

County of Tuolumne California

Comprehensive Annual Financial Report

Fiscal Year Ended
June 30, 2010



Deborah Russell, CPA
Clerk and Auditor-Controller

County of Tuolumne California

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2010



Prepared by
The Office of the Tuolumne County Auditor-Controller
Deborah Russell, CPA
Clerk & Auditor-Controller

**COUNTY OF TUOLUMNE, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2010**

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INTRODUCTORY SECTION





OFFICE OF THE AUDITOR CONTROLLER

"PROUDLY SERVING THE FINANCIAL NEEDS OF TUOLUMNE COUNTY"

DEBORAH RUSSELL, CPA

CLERK & AUDITOR - CONTROLLER

ASSISTANT AUDITOR-CONTROLLER

JOYCE MILLER

GENERAL ACCTG. & BUDGETING

JIM DECLERCQ

PAYROLL

ROSEMARY PETERSON

PROPERTY TAX

REBECCA MARTINEZ

SPECIAL PROJECTS

CINDY NIEBLA

ACCOUNTS PAYABLE

DIANNE CARPENTER

December 28, 2010

To the Honorable Board of Supervisors and Citizens of the County of Tuolumne:

The Comprehensive Annual Financial Report (CAFR) of the County of Tuolumne (County) for the fiscal year ended June 30, 2010, is hereby presented in compliance with Section 25250 and 25253 of the Government Code of the State of California. General-purpose local governments must publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accounts.

This report consists of management's representations concerning the finances of the County. Therefore, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Macias Gini & O'Connell LLP, a firm of licensed public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the year ended June 30, 2010, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements

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for the year ended June 30, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standard governing the Single Audit requires the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls over compliance involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

County Government

The County of Tuolumne (population 56,583) was incorporated on February 18, 1850 as one of the original 27 counties in the State of California. The name Tuolumne is of Indian origin and has been given different meanings, such as 'Many Stone Houses, the Land of Mountain Lions and Straight Up Steep', the latter the interpretation of William Fuller, a native Indian chief. The County covers approximately 2,293 square miles. There is only one incorporated city within the County, the City of Sonora, which is also the County seat.

Stretching from the foothills to the crest of the Sierra Nevada Mountains, Tuolumne County is both a recreation paradise and a wonderful place to live. The County contains historic gold mining towns, the pristine Emigrant Wilderness, world-renowned Yosemite National Park, and numerous lakes and rivers. Its proximity to San Francisco (2.5 hours) and Sacramento (2 hours) makes the County accessible.

The County has a general law form of government. Its five-member Board of Supervisors (the 'Board') is elected by district for four-year terms of office. The Supervisors' terms are staggered – two Supervisors are elected in one general election, and three Supervisors in the next. Other elected officials include the Assessor-Recorder, Clerk & Auditor-Controller, District Attorney, Sheriff-Coroner and Treasurer-Tax Collector. The County Administrator and County

Counsel are appointed by the Board. The County is located in the 19th Congressional District, the 14th Senatorial District and the 25th Assembly District.

As the governing body for the County, the Board is responsible for the planning and providing of services related to public needs, as required by state and federal law including: adopting the annual budget, adopting County ordinances, setting policies, confirming appointments of most non-elected officials, and assisting citizens in solving problems and addressing local concerns.

County Services

We provide “unincorporated area” services (e.g., land use planning) in the areas of the County that are not within the City of Sonora. We also provide certain “countywide” services to County residents regardless of where they live.

The following is a list of countywide services provided by the County:

- Environmental Health
- Agricultural Commissioner, Weights & Measures
- Two Airports
- Public and Mental Health Services
- Child Protection and Social Services
- Emergency Medical Services
- Long Term Care for the elderly
- Adult Day Care for the elderly
- Family Support Collections
- Veterans Services
- Maintenance of County Roads and Bridges
- Snow Removal Services
- Law Enforcement of the Unincorporated County
- U.C. Cooperative Extension Services
- Tax Assessment, Collection and Apportionment
- Elections and Voter Registration
- Jail Facilities
- Probation Supervision
- Clerk and Recorder
- Maintain the Historical Records (Archive)
- Public Defender/Alternative Defense
- Coroner and Forensic Services
- Grand Jury
- Criminal Prosecution (District Attorney)
- Libraries
- Parks

- Animal Care Services
- Building and Safety
- Ambulance Services
- Public Transportation Services

Factors Affecting Financial Condition

Budgetary Information

In accordance with stipulations of the California Government Code contained in Sections 29000 through 29144, and other statutory provisions, commonly known as the County Budget Act, the County prepares and legally adopts a budget for each fiscal year. The annual budget serves as the foundation for the County's financial planning and control. All agencies under the control of the Board of Supervisors are required to submit budget requests to the County Administrator for review. The County Administrator recommends a proposed budget to the Board for consideration and approval. The Board is required to hold public hearings on the proposed budget and to adopt a final budget. The 2009-2010 County final budget was adopted on August 25, 2009.

The budget is prepared by fund (e.g. General Fund), department (e.g., Sheriff), and account (e.g., Regular Salaries). Transfers of appropriations between accounts within a department provided the total appropriation of the budget is not changed, may be requested by the Department Head and authorized by both County Administrator and the Auditor-Controller. Transfers of appropriations between departments within a fund, however, require a majority vote of the Board. Transfers of appropriations between funds require a four-fifths vote of the Board of Supervisors. Unanticipated revenue received during the year is subject to the same four-fifths vote requirement prior to expenditure. Unexpended appropriations lapse at year-end. Encumbrances, which are appropriations that are committed through purchase orders or contracts that are open at year-end are reported as a component of restricted and assigned fund balance and re-appropriated as part of the following year's budget. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget was adopted.

The County Board of Supervisors has, historically, practiced conservative budgeting principles. The Board has established eight (8) budget policies:

1. Balance annual operating budgets without the use of one-time revenues.
2. Non-earmarked General Fund Contingencies should be budgeted at 1% of the total operating budget for governmental funds.
3. Maintain a comprehensive quarterly budget monitoring and reporting program.

4. Strive towards fully funding future liabilities.
5. Strive to provide funding to adequately maintain existing plant and infrastructure.
6. Continue an active long-term Capital Improvement Program which includes a section describing financing methods.
7. Tax and Revenue Anticipation Notes should be issued only when deemed necessary.
8. Match specific State and Federal funding reductions with commensurate cuts in specific expenses.

Population

The County's population as of January 2010 was approximately 55,753, a decrease of approximately 1.4% over last year's estimate and increased 2.3% over the 2000 census. The County's population ranks 43rd out of 58 California counties.

Local Economy

The County showed a moderate decrease in fiscal year 2009-10. Indicators next year show a decline in the local economic base.

A primary factor contributing to the County's long-standing good financial position is the consistent growth in assessed valuation. However for fiscal year 2009-2010 the assessed values decreased by 0.89%, and the projected decrease for fiscal 2010-11 is 6.07%. Construction of new homes and the volume of real estate sales of all kinds showed a sharp decline in our County as well as most areas in California during the last year. New structures appraised in 2010 was 308, a decline of 168 or 35% from 2009.,

Other economic indicators that reflect recessive local conditions include taxable retail sales and transient occupancy taxes. Countywide retail sales were 9.33% less in fiscal year 2009-2010 than in the previous year.

Although revenue streams to counties from the State of California have been more reliable over the past few years, the State is once again facing a financial crisis. This places counties in a tenuous situation with future State funding agreements, grants and subventions.

In fiscal year 2009-10, the State borrowed property taxes from counties, cities and special districts, as allowed in Proposition 1A. The State is restricted to borrowing only two times in a consecutive ten-year period. The first loan must be paid back before the second borrowing can occur. The amount borrowed is

limited to eight percent of total property tax revenues for the immediately proceeding year. The amount of this borrowing pertaining to the County was \$1,943,919.

Authorized with the 2009-10 State budget package, the Proposition 1A Securitization Program was instituted by the California Statewide Communities Development Authority (California Communities), a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, to enable local governments to sell their Proposition 1A receivables. Under the Securitization Program, California Communities, acting solely as a conduit for the State of California, simultaneously purchased the Proposition 1A receivables and issued bonds (Prop 1A Bonds) to provide local agencies with cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010. The purchase price paid to the local agencies equaled 100% of the amount of the property tax reduction. All transaction costs of issuance and interest were paid by the State of California. Participating local agencies have no obligation on the bonds and no credit exposure to the State. The County participated in the securitization program and accordingly property taxes have been recorded in the same manner as if the State had not exercised its rights under the Proposition 1A. The receivable sales proceeds were equal to the book value and, as a result, no gain or loss was recorded.

The County's unemployment rate continues to be above the State average. The State average in December of 2009 and 2010 was 12.4% and 12.2%, respectively, and the County's rate was 13.6% and 13.9% for the same periods of time.

Long-term Financial Planning

The County is in the process of developing a Law and Justice Center that would house all of the public safety entities of the County. These include the Sheriff, Jail, Courts, Probation, Juvenile Hall, District Attorney and Public Defender. The County has an option to purchase the land sufficient to meet all of the Law and Justice Center needs.

Cash Management and Investments

The County sponsors a pool of temporary idle cash that is managed by the County Treasurer for the purpose of earning investment income. Participants in the investment pool include the County Schools, Special Districts, and various taxing jurisdictions. Although some participation in the investment pool is voluntary, California statutes require certain government entities and special districts to maintain their cash with the Treasurer.

