

COUNTY OF AMADOR

AUDIT REPORT

JUNE 30, 2010

**COUNTY OF AMADOR
AUDIT REPORT
JUNE 30, 2010**

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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, 2010, 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, 2010, 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 March 31, 2011, 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 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.

Ballina LLP

Roseville, California
March 31, 2011

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

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, 2010. 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 2009-2010 fiscal year by \$71,716,108 (net assets). Of this amount, \$13,716,058 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors, \$15,043,681 is restricted for specific purpose (restricted net assets), and \$42,956,369 is invested in capital assets, net of related debt.
- The County of Amador's total net assets increased by \$985,031.
- As of June 30, 2010 the County of Amador's governmental funds reported combined fund balances of \$33,916,298, a decrease of \$133,782. Approximately 38% of the combined fund balances, \$13,017,527 is available to meet the County's current and future needs (unreserved fund balance).
- At the end of the fiscal year, unreserved fund balance for the general fund was \$9,207,023, or 30% 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 \$1,227,429 from the prior year. The decrease is primarily due to retirement of a portion of landfill closure/post closure liability cost of \$1,200,000.

Overview of the Financial Statements

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

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

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

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

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

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

The government-wide financial statements can be found on pages 14-16 of this report.

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

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

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

The County of Amador maintains several individual governmental funds. Information is

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, Social Service Fund, Mental Health Fund, 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 17-22 of this report.

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

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

The proprietary funds financial statements can be found on pages 23-26 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 27-28 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 29-58 of this report.

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Management's Discussion and Analysis June 30, 2010

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 59-63 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 64-78 of this report.

Governmental-Wide Financial Analysis

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

Analysis of Net Assets

County of Amador's Net Assets June 30, 2010						
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Assets:						
Current and other assets	\$ 41,937,125	\$ 41,835,771	\$ (1,449,563)	\$ (1,322,638)	\$ 40,487,562	\$ 40,513,133
Capital assets	47,955,266	47,681,910	3,843,130	3,623,179	51,798,396	51,305,089
Total assets	89,892,391	89,517,681	2,393,567	2,300,541	92,285,958	91,818,222
Liabilities:						
Current and other liabilities	4,330,818	3,951,211	614,435	283,908	4,945,253	4,235,119
Long-term liabilities	11,037,990	11,059,697	4,586,607	5,792,329	15,624,597	16,852,026
Total liabilities	15,368,808	15,010,908	5,201,042	6,076,237	20,569,850	21,087,145
Net Assets:						
Invested in capital net of related debt	39,211,125	38,530,527	3,745,244	3,512,874	42,956,369	42,043,401
Restricted net assets	15,043,681	13,628,646	--	--	15,043,681	13,628,646
Unrestricted net assets	20,268,777	22,347,600	(6,552,719)	(7,288,570)	13,716,058	15,059,030
Total net assets	\$ 74,523,583	\$ 74,506,773	\$ (2,807,475)	\$ (3,775,696)	\$ 71,716,108	\$ 70,731,077

Assets exceeded liabilities by \$71,716,108 at the close of the 2009-10 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 \$13,716,058 (unrestricted net assets) may be used to meet the government's ongoing obligations to the citizens and creditors. \$15,043,681 (restricted net assets) is restricted for a specific purpose. The remaining portion and largest \$42,956,369 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.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

As stated earlier, net assets increased by \$985,031. Governmental activities contributed \$16,810 to this increase and business-type activities contributed the remainder or \$968,221.

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

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues:						
Charges for services	\$ 7,426,608	\$ 7,427,098	\$ 1,072,098	\$ 951,718	\$ 8,498,706	\$ 8,378,816
Operating grants and contributions	28,673,890	26,160,762	105,576	28,697	28,779,466	26,189,459
General Revenues:						
Property taxes	17,897,250	20,205,153	--	--	17,897,250	20,205,153
Sales and use taxes	2,058,736	1,898,815	--	--	2,058,736	1,898,815
Other	930,041	1,618,812	--	--	930,041	1,618,812
Unrestricted interest and investment earnings	665,794	1,243,403	7,241	14,636	673,035	1,258,039
Miscellaneous	282,891	986	--	--	282,891	986
Transfers	(833,332)	(583,334)	833,332	583,334	--	--
Special item - transfer of court facilities	--	(8,053,579)	--	--	--	(8,053,579)
Total revenues	57,101,878	49,918,116	2,018,247	1,578,385	59,120,125	51,496,501
Expenses:						
General government	6,575,896	6,769,606	--	--	6,575,896	6,769,606
Public protection	26,457,619	27,726,669	--	--	26,457,619	27,726,669
Public ways and facilities	5,301,130	7,032,091	--	--	5,301,130	7,032,091
Health and sanitation	7,913,188	8,066,269	--	--	7,913,188	8,066,269
Public assistance	9,177,410	9,649,915	--	--	9,177,410	9,649,915
Education	1,052,054	1,130,750	--	--	1,052,054	1,130,750
Culture and recreation	246,870	387,014	--	--	246,870	387,014
Interest on long-term debt	360,901	378,366	--	--	360,901	378,366
Waste Management	--	--	616,766	341,504	616,766	341,504
Airport	--	--	388,707	336,692	388,707	336,692
County Service Areas	--	--	44,553	111,901	44,553	111,901
Total expenses	57,085,068	61,140,680	1,050,026	790,097	58,135,094	61,930,777
Change in net assets	16,810	(11,222,564)	968,221	788,288	985,031	(10,434,276)
Net assets at beginning year, restated	74,506,773	85,729,337	(3,775,696)	(4,563,984)	70,731,077	81,165,353
Net assets at end of year	\$ 74,523,583	\$ 74,506,773	\$ (2,807,475)	\$ (3,775,696)	\$ 71,716,108	\$ 70,731,077

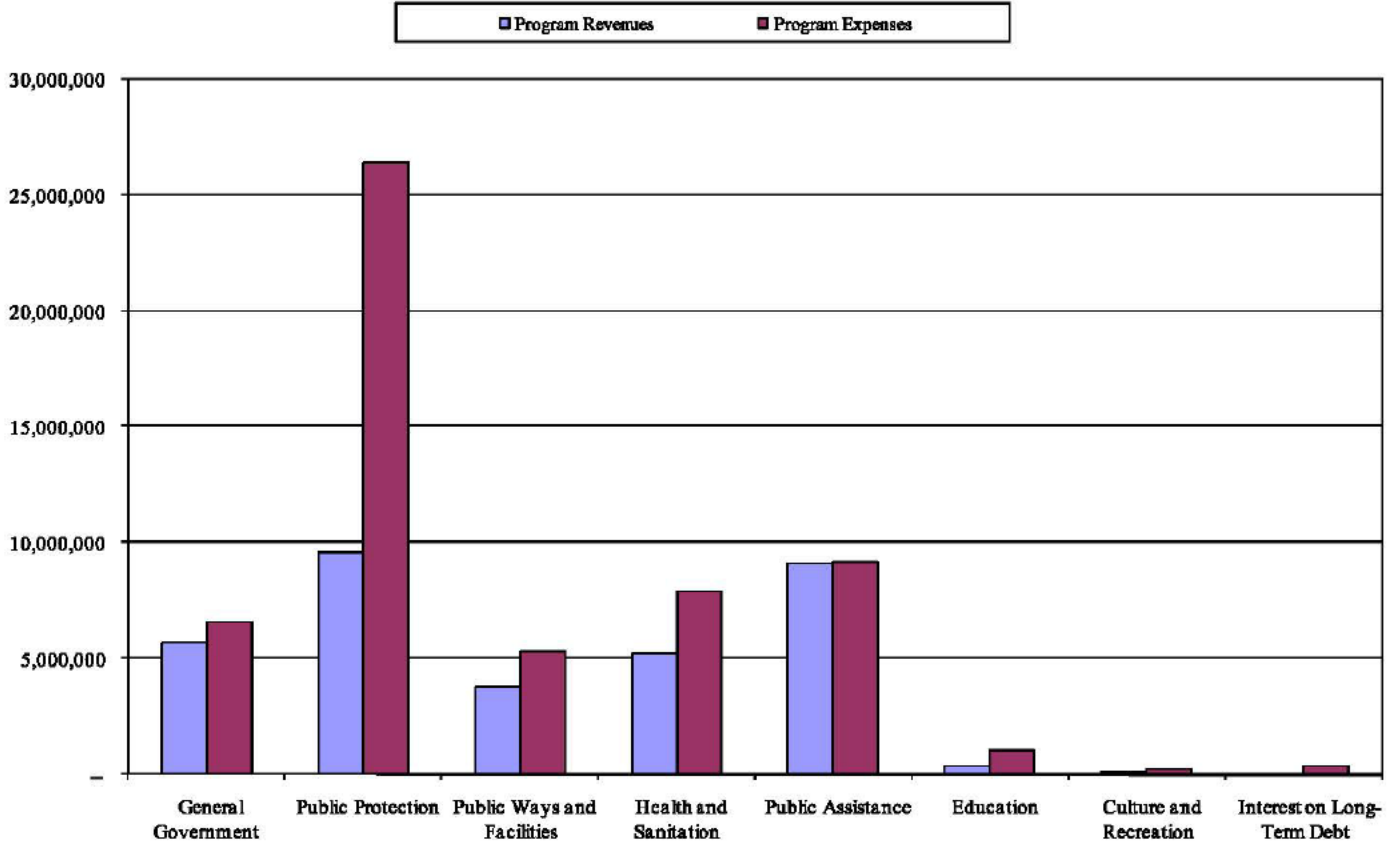
Governmental activities increased the County's net assets by \$16,810. The increases in net assets were due to the following:

- \$133,782 net decrease in governmental funds due to expenditures in excess of revenues,
- \$233,416 increase due to expenditures for capital assets net of current year depreciation in governmental funds,
- \$7,913 decrease due to governmental funds disposal of asset at loss on sale,
- \$432,495 decrease due to revenue which was unavailable on the fund statements, change in deferred revenue,
- \$407,242 increase due to repayment of debt principal which reduces long-term liabilities in the statement of net assets,
- \$126,684 decrease due to increases in liability from compensated absences and unamortized bond issuance costs, and
- \$77,026 increase due to internal service funds activities reported as governmental activities.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

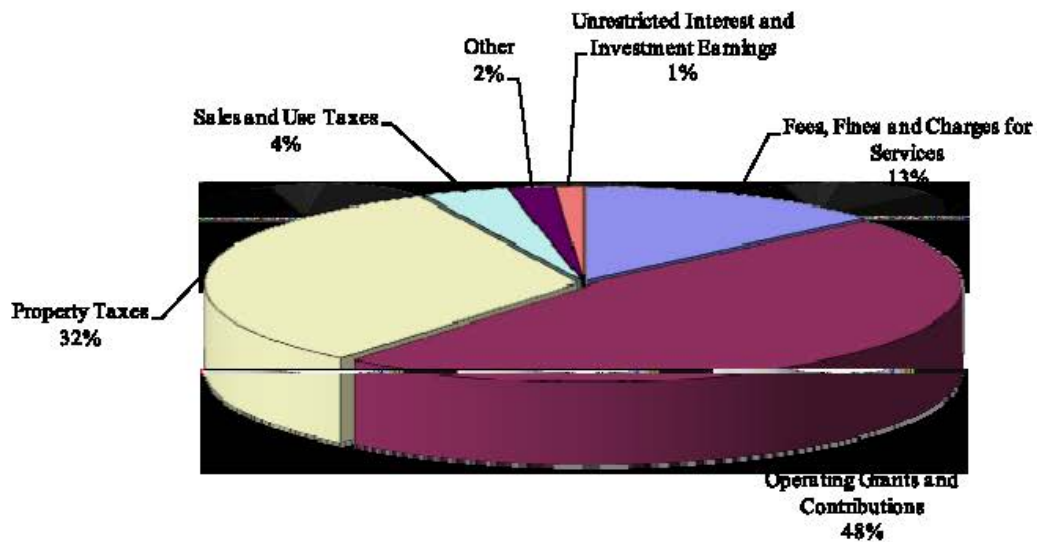
Governmental Activities Revenues and Expenses 2009-2010



COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

Governmental Activities Revenue by Source 2009-2010



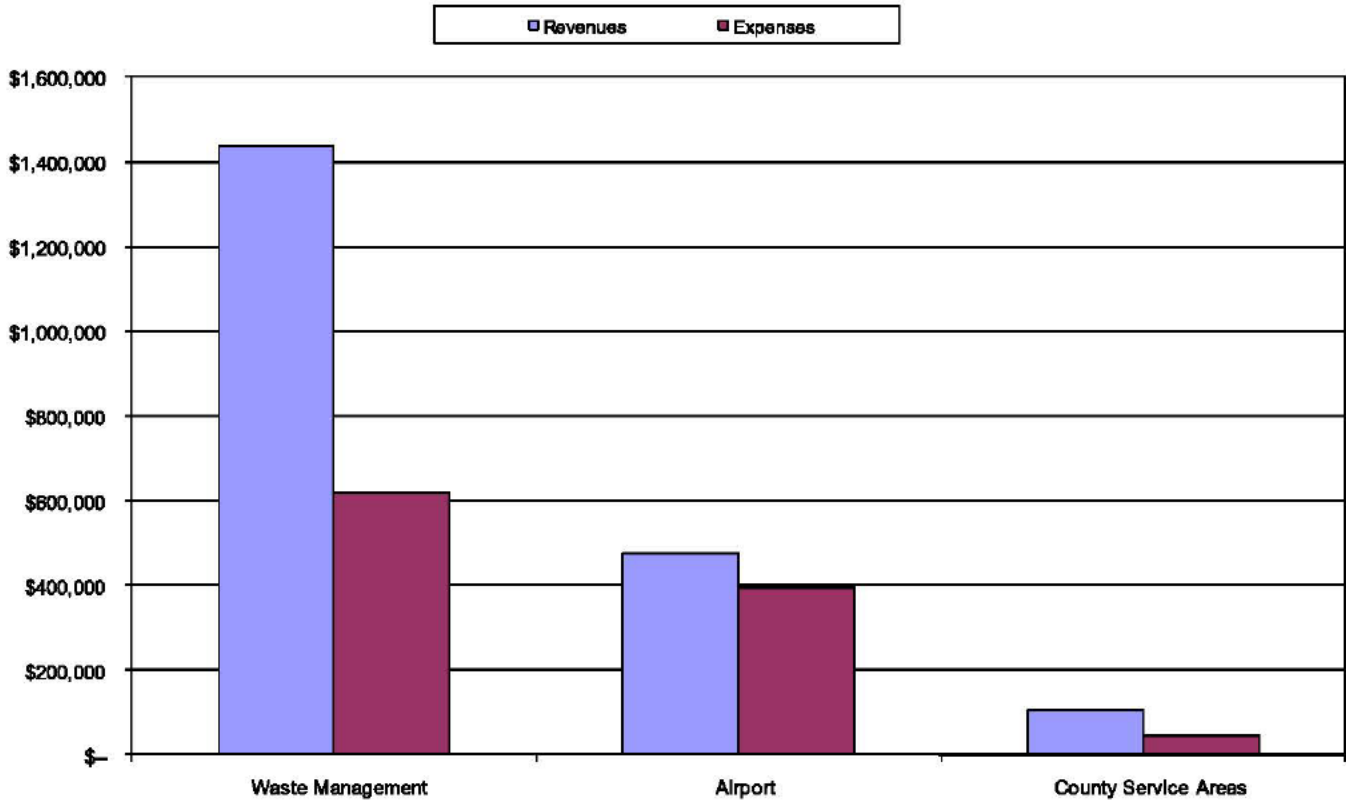
Business-type activities increased the County's net assets by \$968,221. The increases to net assets were due to the following:

- \$819,391 increase due to interfund transfer for landfill closure/post closure activities,
- \$88,387 increase due to airport activities,
- \$60,443 increase due to County Service Areas 5, 6, and 8 activities.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

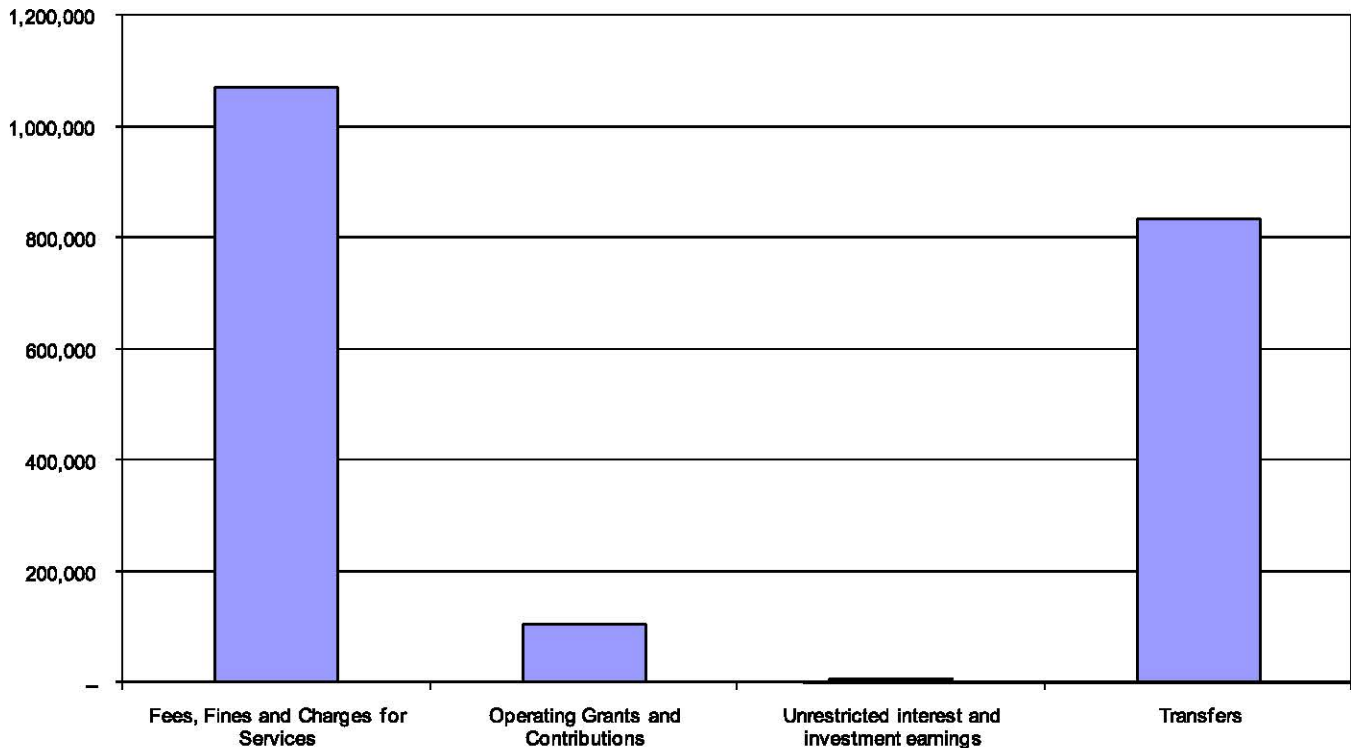
Business-Type Revenues and Expenses 2009 - 2010



COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

**Business-Type Revenues by Source
2009 - 2010**



Financial analysis of the Governmental Funds

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

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

As of June 30, 2010 the County of Amador's governmental funds reported combined ending fund balances of \$33,916,298 a decrease of \$133,782 in comparison with the prior year. Approximately 38% of the combined fund balance, \$13,017,527, constitutes unreserved fund balance, which is available to meet the County's current and future needs.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

The remainder of the funds, \$20,898,771 is reserved to indicate that it is not available for new spending because it has been committed:

1. imprest cash (\$24,700)
2. liquidate contractual commitments (\$862,234)
3. loans and advances due from other funds and external parties (\$3,901,557)
4. general reserve (\$16,110,280)

The general fund is the chief operating fund of the County. At June 30, 2010, unreserved fund balance of the general fund was \$9,207,023, while total fund balance reached \$18,394,942. 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 30% of total general fund expenditures, while total fund balance represents 60% of total general fund expenditures. The fund balance for the County's general fund decreased by \$1,860,651 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 \$9.1 million in revenues in 2010, compared to \$8.6 million last year. Expenditures decreased from \$9.5 million in 2009 to \$9.2 million in 2010.

The Road fund is used for planning, design, construction, maintenance and administration of the County's roads and infrastructure. The Road fund reported \$6.1 million in revenues in 2010 compared to \$5.2 million last year. The increase was the result of Prop 1B road projects. Expenditures were \$4.7 million in 2010 compared to \$5.9 million in 2009. The decrease in expenditures was the result of completion of road projects in 2009.

The County Improvement fund is used for the acquisition and construction of County facilities. In 2010 revenues were unchanged from 2009 at \$0.2 million. Expenditures in 2010 were \$2.0 million compared to \$1.7 million reported in 2009. The increase was due to the purchase of land for the future jail facility.

Mental Health fund provides services to County residents with serious mental disabilities and/or emotional disturbances. Revenues in 2010 were \$3.8 million compared to \$2.7 million in 2009. The increase was due to Mental Health Services Act Program. Expenditures in 2010 were \$3.9 million compared to \$3.3 million in 2009. The increase was due to increase Mental Health Services Act Program and leasing space with Conservator to reduce cost.

The Water Development Sinking fund is used for the development of new or additional water for the County. Revenues in 2010 were \$76,888 compared to \$139,036 in 2009. Expenditures in 2010 were \$30,805 compared to \$23,604 in 2009.

COUNTY OF AMADOR

Management's Discussion and Analysis June 30, 2010

Proprietary funds. The County of Amador's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net assets of the enterprise funds increased by \$968,221. The increase is primarily due to interfund transfer for landfill closure/post closure liability activities. The net assets of the internal services funds' increased by \$77,026 to \$3,315,483.

