses and permits	539,480	539,480	431,938	(107,542)
Intergovernmental	9,352,969	9,770,579	6,513,530	(3,257,049)
Fines and forfeitures	848,424	848,424	929,793	81,369
Use of money and property	608,850	608,850	791,222	182,372
Charges for services	2,858,172	2,917,234	2,701,408	(215,826)
Other	504,245	563,745	341,955	(221,790)
Total Revenue	<u>36,068,715</u>	<u>36,604,887</u>	<u>34,597,854</u>	<u>(2,007,033)</u>
<b>EXPENDITURES</b>				
General Government:	10,941,819	11,783,920	5,260,640	6,523,280
Public Protection:	26,272,152	27,754,660	25,091,482	2,663,178
Public Assistance:	132,507	139,607	134,922	4,685
Education:	1,190,172	1,196,494	1,098,208	98,286
Culture and Recreation:	385,289	426,565	379,318	47,247
Total Expenditures	<u>38,921,939</u>	<u>41,301,246</u>	<u>31,964,570</u>	<u>9,336,676</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(2,853,224)</u>	<u>(4,696,359)</u>	<u>2,633,284</u>	<u>7,329,643</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingency	(1,268,630)	(1,088,546)	--	1,088,546
Transfers	(2,031,145)	(2,492,812)	(2,261,310)	231,502
Total other financing sources (uses)	<u>(3,299,775)</u>	<u>(3,581,358)</u>	<u>(2,261,310)</u>	<u>1,320,048</u>
Net change in fund balance	(6,152,999)	(8,277,717)	371,974	8,649,691
Fund balance, beginning of fiscal year	<u>19,883,619</u>	<u>19,883,619</u>	<u>19,883,619</u>	<u>--</u>
Fund balance, end of fiscal year	<u>\$ 13,730,620</u>	<u>\$ 11,605,902</u>	<u>\$ 20,255,593</u>	<u>\$ 8,649,691</u>

**COUNTY OF AMADOR**

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Social Services  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 9,931,281	\$ 9,931,281	8,542,761	\$ (1,388,520)
Use of money and property	--	--	31,634	31,634
Other	137,545	267,545	75,087	(192,458)
Total Revenue	<u>10,068,826</u>	<u>10,198,826</u>	<u>8,649,482</u>	<u>(1,549,344)</u>
Expenditures:				
Current:				
Public assistance	10,068,826	10,198,926	9,461,654	737,272
Total Expenditures	<u>10,068,826</u>	<u>10,198,926</u>	<u>9,461,654</u>	<u>737,272</u>
Excess (deficiency) of revenue over (under) expenditures	<u>--</u>	<u>(100)</u>	<u>(812,172)</u>	<u>(812,072)</u>
OTHER FINANCING SOURCES (USES)				
Transfers	--	--	130,000	130,000
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>130,000</u>	<u>130,000</u>
Change in Fund Balance	--	(100)	(682,172)	(682,072)
Fund Balance, Beginning of Fiscal Year	<u>520,095</u>	<u>520,095</u>	<u>520,095</u>	<u>--</u>
Fund Balance, End of Fiscal Year	<u>\$ 520,095</u>	<u>\$ 519,995</u>	<u>\$ (162,077)</u>	<u>\$ (682,072)</u>

**COUNTY OF AMADOR**

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Mental Health  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,227,642	\$ 3,227,642	2,679,967	\$ (547,675)
Use of money and property	4,000	4,000	8,181	4,181
Charges for services	20,000	20,000	39,983	19,983
Total Revenue	<u>3,251,642</u>	<u>3,251,642</u>	<u>2,728,131</u>	<u>(523,511)</u>
Expenditures:				
Current:				
Health and sanitation	<u>3,251,642</u>	<u>3,251,642</u>	<u>3,316,665</u>	<u>(65,023)</u>
Total Expenditures	<u>3,251,642</u>	<u>3,251,642</u>	<u>3,316,665</u>	<u>(65,023)</u>
Change in Fund Balance	--	--	(588,534)	(588,534)
Fund Balance, Beginning of Fiscal Year	<u>570,940</u>	<u>570,940</u>	<u>570,940</u>	<u>--</u>
Fund Balance, End of Fiscal Year	<u><u>\$ 570,940</u></u>	<u><u>\$ 570,940</u></u>	<u><u>\$ (17,594)</u></u>	<u><u>\$ (588,534)</u></u>