The pool can be invested in obligations of the U.S. Treasury, U.S. government agencies and instrumentalities, the California Local Agency Investment Fund (LAIF), California Asset Management Program (CAMP), prime commercial paper as rated by Standard and Poor's Corporation or Moody's Commercial Paper Record, medium-term corporate notes, bankers' acceptances, repurchase and reverse repurchase agreements, negotiable certificates of deposit, obligations of the State of California, and obligations of local agencies within California. In accordance with State code, the maturities of investments range from one to five years. The average maturity at June 30, 2010, was approximately one year and the average earnings on investments were 1.65%. The total distribution in interest to pool participants for the year ended June 30, 2010, was \$1.39 million,

Pursuant to Government Code Sections 27131 through 27132, the Board of Supervisors adopted an investment policy. The investment policy has the following objectives: legality of investment, safety of principal, liquidity, and yield. In addition, the investment policy establishes cash management and investment guidelines for the Treasurer's responsible for the stewardship of public funds. All collateral on investments is to be either held by the Treasurer or in the County's name by a third party trust department. The Treasurer annually presents a report at a public board meeting on the current year's activity.

Risk Management

The County participates in the County Supervisors Association of California Excess Insurance Authority (CSAC-EIA), a public entity risk pool for liability claims over \$10,000 per occurrence and is self-insured for occurrences up to \$10,000. CSAC-EIA also provides workers' compensation coverage to the County. Annual premiums are actuarially determined for CSAC-EIA participants, as well as reserve requirements for potential self-insured liabilities.

Pension Plan

The County contributes to the California Public Employees' Retirement System (CalPERS) for its miscellaneous and safety employees. The Miscellaneous plan is an agent multiple-employer public employee defined benefit pension plan. The Safety plan is a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by contract with CalPERS in accordance with the provisions of the Public Employees Retirement Law and County ordinance.

Other Postemployment Benefits

In addition to providing pension benefits through CalPERS, the County sponsors a single-employer defined benefit plan to provide medical, vision, and dental benefits for certain retired employees under contractual obligations negotiated between the County and members of the executive and confidential plan (Plan). All department heads, elected officials, and confidential staff who retire upon separation and have at least 10 years of service are eligible at varying levels for coverage under the Plan at age 50. Some members that retired due to disability may qualify at a younger age. Members with 10 years of service are covered at 50%. That coverage increases to 75% after 15 years of service and again increases to 100% coverage after 20 years of service. In fiscal year 2004-05, the formula changed where for each year of service after 10 years, coverage increased by 5% (i.e., 11 years of service equals 55%, 12 years of service equals 60%, etc.). Such coverage is at the same level as that provided prior to separation. Plan benefits as previously described continue until age 65, at which point eligible retirees are covered under a Medical Supplemental Plan, which pays secondary to Medicare. This is a lifetime benefit. Effective, July 1, 2009, this benefit will no longer be offered to new employees. Benefit provisions are established and may be amended by the County.

Awards and Acknowledgements

GFOA Awards: The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the year ended June 30, 2009. This represents the County's 1st award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. This is the second year the County received the GFOA Award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Auditor-Controller staff earned the State of California Controller's "Award for Achieving Excellence in Financial Reporting" for the County for the fiscal year ended June 30, 2009. This award is presented by the California State Controller for achieving the highest quality in classification of revenue and expenditure data, and complete and proper reporting of outstanding debt. This was the seventh year the County received the State Controller's Award.

It is with great pride that I express my appreciation to the entire staff of the Auditor-Controller's Office for their hard work and dedication to the compilation of this financial document. I would also like to thank the independent auditors, Macias Gini & O'Connell LLP for their patience and assistance. Finally, I wish to thank the Board of Supervisors and the County Administrator for their support in our efforts to achieve and maintain the highest standards in financial reporting.

Respectfully Submitted,



Deborah Russell, CPA
Clerk & Auditor-Controller



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Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Tuolumne
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

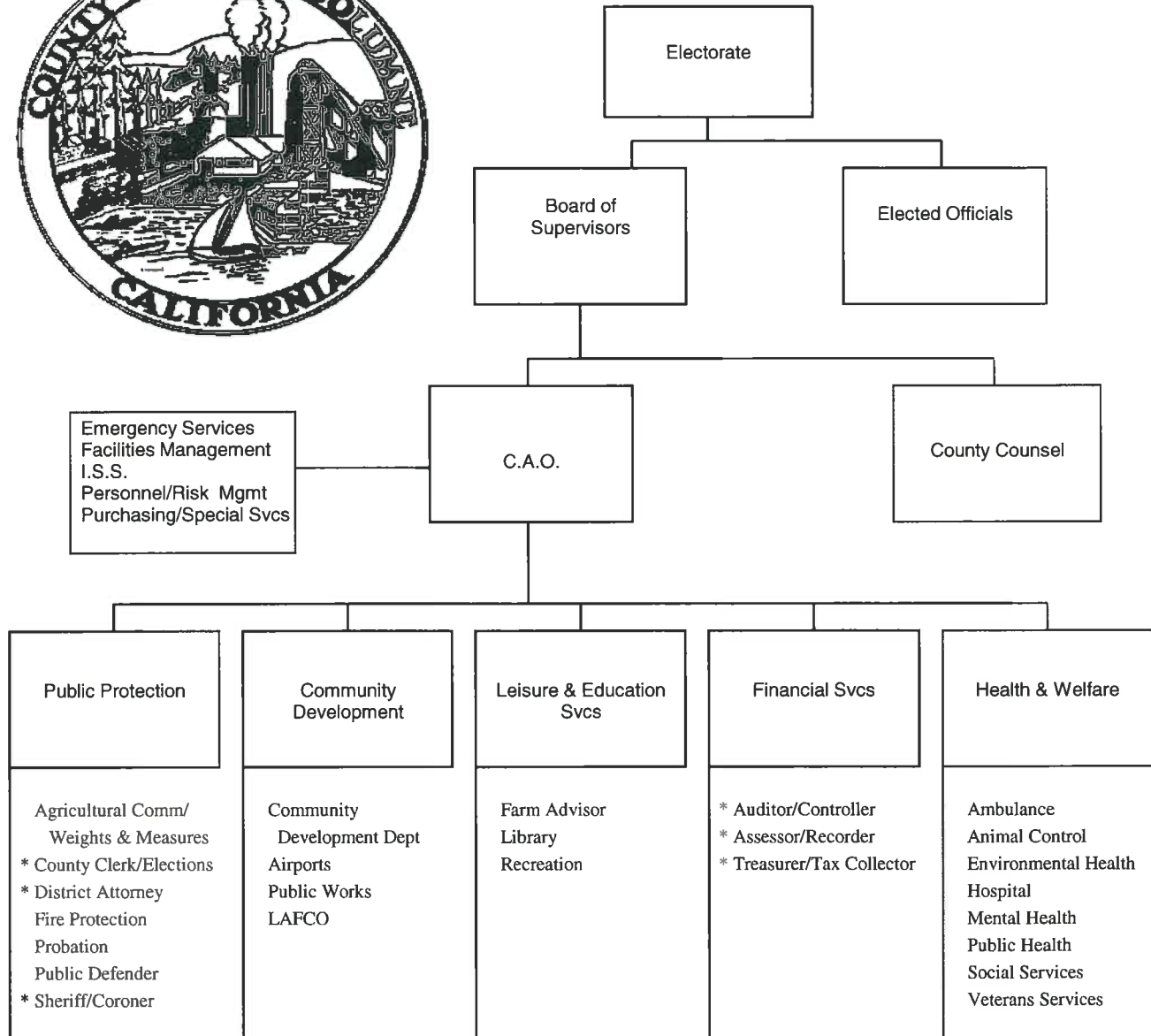
Executive Director

COUNTY OF TUOLUMNE, CALIFORNIA
Elected and Appointed Officials

AGRICULTURAL COMMISSIONER	VICKI HELMAR
AIR POLLUTION	
WEIGHTS & MEASURES	
AIRPORT DIRECTOR	JIM THOMAS
ANIMAL CONTROL	VICKI HELMAR
* ASSESSOR/RECORDER	KEN CAETANO
* BOARD OF SUPERVISORS	
SUPERVISOR, DISTRICT #1	ELIZABETH BASS
SUPERVISOR, DISTRICT #2	PAULO MAFFEI
SUPERVISOR, DISTRICT #3	TERI MURRISON
SUPERVISOR, DISTRICT #4	JOHN GRAY
SUPERVISOR, DISTRICT #5	RICHARD PLAND
CHILD SUPPORT SERVICES	ADELE HENDRICKSON
* CLERK & AUDITOR/CONTROLLER	DEBORAH RUSSELL
ELECTIONS	
COUNTY ADMINISTRATIVE OFFICER	CRAIG PEDRO
COUNTY COUNSEL	GREGORY OLIVER
COUNTY FIRE	JULIE HENRIQUES
COUNTY LIBRARIAN	VACANT
* DISTRICT ATTORNEY	DONALD I SEGERSTROM, JR
VICTIM WITNESS	
SPOUSAL ABUSER PROSECUTION	
STATUTORY RAPE VERTICAL PROSECUTION	
FARM ADVISOR	SCOTT ONETO
FACILITIES MANAGEMENT MANAGER	ED HOAG
HOSPITAL ADMINISTRATOR	CRAIG PEDRO
HUMAN SERVICES DIRECTOR	ANN CONNOLLY
ENVIRONMENTAL HEALTH	
HEALTH	
TOBACCO CESSATION	
DEPT OF SOCIAL SERVICES	
PUBLIC ADMINISTRATOR	
PUBLIC GUARDIAN	
HOSPICE	
VISTING NURSES OF THE MOTHERLODE	
AMBULANCE	
BEHAVIORAL/MENTAL HEALTH	BEA READEL
PERSONNEL DIRECTOR/RISK OFFICER	ERIC LARSON
COMMUNITY DEVELOPMENT DEPT	BEV SHANE
PUBLIC DEFENDER	ROBERT PRICE
PROBATION OFFICER	ADELE ARNOLD
PURCHASING AGENT	CRAIG PEDRO
RECREATION	MIKE RUSSELL
* SHERIFF/CORONER	JAMES MELE
COMMUNICATIONS	
BOAT PATROL	
COUNTY JAIL	
COP PROGRAM	
TUOLUMNE NARCOTICS TEAM	
* SUPERINTENDENT OF SCHOOLS	JOSEPH SILVA
PUBLIC DEFENDER	ROBERT PRICE
PUBLIC WORKS	PETER REI
ROADS	
ENGINEERING	
SURVEYOR	
SOLID WASTE	
PUBLIC TRANSPORTATION	
* TREASURER/TAX COLLECTOR	FRANK D. HODGES
OFFICE OF REVENUE RECOVERY	
VETERANS SERVICES	ERIC LARSON
* INDICATES ELECTED OFFICIAL	