General Fund Budgetary Highlights

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

- \$3,635,979 increase in general governmental budget
- \$6,292,383 increase in public protection budget
- \$365,585 increase in public assistance budget
- \$3,251 increase in education budget
- \$26,202 increase in recreation and cultural services budget
- \$164,573 decrease in contingency budget

Capital Asset and Debt Administration

Capital assets. The County of Amador's investment in capital assets for its governmental and business type activities as of June 30, 2010, amount to \$51,798,396 (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 \$15,624,597. The long-term obligations are as follows:

- \$1,993,520 compensated absences
- \$70,000 liability for self-insurance
- \$8,842,027 notes payable and certificates of participation
- \$4,474,050 landfill closure/post-closure
- \$245,000 liability for other post employment benefits

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

Request for Information

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

BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements

COUNTY OF AMADOR

Statement of Net Assets

June 30, 2010

<u>ASSETS</u>	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
Cash and investments:			
Held in County treasury, unrestricted	\$ 34,361,198	\$ 585,504	\$ 34,946,702
Held in County treasury, restricted	—	11,125	11,125
Imprest cash	26,950	100	27,050
Accounts receivable	388,295	64,918	453,213
Taxes receivable	296,638	6,376	303,014
Interest receivable	149,340	1,814	151,154
Due from other governments	1,755,512	—	1,755,512
Loans and notes receivable	2,540,555	—	2,540,555
Internal balances	2,119,400	(2,119,400)	—
Deferred charges	299,237	—	299,237
Capital Assets:			
Nondepreciable	7,300,888	2,483,625	9,784,513
Depreciable, net	40,654,378	1,359,505	42,013,883
Total Assets	\$ 89,892,391	\$ 2,393,567	\$ 92,285,958
<u>LIABILITIES</u>			
Accounts payable	\$ 1,104,056	\$ 355,848	\$ 1,459,904
Due to other governments	121,622	—	121,622
Interest payable	93,605	—	93,605
Deposits held for others	—	258,587	258,587
Unearned revenues	3,011,535	—	3,011,535
Long-Term Liabilities:			
Portion due or payable within one year:	1,482,098	169,128	1,651,226
Portion due or payable after one year:	9,311,756	4,416,615	13,728,371
Liability for post employment benefits	244,136	864	245,000
Total Liabilities	15,368,808	5,201,042	20,569,850
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	39,211,125	3,745,244	42,956,369
Restricted for:			
Public safety	2,043,646	—	2,043,646
Health and public assistance	1,085,895	—	1,085,895
Community development and public facilities	4,490,354	—	4,490,354
Capital projects	7,184,658	—	7,184,658
Other	239,128	—	239,128
Unrestricted	20,268,777	(6,552,719)	13,716,058
Total Net Assets	74,523,583	(2,807,475)	71,716,108
Total Liabilities and Net Assets	\$ 89,892,391	\$ 2,393,567	\$ 92,285,958

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

COUNTY OF AMADOR

Statement of Activities
For the Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues	
		Fees, Fines and Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities:			
General government	\$ 6,575,896	\$ 2,121,046	\$ 3,588,943
Public protection	26,457,619	3,843,905	5,733,682
Public ways and facilities	5,301,130	463,169	4,546,145
Health and sanitation	7,913,188	519,945	5,735,642
Public assistance	9,177,410	164,018	8,940,478
Education	1,052,054	243,251	129,000
Culture and recreation	246,870	71,274	--
Debt Service:			
Interest	360,901	--	--
Total Governmental Activities	<u>57,085,068</u>	<u>7,426,608</u>	<u>28,673,890</u>
Business-Type Activities:			
Waste Management	616,766	586,209	15,200
Airport	388,707	386,250	90,376
County Service Areas	44,553	99,639	--
Total Business-Type Activities:	<u>1,050,026</u>	<u>1,072,098</u>	<u>105,576</u>
Total Amador County	<u>\$ 58,135,094</u>	<u>\$ 8,498,706</u>	<u>\$ 28,779,466</u>

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

Total General Revenues and Transfers

Change in Net Assets

Net assets, beginning of the year

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
\$ (865,907)		\$ (865,907)
(16,880,032)		(16,880,032)
(291,816)		(291,816)
(1,657,601)		(1,657,601)
(72,914)		(72,914)
(679,803)		(679,803)
(175,596)		(175,596)
<u>(360,901)</u>		<u>(360,901)</u>
<u>(20,984,570)</u>		<u>(20,984,570)</u>
--	\$ (15,357)	(15,357)
--	87,919	87,919
--	55,086	55,086
<u>--</u>	<u>127,648</u>	<u>127,648</u>
<u>(20,984,570)</u>	<u>127,648</u>	<u>(20,856,922)</u>
17,897,250	--	17,897,250
2,058,736	--	2,058,736
375,323	--	375,323
83,160	--	83,160
357,592	--	357,592
113,966	--	113,966
665,794	7,241	673,035
282,891	--	282,891
<u>(833,332)</u>	<u>833,332</u>	<u>--</u>
<u>21,001,380</u>	<u>840,573</u>	<u>21,841,953</u>
16,810	968,221	985,031
<u>74,506,773</u>	<u>(3,775,696)</u>	<u>70,731,077</u>
<u>\$ 74,523,583</u>	<u>\$ (2,807,475)</u>	<u>\$ 71,716,108</u>

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

BASIC FINANCIAL STATEMENTS
Fund Financial Statements

COUNTY OF AMADOR

Balance Sheet
Governmental Funds
June 30, 2010

	<u>General</u>	<u>Social Services</u>	<u>Mental Health</u>
<u>Assets</u>			
Cash and investments	\$ 17,779,495	\$ 223,727	\$ 1,082,672
Imprest cash	24,300	--	--
Accounts receivable	240,234	--	--
Taxes receivable	157,588	--	--
Due from other governments	612,259	52,620	226,853
Interest receivable	108,054	--	--
Loans and notes receivable	958,398	--	--
Due from other funds	--	68,659	--
Advances to other funds	1,372,800	--	--
	<hr/>	<hr/>	<hr/>
Totals Assets	<u>\$ 21,253,128</u>	<u>\$ 345,006</u>	<u>\$ 1,309,525</u>
<u>Liabilities and Fund Balance</u>			
Liabilities:			
Accounts payable	\$ 816,591	\$ 35,867	\$ 28,336
Due to other funds	68,659	--	--
Due to other governments	31	--	--
Deferred revenues	1,972,905	49,533	1,023,961
Advances from other funds	--	200,000	--
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>2,858,186</u>	<u>285,400</u>	<u>1,052,297</u>
Fund Balances:			
Reserved:			
Imprest cash	24,300	--	--
Encumbrances	240,046	217	1,086
Loans and advances	1,372,800	--	--
General	7,550,773	200,000	100,000
Unreserved:			
Designated:			
Subsequent year expenditures	1,165,004	--	--
Undesignated, and reported in:			
General fund	8,042,019	--	--
Special revenue funds	--	(140,611)	156,142
Capital projects funds	--	--	--
Debt service fund	--	--	--
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>18,394,942</u>	<u>59,606</u>	<u>257,228</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 21,253,128</u>	<u>\$ 345,006</u>	<u>\$ 1,309,525</u>

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

Road	County Improvement	Water Development Sinking	Other Governmental Funds	Total Governmental Funds
\$ 3,576,251	\$ 1,218,987	\$ 3,805,715	\$ 4,039,927	\$ 31,726,774
200	--	--	200	24,700
--	--	--	5,300	245,534
139,050	--	--	--	296,638
558,659	--	--	305,121	1,755,512
8,302	3,869	13,553	7,729	141,507
--	--	1,582,157	--	2,540,555
--	--	--	--	68,659
--	946,600	--	--	2,319,400
<u>\$ 4,282,462</u>	<u>\$ 2,169,456</u>	<u>\$ 5,401,425</u>	<u>\$ 4,358,277</u>	<u>\$ 39,119,279</u>
\$ 52,222	\$ 15,515	\$ --	\$ 97,709	\$ 1,046,240
--	--	--	--	68,659
--	--	--	121,591	121,622
132,010	370,708	--	217,343	3,766,460
--	--	--	--	200,000
<u>184,232</u>	<u>386,223</u>	<u>--</u>	<u>436,643</u>	<u>5,202,981</u>
200	--	--	200	24,700
541,224	10,842	--	68,819	862,234
--	946,600	1,582,157	--	3,901,557
1,156,674	2,039,704	4,505,329	557,800	16,110,280
337,175	32,370	--	170,844	1,705,393
--	--	--	--	8,042,019
2,062,957	--	--	2,511,400	4,589,888
--	(1,246,283)	(686,061)	392,124	(1,540,220)
--	--	--	220,447	220,447
<u>4,098,230</u>	<u>1,783,233</u>	<u>5,401,425</u>	<u>3,921,634</u>	<u>33,916,298</u>
<u>\$ 4,282,462</u>	<u>\$ 2,169,456</u>	<u>\$ 5,401,425</u>	<u>\$ 4,358,277</u>	<u>\$ 39,119,279</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, 2010**

Fund Balance - total governmental funds	\$ 33,916,298
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	47,222,499
Deferred revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	754,925
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:	3,315,483
Deferred charges in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	299,237
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)
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	(8,065,000)
Bonds payable	(679,141)
Compensated absences	(1,907,567)
Liability for post employment benefits	<u>(239,546)</u>
Net assets of governmental activities	<u>\$ 74,523,583</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, 2010

	<u>General</u>	<u>Social Services</u>	<u>Mental Health</u>
Revenues:			
Taxes	\$ 19,914,807	\$ --	\$ --
Licenses and permits	660,057	--	--
Intergovernmental	8,115,700	8,914,016	3,729,612
Fines and forfeitures	1,033,926	--	--
Use of money and property	446,753	8,503	104
Charges for services	2,890,793	5,841	70,213
Other	230,619	139,695	--
Total Revenues	<u>33,292,655</u>	<u>9,068,055</u>	<u>3,799,929</u>
Expenditures:			
Current:			
General government	5,131,726	--	--
Public protection	24,269,795	--	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	3,920,815
Public assistance	35,403	9,178,770	--
Education	1,031,493	--	--
Recreation and cultural services	241,584	--	--
Capital outlay	--	--	--
Debt Service:			
Principal payments	--	--	--
Interest and fiscal charges	--	--	--
Total Expenditures	<u>30,710,001</u>	<u>9,178,770</u>	<u>3,920,815</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>2,582,654</u>	<u>(110,715)</u>	<u>(120,886)</u>
Other Financing Sources (Uses):			
Transfers in	--	332,398	395,708
Transfers out	(4,443,305)	--	--
Total Other Financing Sources (Uses)	<u>(4,443,305)</u>	<u>332,398</u>	<u>395,708</u>
Change in Fund Balances	(1,860,651)	221,683	274,822
Fund Balances, Beginning of the Year	<u>20,255,593</u>	<u>(162,077)</u>	<u>(17,594)</u>
Fund Balances, End of Fiscal Year	<u>\$ 18,394,942</u>	<u>\$ 59,606</u>	<u>\$ 257,228</u>