## COUNTY OF AMADOR

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Road For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 812,000	\$ 812,000	\$ 812,000	--
Licenses and permits	56,300	56,300	94,272	37,972
Intergovernmental	4,644,443	5,239,655	3,567,363	(1,672,292)
Fines and forfeitures	45,000	45,000	67,716	22,716
Use of money and property	20,000	55,616	60,011	4,395
Charges for services	--	--	576,989	576,989
Other	595,250	620,250	29,529	(590,721)
<b>Total Revenue</b>	<b>6,172,993</b>	<b>6,828,821</b>	<b>5,207,880</b>	<b>(1,620,941)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public Ways	7,803,590	9,079,942	5,909,464	3,170,478
<b>Total Expenditures</b>	<b>7,803,590</b>	<b>9,079,942</b>	<b>5,909,464</b>	<b>3,170,478</b>
Change in Fund Balance	(1,630,597)	(2,251,121)	(701,584)	1,549,537
Fund Balance, Beginning of Fiscal Year	3,389,080	3,389,080	3,389,080	--
Fund Balance, End of Fiscal Year	<u>\$ 1,758,483</u>	<u>\$ 1,137,959</u>	<u>\$ 2,687,496</u>	<u>\$ 1,549,537</u>



## **COUNTY OF AMADOR**

### **Notes to Required Supplementary Information For the Fiscal Year Ended June 30, 2009**

#### **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.

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## **SUPPLEMENTARY INFORMATION**

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**COUNTY OF AMADOR**

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2009

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>
<u>Assets</u>				
Cash and investments	\$ 2,058,258	\$ 323,615	\$ 165,340	\$ 2,547,213
Imprest cash	200	--	--	200
Due from other governments	496,495	--	--	496,495
Interest receivable	7,734	1,756	501	9,991
	<u>7,734</u>	<u>1,756</u>	<u>501</u>	<u>9,991</u>
 Total Assets	 <u>\$ 2,562,687</u>	 <u>\$ 325,371</u>	 <u>\$ 165,841</u>	 <u>\$ 3,053,899</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 83,699	\$ --	\$ --	\$ 83,699
Due to other governments	119,868	--	--	119,868
Deferred revenues	441,717	--	--	441,717
	<u>441,717</u>	<u>--</u>	<u>--</u>	<u>441,717</u>
 Total Liabilities	 <u>645,284</u>	 <u>--</u>	 <u>--</u>	 <u>645,284</u>
 Fund Balances:				
Reserved:				
Imprest cash	200	--	--	200
Encumbrances	174,029	--	--	174,029
General	566,606	--	--	566,606
Unreserved:				
Designated	52,340	--	--	52,340
Undesignated	1,124,228	325,371	165,841	1,615,440
	<u>1,124,228</u>	<u>325,371</u>	<u>165,841</u>	<u>1,615,440</u>
 Total Fund Balances	 <u>1,917,403</u>	 <u>325,371</u>	 <u>165,841</u>	 <u>2,408,615</u>
 Total Liabilities and Fund Balances	 <u>\$ 2,562,687</u>	 <u>\$ 325,371</u>	 <u>\$ 165,841</u>	 <u>\$ 3,053,899</u>