COUNTY OF TUOLUMNE, CALIFORNIA

Organizational Chart



* Elected Department Head



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FINANCIAL SECTION





The Honorable Board of Supervisors
of the County of Tuolumne, California
Sonora, California

INDEPENDENT AUDITOR'S REPORT

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 Tuolumne, California (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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County of Tuolumne, California, as of June 30, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ended June 30, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2010, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, schedules of funding progress, and schedules of revenues, expenditures, and changes in fund balance – budget and actual, as listed as required supplementary information 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Maciar Mini & O'Connell LLP

Certified Public Accountants

Sacramento, California
December 28, 2010

Management's Discussion and Analysis (Unaudited)

As management of the County of Tuolumne (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County of Tuolumne for the year ended June 30, 2010. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

The assets of the County of Tuolumne exceeded its liabilities at the close of the 2009-10 fiscal year by \$73,568 (*net assets*). Of this amount, \$66,317 was invested in capital assets, net of related debt and \$29,295 was restricted for specific purposes (*restricted net assets*), leaving a deficit unrestricted balance of \$22,044.

The County's total net assets, which may serve as a useful indicator of financial position, increased by \$2,930. The deficit unrestricted balance increased by \$3,577. Restricted net assets decreased by \$1,469. Invested in capital assets, net of related debt increased by \$8,006.

As of June 30, 2010, the County of Tuolumne governmental funds reported combined ending fund balances of \$32,402, a decrease of \$6,069 in comparison with the prior year. Approximately \$16,103 was available for spending (*restricted, committed, assigned, and unassigned fund balances*).

As of June 30, 2010, the spendable fund balance for the General Fund was \$1,377 or 2.5% of total general fund expenditures and transfers out.

The County of Tuolumne's total long-term liabilities increased by \$1,597 (4.6%) during the fiscal year 2009-10.

Overview of Financial Statements

The Financial Section of the Comprehensive Annual Financial Report for the County of Tuolumne consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements and schedules* for nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and agency funds. This discussion and analysis is intended to serve as an introduction to the County of Tuolumne's basic financial statements. The County of Tuolumne's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. The two types of financial statements are designed to present two different views of the County.

Government-wide financial statements. The *government-wide financial statements* provide readers with a broad overview of the long-term and short-term information about the County of Tuolumne's *overall* financial status in a manner similar to private-sector business. The two government-wide statements report the County's *net assets* and how they have changed. Net assets are one way to measure the County's financial health or position.

The government-wide financial statements of the County are divided into two categories:

Governmental activities – most of the County's basic services are included here, such as fire, public works and general administration, which receive approximately 50% of their support from charges for services and operating grants and contributions. Property taxes, sales taxes, and other revenues cover the remaining costs.

Business-type activities – fees charged to users are intended to cover all or a significant portion of their costs for certain services, such as solid waste disposal.

The *statement of net assets* presents information on all of the County of Tuolumne'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 the improvement or deterioration in the financial position of the County of Tuolumne.

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 the related cash flows*. Thus, revenues and expenses are reported in the statement for some items that are the result of cash flows in future fiscal periods (e.g., uncollected taxes and earned-but-unused vacation leave).

The government-wide financial statements include not only the County of Tuolumne itself (known as the *primary government*), but also legally separate organizations for which the elected officials of the County of Tuolumne are financially accountable. Financial information for these *blended component units* is combined with the financial information presented for the primary government itself. Tuolumne County Public Power Agency, all County Service Areas and Lighting Districts are *blended presented component units*.

The government-wide financial statements can be found in the basic financial statements section following the management's discussion and analysis.

Fund financial statements. A *fund* is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Tuolumne, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The *fund financial statements* focus on individual parts of the County's government. All of the funds of the County of Tuolumne can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental 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 statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, is it useful to compare the information presented for governmental 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 County of Tuolumne's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

For the governmental funds, information is presented separately for the General, Road, Health and Welfare, Community Development Block Grants, and Road Construction funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

The County of Tuolumne adopts an annual appropriated budget for its General Fund and its other governmental funds. Budgetary comparison schedules have been provided in this report for the General Fund and the other governmental funds.

The basic governmental fund financial statements can be found following the government-wide financial statements in the basic financial statements section of this report.

Proprietary funds. The County of Tuolumne maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County of Tuolumne uses enterprise funds to account for its General Medical Facility, solid waste, ambulance, airport, public transportation, Public Power Agency, and Visiting Nurses Association (VNA) of the Mother Lode activities. Internal service funds are used to accumulate and allocate costs internally. The County of Tuolumne uses internal service funds to account for its self-insurance programs, purchasing and special services, telephone, and various employee benefits. 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. The County's 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 the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. They provide information about financial relationships in which the County acts solely as a trustee or agent for the benefit of others, to whom the resources belong. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County of Tuolumne's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found in the fund financial statements section of this report.

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found following the fund financial statements in this report.

Required supplementary information. Required supplementary information includes budgetary comparison schedules for the County's General, Road, Health and Welfare, and Community Development Block Grants funds, as well as funding information about the County's miscellaneous retirement plan and other postemployment benefits plan. The required supplementary information can be found immediately following the notes to basic financial statements.

Combining statements and schedules. The combining statements and schedules referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and agency funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County of Tuolumne, assets exceeded liabilities by \$73,568 at June 30, 2010.

By far the largest portion of the County's net assets, \$66,317 (90.1%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, equipment, and vehicles), less any related, outstanding debt used to acquire those assets. The County of Tuolumne uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County of Tuolumne's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves can not be used to liquidate these liabilities.

Current and other assets for the County decreased by \$1,385. The majority of the decrease is in cash and investments (\$712). This decrease is a result of cash deferrals from the State of California and a slow economy, both statewide and locally. Other liabilities for the County increased by \$1,780, the majority of the increase was in unearned revenues (\$1,585). The Mental Health Fund unearned revenues increased \$1,297. These funds will be used in programs covering a one- to three-year period.

Another significant portion of the County's net assets, \$29,295 (39.8%) represents resources that are subject to external restriction on how they may be used (*restricted net assets*). That leaves a deficit balance for *unrestricted net assets* of \$22,044. At June 30, 2009, the deficit balance for *unrestricted net assets* was \$18,467. During 2009-10, the County unrestricted deficit increased by \$3,577 (19.4%).

As of June 30, 2010, the County of Tuolumne was able to report positive balances in the invested in capital assets, net of related debt and restricted categories of net assets for the County as a whole, as well as total governmental and business-type activities. However, the unrestricted net assets were in a deficit position. The majority of the deficit is in the Solid Waste Fund (\$10,562). The deficit was a result of the landfill having to be closed twice. The County is in litigation and hopes to recover the additional costs. The Employee Leave Internal Service Fund has a deficit of \$8,057. The deficit reflects all County accrued compensated absences.

Key elements of the County of Tuolumne's calculation of net assets for both governmental activities and business-type activities as of June 30, 2010 and 2009 are as follows:

County of Tuolumne's Net Assets (amounts expressed in thousands)						
As of June 30,	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Current and other assets	\$ 54,876	\$ 58,152	\$ 923	\$ (968)	\$ 55,799	\$ 57,184
Capital assets	54,561	46,409	12,035	12,465	66,596	58,874
Total assets	109,437	104,561	12,958	11,497	122,395	116,058
Long-term liabilities	25,310	23,300	10,627	11,040	35,937	34,340
Other liabilities	11,533	9,170	1,357	1,940	12,890	11,110
Total liabilities	36,843	32,470	11,984	12,980	48,827	45,450
Net Assets:						
Invested in capital assets, net of related debt	54,462	46,256	11,855	12,055	66,317	58,311
Restricted	28,863	30,345	432	419	29,295	30,764
Unrestricted	(10,731)	(4,510)	(11,313)	(13,957)	(22,044)	(18,467)
Total net assets	\$ 72,594	\$ 72,091	\$ 974	\$ (1,483)	\$ 73,568	\$ 70,608