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

Road	County Improvement	Water Development Sinking	Other Governmental Funds	Total Governmental Funds
\$ 951,050	\$ --	\$ --	\$ 20,170	\$ 20,886,027
7,729	155,464	--	144,727	967,977
4,627,174	--	--	3,719,883	29,106,385
37,090	--	--	236,714	1,307,730
27,769	44,646	76,888	36,840	641,503
416,968	1,130	--	827,677	4,212,622
1,382	39,316	--	180,918	591,930
<u>6,069,162</u>	<u>240,556</u>	<u>76,888</u>	<u>5,166,929</u>	<u>57,714,174</u>
--	--	--	28,323	5,160,049
--	--	30,805	1,283,631	25,584,231
4,658,428	--	--	--	4,658,428
--	--	--	3,908,362	7,829,177
--	--	--	--	9,214,173
--	--	--	--	1,031,493
--	--	--	--	241,584
--	1,980,028	--	--	1,980,028
--	--	--	407,242	407,242
--	--	--	342,199	342,199
<u>4,658,428</u>	<u>1,980,028</u>	<u>30,805</u>	<u>5,969,757</u>	<u>56,448,604</u>
<u>1,410,734</u>	<u>(1,739,472)</u>	<u>46,083</u>	<u>(802,828)</u>	<u>1,265,570</u>
--	--	--	2,363,922	3,092,028
--	--	--	(48,075)	(4,491,380)
--	--	--	<u>2,315,847</u>	<u>(1,399,352)</u>
1,410,734	(1,739,472)	46,083	1,513,019	(133,782)
<u>2,687,496</u>	<u>3,522,705</u>	<u>5,355,342</u>	<u>2,408,615</u>	<u>34,050,080</u>
<u>\$ 4,098,230</u>	<u>\$ 1,783,233</u>	<u>\$ 5,401,425</u>	<u>\$ 3,921,634</u>	<u>\$ 33,916,298</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, 2010

Net change to fund balance - total governmental funds \$ (133,782)

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	2,526,488	
Less: current year depreciation	<u>(2,293,072)</u>	
		233,416

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. (7,913)

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 (432,495)

Long-term debt proceeds provide current financial resources to governmental
funds, but issuing debt increases long-term liabilities in the statement of net
assets. Repayment of debt principal is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the statement of net assets
Principal payments 407,242

Some expenses reported in the statement of activities do not require the use of
current financial resources and, therefore, are not reported as expenditures in
governmental funds.
Change in compensated absences (107,982)
Change in unamortized 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. 77,026

Change in net assets of governmental activities \$ 16,810

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

COUNTY OF AMADOR

Statement of Net Assets
Proprietary Funds
June 30, 2010

	Business-Type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds		Internal Service Funds
ASSETS					
Current Assets:					
Cash and investments:					
Held in County treasury, unrestricted	\$ 70,085	\$ 33,867	\$ 481,552	\$ 585,504	\$ 2,634,424
Held in County treasury, restricted	11,125	--	--	11,125	--
Imprest cash	--	100	--	100	2,250
Accounts receivable	51,367	13,551	--	64,918	142,761
Taxes receivable	6,376	--	--	6,376	--
Interest receivable	163	141	1,510	1,814	7,833
Total Current Assets	<u>139,116</u>	<u>47,659</u>	<u>483,062</u>	<u>669,837</u>	<u>2,787,268</u>
Capital Assets:					
Nondepreciable	676,022	1,807,603	--	2,483,625	15,000
Depreciable, net	246,317	1,113,188	--	1,359,505	717,767
Total Noncurrent Assets	<u>922,339</u>	<u>2,920,791</u>	<u>--</u>	<u>3,843,130</u>	<u>732,767</u>
Total Assets	<u>\$ 1,061,455</u>	<u>\$ 2,968,450</u>	<u>\$ 483,062</u>	<u>\$ 4,512,967</u>	<u>\$ 3,520,035</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 170,961	\$ 184,887	\$ --	\$ 355,848	\$ 57,816
Deposits held for others	--	--	258,587	258,587	--
Current portion of long-term liabilities:					
Loans payable	--	13,090	--	13,090	--
Compensated absences	1,120	5,783	--	6,903	36,072
Liability for landfill post-closure costs	149,135	--	--	149,135	--
Total Current Liabilities	<u>321,216</u>	<u>203,760</u>	<u>258,587</u>	<u>783,563</u>	<u>93,888</u>
Long-term Liabilities:					
Compensated absences	1,121	5,783	--	6,904	36,074
Loans payable	--	84,796	--	84,796	--
Advances from other funds	2,119,400	--	--	2,119,400	--
Claims liability	--	--	--	--	70,000
Liability for landfill post-closure costs	4,324,915	--	--	4,324,915	--
Other post employment benefits	513	351	--	864	4,590
Total Long-term Liabilities	<u>6,445,949</u>	<u>90,930</u>	<u>--</u>	<u>6,536,879</u>	<u>110,664</u>
Total Liabilities	<u>6,767,165</u>	<u>294,690</u>	<u>258,587</u>	<u>7,320,442</u>	<u>204,552</u>
NET ASSETS					
Invested in capital assets, net of related debt	922,339	2,822,905	--	3,745,244	732,767
Unrestricted	<u>(6,628,049)</u>	<u>(149,145)</u>	<u>224,475</u>	<u>(6,552,719)</u>	<u>2,582,716</u>
Total Net Assets	<u>(5,705,710)</u>	<u>2,673,760</u>	<u>224,475</u>	<u>(2,807,475)</u>	<u>3,315,483</u>
Total Liabilities and Net Assets	<u>\$ 1,061,455</u>	<u>\$ 2,968,450</u>	<u>\$ 483,062</u>	<u>\$ 4,512,967</u>	<u>\$ 3,520,035</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, 2010**

	Business-Type Activities - Enterprise Funds			Governmental	
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 470,709	\$ 372,027	\$ 91,988	\$ 934,724	\$ 3,731,268
Other	115,500	14,223	7,651	137,374	143,575
Total Operating Revenues	586,209	386,250	99,639	1,072,098	3,874,843
Operating Expenses:					
Salaries and benefits	117,567	91,925	--	209,492	723,810
Services and supplies	1,690,701	207,054	44,553	1,942,308	3,363,745
Closure/Postclosure care costs	(1,200,000)	--	--	(1,200,000)	--
Special projects	121	5,059	--	5,180	--
Depreciation	8,377	78,422	--	86,799	300,573
Total Operating Expenses	616,766	382,460	44,553	1,043,779	4,388,128
Operating Income (Loss)	(30,557)	3,790	55,086	28,319	(513,285)
Non-Operating Revenues (Expenses):					
Interest income	1,416	468	5,357	7,241	24,291
Intergovernmental revenues	15,200	90,376	--	105,576	--
Interest expense	--	(6,247)	--	(6,247)	--
Total Non-Operating Revenues (Expenses)	16,616	84,597	5,357	106,570	24,291
Net Income (Loss) before Transfers	(13,941)	88,387	60,443	134,889	(488,994)
Transfers in	833,332	--	--	833,332	566,020
Change in Net Assets	819,391	88,387	60,443	968,221	77,026
Net Assets, Beginning of Year	(6,525,101)	2,585,373	164,032	(3,775,696)	3,238,457
Net Assets, End of Year	\$ (5,705,710)	\$ 2,673,760	\$ 224,475	\$ (2,807,475)	\$ 3,315,483

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, 2010

	Business-Type Activities - Enterprise Funds			Governmental	
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ 630,352	\$ 372,699	\$ 99,639	\$ 1,102,690	\$ --
Receipts from interfund services provided	--	--	--	--	3,735,476
Payments to suppliers	(1,537,763)	(34,645)	(44,553)	(1,616,961)	(3,357,276)
Payments to employees	(115,765)	(87,030)	--	(202,795)	(715,803)
Net Cash Provided (Used) by Operating Activities	(1,023,176)	251,024	55,086	(717,066)	(337,603)
Cash Flows from Investing Activities:					
Interest received	2,323	448	5,951	8,722	30,028
Net Cash Provided (Used) by Investing Activities	2,323	448	5,951	8,722	30,028
Cash Flows from Capital and Related Financing Activities:					
Purchase of capital assets	--	(306,750)	--	(306,750)	(362,822)
Sale of capital assets	--	--	--	--	14,396
Interest payments on debt	--	(6,247)	--	(6,247)	--
Principal payments on debt	--	(12,419)	--	(12,419)	--
Net Cash Provided (Used) by Capital and Related Financing Activities	--	(325,416)	--	(325,416)	(348,426)
Cash Flows from Non-Capital Financing Activities:					
Aid from other governmental agencies	15,200	90,376	--	105,576	--
Transfers received from other funds	833,332	--	--	833,332	566,020
Net Cash Provided (Used) by Non-Capital Financing Activities	848,532	90,376	--	938,908	566,020
Net Increase (Decrease) in Cash and Cash Equivalents	(172,321)	16,432	61,037	(94,852)	(89,981)
Cash and Cash Equivalents, Beginning of Year	253,531	17,535	420,515	691,581	2,726,655
Cash and Cash Equivalents, End of Year	\$ 81,210	\$ 33,967	\$ 481,552	\$ 596,729	\$ 2,636,674

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, 2010

	Business-Type Activities - Enterprise Funds				Governmental
	Waste Management	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (30,557)	\$ 3,790	\$ 55,086	\$ 28,319	\$ (513,285)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation	8,377	78,422	--	86,799	300,573
Changes in assets and liabilities:					
Accounts receivable	43,519	(13,551)	--	29,968	(139,367)
Due from other governments	7,000	--	--	7,000	--
Taxes receivable	(6,376)	--	--	(6,376)	--
Accounts payable	153,059	177,468	--	330,527	(23,531)
Compensated absences payable	1,289	4,544	--	5,833	3,417
Claims liability	--	--	--	--	30,000
Landfill closure liability	(1,200,000)	--	--	(1,200,000)	--
Other post employment benefits	513	351	--	864	4,590
 Net Cash Provided (Used) by Operating Activities	 <u>(1,023,176)</u>	 <u>251,024</u>	 <u>55,086</u>	 <u>(717,066)</u>	 <u>(337,603)</u>
 Recap of Cash and Cash Equivalents, as reported on the Statement of Net Assets					
Cash and investments in Pool, unrestricted	\$ 70,085	\$ 33,867	\$ 481,552	\$ 585,504	\$ 2,634,424
Cash and investments in Pool, restricted	11,125	--	--	11,125	--
Imprest cash	--	100	--	100	2,250
	<u>\$ 81,210</u>	<u>\$ 33,967</u>	<u>\$ 481,552</u>	<u>\$ 596,729</u>	<u>\$ 2,636,674</u>

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

COUNTY OF AMADOR

Statement of Fiduciary Net Assets Fiduciary Funds June 30, 2010

	Investment Trust Funds	Agency Funds
	<u> </u>	<u> </u>
<u>Assets</u>		
Current Assets:		
Cash and investments	\$ 14,517,551	\$ 10,936,699
Taxes receivable	--	4,548,272
	<u> </u>	<u> </u>
Total Assets	<u>\$ 14,517,551</u>	<u>\$ 15,484,971</u>
<u>Liabilities and Net Assets</u>		
Current Liabilities:		
Agency obligations	\$ --	\$ 15,484,971
Net Assets:		
Held in trust for external participants	<u>14,517,551</u>	<u>--</u>
	<u> </u>	<u> </u>
Total Liabilities and Net Assets	<u>\$ 14,517,551</u>	<u>\$ 15,484,971</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, 2010**

	<u>Investment Trust Funds</u>
ADDITIONS:	
Net investment earnings	\$ 237,982
Contributions to investment pool	<u>50,122,005</u>
Total Additions	50,359,987
DEDUCTIONS:	
Distributions from investment pool	<u>55,047,215</u>
CHANGE IN NET ASSETS	(4,687,228)
NET ASSETS, BEGINNING	<u>\$ 19,204,779</u>
NET ASSETS, ENDING	<u><u>\$ 14,517,551</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, 2010

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

A. Description of the Reporting Entity

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

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

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

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

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

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

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

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

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, 2010

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, 2010

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

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

Fund Financial Statements (continued)

The County reports the following additional fund types:

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

C. **Basis of Accounting**

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

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

Note 1: Summary of Significant Accounting Policies (continued)

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

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

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

D. **Investments**

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

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

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

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

D. **Investments** (continued)

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

E. **Cash and Cash Equivalents**

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

F. **Accounts Receivable and Deferred Revenues**

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

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

G. **Property Taxes**

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

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

Note 1: Summary of Significant Accounting Policies (continued)

G. **Property Taxes** (continued)

Article XIII-A of the California Constitution (Proposition 13) requires the County Assessor to reappraise all property from the 1975-76 base year value to current full value upon either a change in ownership or new construction. Thereafter, it continues to be increased annually by the change in the California Consumer Price Index not to exceed 2%. The net asset value for the 2009-2010 fiscal year is \$4.5 billion.