**COUNTY OF AMADOR**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2009

	Special Revenue	Capital Projects	Debt Service	Total
<b>Revenues:</b>				
Taxes	\$ 22,772	\$ --	\$ --	\$ 22,772
Licenses and permits	--	84,201	--	84,201
Intergovernmental	3,992,310	--	--	3,992,310
Fines and forfeitures	294,447	--	--	294,447
Use of money and property	65,522	8,180	6,857	80,559
Charges for services	940,971	16,773	--	957,744
Other	205,910	--	--	205,910
Total Revenues	<u>5,521,932</u>	<u>109,154</u>	<u>6,857</u>	<u>5,637,943</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	--	26,680	--	26,680
Public protection	1,354,146	--	--	1,354,146
Health and sanitation	4,649,200	--	--	4,649,200
<b>Debt Service:</b>				
Principal payments	73,375	--	392,242	465,617
Interest and fiscal charges	3,616	--	356,048	359,664
Total Expenditures	<u>6,080,337</u>	<u>26,680</u>	<u>748,290</u>	<u>6,855,307</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(558,405)</u>	<u>82,474</u>	<u>(741,433)</u>	<u>(1,217,364)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	279,602	--	822,802	1,102,404
Transfers out	(201,162)	--	--	(201,162)
Total Other Financing Sources (Uses)	<u>78,440</u>	<u>--</u>	<u>822,802</u>	<u>901,242</u>
Change in Fund Balances	(479,965)	82,474	81,369	(316,122)
Fund Balances, Beginning of Fiscal Year, Restated	<u>2,397,368</u>	<u>242,897</u>	<u>84,472</u>	<u>2,724,737</u>
Fund Balances, End of Fiscal Year	<u>\$ 1,917,403</u>	<u>\$ 325,371</u>	<u>\$ 165,841</u>	<u>\$ 2,408,615</u>

## **Nonmajor Special Revenue Funds**

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Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

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**COUNTY OF AMADOR**

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2009

	Memorial Hall	Health	Fish & Game	Miscellaneous Special Revenue Funds
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>Assets</u>				
Cash and investments	\$ 202,055	\$ 736,399	\$ 28,746	\$ 501,779
Imprest cash	--	--	--	--
Due from other governments	--	473,063	--	--
Interest receivable	1,078	2,762	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 203,133</u>	<u>\$ 1,212,224</u>	<u>\$ 28,746</u>	<u>\$ 501,779</u>
 <u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts payable	\$ --	\$ 17,903	\$ --	\$ --
Due to other governments	--	--	--	119,868
Deferred revenues	--	418,385	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	<u>          </u>	<u>436,288</u>	<u>          </u>	<u>119,868</u>
 <u>Fund Balances:</u>				
<u>Reserved:</u>				
Imprest cash	--	--	--	--
Encumbrances	--	174,029	--	--
General	195,890	100,000	24,001	--
<u>Unreserved:</u>				
Designated	--	52,340	--	--
Undesignated	7,243	449,567	4,745	381,911
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Fund Balances	<u>203,133</u>	<u>775,936</u>	<u>28,746</u>	<u>381,911</u>
 Total Liabilities and Fund Balances	<u>\$ 203,133</u>	<u>\$ 1,212,224</u>	<u>\$ 28,746</u>	<u>\$ 501,779</u>

Continued

**COUNTY OF AMADOR**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2009

	Special Districts Governed by County Board of Supervisors			Totals
	Victory	IHSS	Amador	
	<u>Lighting</u>	<u>Public Authority</u>	<u>Fire Protection</u>	
<u>Assets</u>				
Cash and investments	\$ 31,047	\$ 23,288	\$ 534,944	\$ 2,058,258
Imprest cash	--	100	100	200
Due from other governments	--	100	23,332	496,495
Interest receivable	160	166	3,568	7,734
	<u>31,047</u>	<u>23,654</u>	<u>561,944</u>	<u>2,562,687</u>
Total Assets	<u>\$ 31,207</u>	<u>\$ 23,654</u>	<u>\$ 561,944</u>	<u>\$ 2,562,687</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ --	\$ 42	\$ 65,754	\$ 83,699
Due to other governments	--	--	--	119,868
Deferred revenues	--	--	23,332	441,717
	<u>--</u>	<u>--</u>	<u>23,332</u>	<u>441,717</u>
Total Liabilities	<u>--</u>	<u>42</u>	<u>89,086</u>	<u>645,284</u>
Fund Balances:				
Reserved:				
Imprest cash	--	100	100	200
Encumbrances	--	--	--	174,029
General	28,054	46,951	171,710	566,606
Unreserved:				
Designated	--	--	--	52,340
Undesignated	3,153	(23,439)	301,048	1,124,228
	<u>3,153</u>	<u>(23,439)</u>	<u>301,048</u>	<u>1,124,228</u>
Total Fund Balances	<u>31,207</u>	<u>23,612</u>	<u>472,858</u>	<u>1,917,403</u>
Total Liabilities and Fund Balances	<u>\$ 31,207</u>	<u>\$ 23,654</u>	<u>\$ 561,944</u>	<u>\$ 2,562,687</u>