County of Tuolumne's Changes in Net Assets
(amounts expressed in thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
For the Year Ended June 30,	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 16,972	\$ 16,332	\$ 13,597	\$ 18,261	\$ 30,569	\$ 34,593
Operating grants and contributions	33,939	32,452	1,360	1,900	35,299	34,352
Capital grants and contributions	4,654	1,457	432	88	5,086	1,545
General Revenues:						
Property taxes	26,310	27,540			26,310	27,540
Other taxes	13,658	14,812			13,658	14,812
Grants and contributions not restricted to specific programs	2,798	2,805			2,798	2,805
Other	1,865	1,931	1,578	274	3,443	2,205
Total revenues	100,196	97,329	16,967	20,523	117,163	117,852
Expenses:						
General government	15,451	16,223			15,451	16,223
Public protection	33,226	34,478			33,226	34,478
Public ways and facilities	9,228	10,617			9,228	10,617
Health and sanitation	14,151	14,979			14,151	14,979
Public assistance	19,724	19,509			19,724	19,509
Education	1,258	1,501			1,258	1,501
Culture and recreation	1,568	1,802			1,568	1,802
Unallocated interest expense	270	291			270	291
General Medical Facility			8,420	10,293	8,420	10,293
Solid waste			1,097	4,154	1,097	4,154
Ambulance			4,336	4,444	4,336	4,444
Airport			753	821	753	821
VNA of the Mother Lode			969	4,918	969	4,918
Public transportation			2,131	2,156	2,131	2,156
Public Power Agency			1,651	1,846	1,651	1,846
Total expenses	94,876	99,400	19,357	28,632	114,233	128,032
Change in net assets before transfers	5,320	(2,071)	(2,390)	(8,109)	2,930	(10,180)
Transfers	(4,817)	(2,832)	4,817	2,832	-	-
Change in net assets	503	(4,903)	2,427	(5,277)	2,930	(10,180)
Net assets – July 1, reported	72,091	76,994	(1,483)	3,794	70,608	80,788
Restatements			30		30	
Net assets – July 1, restated	72,091	76,994	(1,453)	3,794	70,638	80,788
Net assets – June 30	72,594	72,091	\$ 974	\$ (1,483)	\$73,568	\$70,608

During the fiscal year, the County of Tuolumne's overall net assets increased by \$2,930.

Governmental activities. Governmental activities increased the County of Tuolumne's current year net assets by \$503 compared to a decrease of \$4,903 in the prior year. The increase in the change in net assets of \$5,406 was a result of the expenses decreasing by \$4,524, an increase in revenues of \$2,867, and net transfers out increasing \$1,985. The majority of the decrease in expenses was related to general government of \$772, public protection \$1,252, public ways and facilities \$1,389, and health and sanitation \$828. The majority of the decrease in general government was in salaries due to the County furloughing staff and decreasing some positions. The majority of the decrease in public protection is in salary and benefits due to unfilled positions (\$253) and the purchase of a new 911 system (\$800) in 2009. In public ways and facilities less funds (\$865) were spent on an overlay project on Tuolumne Road in 2010. The decrease in health and sanitation was a decrease in professional services for legal and a toxic collection program. The increase in transfers out was related to the Health and Welfare Fund (\$947) due to a decrease in state and federal funding causing an increase in General Fund funding to maintain programs and to the General Medical Facility (\$2,904) due to operating losses causing an increase in General Fund funding.

The majority of the increase in revenues was from an increase in capital grants and contributions \$3,197 due to one-time projects. The two major projects were the Highway J59 overlay for \$2,167 and the repair of the Phoenix Bridge for \$1,736.

Business-type activities. Business-type activities increased the County of Tuolumne's net assets by \$2,427 compared to a decrease of \$5,277 in the prior year. This increase in the change in net assets of \$7,704 was a result of the revenues and net transfers in decreasing by \$1,571 and a decrease in expenses of \$9,275. The majority of the decrease in revenues and net transfers in was from an increase in transfers in of \$1,985 and a decrease in charges for services \$4,664, due to the closing down of Visiting Nurses and Hospice services on July 31, 2009. The majority of the decrease in expenses being at Visiting Nurses and Hospice (\$3,949) due to eliminating the services, Tuolumne General Medical Facility (\$1,873) due to the change in services, and Solid Waste (\$3,057) due to closure cost for the Jamestown landfill as the landfill has been closed.

Financial Analysis of the County's funds

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

Governmental funds. The focus of the County of Tuolumne'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 of Tuolumne's financial requirements. In particular, restricted, committed, assigned, and unassigned fund balances 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 Tuolumne's governmental funds reported combined ending fund balances of \$32,402. This is a decrease of \$6,069 from prior year. The nonspendable portion of fund balance is \$16,300 (50.3%), restricted \$17,654 (54.5%), assigned \$259 (0.8%), and leaving an unassigned deficit of \$1,810 (-5.6%)

The General Fund is the chief operating fund of the County of Tuolumne. At the end of the current fiscal year, spendable fund balance of the General Fund was \$1,377, while total fund balance reached \$6,391. As a measure of the General Fund's liquidity, it may be useful to compare both spendable fund balance and total fund balance to total fund expenditures and transfers out. Spendable fund balance represents 2.5% of total General Fund expenditures and transfers out, while total fund balance represents 11.5% of that same amount.

The Road Fund accounts for activities related to the maintenance of county roads, numerous storm drainage ditches and culverts, bridges, and a fleet of heavy construction equipment. At the end of the current fiscal year, restricted fund balance of the Road Fund was \$7,828, while total fund balance reached \$13,303. As a measure of the Road Fund's liquidity, it may be useful to compare both restricted fund balance and total fund balance to total fund expenditures. Restricted fund balance represents 95.1% of total Road Fund expenditures, while total fund balance represents 161.5% of that same amount.

The Health and Welfare Fund accounts for services provided to County residents in the areas of health, mental health, substance abuse, social services, employment assistance, and public assistance. At the end of the current fiscal year, restricted fund balance of the Health and Welfare Fund was \$249, while total fund balance was \$264. As a measure of the Health and Welfare Fund's liquidity, it may be useful to compare both restricted and total fund balances to total fund expenditures. Restricted and total fund balances represent 0.8% of the total Health and Welfare Fund expenditures. The funding source of this fund is federal and state governments. Most programs are mandated by the governments.

The Community Development Block Grants Fund accounts for activities of federally-funded community development block grants. At the end of the current fiscal year, nonspendable fund balance of the Community Development Block Grants Fund was \$5,665, which represents the outstanding loans receivable.

The Road Construction Fund accounts for activities related to construction and maintenance of County streets and road. At the end of the current fiscal year, restricted fund balance of the Road Construction Fund was \$3,250, which represents 66.4% of the fund's expenditures. Two major projects for 2010 were Highway J59 overlay (\$2,452) and repairing Phoenix Lake Bridge (\$1,985). The majority of the work performed by this fund is large construction projects.

Proprietary funds. The County of Tuolumne's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail.

Enterprise funds net assets were \$3,072, a \$3,335 increase from the prior year. The majority of the increase occurred in the Solid Waste Fund (\$1,365) due to decreased expenses as the landfills are now closed and VNA of the Mother Lode (\$1,853) as its services ended during the year.

General Fund Budgetary Highlights

The Board of Supervisors of the County of Tuolumne made several supplemental budgetary expenditure appropriations totaling \$1,142 (2.4%) in the General Fund appropriations throughout the fiscal year. Public protection increased by \$973, the majority in the Sheriff's office's due to addition grant funding – Tuolumne Narcotics team.

For the current year, \$2,497, was originally budgeted from beginning available fund balance. Actual revenues realized were \$995 less than budgetary estimates. State and federal revenues were \$856 below budget, most of this was a result of state and federal program cuts. Charges for services were \$396 below budget, most of this was a result of a weak local economy. Expenditures for the current year fell \$3,648 below budgetary estimates. The majority of savings was in public protection (\$2,287). The majority of the public protection occurred in the Sheriff's office (\$1,616) and Probation (\$286). The majority of this was Sheriff specialized equipment (\$316) not purchased, services not purchased (\$191) by the Sheriff's office and salary savings due to unfilled positions in the Sheriff's office (\$650) and Probation (\$113).

Capital Asset and Debt Administration

Capital Assets. The County of Tuolumne's investment in capital assets for its governmental and business-type activities at current year-end amounts to \$66,596 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, equipment, roads, bridges, and construction in progress.

Major capital asset events during the fiscal year included the following:

- County purchased land for the Law and Justice Center (\$4,108)
- County completed improvements at the Groveland Youth Center (\$374)
- County began to design the Law and Justice Center (\$204)
- County completed the overlay of Highway J59 (\$2,452)
- County completed repairing the Phoenix Lake Bridge (\$1,985)

County of Tuolumne's Capital Assets (net of depreciation)

As of June 30,	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land	\$ 6,688	\$ 2,480	\$ 2,317	\$ 2,317	\$ 9,005	\$ 4,797
Structures and improvements	17,405	17,703	8,616	8,981	26,021	26,684
Equipment	5,850	5,235	1,102	1,167	6,952	6,402
Roads	13,247	13,781	-	-	13,247	13,781
Bridges	6,291	4,012	-	-	6,291	4,012
Construction in progress	<u>5,080</u>	<u>3,198</u>	<u>-</u>	<u>-</u>	<u>5,080</u>	<u>3,198</u>
Total	<u>\$ 54,561</u>	<u>\$ 46,409</u>	<u>\$ 12,035</u>	<u>\$ 12,465</u>	<u>\$ 66,596</u>	<u>\$ 58,874</u>

At June 30, 2010, the significant construction commitments included \$716 for the Highway J59 overlay project for which \$2,452 has been spent to date and \$245 for the Law and Justice Center for which \$874 has been spent to date.

Additional information on the County of Tuolumne's capital assets can be found in Note 3 of this report.