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

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

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

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

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

H. Compensated Absences

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

I. 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.

J. Capital Assets

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

The estimated useful lives are as follows:

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

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

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

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

K. 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.

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, 2010, 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, 2010

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, 2010, total County cash and investments were as follows:

Cash:

Cash on hand	\$ 403,067
Deposits	5,322,530
Outstanding warrants	<u>(5,083,518)</u>
Total cash and deposits	642,079

Investments:

In Treasurer's pool	<u>59,797,048</u>
Total cash and investments	<u>\$ 60,439,127</u>

Total cash and investments at June 30, 2010 were presented on the County's financial statements as follows:

Primary government	\$34,984,877
Investment trust fund	14,517,551
Agency funds	<u>10,936,699</u>
Total	<u>\$60,439,127</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

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

Deposits – Custodial Risk

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

Investments

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

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

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

Investments (continued)

At June 30, 2010, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	Carrying Value	Weighted Average Maturity (Years)
Investments in Investment Pool						
U.S. Treasury Notes	1.414% - 3.298%	03/31/12-01/31/14	\$ 3,000,000	\$ 3,161,676	\$ 3,060,200	2.38
U.S. Government Agencies	0.606% - 4.821%	03/15/11-03/23/15	18,500,000	18,827,656	18,659,486	2.75
Corporate Medium-Term Notes	1.160% - 3.056%	12/23/10-09/28/12	4,500,000	4,630,425	4,587,029	1.72
California Asset Management Program (CAMP)	Variable	On Demand	5,416,215	5,416,215	5,416,215	0.00
Local Agency Investment Fund (LAIF)	Variable	On Demand	28,074,118	28,120,266	28,074,118	0.00
Total			<u>\$ 59,490,333</u>	<u>\$ 60,156,238</u>	<u>\$ 59,797,048</u>	<u>1.12</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, 2010 the difference between the cost and fair value of cash and investments was not material (fair value was 100.60% of carrying value).

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2010.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

Concentration of Credit Risk (continued)

	S&P	Moody's	Based on Fair Value % of Portfolio
U.S. Treasury Notes	AAA	Aaa	5.26%
U.S. Government Agencies	AAA	Aaa	31.32%
Corporate Medium-Term Note	AAA	Aaa	5.98%
Corporate Medium-Term Note	AA	Aa1	0.87%
Corporate Medium-Term Note	AA+	Aa2	0.86%
California Asset Management Program (CAMP)	AAAm	Unrated	9.01%
Local Agency Investment Fund (LAIF)	Unrated	Unrated	46.70%
Total			<u>100.00%</u>

As of the year ended June 30, 2010, 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	\$ 6,078,751
Federal Farm Credit Bank	Federal Agency Obligation	5,091,563
Federal National Mortgage Association	Federal Agency Obligation	6,624,843

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.

COUNTY OF AMADOR

**Notes to Basic Financial Statements
June 30, 2010**

Note 2: Cash and Investments (continued)

Local Agency Investment Fund (continued)

At June 30, 2010, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$28,074,118 which approximates fair value. The total amount invested by all public agencies in LAIF on that day was approximately \$69.4 billion. Of that amount, 94.58% was invested in non-derivative financial products and 5.42% 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, 2010:

Statement of Net Assets

Net assets held for pool participants	<u>\$ 60,412,077</u>
Equity of internal pool participants	\$ 45,894,526
Equity of external pool participants	<u>14,517,551</u>
Total net assets	<u>\$ 60,412,077</u>

Statement of Changes in Net Assets

Investment earnings	\$ 1,056,808
Investment expenses	(231,333)
Net withdrawals by pool participants	<u>(7,722,832)</u>
Change in Net Assets	(6,897,357)
Net Assets at July 1, 2009	<u>67,309,434</u>
Net Assets at June 30, 2010	<u>\$ 60,412,077</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

Note 3: **Interfund Transactions**

Due to/from other funds:

Interfund receivables and payable represent borrowing between funds and regular services and supplies provided but not settled at year-end. Interfund balances as of June 30, 2010 is as follows:

<u>Receivable From</u>	<u>Payable Fund</u>	<u>Amount</u>
Social Services Fund	General Fund	\$ 68,659

Advances to/from other funds:

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

Transfers:

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 2,315,847
	Solid Waste Enterprise	833,332
	Social Services	332,398
	Internal Service Funds	566,020
	Mental Health	<u>395,708</u>
		4,443,305
Other Governmental Funds	Other Governmental Funds	<u>48,075</u>
		<u>\$ 4,491,380</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 4,694,096	\$ 1,810,911	\$ --	\$ 6,505,007
Construction in progress	432,242	363,639	--	795,881
Total capital assets, not being depreciated	<u>5,126,338</u>	<u>2,174,550</u>	<u>--</u>	<u>7,300,888</u>
Capital assets, being depreciated:				
Infrastructure	43,453,544	--	--	43,453,544
Structures and improvements	37,957,625	--	--	37,957,625
Equipment	14,566,495	714,759	(525,524)	14,755,730
Total capital assets, being depreciated	<u>95,977,664</u>	<u>714,759</u>	<u>(525,524)</u>	<u>96,166,899</u>
Less accumulated depreciation for:				
Infrastructure	(33,587,460)	(719,121)	--	(34,306,581)
Structures and improvements	(7,863,588)	(905,558)	--	(8,769,146)
Equipment	(11,971,044)	(968,966)	503,216	(12,436,794)
Total accumulated depreciation	<u>(53,422,092)</u>	<u>(2,593,645)</u>	<u>503,216</u>	<u>(55,512,521)</u>
Total capital assets, being depreciated, net	<u>42,555,572</u>	<u>(1,878,886)</u>	<u>(22,308)</u>	<u>40,654,378</u>
Governmental activities capital assets, net	<u>\$ 47,681,910</u>	<u>\$ 295,664</u>	<u>\$ (22,308)</u>	<u>\$ 47,955,266</u>
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ 2,176,875	\$ --	\$ --	\$ 2,176,875
Construction in progress	--	306,750	--	306,750
Total capital assets, not being depreciated	<u>2,176,875</u>	<u>306,750</u>	<u>--</u>	<u>2,483,625</u>
Capital assets, being depreciated:				
Infrastructure	1,580,953	--	--	1,580,953
Structures and improvements	1,333,717	--	--	1,333,717
Equipment	78,831	--	(2,112)	76,719
Total capital assets, being depreciated	<u>2,993,501</u>	<u>--</u>	<u>(2,112)</u>	<u>2,991,389</u>
Less accumulated depreciation for:				
Infrastructure	(836,704)	(36,562)	--	(873,266)
Structures and improvements	(653,544)	(47,362)	--	(700,906)
Equipment	(56,949)	(2,875)	2,112	(57,712)
Total accumulated depreciation	<u>(1,547,197)</u>	<u>(86,799)</u>	<u>2,112</u>	<u>(1,631,884)</u>
Total capital assets, being depreciated, net	<u>1,446,304</u>	<u>(86,799)</u>	<u>--</u>	<u>1,359,505</u>
Business-type activities capital assets, net	<u>\$ 3,623,179</u>	<u>\$ 219,951</u>	<u>\$ --</u>	<u>\$ 3,843,130</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

Depreciation expense was charged to governmental functions as follows:

	<u>Total</u>
General government	\$ 796,300
Public protection	682,045
Public ways	779,180
Health and sanitation	23,839
Public assistance	3,826
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>300,573</u>
Total	<u><u>\$ 2,593,645</u></u>

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

	<u>Total</u>
Waste Management	\$ 8,377
Airport	78,422
Total	<u><u>\$ 86,799</u></u>

Note 5: **Long-Term Debt**

Long-term liabilities at June 30, 2010 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, 2010</u>
<u>Governmental Activities</u>						
Clean Renewable Energy Bond <i>Add solar panels to County Administration Building</i>	11/5/2008	11/25/2022	0.00%	\$52,242	\$ 783,625	\$ 679,141
2005 Certificates of Participation <i>Construct County Administration Building</i>	8/1/2005	10/1/2025	4.00%	\$355,000 - \$670,000	9,090,000	<u>8,065,000</u>
Total Governmental Activities					<u>\$ 9,873,625</u>	<u>\$ 8,744,141</u>
<u>Business-Type Activities</u>						
Notes payable	2001	2018	5.66%	\$12,419 - \$16,446	\$ 194,000	<u>\$ 97,886</u>
Total Business-Type Activities					<u>\$ 194,000</u>	<u>\$ 97,886</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

The following is a summary of long-term liability transactions for the year ended June 30, 2010:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010	Amounts Due Within One Year
Governmental Activities					
Certificates of participation	\$ 8,420,000	\$ --	\$ 355,000	\$ 8,065,000	\$ 370,000
Clean Renewable Energy Bond	731,383	--	52,242	679,141	52,242
Compensated absences	1,868,314	1,045,557	934,158	1,979,713	989,856
Liability for self-insurance	40,000	44,766	14,766	70,000	70,000
Total Governmental Activities					
Long-term liabilities	<u>\$ 11,059,697</u>	<u>\$ 1,090,323</u>	<u>\$ 1,356,166</u>	<u>\$ 10,793,854</u>	<u>\$ 1,482,098</u>
Business-type Activities					
Notes Payable - Airport	\$ 110,305	\$ --	\$ 12,419	\$ 97,886	\$ 13,090
Compensated absences	7,974	9,820	3,987	13,807	6,903
Post-closure liability	5,674,050	--	1,200,000	4,474,050	149,135
Total Business-type Activities					
Long-term liabilities	<u>\$ 5,792,329</u>	<u>\$ 9,820</u>	<u>\$ 1,216,406</u>	<u>\$ 4,585,743</u>	<u>\$ 169,128</u>

As of June 30, 2010, 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
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	430,000	262,019	52,242	--
2016-2020	2,430,000	1,031,694	261,208	--
2021-2025	2,965,000	477,984	156,723	--
2026	670,000	14,656	--	--
	<u>\$ 8,065,000</u>	<u>\$ 2,997,429</u>	<u>\$ 679,141</u>	<u>\$ --</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

As of June 30, 2010, annual debt service requirements of business activities to maturity are as follows:

Year Ending June 30:	Business Activities	
	Loans Payable	
	Principal	Interest
2011	13,090	5,544
2012	13,761	4,803
2013	14,433	4,023
2014	15,104	3,206
2015	15,775	2,350
2016-2017	25,723	1,982
	<u>\$ 97,886</u>	<u>\$ 21,908</u>

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

Special Assessment Debt: The total matured and unmatured bonds outstanding related to special assessment debt is \$400,145 at June 30, 2010. 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 \$196,305 and corresponding amounts payable are reported in the Agency Fund.