**COUNTY OF AMADOR**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2009

	Memorial Hall	Health	Fish & Game	Miscellaneous Special Revenue Funds
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	3,144,389	--	--
Fines and forfeitures	--	121,443	1,905	171,099
Use of money and property	5,556	27,449	840	13,569
Charges for services	--	321,004	--	1,500
Other	--	115,335	--	--
Total Revenues	<u>5,556</u>	<u>3,729,620</u>	<u>2,745</u>	<u>186,168</u>
Expenditures:				
Current:				
Public protection	--	--	61	--
Health & Sanitation	--	4,385,145	--	--
Debt Service:				
Principal payments	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total Expenditures	<u>--</u>	<u>4,385,145</u>	<u>61</u>	<u>--</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>5,556</u>	<u>(655,525)</u>	<u>2,684</u>	<u>186,168</u>
Other Financing Sources (Uses):				
Transfers in	--	279,602	--	--
Transfers out	--	--	--	(201,162)
Total Other Financing Sources (Uses)	<u>--</u>	<u>279,602</u>	<u>--</u>	<u>(201,162)</u>
Change in Fund Balances	5,556	(375,923)	2,684	(14,994)
Fund Balances, Beginning of Fiscal Year, Restated	<u>197,577</u>	<u>1,151,859</u>	<u>26,062</u>	<u>396,905</u>
Fund Balances, End of Fiscal Year	<u>\$ 203,133</u>	<u>\$ 775,936</u>	<u>\$ 28,746</u>	<u>\$ 381,911</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, 2009

	Special Districts Governed by County Board of Supervisors			Totals
	Victory	IHSS	Amador	
	Lighting	Public Authority	Fire Protection	
Revenues:				
Taxes	\$ 2,862	\$ --	\$ 19,910	\$ 22,772
Intergovernmental	39	264,178	583,704	3,992,310
Fines and forfeitures	--	--	--	294,447
Use of money and property	806	968	16,334	65,522
Charges for services	--	--	618,467	940,971
Other	--	--	90,575	205,910
Total Revenues	<u>3,707</u>	<u>265,146</u>	<u>1,328,990</u>	<u>5,521,932</u>
Expenditures:				
Current:				
Public protection	793	--	1,353,292	1,354,146
Health & Sanitation	--	264,055	--	4,649,200
Debt Service:				
Principal payments	--	--	73,375	73,375
Interest and fiscal charges	--	--	3,616	3,616
Total Expenditures	<u>793</u>	<u>264,055</u>	<u>1,430,283</u>	<u>6,080,337</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>2,914</u>	<u>1,091</u>	<u>(101,293)</u>	<u>(558,405)</u>
Other Financing Sources (Uses):				
Transfers in	--	--	--	279,602
Transfers out	--	--	--	(201,162)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>78,440</u>
Change in Fund Balances	2,914	1,091	(101,293)	(479,965)
Fund Balances, Beginning of Fiscal Year, Restated	<u>28,293</u>	<u>22,521</u>	<u>574,151</u>	<u>2,397,368</u>
Fund Balances, End of Fiscal Year	<u>\$ 31,207</u>	<u>\$ 23,612</u>	<u>\$ 472,858</u>	<u>\$ 1,917,403</u>

## **Nonmajor Capital Project Funds**

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Capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

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**COUNTY OF AMADOR**

Combining Balance Sheet  
Nonmajor Capital Project Funds  
June 30, 2009

	<u>Parks &amp; Rec Impact Fee</u>	<u>Amador Community Facility</u>	<u>Totals</u>
<u>Assets</u>			
Cash and investments	\$ 310,459	\$ 13,156	\$ 323,615
Interest receivable	1,635	121	1,756
Total Assets	<u>\$ 312,094</u>	<u>\$ 13,277</u>	<u>\$ 325,371</u>
<u>Liabilities and Fund Balances</u>			
<u>Fund Balance</u>			
Unreserved, undesignated	<u>312,094</u>	<u>13,277</u>	<u>325,371</u>
Total Liabilities and Fund Balances	<u>\$ 312,094</u>	<u>\$ 13,277</u>	<u>\$ 325,371</u>