Long-Term Liabilities. As of June 30, 2010, the County of Tuolumne had total long-term liabilities of \$35,937. Of this amount, 22% (\$8,013) relates to claims liability, 7% (\$2,642) relates to the landfill closure and postclosure, 16% (\$5,913) relates to bonds payable and 21% (\$7,721) relates to compensated absences. The balance is for OPEB liability (\$4,009), capital leases related to the acquisition a medical building for the General Medical Facility (\$155), and three notes payable for an airport hanger (\$26), land for a cemetery (\$99) and to clean up the landfill (\$7,359).

County of Tuolumne's Outstanding Debt

As of June 30,	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Claims liability	\$ 8,013	\$ 8,428	\$ --	\$ --	\$ 8,013	\$ 8,428
OPEB liability	4,009	1,905	--	--	4,009	1,905
Compensated absences	7,276	6,778	445	650	7,721	7,428
Landfill closure and postclosure	--	--	2,642	2,714	2,642	2,714
Bonds payable	5,913	6,036	--	--	5,913	6,036
Capital lease obligations	--	48	155	380	155	428
Notes payable	99	105	7,385	7,296	7,484	7,401
Totals	<u>\$ 25,310</u>	<u>\$ 23,300</u>	<u>\$ 10,627</u>	<u>\$ 11,040</u>	<u>\$ 35,937</u>	<u>\$ 34,340</u>

The overall increase of long-term liabilities of the County of Tuolumne over the prior year is \$1,597. The landfill closure and post-closure decrease (\$72) was a result of the completion of the re-closure of the Jamestown landfill during the current year. Claims liability decreased \$415 due to lower claims. Compensation absences increased (\$293) as management was no longer able to cash out time. The OPEB liability increased (\$2,104) due to the County continuing to fund the liability on a pay-as-you-go basis.

Additional information on the County of Tuolumne's long-term debt can be found in Note 4 of this report.

Economic Factors and Next Year's Budgets

- County passed a 2% increase in the Transient Occupancy Tax effective October 1, 2010. This should increase revenues by \$250,000.
- County privatized the Film Commissioner as of July 1, 2010
- County has estimated a 6%-8% decrease in property tax revenue for 2010-11

As of June 30, 2010, spendable fund balance in the General Fund was \$1,377. The County of Tuolumne has appropriated this amount for spending in the 2010-11 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of the County of Tuolumne's finances for all those with an interest in the County of Tuolumne's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Tuolumne County Auditor – Controller's Office, 2 South Green St., Sonora CA 95370.



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BASIC FINANCIAL STATEMENTS



COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 29,485,455	\$ 3,207,465	\$ 32,692,920
Receivables, net	911,345	1,128,184	2,039,529
Intergovernmental receivables	8,543,281	451,074	8,994,355
Deposits with others	-	67,000	67,000
Prepaid items	400,351	50,849	451,200
Inventories	74,262	19,561	93,823
Restricted cash and investments	100,000	432,143	532,143
Loans receivable	5,665,449	-	5,665,449
Internal balances	4,433,016	(4,433,016)	-
Receivable from agency funds	5,013,352	-	5,013,352
Deferred charges	249,349	-	249,349
Capital assets:			
Nondepreciable	11,768,308	2,317,017	14,085,325
Depreciable, net	42,792,931	9,718,181	52,511,112
Total assets	109,437,099	12,958,458	122,395,557
<u>LIABILITIES</u>			
Accounts payable	3,266,916	561,273	3,828,189
Salaries and benefits payable	1,135,682	122,543	1,258,225
Accrued interest	41,760	-	41,760
Unearned revenue	6,505,596	259,323	6,764,919
Other liabilities	583,118	413,879	996,997
Long-term liabilities:			
Due within one year	2,883,896	2,361,238	5,245,134
Due in more than one year	22,425,866	8,266,028	30,691,894
Total liabilities	36,842,834	11,984,284	48,827,118
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	54,462,497	11,854,379	66,316,876
Restricted for:			
Capital projects	3,249,818	-	3,249,818
Public ways and facilities	16,698,459	-	16,698,459
Health and welfare	263,642	-	263,642
Children and Families Commission	894,647	-	894,647
Community development	5,589,329	-	5,589,329
Public protection	1,904,261	-	1,904,261
Energy services	-	432,143	432,143
Perpetual care:			
Expendable	145,422	-	145,422
Nonexpendable	112,532	-	112,532
Other purposes	4,719	-	4,719
Unrestricted	(10,731,061)	(11,312,348)	(22,043,409)
Total net assets	\$ 72,594,265	\$ 974,174	\$ 73,568,439

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 15,451,199	\$ 10,115,024	\$ 950,550	\$ 414,772
Public protection	33,225,736	3,309,650	5,768,949	-
Public ways and facilities	9,228,467	1,944,470	2,781,722	4,239,246
Health and sanitation	14,150,887	580,480	7,122,382	-
Public assistance	19,724,037	709,011	16,916,615	-
Education	1,256,725	60,734	86,828	-
Recreation and cultural services	1,568,443	252,139	312,304	-
Interest on long-term debt	270,323	-	-	-
Total governmental activities	94,875,817	16,971,508	33,939,350	4,654,018
Business-type activities:				
General Medical Facility	8,419,817	5,499,349	3,759	-
Solid waste	1,096,872	1,174,569	37,014	-
Ambulance	4,335,974	3,839,236	-	-
Airport	753,127	424,911	24,629	-
Visiting Nurses Association of the Mother Lode	969,680	620,865	44,380	-
Public transportation	2,128,484	496,326	1,249,918	432,066
Public Power Agency	1,650,890	1,542,394	-	-
Total business-type activities	19,354,844	13,597,650	1,359,700	432,066
Total primary government	\$ 114,230,661	\$ 30,569,158	\$ 35,299,050	\$ 5,086,084

The accompanying notes are an integral part of the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets			
Governmental Activities	Business-type Activities	Total	
Governmental activities:			
\$ (3,970,853)		\$ (3,970,853)	General government
(24,147,137)		(24,147,137)	Public protection
(263,029)		(263,029)	Public ways and facilities
(6,448,025)		(6,448,025)	Health and sanitation
(2,098,411)		(2,098,411)	Public assistance
(1,109,163)		(1,109,163)	Education
(1,004,000)		(1,004,000)	Recreation and cultural services
(270,323)		(270,323)	Interest on long-term debt
<u>(39,310,941)</u>		<u>(39,310,941)</u>	Total governmental activities
Business-type activities:			
	\$ (2,916,709)	(2,916,709)	General Medical Facility
	114,711	114,711	Solid waste
	(496,738)	(496,738)	Ambulance
	(303,587)	(303,587)	Airport
			Visiting Nurses Association
	(304,435)	(304,435)	of the Mother Lode
	49,826	49,826	Public transportation
	<u>(108,496)</u>	<u>(108,496)</u>	Public Power Agency
	<u>(3,965,428)</u>	<u>(3,965,428)</u>	Total business-type activities
	<u>(3,965,428)</u>	<u>(43,276,369)</u>	Total primary government
General revenues:			
Taxes:			
26,309,709	-	26,309,709	Property
209,899	-	209,899	Property transfer
1,491,006	-	1,491,006	Transient occupancy
11,956,647	-	11,956,647	Sales taxes shared state revenue
			Grants and other intergovernmental revenue
2,798,355	-	2,798,355	not restricted to specific programs
725,136	35,232	760,368	Unrestricted investment earnings
-	158,837	158,837	Gain on sale of capital assets
1,140,107	1,381,864	2,521,971	Other
<u>(4,816,762)</u>	<u>4,816,762</u>	<u>-</u>	Transfers
<u>39,814,097</u>	<u>6,392,695</u>	<u>46,206,792</u>	Total general revenues and transfers
503,156	2,427,267	2,930,423	Change in net assets
<u>72,091,109</u>	<u>(1,453,093)</u>	<u>70,638,016</u>	Net assets (deficit), beginning of year, restated
<u>\$ 72,594,265</u>	<u>\$ 974,174</u>	<u>\$ 73,568,439</u>	Net assets, end of year