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

The Buena Vista Landfill, located in Amador County, is used as the County's landfill site. State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. During fiscal year ended June 30, 2005, the landfill was closed and no longer accepts waste. As of June 30, 2010, additional work was required to perform correction construction work which would complete closure activities for the landfill, pending certification by the state.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

The recognition of the estimated liability for closure and post closure maintenance costs is based on the estimated remaining life of the landfill. The estimated liability of the County's landfill site for closure and postclosure maintenance costs was \$4,474,050 for fiscal year 2010, 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 \$4,474,050 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 the State of California. Benefit provisions and all other requirements are established by state statute. Copies of PERS' annual financial reports may be obtained from their Executive Office located at 400 P Street, Sacramento, California 95814.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

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. 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 2009-2010 were 12.162% for miscellaneous employees and 23.968% 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 2009-2010, the County's annual pension cost of \$3,254,288 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2007 actuarial assumptions included 7.75% investment rate of return (net of administrative expenses) and projected annual salary increases that vary by duration of service ranging from 3.25% to 14.45% for miscellaneous members and include an inflation component of 3.0%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and losses.

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

Three-Year Trend Information for PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/08	3,365,651	100%	--
06/30/09	3,500,221	100%	--
06/30/10	3,254,288	100%	--

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

Funded Status and Funding Progress

The following is the funded status information for the County's miscellaneous plan as of June 30, 2009, the most recent actuarial valuation date:

Entry age normal accrued liability	\$ 96,063,906
Actuarial value of assets	82,802,462
Unfunded (overfunded) liability (UAAC)	13,261,444
Funded ratio	86.2%
Annual covered payroll	17,251,136
UAAL as a % of payroll	76.9%

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

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

Plan Description

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

The County provides retiree medical benefits through the California Public Employees' Retirement System healthcare program. The County contributes the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum required employer contribution (\$101 per month in 2010) 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 intends to prefund the plan depending on budgetary constraints by contributing at least 100% of the annual required contribution to an irrevocable trust.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

Funding Policy (continued)

The annual required contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pension*. The County’s ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize the unfunded actuarial liability over a period of 30 years. The fiscal year 2009-10 ARC is \$245,000.

Annual OPEB Cost and Net OPEB Obligation

For fiscal year 2009-10, the County did not fund the annual required contribution of \$245,000.

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 2009-10 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%	\$--
6/30/10	245,000	0%	245,000

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 two years of trend information are 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)	<u>\$1,212,000</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active Plan members)	\$23,603,000
UAAL as a percentage of covered payroll	5.1%

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

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

Annual OPEB Cost and Net OPEB Obligation (continued)

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

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2008 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.75% investment rate of return (net of administrative expenses), which is the expected long-term investment return on CERBT investments, and an annual healthcare minimum cost trend rate of 4.5% after 3 years (actual healthcare minimum costs were used for the first 3 years). This rate includes a 3% inflation assumption. The actuarial value of assets is equal to the market value. The UAAL is being amortized as a level percentage of projected payroll over 30 years on a closed basis. The remaining amortization period at June 30, 2010 was 19 years.

Note 9: **Risk Management**

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

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

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.

The total claims liability of \$70,000 at June 30, 2010, 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, 2010 and 2009, were as follows:

	<u>2010</u>	<u>2009</u>
Unpaid claims, beginning of year	\$ 40,000	\$150,000
Estimated claims incurred and adjustments	44,766	110,000
Claims payments	<u>(14,766)</u>	<u>(220,000)</u>
Unpaid claims, end of year	<u>\$ 70,000</u>	<u>\$ 40,000</u>

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

Note 10: 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.
- *Unrestricted Net Assets* – This category represents net assets of the County, not restricted for any project or other purpose.

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, 2010, 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.

COUNTY OF AMADOR

Notes to Basic Financial Statements June 30, 2010

Note 10: **Net Assets/Fund Balances** (continued)

- **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.

Note 11: **Joint Venture**

Central Sierra Child Support Agency

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

Note 12: **Contingent Liabilities**

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

Note 13: **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, 2010 was approximately \$1,436,043.

COUNTY OF AMADOR

Notes to Basic Financial Statements
June 30, 2010

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

The minimum rental payments required under the operating lease commitments at June 30, 2010, was as follows:

<u>Year Ending June 30:</u>	<u>Governmental Activities</u>
2011	1,428,840
2012	1,428,840
2013	1,428,840
2014	1,428,840
2015	1,428,840
2016-2020	7,144,200
2021-2023	<u>3,572,100</u>
	<u>\$ 17,860,500</u>

Note 14: **New Accounting Pronouncements**

Governmental Accounting Standards Board (GASB) Statement No. 54

The GASB issued Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, which enhances the usefulness of fund balance information by establishing fund balance classifications. These classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The definitions of the general fund, special revenue fund types, capital project fund types, debt service fund type, and permanent fund type are clarified by the provisions in this Statement. Interpretations of certain items within the definition of the special revenue fund type have been provided and, for some governments, those interpretations may affect the activities chosen to be reported in special revenue funds. The requirements of the Statement are effective for financial statements for periods beginning after June 15, 2010. Fund balance reclassifications made to conform to the provisions of this statement are required to be applied retroactively by restating beginning fund balance.

**REQUIRED
SUPPLEMENTARY INFORMATION**

COUNTY OF AMADOR

Required Supplementary Information
For the Fiscal Year Ended June 30, 2010

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>
06/30/07	80,683,864	73,474,207	7,209,657	91.1%	17,250,905	41.8%
06/30/08	86,237,358	79,006,257	7,231,101	91.6 %	17,958,492	40.3%
06/30/09	96,063,906	82,802,462	13,261,444	86.2%	17,251,136	76.9%

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, 2010

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 21,115,000	\$ 21,115,000	\$ 19,914,807	\$ (1,200,193)
Licenses and permits	302,230	302,230	660,057	357,827
Intergovernmental	8,461,090	11,050,382	8,115,700	(2,934,682)
Fines and forfeitures	775,424	795,424	1,033,926	238,502
Use of money and property	400,000	298,828	446,753	147,925
Charges for services	2,531,419	2,585,419	2,890,793	305,374
Other	667,463	485,463	230,619	(254,844)
Total Revenue	34,252,626	36,632,746	33,292,655	(3,340,091)
Expenditures:				
General government	7,595,530	11,231,509	5,131,726	6,099,783
Public protection	24,365,962	30,658,345	24,269,795	6,388,550
Public assistance	129,699	495,284	35,403	459,881
Education	1,060,760	1,064,011	1,031,493	32,518
Culture and recreation	279,210	305,412	241,584	63,828
Total Expenditures	33,431,161	43,754,561	30,710,001	13,044,560
 Excess (deficiency) of revenue over (under) expenditures	 821,465	 (7,121,815)	 2,582,654	 9,704,469
Other Financing Sources (Uses):				
Contingency	1,188,173	1,023,600	--	(1,023,600)
Transfers out	(6,023,279)	(3,640,684)	(4,443,305)	(802,621)
Total other financing sources (uses)	(4,835,106)	(2,617,084)	(4,443,305)	(1,826,221)
 Net change in fund balance	 (4,013,641)	 (9,738,899)	 (1,860,651)	 7,878,248
 Fund balance, beginning of fiscal year	 20,255,593	 20,255,593	 20,255,593	 --
 Fund balance, end of fiscal year	 \$ 16,241,952	 \$ 10,516,694	 \$ 18,394,942	 \$ 7,878,248

COUNTY OF AMADOR

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Social Services
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 9,757,373	\$ 9,757,373	\$ 8,914,016	\$ (843,357)
Use of money and property	--	--	8,503	8,503
Charges for services	--	--	5,841	5,841
Other	935,554	319,441	139,695	(179,746)
Total Revenue	10,692,927	10,076,814	9,068,055	(1,008,759)
Expenditures:				
Current:				
Public assistance	10,555,938	11,231,065	9,178,770	2,052,295
Total Expenditures	10,555,938	11,231,065	9,178,770	2,052,295
Excess (deficiency) of revenue over (under) expenditures	136,989	(1,154,251)	(110,715)	1,043,536
Other Financing Sources (Uses):				
Transfers in	--	--	332,398	332,398
Total other financing sources (uses)	--	--	332,398	332,398
Change in Fund Balance	136,989	(1,154,251)	221,683	1,375,934
Fund Balance, Beginning of Fiscal Year	(162,077)	(162,077)	(162,077)	--
Fund Balance, End of Fiscal Year	\$ (25,088)	\$ (1,316,328)	\$ 59,606	\$ 1,375,934

COUNTY OF AMADOR

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Mental Health
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,393,312	\$ 4,393,309	\$ 3,729,612	\$ (663,697)
Fines and forfeitures	20,000	20,000	--	(20,000)
Use of money and property	--	--	104	104
Charges for services	10,000	10,000	70,213	60,213
Other	261,659	261,659	--	(261,659)
Total Revenue	4,684,971	4,684,968	3,799,929	(885,039)
Expenditures:				
Current:				
Health and sanitation	4,684,971	4,686,481	3,920,815	765,666
Total Expenditures	4,684,971	4,686,481	3,920,815	765,666
Excess (deficiency) of revenue over (under) expenditures	--	(1,513)	(120,886)	(119,373)
Other Financing Sources (Uses):				
Transfers in	--	--	395,708	395,708
Total other financing sources (uses)	--	--	395,708	395,708
Change in Fund Balance	--	(1,513)	274,822	276,335
Fund Balance, Beginning of Fiscal Year	(17,594)	(17,594)	(17,594)	--
Fund Balance, End of Fiscal Year	\$ (17,594)	\$ (19,107)	\$ 257,228	\$ 276,335

COUNTY OF AMADOR

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Road
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 812,000	\$ 812,000	\$ 951,050	139,050
Licenses and permits	39,800	39,800	7,729	(32,071)
Intergovernmental	6,801,153	8,074,144	4,627,174	(3,446,970)
Fines and forfeitures	45,000	45,000	37,090	(7,910)
Use of money and property	20,000	20,000	27,769	7,769
Charges for services	--	636,117	416,968	(219,149)
Other	734,947	98,827	1,382	(97,445)
Total Revenue	8,452,900	9,725,888	6,069,162	(3,656,726)
Expenditures:				
Current:				
Public Ways	9,610,304	10,996,116	4,658,428	6,337,688
Total Expenditures	9,610,304	10,996,116	4,658,428	6,337,688
Change in Fund Balance	(1,157,404)	(1,270,228)	1,410,734	2,680,962
Fund Balance, Beginning of Fiscal Year	2,687,496	2,687,496	2,687,496	--
Fund Balance, End of Fiscal Year	<u>\$ 1,530,092</u>	<u>\$ 1,417,268</u>	<u>\$ 4,098,230</u>	<u>\$ 2,680,962</u>

COUNTY OF AMADOR

Notes to Required Supplementary Information For the Fiscal Year Ended June 30, 2010

BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

SUPPLEMENTARY INFORMATION

COUNTY OF AMADOR

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>
<u>Assets</u>				
Cash and investments	\$ 3,432,731	\$ 387,293	\$ 219,903	\$ 4,039,927
Imprest cash	200	--	--	200
Accounts receivable	--	5,300	--	5,300
Due from other governments	305,121	--	--	305,121
Interest receivable	7,003	182	544	7,729
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 3,745,055</u>	<u>\$ 392,775</u>	<u>\$ 220,447</u>	<u>\$ 4,358,277</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 97,058	\$ 651	\$ --	\$ 97,709
Due to other governments	121,591	--	--	121,591
Deferred revenues	217,343	--	--	217,343
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>435,992</u>	<u>651</u>	<u>--</u>	<u>436,643</u>
 Fund Balances:				
Reserved:				
Imprest cash	200	--	--	200
Encumbrances	68,819	--	--	68,819
General	557,800	--	--	557,800
Unreserved:				
Designated	170,844	--	--	170,844
Undesignated	2,511,400	392,124	220,447	3,123,971
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>3,309,063</u>	<u>392,124</u>	<u>220,447</u>	<u>3,921,634</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 3,745,055</u>	<u>\$ 392,775</u>	<u>\$ 220,447</u>	<u>\$ 4,358,277</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
Revenues:				
Taxes	\$ 20,170	\$ --	\$ --	\$ 20,170
Licenses and permits	87,677	57,050	--	144,727
Intergovernmental	3,719,883	--	--	3,719,883
Fines and forfeitures	236,714	--	--	236,714
Use of money and property	28,775	4,335	3,730	36,840
Charges for services	793,986	33,691	--	827,677
Other	180,918	--	--	180,918
Total Revenues	<u>5,068,123</u>	<u>95,076</u>	<u>3,730</u>	<u>5,166,929</u>
Expenditures:				
Current:				
General government	--	28,323	--	28,323
Public protection	1,283,631	--	--	1,283,631
Health and sanitation	3,908,362	--	--	3,908,362
Debt Service:				
Principal payments	--	--	407,242	407,242
Interest and fiscal charges	--	--	342,199	342,199
Total Expenditures	<u>5,191,993</u>	<u>28,323</u>	<u>749,441</u>	<u>5,969,757</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(123,870)</u>	<u>66,753</u>	<u>(745,711)</u>	<u>(802,828)</u>
Other Financing Sources (Uses):				
Transfers in	1,563,605	--	800,317	2,363,922
Transfers out	(48,075)	--	--	(48,075)
Total Other Financing Sources (Uses)	<u>1,515,530</u>	<u>--</u>	<u>800,317</u>	<u>2,315,847</u>
Change in Fund Balances	1,391,660	66,753	54,606	1,513,019
Fund Balances, Beginning of Fiscal Year	<u>1,917,403</u>	<u>325,371</u>	<u>165,841</u>	<u>2,408,615</u>
Fund Balances, End of Fiscal Year	<u>\$ 3,309,063</u>	<u>\$ 392,124</u>	<u>\$ 220,447</u>	<u>\$ 3,921,634</u>

Nonmajor Special Revenue Funds

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.

COUNTY OF AMADOR

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2010

	<u>Memorial Hall</u>	<u>Health</u>	<u>Fish & Game</u>	<u>Miscellaneous Special Revenue Funds</u>
<u>Assets</u>				
Cash and investments	\$ 204,960	\$ 850,865	\$ 29,796	\$ 609,356
Imprest cash	--	--	--	--
Due from other governments	--	305,021	--	--
Interest receivable	647	1,530	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 205,607</u>	<u>\$ 1,157,416</u>	<u>\$ 29,796</u>	<u>\$ 609,356</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ --	\$ 21,917	\$ --	\$ --
Due to other governments	--	--	--	121,591
Deferred revenues	--	217,343	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>--</u>	<u>239,260</u>	<u>--</u>	<u>121,591</u>
Fund Balances:				
Reserved:				
Imprest cash	--	--	--	--
Encumbrances	--	68,819	--	--
General	202,054	100,000	27,011	--
Unreserved:				
Designated	--	170,844	--	--
Undesignated	3,553	578,493	2,785	487,765
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>205,607</u>	<u>918,156</u>	<u>29,796</u>	<u>487,765</u>
Total Liabilities and Fund Balances	<u>\$ 205,607</u>	<u>\$ 1,157,416</u>	<u>\$ 29,796</u>	<u>\$ 609,356</u>

Continued

COUNTY OF AMADOR

Combining Balance Sheet (continued)
 Nonmajor Special Revenue Funds
 June 30, 2010

	Special Districts Governed by County Board of Supervisors			Totals
	Victory Lighting	IHSS Public Authority	Amador Fire Protection	
<u>Assets</u>				
Cash and investments	\$ 33,478	\$ 107,933	\$ 1,596,343	\$ 3,432,731
Imprest cash	--	100	100	200
Due from other governments	--	100	--	305,121
Interest receivable	105	--	4,721	7,003
	<u>105</u>	<u>--</u>	<u>4,721</u>	<u>7,003</u>
Total Assets	<u>\$ 33,583</u>	<u>\$ 108,133</u>	<u>\$ 1,601,164</u>	<u>\$ 3,745,055</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 62	\$ --	\$ 75,079	\$ 97,058
Due to other governments	--	--	--	121,591
Deferred revenues	--	--	--	217,343
	<u>--</u>	<u>--</u>	<u>--</u>	<u>217,343</u>
Total Liabilities	<u>62</u>	<u>--</u>	<u>75,079</u>	<u>435,992</u>
<u>Fund Balances:</u>				
<u>Reserved:</u>				
Imprest cash	--	100	100	200
Encumbrances	--	--	--	68,819
General	32,847	24,178	171,710	557,800
<u>Unreserved:</u>				
Designated	--	--	--	170,844
Undesignated	674	83,855	1,354,275	2,511,400
	<u>674</u>	<u>83,855</u>	<u>1,354,275</u>	<u>2,511,400</u>
Total Fund Balances	<u>33,521</u>	<u>108,133</u>	<u>1,526,085</u>	<u>3,309,063</u>
Total Liabilities and Fund Balances	<u>\$ 33,583</u>	<u>\$ 108,133</u>	<u>\$ 1,601,164</u>	<u>\$ 3,745,055</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2010

	Memorial Hall	Health	Fish & Game	Miscellaneous Special Revenue Funds
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	87,677	--	--
Intergovernmental	--	1,840,112	--	--
Fines and forfeitures	--	86,921	1,670	148,123
Use of money and property	2,474	8,451	414	5,806
Charges for services	--	229,631	--	--
Other	--	45,503	--	--
Total Revenues	<u>2,474</u>	<u>2,298,295</u>	<u>2,084</u>	<u>153,929</u>
Expenditures:				
Current:				
Public protection	--	--	1,034	--
Health & Sanitation	--	3,719,680	--	--
Total Expenditures	<u>--</u>	<u>3,719,680</u>	<u>1,034</u>	<u>--</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>2,474</u>	<u>(1,421,385)</u>	<u>1,050</u>	<u>153,929</u>
Other Financing Sources (Uses):				
Transfers in	--	1,563,605	--	--
Transfers out	--	--	--	(48,075)
Total Other Financing Sources (Uses)	<u>--</u>	<u>1,563,605</u>	<u>--</u>	<u>(48,075)</u>
Change in Fund Balances	2,474	142,220	1,050	105,854
Fund Balances, Beginning of Fiscal Year	<u>203,133</u>	<u>775,936</u>	<u>28,746</u>	<u>381,911</u>
Fund Balances, End of Fiscal Year	<u>\$ 205,607</u>	<u>\$ 918,156</u>	<u>\$ 29,796</u>	<u>\$ 487,765</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, 2010

	Special Districts Governed by County Board of Supervisors			Totals
	Victory	IHSS	Amador	
	Lighting	Public Authority	Fire Protection	
Revenues:				
Taxes	\$ 2,710	\$ --	\$ 17,460	\$ 20,170
Licenses and permits	--	--	--	87,677
Intergovernmental	41	272,391	1,607,339	3,719,883
Fines and forfeitures	--	--	--	236,714
Use of money and property	385	812	10,433	28,775
Charges for services	--	--	564,355	793,986
Other	--	--	135,415	180,918
Total Revenues	3,136	273,203	2,335,002	5,068,123
Expenditures:				
Current:				
Public protection	822	--	1,281,775	1,283,631
Health & Sanitation	--	188,682	--	3,908,362
Total Expenditures	822	188,682	1,281,775	5,191,993
Excess (Deficiency) of Revenue Over (Under) Expenditures	2,314	84,521	1,053,227	(123,870)
Other Financing Sources (Uses):				
Transfers in	--	--	--	1,563,605
Transfers out	--	--	--	(48,075)
Total Other Financing Sources (Uses)	--	--	--	1,515,530
Change in Fund Balances	2,314	84,521	1,053,227	1,391,660
Fund Balances, Beginning of Fiscal Year	31,207	23,612	472,858	1,917,403
Fund Balances, End of Fiscal Year	\$ 33,521	\$ 108,133	\$ 1,526,085	\$ 3,309,063

Nonmajor Capital Project Funds

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).

COUNTY OF AMADOR

**Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2010**

	<u>Parks & Rec Impact Fee</u>	<u>Amador Community Facility</u>	<u>Totals</u>
<u>Assets</u>			
Cash and investments	\$ 367,831	\$ 19,462	\$ 387,293
Accounts receivable	5,300	--	5,300
Interest receivable	134	48	182
Total Assets	\$ 373,265	\$ 19,510	\$ 392,775
<u>Liabilities and Fund Balances</u>			
Accounts payable	\$ --	\$ 651	\$ 651
<u>Fund Balance</u>			
Unreserved, undesignated	373,265	18,859	392,124
Total Liabilities and Fund Balances	\$ 373,265	\$ 19,510	\$ 392,775

COUNTY OF AMADOR

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2010**

	<u>Parks & Rec Impact Fee</u>	<u>Amador Community Facility</u>	<u>Totals</u>
Revenues:			
Licenses and permits	\$ 57,050	\$ --	\$ 57,050
Use of money and property	4,121	214	4,335
Charges for services	--	33,691	33,691
Total Revenues	<u>61,171</u>	<u>33,905</u>	<u>95,076</u>
Expenditures:			
Current:			
General government	--	28,323	28,323
Total Expenditures	<u>--</u>	<u>28,323</u>	<u>28,323</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>61,171</u>	<u>5,582</u>	<u>66,753</u>
Change in Fund Balance	61,171	5,582	66,753
Fund Balance, Beginning of Fiscal Year	312,094	13,277	325,371
Fund Balance, End of Fiscal Year	<u>\$ 373,265</u>	<u>\$ 18,859</u>	<u>\$ 392,124</u>