**COUNTY OF AMADOR**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended June 30, 2009

	<u>Parks &amp; Rec Impact Fee</u>	<u>Amador Community Facility</u>	<u>Totals</u>
Revenues:			
Licenses and permits	\$ 84,201	\$ --	\$ 84,201
Use of money and property	7,687	493	8,180
Charges for services	--	16,773	16,773
	<hr/>	<hr/>	<hr/>
Total Revenues	91,888	17,266	109,154
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
General government	--	26,680	26,680
	<hr/>	<hr/>	<hr/>
Total Expenditures	--	26,680	26,680
	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenue Over (Under) Expenditures	91,888	(9,414)	82,474
	<hr/>	<hr/>	<hr/>
Change in Fund Balance	91,888	(9,414)	82,474
	<hr/>	<hr/>	<hr/>
Fund Balance, Beginning of Fiscal Year	220,206	22,691	242,897
Fund Balance, End of Fiscal Year	<u>\$ 312,094</u>	<u>\$ 13,277</u>	<u>\$ 325,371</u>

## **Nonmajor Enterprise Funds**

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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.

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**COUNTY OF AMADOR**

Combining Statement of Net Assets  
All Nonmajor Enterprise Funds  
June 30, 2009

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
<b><u>ASSETS</u></b>					
Current Assets:					
Cash and investments in Pool	\$ 42,439	\$ 309,292	\$ 2,108	\$ 66,676	\$ 420,515
Interest receivable	227	1,528	2	347	2,104
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 42,666</u>	<u>\$ 310,820</u>	<u>\$ 2,110</u>	<u>\$ 67,023</u>	<u>\$ 422,619</u>
<b><u>LIABILITIES</u></b>					
Current Liabilities:					
Deposits held for others	\$ --	\$ 258,587	\$ --	\$ --	\$ 258,587
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	<u>--</u>	<u>258,587</u>	<u>--</u>	<u>--</u>	<u>258,587</u>
<b><u>NET ASSETS</u></b>					
Unrestricted	<u>42,666</u>	<u>52,233</u>	<u>2,110</u>	<u>67,023</u>	<u>164,032</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Net Assets	<u>42,666</u>	<u>52,233</u>	<u>2,110</u>	<u>67,023</u>	<u>164,032</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities and Net Assets	<u>\$ 42,666</u>	<u>\$ 310,820</u>	<u>\$ 2,110</u>	<u>\$ 67,023</u>	<u>\$ 422,619</u>

**COUNTY OF AMADOR**

Combining Statement of Revenues, Expenditures  
and Changes in Net Assets  
All Nonmajor Enterprise Funds  
For the Year Ended June 30, 2009

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
Operating Revenues:					
Charges for services	\$ --	\$ 56,471	\$ 36,247	\$ --	\$ 92,718
Other	--	--	--	8,124	8,124
 Total Operating Revenues	 --	 56,471	 36,247	 8,124	 100,842
Operating Expenses:					
Services and supplies	--	60,213	51,300	388	111,901
 Total Operating Expenses	 --	 60,213	 51,300	 388	 111,901
Operating Income (Loss)	--	(3,742)	(15,053)	7,736	(11,059)
Non-Operating Revenues (Expenses):					
Interest income	1,168	7,432	302	1,705	10,607
 Total Non-Operating Revenues (Expenses)	 1,168	 7,432	 302	 1,705	 10,607
 Change in Net Assets	 1,168	 3,690	 (14,751)	 9,441	 (452)
Net Assets, Beginning of Year	41,498	48,543	16,861	57,582	164,484
Net Assets, End of Year	<u>\$ 42,666</u>	<u>\$ 52,233</u>	<u>\$ 2,110</u>	<u>\$ 67,023</u>	<u>\$ 164,032</u>

**COUNTY OF AMADOR**

Combining Statement of Cash Flows  
All Nonmajor Enterprise Funds  
For the Year Ended June 30, 2009