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	<u>General</u>	<u>Road</u>	<u>Health and Welfare</u>	<u>Community Development Block Grants</u>	<u>Road Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:							
Cash and investments	\$ 2,627,332	\$ 8,042,473	\$ 3,240,361	\$ 154	\$ 2,458,246	\$ 7,161,272	\$ 23,529,838
Accounts receivable, net	433,975	-	451,512	-	-	-	885,487
Taxes receivable	22,515	-	-	-	-	3,343	25,858
Intergovernmental receivables	1,916,459	559,254	2,986,257	210,251	2,234,084	635,942	8,542,247
Prepaid items	1,170	-	14,528	-	-	17,629	33,327
Inventories	-	74,262	-	-	-	-	74,262
Loans receivable	-	-	-	5,665,449	-	-	5,665,449
Advances to other funds	5,013,352	5,400,783	-	-	-	-	10,414,135
Total assets	<u><u>\$10,014,803</u></u>	<u><u>\$14,076,772</u></u>	<u><u>\$ 6,692,658</u></u>	<u><u>\$ 5,875,854</u></u>	<u><u>\$4,692,330</u></u>	<u><u>\$ 7,818,186</u></u>	<u><u>\$ 49,170,603</u></u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ 466,593	\$ 20,259	\$ 601,023	\$ 6,620	\$1,442,512	\$ 552,639	\$ 3,089,646
Salaries and benefits payable	777,031	114,289	179,428	-	-	52,245	1,122,993
Deferred revenue	2,312,834	623,206	3,533,614	-	-	35,942	6,505,596
Other liabilities	5,258	-	577,860	-	-	-	583,118
Advances from other funds	61,662	15,700	1,537,091	279,905	-	3,572,583	5,466,941
Total liabilities	<u><u>3,623,378</u></u>	<u><u>773,454</u></u>	<u><u>6,429,016</u></u>	<u><u>286,525</u></u>	<u><u>1,442,512</u></u>	<u><u>4,213,409</u></u>	<u><u>16,768,294</u></u>
Fund balances:							
Nonspendable:							
Not in spendable form	5,014,522	5,475,045	14,528	5,665,449	-	17,629	16,187,173
To be maintained intact	-	-	-	-	-	112,532	112,532
Restricted:							
Capital projects	-	-	-	-	3,249,818	-	3,249,818
Public ways and facilities	-	7,828,273	-	-	-	3,395,141	11,223,414
Health and welfare	-	-	249,114	-	-	-	249,114
Children and Families	-	-	-	-	-	-	-
Commision	-	-	-	-	-	888,475	888,475
Public protection	-	-	-	-	-	1,892,804	1,892,804
Perpetual care	-	-	-	-	-	145,422	145,422
Other purposes	-	-	-	-	-	4,719	4,719
Assigned:							
Encumbrances	259,097	-	-	-	-	-	259,097
Unassigned	1,117,806	-	-	(76,120)	-	(2,851,945)	(1,810,259)
Total fund balances	<u><u>6,391,425</u></u>	<u><u>13,303,318</u></u>	<u><u>263,642</u></u>	<u><u>5,589,329</u></u>	<u><u>3,249,818</u></u>	<u><u>3,604,777</u></u>	<u><u>32,402,309</u></u>
Total liabilities and fund balances	<u><u>\$10,014,803</u></u>	<u><u>\$14,076,772</u></u>	<u><u>\$ 6,692,658</u></u>	<u><u>\$ 5,875,854</u></u>	<u><u>\$4,692,330</u></u>	<u><u>\$ 7,818,186</u></u>	<u><u>\$ 49,170,603</u></u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

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

Total fund balances - total governmental funds		\$ 32,402,309
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		54,529,159
Internal service funds are used by management to charge the costs of worker's compensation and general liability self-insurance, purchasing and special services, telephone, and various employee benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		(8,532,867)
Long-term and other liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	\$ (5,835,000)	
Add: Deferred charge for issuance costs (to be amortized over life of debt)	249,349	
Less: Issuance premium (to be amortized as interest expense)	(78,183)	
Accrued interest payable	(41,760)	
Notes payable	(98,742)	(5,804,336)
Net assets of governmental activities		<u><u>\$ 72,594,265</u></u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	General	Road	Health and Welfare	Community Development Block Grants	Road Construction	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$25,344,858	\$ -	\$ -	\$ -	\$ -	\$ 2,665,756	\$ 28,010,614
Licenses and permits	1,451,045	100,266	-	-	-	51,887	1,603,198
Fines, forfeits, and penalties	1,556,836	-	56,343	-	-	228,782	1,841,961
Interest, rents, and concessions	241,024	-	3,012	147,545	21,349	135,360	548,290
Intergovernmental:							
State	10,898,215	3,194,176	13,684,496	-	-	1,747,532	29,524,419
Federal	2,721,910	2,505,475	10,996,576	771,587	4,158,896	1,682,942	22,837,386
Other	637,140	-	55,000	-	80,350	104,118	876,608
Charges for services	10,343,050	1,381,555	1,168,300	-	100,654	532,790	13,526,349
Miscellaneous	383,716	368	419,917	-	-	336,106	1,140,107
Total revenues	<u>53,577,794</u>	<u>7,181,840</u>	<u>26,383,644</u>	<u>919,132</u>	<u>4,361,249</u>	<u>7,485,273</u>	<u>99,908,932</u>
Expenditures:							
Current:							
General government	13,653,830	-	-	-	-	2,640	13,656,470
Public protection	25,591,706	-	-	-	-	5,307,409	30,899,115
Public ways and facilities	90,225	6,480,722	-	-	-	324,180	6,895,127
Health and sanitation	526,199	-	12,633,000	-	-	816,830	13,976,029
Public assistance	335,942	-	18,762,464	519,731	-	-	19,618,137
Education	1,181,421	-	-	-	-	-	1,181,421
Recreation and cultural services	1,455,283	-	-	-	-	-	1,455,283
Capital outlay	1,133,311	1,754,629	311,607	-	4,897,558	5,237,735	13,334,840
Debt service:							
Principal	167,863	-	-	-	-	5,712	173,575
Interest	268,347	-	-	-	-	5,745	274,092
Total expenditures	<u>44,404,127</u>	<u>8,235,351</u>	<u>31,707,071</u>	<u>519,731</u>	<u>4,897,558</u>	<u>11,700,251</u>	<u>101,464,089</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,173,667</u>	<u>(1,053,511)</u>	<u>(5,323,427)</u>	<u>399,401</u>	<u>(536,309)</u>	<u>(4,214,978)</u>	<u>(1,555,157)</u>
Other financing sources (uses):							
Transfers in	7,810	642,451	4,966,379	-	-	1,887,611	7,504,251
Transfers out	(10,940,692)	-	-	-	-	(1,105,086)	(12,045,778)
Proceeds from sale of capital assets	23,777	2,790	-	-	-	1,170	27,737
Total other financing sources (uses)	<u>(10,909,105)</u>	<u>645,241</u>	<u>4,966,379</u>	<u>-</u>	<u>-</u>	<u>783,695</u>	<u>(4,513,790)</u>
Net change in fund balance	(1,735,438)	(408,270)	(357,048)	399,401	(536,309)	(3,431,283)	(6,068,947)
Fund balances, beginning of year	<u>8,126,863</u>	<u>13,711,588</u>	<u>620,690</u>	<u>5,189,928</u>	<u>3,786,127</u>	<u>7,036,060</u>	<u>38,471,256</u>
Fund balances, end of year	<u>\$ 6,391,425</u>	<u>\$13,303,318</u>	<u>\$ 263,642</u>	<u>\$ 5,589,329</u>	<u>\$ 3,249,818</u>	<u>\$ 3,604,777</u>	<u>\$ 32,402,309</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

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

Net change in fund balances - total governmental funds		\$(6,068,947)
Governmental funds report capital outlays 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. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital outlay	\$13,572,916	
Depreciation	<u>(5,030,277)</u>	8,542,639
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations) is to decrease net assets.		
The statement of activities reports losses arising from the disposal of existing capital assets. However, in the governmental funds, any proceeds from the sale of disposed capital assets increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the disposed assets.		
	\$ (91,160)	
Transfers of capital assets to business-type activities decrease net assets of the governmental activities in the statement of activities, but do not appear in the governmental funds because they are not a use of financial resources.		
	<u>(275,235)</u>	(366,395)
Internal service funds are used by management to charge the costs of worker's compensation and general liability self-insurance, purchasing and special services, telephone, and various employee benefits to individual funds. The net expense of certain internal service funds is reported with governmental activities.		
		(1,772,016)
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.		
Amortization of issuance costs	\$ (9,469)	
Amortization of bond premium	2,969	
Change in accrued interest	<u>800</u>	(5,700)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, this transaction has no effect on net assets.		
Principal repayments		<u>173,575</u>
Change in net assets of governmental activities		<u><u>\$ 503,156</u></u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	General Medical Facility	Solid Waste	Ambulance	Airport	VNA of the Mother Lode	Other Enterprise Funds	Total	
Assets:								
Current assets:								
Cash and investments	\$ 423	\$ 1,295,937	\$ 12	\$ 45,074	\$ -	\$ 1,866,019	\$ 3,207,465	\$ 5,955,617
Accounts receivable, net	592,517	113,986	421,681	-	-	-	1,128,184	-
Intergovernmental receivables	-	10,083	-	-	-	440,991	451,074	1,034
Deposits with others	-	-	-	-	-	67,000	67,000	-
Prepaid items	50,849	-	-	-	-	-	50,849	367,024
Inventories	19,561	-	-	-	-	-	19,561	-
Total current assets	663,350	1,420,006	421,693	45,074	-	2,374,010	4,924,133	6,323,675
Noncurrent assets:								
Restricted cash and investments	-	-	-	-	-	432,143	432,143	100,000
Advances to other funds	-	-	-	-	-	-	-	3,483,195
Capital assets:								
Nondepreciable	234,000	408,236	501,251	1,173,530	-	-	2,317,017	-
Depreciable, net	1,294,919	163,187	4,587,565	2,906,875	-	765,635	9,718,181	32,080
Total noncurrent assets	1,528,919	571,423	5,088,816	4,080,405	-	1,197,778	12,467,341	3,615,275
Total assets	2,192,269	1,991,429	5,510,509	4,125,479	-	3,571,788	17,391,474	9,938,950
Liabilities								
Current liabilities:								
Accounts payable	40,046	31,496	57,720	6,882	-	425,129	561,273	177,270
Salaries and benefits payable	89,217	8,239	-	12,819	-	12,268	122,543	12,689
Unearned revenue	-	16,877	-	-	-	242,446	259,323	-
Other liabilities	398,479	-	2,550	12,850	-	-	413,879	-
Accrued compensated absences	309,579	-	-	-	-	63,980	373,559	1,000,000
Accrued claims	-	-	-	-	-	-	-	1,749,901
Capital lease obligations, current	91,490	-	-	-	-	-	91,490	-
Landfill closure/ postclosure, current	-	90,472	-	-	-	-	90,472	-
Notes payable, current	-	1,802,222	-	3,495	-	-	1,805,717	-
Total current liabilities	928,811	1,949,306	60,270	36,046	-	743,823	3,718,256	2,939,860
Noncurrent liabilities:								
Advances from other funds	-	1,894,300	304,800	136,207	-	-	2,335,307	1,081,730
Accrued compensated absences	-	30,020	-	41,392	-	-	71,412	6,275,665
Accrued OPEB liability	-	-	-	-	-	-	-	4,008,669
Accrued claims	-	-	-	-	-	-	-	6,263,602
Capital lease obligations	63,192	-	-	-	-	-	63,192	-
Landfill closure/postclosure	-	2,551,561	-	-	-	-	2,551,561	-
Notes payable	-	5,557,221	-	22,642	-	-	5,579,863	-
Total noncurrent liabilities	63,192	10,033,102	304,800	200,241	-	-	10,601,335	17,629,666
Total liabilities	992,003	11,982,408	365,070	236,287	-	743,823	14,319,591	20,569,526
Net assets (deficit)								
Invested in capital assets, net of related debt	1,374,237	571,423	5,088,816	4,054,268	-	765,635	11,854,379	32,080
Restricted for:								
Energy services	-	-	-	-	-	432,143	432,143	-
Unrestricted	(173,971)	(10,562,402)	56,623	(165,076)	-	1,630,187	(9,214,639)	(10,662,656)
Total net assets (deficit)	\$ 1,200,266	\$ (9,990,979)	\$ 5,145,439	\$ 3,889,192	\$ -	\$ 2,827,965	3,071,883	\$ (10,630,576)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.							(2,097,709)	
Net assets of business-type activities							\$ 974,174	