Nonmajor Enterprise Funds

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

COUNTY OF AMADOR

Combining Statement of Net Assets
All Nonmajor Enterprise Funds
June 30, 2010

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
<u>ASSETS</u>					
Current Assets:					
Cash and investments in Pool	\$ 43,049	\$ 362,009	\$ 1,200	\$ 75,294	\$ 481,552
Interest receivable	136	1,119	21	234	1,510
	<u>43,185</u>	<u>363,128</u>	<u>1,221</u>	<u>75,528</u>	<u>483,062</u>
Total Assets	<u>\$ 43,185</u>	<u>\$ 363,128</u>	<u>\$ 1,221</u>	<u>\$ 75,528</u>	<u>\$ 483,062</u>
<u>LIABILITIES</u>					
Current Liabilities:					
Deposits held for others	\$ --	\$ 258,587	\$ --	\$ --	\$ 258,587
	<u>--</u>	<u>258,587</u>	<u>--</u>	<u>--</u>	<u>258,587</u>
Total Liabilities	<u>--</u>	<u>258,587</u>	<u>--</u>	<u>--</u>	<u>258,587</u>
<u>NET ASSETS</u>					
Unrestricted	<u>43,185</u>	<u>104,541</u>	<u>1,221</u>	<u>75,528</u>	<u>224,475</u>
Total Net Assets	<u>43,185</u>	<u>104,541</u>	<u>1,221</u>	<u>75,528</u>	<u>224,475</u>
Total Liabilities and Net Assets	<u>\$ 43,185</u>	<u>\$ 363,128</u>	<u>\$ 1,221</u>	<u>\$ 75,528</u>	<u>\$ 483,062</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenditures
and Changes in Net Assets
All Nonmajor Enterprise Funds
For the Year Ended June 30, 2010

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
Operating Revenues:					
Charges for services	\$ --	\$ 58,935	\$ 33,053	\$ --	\$ 91,988
Other	--	--	--	7,651	7,651
Total Operating Revenues	<u>--</u>	<u>58,935</u>	<u>33,053</u>	<u>7,651</u>	<u>99,639</u>
Operating Expenses:					
Services and supplies	--	10,553	34,000	--	44,553
Total Operating Expenses	<u>--</u>	<u>10,553</u>	<u>34,000</u>	<u>--</u>	<u>44,553</u>
Operating Income (Loss)	<u>--</u>	<u>48,382</u>	<u>(947)</u>	<u>7,651</u>	<u>55,086</u>
Non-Operating Revenues (Expenses):					
Interest income	519	3,926	58	854	5,357
Total Non-Operating Revenues (Expenses)	<u>519</u>	<u>3,926</u>	<u>58</u>	<u>854</u>	<u>5,357</u>
Change in Net Assets	519	52,308	(889)	8,505	60,443
Net Assets, Beginning of Year	<u>42,666</u>	<u>52,233</u>	<u>2,110</u>	<u>67,023</u>	<u>164,032</u>
Net Assets, End of Year	<u>\$ 43,185</u>	<u>\$ 104,541</u>	<u>\$ 1,221</u>	<u>\$ 75,528</u>	<u>\$ 224,475</u>

COUNTY OF AMADOR

Combining Statement of Cash Flows
All Nonmajor Enterprise Funds
For the Year Ended June 30, 2010

	<u>CSA #4</u>	<u>CSA #5</u>	<u>CSA #6</u>	<u>CSA #8</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ --	\$ 58,935	\$ 33,053	\$ 7,651	\$ 99,639
Payments to suppliers	--	(10,553)	(34,000)	--	(44,553)
Net Cash Provided (Used) by Operating Activities	<u>--</u>	<u>48,382</u>	<u>(947)</u>	<u>7,651</u>	<u>55,086</u>
Cash Flows from Investing Activities:					
Interest received	<u>610</u>	<u>4,335</u>	<u>39</u>	<u>967</u>	<u>5,951</u>
Net Cash Provided (Used) by Investing Activities	<u>610</u>	<u>4,335</u>	<u>39</u>	<u>967</u>	<u>5,951</u>
Net Increase (Decrease) in Cash and Cash Equivalents	610	52,717	(908)	8,618	61,037
Cash and Cash Equivalents, Beginning of Year	<u>42,439</u>	<u>309,292</u>	<u>2,108</u>	<u>66,676</u>	<u>420,515</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 43,049</u></u>	<u><u>\$ 362,009</u></u>	<u><u>\$ 1,200</u></u>	<u><u>\$ 75,294</u></u>	<u><u>\$ 481,552</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	<u>\$ --</u>	<u>\$ 48,382</u>	<u>\$ (947)</u>	<u>\$ 7,651</u>	<u>\$ 55,086</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ --</u></u>	<u><u>\$ 48,382</u></u>	<u><u>\$ (947)</u></u>	<u><u>\$ 7,651</u></u>	<u><u>\$ 55,086</u></u>

Internal Service Funds

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

COUNTY OF AMADOR

Combining Statement of Net Assets
All Internal Service Funds
June 30, 2010

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
<u>ASSETS</u>					
Current Assets:					
Cash and investments in Pool	\$ 44,862	\$ 812,425	\$ 100,226	\$ 1,676,911	\$ 2,634,424
Imprest cash	2,150	-	-	100	2,250
Accounts receivable	-	-	-	142,761	142,761
Interest receivable	323	2,628	-	4,882	7,833
Total Current Assets	<u>47,335</u>	<u>815,053</u>	<u>100,226</u>	<u>1,824,654</u>	<u>2,787,268</u>
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	15,000	-	-	-	15,000
Depreciable, net	28,585	689,182	-	-	717,767
Total Noncurrent Assets	<u>43,585</u>	<u>689,182</u>	<u>-</u>	<u>-</u>	<u>732,767</u>
Total Assets	<u>\$ 90,920</u>	<u>\$ 1,504,235</u>	<u>\$ 100,226</u>	<u>\$ 1,824,654</u>	<u>\$ 3,520,035</u>
<u>LIABILITIES</u>					
Current Liabilities:					
Accounts payable	\$ 24,011	\$ 6,331	\$ 4,017	\$ 23,457	\$ 57,816
Current portion of long-term liabilities:					
Compensated absences	13,267	19,419	-	3,386	36,072
Claims liability	-	-	-	70,000	70,000
Total Current Liabilities	<u>37,278</u>	<u>25,750</u>	<u>4,017</u>	<u>96,843</u>	<u>163,888</u>
Long-term Liabilities:					
Compensated absences	13,267	19,420	-	3,387	36,074
Liability for post employment benefits	4,050	-	-	540	4,590
Total Long-term Liabilities	<u>17,317</u>	<u>19,420</u>	<u>-</u>	<u>3,927</u>	<u>40,664</u>
Total Liabilities	<u>54,595</u>	<u>45,170</u>	<u>4,017</u>	<u>100,770</u>	<u>204,552</u>
<u>NET ASSETS</u>					
Invested in capital assets, net of related debt	43,585	689,182	-	-	732,767
Unrestricted	(7,260)	769,883	96,209	1,723,884	2,582,716
Total Net Assets	<u>36,325</u>	<u>1,459,065</u>	<u>96,209</u>	<u>1,723,884</u>	<u>3,315,483</u>
Total Liabilities and Net Assets	<u>\$ 90,920</u>	<u>\$ 1,504,235</u>	<u>\$ 100,226</u>	<u>\$ 1,824,654</u>	<u>\$ 3,520,035</u>

COUNTY OF AMADOR

Combining Statement of Revenues, Expenses
and Changes in Net Assets
All Internal Service Funds
For the Year Ended June 30, 2010

	General Services Support	General Services Motor Pool	Communications	Self Insurance	Total
Operating Revenues:					
Charges for services	\$ 1,095,728	\$ 1,322,082	\$ 179,385	\$ 1,134,073	\$ 3,731,268
Other income	17	--	1,897	141,661	143,575
Total Operating Revenues	1,095,745	1,322,082	181,282	1,275,734	3,874,843
Operating Expenses:					
Salaries and benefits	464,502	193,099	9,885	56,324	723,810
Services and supplies	714,742	841,449	157,918	1,649,636	3,363,745
Depreciation	970	299,603	--	--	300,573
Total Operating Expenses	1,180,214	1,334,151	167,803	1,705,960	4,388,128
Operating Income (Loss)	(84,469)	(12,069)	13,479	(430,226)	(513,285)
Non-Operating Revenues (Expenses):					
Interest income	1,434	10,052	(516)	13,321	24,291
Total Non-Operating Revenues (Expenses)	1,434	10,052	(516)	13,321	24,291
Net Income (Loss) before Transfers	(83,035)	(2,017)	12,963	(416,905)	(488,994)
Transfers In	--	--	--	566,020	566,020
Change in Net Assets	(83,035)	(2,017)	12,963	149,115	77,026
Net Assets, Beginning of Year	119,360	1,461,082	83,246	1,574,769	3,238,457
Net Assets, End of Year	\$ 36,325	\$ 1,459,065	\$ 96,209	\$ 1,723,884	\$ 3,315,483

COUNTY OF AMADOR

Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2010

	<u>General Services Support</u>	<u>General Services Motor Pool</u>	<u>Communications</u>	<u>Self Insurance</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Receipts from interfund services provided	\$ 1,099,139	\$ 1,322,082	\$ 181,282	\$ 1,132,973	\$ 3,735,476
Payments to employees	(465,988)	(185,531)	(9,885)	(54,399)	(715,803)
Payments to suppliers	<u>(722,586)</u>	<u>(861,938)</u>	<u>(161,838)</u>	<u>(1,610,914)</u>	<u>(3,357,276)</u>
Net Cash Provided (Used) by Operating Activities	<u>(89,435)</u>	<u>274,613</u>	<u>9,559</u>	<u>(532,340)</u>	<u>(337,603)</u>
Cash Flows from Investing Activities:					
Interest received	<u>2,329</u>	<u>11,725</u>	<u>--</u>	<u>15,974</u>	<u>30,028</u>
Net Cash Provided (Used) by Investing Activities	<u>2,329</u>	<u>11,725</u>	<u>--</u>	<u>15,974</u>	<u>30,028</u>
Cash Flows from Capital and Related Financing Activities:					
Purchase of capital assets	--	(362,822)	--	--	(362,822)
Sale of capital assets	--	<u>14,396</u>	--	--	<u>14,396</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>(348,426)</u>	<u>--</u>	<u>--</u>	<u>(348,426)</u>
Cash Flows from Non-Capital Financing Activities:					
Transfers received from other funds	--	--	--	<u>566,020</u>	<u>566,020</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>--</u>	<u>--</u>	<u>--</u>	<u>566,020</u>	<u>566,020</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(87,106)	(62,088)	9,559	49,654	(89,981)
Cash and Cash Equivalents, Beginning of Year	<u>134,118</u>	<u>874,513</u>	<u>90,667</u>	<u>1,627,357</u>	<u>2,726,655</u>
Cash and Cash Equivalents, End of Year	<u>\$ 47,012</u>	<u>\$ 812,425</u>	<u>\$ 100,226</u>	<u>\$ 1,677,011</u>	<u>\$ 2,636,674</u>

continued

COUNTY OF AMADOR

Combining Statement of Cash Flows (continued)
 All Internal Service Funds
 For the Year Ended June 30, 2010

	<u>General Services Support</u>	<u>General Services Motor Pool</u>	<u>Communications</u>	<u>Self Insurance</u>	<u>Total</u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (84,469)	\$ (12,069)	\$ 13,479	\$ (430,226)	\$ (513,285)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation	970	299,603	--	--	300,573
Changes in assets and liabilities:					
Accounts receivable	3,394	--	--	(142,761)	(139,367)
Accounts payable	(7,844)	(20,489)	(3,920)	8,722	(23,531)
Claims liability	--	--	--	30,000	30,000
Compensated absences payable	(5,536)	7,568	--	1,385	3,417
Post employment benefits	4,050	--	--	540	4,590
 Net Cash Provided (Used) by Operating Activities	 <u>\$ (89,435)</u>	 <u>\$ 274,613</u>	 <u>\$ 9,559</u>	 <u>\$ (532,340)</u>	 <u>\$ (337,603)</u>