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
<b>Cash Flows from Operating Activities:</b>					
Receipts from customers and users	\$ --	\$ 107,479	\$ 36,247	\$ 8,124	\$ 151,850
Payments to suppliers	--	(60,213)	(51,300)	(388)	(111,901)
Net Cash Provided (Used) by Operating Activities	<u>--</u>	<u>47,266</u>	<u>(15,053)</u>	<u>7,736</u>	<u>39,949</u>
<b>Cash Flows from Investing Activities:</b>					
Interest received	<u>1,295</u>	<u>8,058</u>	<u>446</u>	<u>1,840</u>	<u>11,639</u>
Net Cash Provided (Used) by Investing Activities	<u>1,295</u>	<u>8,058</u>	<u>446</u>	<u>1,840</u>	<u>11,639</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,295	55,324	(14,607)	9,576	51,588
Cash and Cash Equivalents, Beginning of Year	<u>41,144</u>	<u>253,968</u>	<u>16,715</u>	<u>57,100</u>	<u>368,927</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 42,439</u>	<u>\$ 309,292</u>	<u>\$ 2,108</u>	<u>\$ 66,676</u>	<u>\$ 420,515</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ --	\$ (3,742)	\$ (15,053)	\$ 7,736	\$ (11,059)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Changes in assets and liabilities:					
Deposits held for Others	--	55,485	--	--	55,485
Due from other funds	--	(4,477)	--	--	(4,477)
Net Cash Provided (Used) by Operating Activities	<u>\$ --</u>	<u>\$ 47,266</u>	<u>\$ (15,053)</u>	<u>\$ 7,736</u>	<u>\$ 39,949</u>



## **Internal Service Funds**

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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.

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**COUNTY OF AMADOR**

Combining Statement of Net Assets  
All Internal Service Funds  
June 30, 2009

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
<b><u>ASSETS</u></b>					
Current Assets:					
Cash and investments in Pool	\$ 131,968	\$ 874,513	\$ 90,667	\$ 1,627,257	\$ 2,724,405
Imprest cash	2,150	--	--	100	2,250
Accounts receivable	3,394	--	--	--	3,394
Interest receivable	1,218	4,301	516	7,535	13,570
Total Current Assets	<u>138,730</u>	<u>878,814</u>	<u>91,183</u>	<u>1,634,892</u>	<u>2,743,619</u>
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	15,000	--	--	--	15,000
Depreciable, net	29,555	640,359	--	--	669,914
Total Noncurrent Assets	<u>44,555</u>	<u>640,359</u>	<u>--</u>	<u>--</u>	<u>684,914</u>
Total Assets	<u>\$ 183,285</u>	<u>\$ 1,519,173</u>	<u>\$ 91,183</u>	<u>\$ 1,634,892</u>	<u>\$ 3,428,533</u>
<b><u>LIABILITIES</u></b>					
Current Liabilities:					
Accounts payable	\$ 31,855	\$ 26,820	\$ 7,937	\$ 14,735	\$ 81,347
Current portion of long-term liabilities:					
Compensated absences	16,035	15,636	--	2,694	34,365
Claims liability	--	--	--	40,000	40,000
Total Current Liabilities	<u>47,890</u>	<u>42,456</u>	<u>7,937</u>	<u>57,429</u>	<u>155,712</u>
Long-term Liabilities:					
Compensated absences	16,035	15,635	--	2,694	34,364
Total Long-term Liabilities	<u>16,035</u>	<u>15,635</u>	<u>--</u>	<u>2,694</u>	<u>34,364</u>
Total Liabilities	<u>63,925</u>	<u>58,091</u>	<u>7,937</u>	<u>60,123</u>	<u>190,076</u>
<b><u>NET ASSETS</u></b>					
Invested in capital assets, net of related debt	44,555	640,359	--	--	684,914
Unrestricted	74,805	820,723	83,246	1,574,769	2,553,543
Total Net Assets	<u>119,360</u>	<u>1,461,082</u>	<u>83,246</u>	<u>1,574,769</u>	<u>3,238,457</u>
Total Liabilities and Net Assets	<u>\$ 183,285</u>	<u>\$ 1,519,173</u>	<u>\$ 91,183</u>	<u>\$ 1,634,892</u>	<u>\$ 3,428,533</u>

**COUNTY OF AMADOR**

Combining Statement of Revenues, Expenses  
and Changes in Net Assets  
All Internal Service Funds  
For the Year Ended June 30, 2009