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	General Medical Facility	Solid Waste	Ambulance	Airport	VNA of the Mother Lode	Other Enterprise Funds	Total	
Operating revenues:								
Charges for services	\$ 5,463,795	\$ 1,174,569	\$ 3,826,060	\$ 404,909	\$ 616,928	\$ 2,038,720	\$ 13,524,981	\$ 12,593,913
Miscellaneous	35,554	-	13,176	20,002	3,937	-	72,669	286,640
Total operating revenues	5,499,349	1,174,569	3,839,236	424,911	620,865	2,038,720	13,597,650	12,880,553
Operating expenses:								
Salaries and benefits	4,190,112	344,202	-	303,947	47,259	433,515	5,319,035	2,785,271
Purchased services	2,015,138	93,697	2,971,542	-	570,103	1,199,668	6,850,148	-
Professional fees	117,075	248,304	421,240	34,935	38,971	160,298	1,020,823	448,581
Claims	-	-	-	-	-	-	-	2,177,670
Health insurance benefits	-	-	-	-	-	-	-	8,442,614
Unemployment benefits	-	-	-	-	-	-	-	588,235
General and administrative	806,729	143,455	498,960	98,907	226,490	393,641	2,168,182	1,376,435
Utilities	219,818	-	53,076	34,305	3,329	1,392,320	1,702,848	-
Depreciation	209,267	37,918	385,901	263,118	4,788	195,931	1,096,923	23,468
Total operating expenses	7,558,139	867,576	4,330,719	735,212	890,940	3,775,373	18,157,959	15,842,274
Operating income (loss)	(2,058,790)	306,993	(491,483)	(310,301)	(270,075)	(1,736,653)	(4,560,309)	(2,961,721)
Nonoperating revenues (expenses):								
Interest income	947	438	-	1,016	-	32,831	35,232	176,846
Other contributions	3,759	-	-	-	5,353	-	9,112	-
Intergovernmental								
State	-	37,014	-	10,379	18,030	-	65,423	-
Federal	-	-	-	14,250	20,997	229,786	265,033	109,957
Other	-	-	-	-	-	1,020,132	1,020,132	-
Gain on sale of capital assets	-	-	900	-	157,937	-	158,837	-
Other income	107,784	1,246,791	-	-	-	27,289	1,381,864	-
Interest expense	(17,745)	(225,964)	(5,255)	(10,513)	(30,058)	-	(289,535)	(4,448)
Total nonoperating revenues (expenses)	94,745	1,058,279	(4,355)	15,132	172,259	1,310,038	2,646,098	282,355
Income (loss) before capital contributions and transfers	(1,964,045)	1,365,272	(495,838)	(295,169)	(97,816)	(426,615)	(1,914,211)	(2,679,366)
Capital contributions	213,530	-	61,705	-	-	432,066	707,301	-
Transfers in	4,316,000	-	-	97,946	1,951,089	-	6,365,035	333,969
Transfers out	(1,780,744)	-	(42,764)	-	-	-	(1,823,508)	(333,969)
Change in net assets	784,741	1,365,272	(476,897)	(197,223)	1,853,273	5,451	3,334,617	(2,679,366)
Net assets (deficit), beginning of year, restated	415,525	(11,356,251)	5,622,336	4,086,415	(1,853,273)	2,822,514		(7,951,210)
Net assets (deficit), end of year	\$ 1,200,266	\$ (9,990,979)	\$ 5,145,439	\$ 3,889,192	\$ -	\$ 2,827,965		\$ (10,630,576)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.							(907,350)	
Change in net assets of business-type activities							\$ 2,427,267	

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	General Medical Facility	Solid Waste	Ambulance	Airport	VNA of the Mother Lode	Other Enterprise Funds	Total	
Cash flows from operating activities:								
Receipts from customers and users	\$ 5,251,611	\$ 2,427,996	\$ 3,867,112	\$ 426,795	\$ 1,100,065	\$ 2,065,175	\$ 15,138,754	\$ -
Receipts from interfund services provided	-	-	-	-	-	-	-	12,955,114
Payments to suppliers	(2,228,195)	(806,485)	(3,942,822)	(119,299)	(794,771)	(2,979,529)	(10,871,101)	(8,817,730)
Payments to employees	(4,122,587)	(334,413)	-	(343,671)	(371,797)	(400,473)	(5,572,941)	(2,277,208)
Payments for interfund services used	(1,415,332)	(11,375)	(6,415)	(41,872)	(109,845)	(39,263)	(1,624,102)	-
Claims paid	-	-	-	-	-	-	-	(2,592,237)
Net cash provided by (used for) operating activities	(2,514,503)	1,275,723	(82,125)	(78,047)	(176,348)	(1,354,090)	(2,929,390)	(732,061)
Cash flows from noncapital financing activities:								
Other contributions	3,759	-	-	-	5,353	-	9,112	-
Advances to other funds	-	-	-	-	-	-	-	(781,000)
Receipt on advances to other funds	-	-	-	-	-	-	-	2,756,347
Advances from other funds	-	66,630	130,200	-	-	-	196,830	781,000
Payment on advances from other funds	-	-	-	(16,115)	-	-	(16,115)	(22,020)
Transfers in from other funds	4,316,000	-	-	97,946	1,951,089	-	6,365,035	333,969
Transfers out to other funds	(1,780,744)	-	(42,764)	-	-	-	(1,823,508)	(333,969)
Proceeds from notes payable	-	189,873	-	-	-	-	189,873	-
Principal payments on notes payable	-	(97,200)	-	-	-	-	(97,200)	-
Interest paid	-	(225,964)	-	-	-	-	(225,964)	(4,448)
Intergovernmental	-	37,014	-	24,629	39,027	1,398,789	1,499,459	109,957
Net cash provided by (used for) noncapital financing activities:	2,539,015	(29,647)	87,436	106,460	1,995,469	1,398,789	6,097,522	2,839,836
Cash flows from capital and related financing activities:								
Acquisition and construction of capital assets	(5,498)	-	(1,018)	-	-	(432,066)	(438,582)	-
Proceeds from sales of capital assets	-	-	900	-	204,522	-	205,422	-
Payment on advances from other funds	-	-	-	-	(1,961,700)	-	(1,961,700)	-
Principal payments on capital leases	(193,896)	-	-	-	(31,908)	-	(225,804)	-
Principal payments on notes payable	-	-	-	(3,316)	-	-	(3,316)	-
Capital contributions	-	-	-	-	-	432,066	432,066	-
Interest paid on capital debt	(17,745)	-	(5,255)	(10,513)	(30,058)	-	(63,571)	-
Net cash used for capital and related financing activities:	(217,139)	-	(5,373)	(13,829)	(1,819,144)	-	(2,055,485)	-
Cash flows from investing activities:								
Interest	947	438	-	1,016	-	32,831	35,232	176,846
Net increase (decrease) in cash and cash equivalents	(191,680)	1,246,514	(62)	15,600	(23)	77,530	1,147,879	2,284,621
Cash and cash equivalents, beginning of year	192,103	49,423	74	29,474	23	2,220,632	2,491,729	3,770,996
Cash and cash equivalents, end of year	\$ 423	\$ 1,295,937	\$ 12	\$ 45,074	\$ -	\$ 2,298,162	\$ 3,639,608	\$ 6,055,617
Reconciliation to the Statement of Net Assets:								
Cash and investments	\$ 423	\$ 1,295,937	\$ 12	\$ 45,074	\$ -	\$ 1,866,019	\$ 3,207,465	\$ 5,955,617
Restricted cash and investments	-	-	-	-	-	432,143	432,143	100,000
Total cash and cash equivalents	\$ 423	\$ 1,295,937	\$ 12	\$ 45,074	\$ -	\$ 2,298,162	\$ 3,639,608	\$ 6,055,617

(Continued)