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
Operating Revenues:					
Charges for services	\$ 1,306,563	\$ 1,650,318	\$ 234,659	\$ 636,937	\$ 3,828,477
Other income	984	--	1	1	986
<b>Total Operating Revenues</b>	<b>1,307,547</b>	<b>1,650,318</b>	<b>234,660</b>	<b>636,938</b>	<b>3,829,463</b>
Operating Expenses:					
Salaries and benefits	603,880	377,482	66,418	63,780	1,111,560
Services and supplies	792,491	990,553	150,983	1,462,132	3,396,159
Depreciation	970	276,091	977	--	278,038
<b>Total Operating Expenses</b>	<b>1,397,341</b>	<b>1,644,126</b>	<b>218,378</b>	<b>1,525,912</b>	<b>4,785,757</b>
Operating Income (Loss)	(89,794)	6,192	16,282	(888,974)	(956,294)
Non-Operating Revenues (Expenses):					
Interest income	5,807	21,824	(586)	34,434	61,479
Gain (loss) on sale of assets	--	--	(3,570)	--	(3,570)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>5,807</b>	<b>21,824</b>	<b>(4,156)</b>	<b>34,434</b>	<b>57,909</b>
Net Income (Loss) before Transfers	(83,987)	28,016	12,126	(854,540)	(898,385)
Transfers In	--	--	--	566,020	566,020
Change in Net Assets	(83,987)	28,016	12,126	(288,520)	(332,365)
Net Assets, Beginning of Year	203,347	1,433,066	71,120	1,863,289	3,570,822
Net Assets, End of Year	<u>\$ 119,360</u>	<u>\$ 1,461,082</u>	<u>\$ 83,246</u>	<u>\$ 1,574,769</u>	<u>\$ 3,238,457</u>

**COUNTY OF AMADOR**

Combining Statement of Cash Flows  
All Internal Service Funds  
For the Year Ended June 30, 2009

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
<b>Cash Flows from Operating Activities:</b>					
Receipts from interfund services provided	\$ 1,304,153	\$ 1,650,318	\$ 234,660	\$ 636,938	\$ 3,826,069
Payments to employees	(604,388)	(378,832)	(66,418)	(66,286)	(1,115,924)
Payments to suppliers	(799,112)	(988,770)	(152,827)	(1,566,806)	(3,507,515)
Net Cash Provided (Used) by Operating Activities	(99,347)	282,716	15,415	(996,154)	(797,370)
<b>Cash Flows from Investing Activities:</b>					
Interest received	6,977	23,693	--	46,855	77,525
Net Cash Provided (Used) by Investing Activities	6,977	23,693	--	46,855	77,525
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Purchase of capital assets	--	(110,290)	--	--	(110,290)
Net Cash Provided (Used) by Capital and Related Financing Activities	--	(110,290)	--	--	(110,290)
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfers received from other funds	--	--	--	566,020	566,020
Net Cash Provided (Used) by Non-Capital Financing Activities	--	--	--	566,020	566,020
Net Increase (Decrease) in Cash and Cash Equivalents	(92,370)	196,119	15,415	(383,279)	(264,115)
Cash and Cash Equivalents, Beginning of Year	226,488	678,394	75,252	2,010,636	2,990,770
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 134,118</b>	<b>\$ 874,513</b>	<b>\$ 90,667</b>	<b>\$ 1,627,357</b>	<b>\$ 2,726,655</b>

continued

**COUNTY OF AMADOR**

Combining Statement of Cash Flows (continued)  
 All Internal Service Funds  
 For the Year Ended June 30, 2009

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (89,794)	\$ 6,192	\$ 16,282	\$ (888,974)	\$ (956,294)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation	970	276,091	977	--	278,038
Changes in assets and liabilities:					
Accounts receivable	(3,394)	--	--	--	(3,394)
Accounts payable	(2,571)	1,783	(1,844)	5,326	2,694
Claims liability	--	--	--	(110,000)	(110,000)
Other liabilities	--	(1,350)	--	--	(1,350)
Compensated absences payable	(4,558)	--	--	(2,506)	(7,064)
 Net Cash Provided (Used) by Operating Activities	 <u>\$ (99,347)</u>	 <u>\$ 282,716</u>	 <u>\$ 15,415</u>	 <u>\$ (996,154)</u>	 <u>\$ (797,370)</u>