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	General Medical Facility	Solid Waste	Ambulance	Airport	VNA of the Mother Lode	Other Enterprise Funds	Total	
Noncash investing, capital, and financing activities:								
Transfers in of capital assets	\$ 213,530	\$ -	\$ 61,705	\$ -	\$ -	\$ -	\$ 275,235	\$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:								
Operating income (loss)	\$ (2,058,790)	\$ 306,993	\$ (491,483)	\$ (310,301)	\$ (270,075)	\$ (1,736,653)	\$ (4,560,309)	\$ (2,961,721)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:								
Depreciation expense	209,267	37,918	385,901	263,118	4,788	195,931	1,096,923	23,468
Other income	107,784	1,246,791	-	-	-	27,289	1,381,864	-
Changes in assets and liabilities:								
Accounts receivable, net	(355,522)	(1,207)	27,876	1,884	571,303	-	244,334	71,935
Intergovernmental receivables	-	7,627	-	-	-	(834)	6,793	2,626
Deposits with others	-	-	-	-	-	14,250	14,250	-
Prepaid items	(16,815)	-	-	-	1,200	-	(15,615)	(4,664)
Inventories	3,729	-	-	-	-	-	3,729	-
Accounts payable	(54,695)	(260,272)	(4,419)	1,476	(66,923)	112,885	(271,948)	(60,573)
Salaries and benefits payable	10,012	1,447	-	5,383	(70,947)	4,924	(49,181)	10,823
Unearned revenue	-	216	-	-	(92,103)	-	(91,887)	-
Other liabilities	(416,986)	-	-	5,500	-	-	(411,486)	-
Accrued OPEB Liability	-	-	-	-	-	-	-	2,103,372
Accrued compensated absences	57,513	8,342	-	(45,107)	(253,591)	28,118	(204,725)	497,240
Accrued claims	-	-	-	-	-	-	-	(414,567)
Landfill closure/postclosure	-	(72,132)	-	-	-	-	(72,132)	-
Net cash provided by (used for) operating activities	<u>\$ (2,514,503)</u>	<u>\$ 1,275,723</u>	<u>\$ (82,125)</u>	<u>\$ (78,047)</u>	<u>\$ (176,348)</u>	<u>\$ (1,354,090)</u>	<u>\$ (2,929,390)</u>	<u>\$ (732,061)</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2010

	Investment Trust Fund	Agency Funds
Assets:		
Cash and investments	\$ 46,131,335	\$ 2,484,448
Taxes receivable	-	9,211,529
Interest receivable	393,861	-
Intergovernmental receivables	-	373,597
Total assets	46,525,196	\$ 12,069,574
Liabilities:		
Salaries and benefits payable	-	\$ 37
Advances from other funds	-	5,013,352
Agency obligations	-	7,056,185
Total liabilities	-	\$ 12,069,574
Net assets:		
Held in trust for external pool participants	\$ 46,525,196	

The accompanying notes are an integral part of the basic financial statements.

**COUNTY OF TUOLUMNE, CALIFORNIA
STATEMENT OF CHANGES IN FIDUCIARY
NET ASSETS - INVESTMENT TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2010**

Additions:	
Contribution to pooled investments	\$ 71,641,984
Net investment income:	
Interest income	<u>731,725</u>
Total additions	72,373,709
Deductions:	
Distribution from pooled investments	<u>71,551,421</u>
Net increase	822,288
Net assets held in trust, beginning of year	<u>45,702,908</u>
Net assets held in trust, end of year	<u><u>\$ 46,525,196</u></u>

The accompanying notes are an integral part of the basic financial statements.

**COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Tuolumne (the County) is a political subdivision of the State of California (the State), being formed on February 18, 1850, as a General Law County. The County was one of California's original 27 counties. The County is governed by an elected, five-member Board of Supervisors (the Board). The County has defined its reporting entity in accordance with accounting principles generally accepted in the United States of America (GAAP), which provides guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. The accompanying financial statements present information on the activities of the reporting entity, including all fund types of the County (the primary government) and its component units.

On April 10, 2007, the Board of Supervisors held Beilenson hearings and voted to eliminate services at Tuolumne General Medical Facility (Facility) effective July 1, 2007, phasing out skilled nursing and acute psychiatric services. On May 13, 2008, the Board of Supervisors confirmed the elimination of acute psychiatric services effective December 31, 2008. The County has entered into a memorandum of understanding with Avalon Health Care, Inc. (Avalon) in which the County agreed to cease providing skilled nursing services, effectively ceasing all remaining operations of the Facility, once Avalon finishes construction of a new facility, which should commence in May 2010. It is anticipated that the new facility will be completed by January 2012.

On December 16, 2008, the Board of Supervisors held a Beilenson hearing to close down Adult Day Health Care unit (ADHC) and privatize the unit. On January 13, 2009, the County entered into a one year management agreement with Seniority Lifecare at Home effective February 1, 2009. Effective February 1, 2010, Seniority Lifecare at Home continued operating the unit as a non-profit organization.

Blended Component Units

GAAP requires that the component units be separated into blended or discretely presented units for reporting purposes. Although legally separate entities, the following component units are governed by the County's Board of Supervisors; and therefore are presented as blended component units and are reported as part of the primary government. The primary government is financially accountable for these component units. Each blended component unit has a June 30 fiscal year-end.

Tuolumne County Public Power Agency (Agency) – The Agency was formed July 1, 1982, to administer the utilization of available preference electrical power from the Federal Government's New Melones Dam Project. The Agency has 30 members receiving power under agreements with the Western Area Power Administration (WAPA) and Pacific Gas and Electric Co. (PG&E). As a result of these agreements, the Agency is able to supply electrical power to its members at a rate below the current market rate. The agreements with WAPA expire on December 31, 2024. The Agency is presented as an enterprise fund in these financial statements.

Special Districts – The following blended component units are presented as special revenue funds in these financial statements.

- County Service Areas – Provide miscellaneous services throughout all unincorporated areas of the County.
- Lighting Districts – Provide street and highway safety lighting for all unincorporated areas of the County.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County has no discretely presented component units.

The complete financial statements for each of the individual component units may be obtained at the County's Auditor-Controller's Office.

Accounting Principles

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are described below.

Government-Wide and Fund Financial Statements

The statement of net assets and statement of activities report information on all of the nonfiduciary activities about the primary government (the County) and its component units. 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 and charges for support.

The statement of activities demonstrates the degree to which the expenses of a given function or segment are offset by program revenues. Expenses include those that are clearly identifiable with a specific program or function (direct), but also include an element of indirect costs. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and Investment Trust fiduciary fund financial statements. The Agency fiduciary fund financial statements also are reported using the accrual basis of accounting, however they have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 120 days of the end of the current fiscal period, except for property taxes and some intergovernmental revenues. The County considers property taxes available if they are collected within 60 days of the end of the current fiscal period. For some intergovernmental revenues, the County considers them available if they are collected within 365 days. Expenditures generally are 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.

Property taxes, franchise taxes, sales and use taxes, transient occupancy taxes, gas taxes, licenses, grants, charges for services, and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- The General Fund is the County's primary operating fund and accounts for all financial resources, except those required to be accounted for in another fund.
- The Road Special Revenue Fund accounts for activities related to the maintenance of County roads, numerous storm drainage ditches and culverts, bridges, and a fleet of heavy construction equipment.
- The Health and Welfare Special Revenue Fund accounts for the services provided to County residents in the areas of health, mental health, substance abuse, social services, employment assistance and public assistance.
- The Community Development Block Grants Special Revenue Fund accounts for the activities of federally funded community development block grants.
- The Road Construction Capital Projects Fund accounts for the activities related to construction and maintenance of County streets and road.

The County reports the following major enterprise funds:

- The General Medical Facility Enterprise Fund accounts for the operations of the Tuolumne General Medical Facility.
- The Solid Waste Enterprise Fund accounts for the landfill closure and postclosure costs for the Central and Big Oak Flat landfills.
- The Ambulance Enterprise Fund accounts for the operations of the County's emergency response services provided to its residents in conjunction with Tuolumne General Medical Facility.
- The Airport Enterprise Fund accounts for the operations related to the operation of the Columbia and Pine Mountain Lake airports.
- VNA of the Mother Lode Enterprise Fund accounts for the operations of the Visiting Nurses Association of the Mother Lode, which provides nursing services for local hospitals and care facilities.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the County reports the following fund types:

- Internal Service Funds account for the financing of goods and services provided by one department to other departments of the County, on a cost-reimbursement basis. Activities include the County's self-insurance programs, telecommunications, purchasing and special services, and various employee benefits.
- The Investment Trust Fund accounts for the pooling of resources in an investment portfolio for external county agencies and legally separate participants.
- Agency Funds account for property tax collections awaiting apportionment to governmental agencies, local transportation funds held for Tuolumne County Transportation Council (Council), and fines collected for medical services and allocated to third parties.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, except for interfund services provided and used, which are not eliminated in the process of consolidation.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges to customers for sales and services rendered. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Financial Statement Elements

Cash and Investments

A pooled cash and investment system is used for substantially all funds except specified funds, which by law must be segregated. The share of each fund in the pooled cash and investment account is separately accounted for and interest earned is apportioned quarterly based on the relationship of its daily balance to the total of pooled cash and investments.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County has stated required investments at fair value in the basic financial statements. The fair value of investments is based on published market prices and quotations from major investment brokers. The investments are marked to market and the net asset value is calculated for the County Treasurer's Investment Pool (Pool) annually.

In accordance with GASB Statement No. 9, for purposes of the statement of cash flows, the County considers all pooled cash and investments held by the Treasurer as cash equivalents. The Treasurer's investment pool values participants' shares on an amortized cost basis. At June 30, 2010, there is no material difference between pool participant's shares valued on an amortized cost basis compared to fair value.

Property Tax Levy, Collection and Maximum Rates

Article XIII of the California Constitution (Proposition 13) limits ad valorem taxes on real property to one percent of value plus taxes necessary to pay indebtedness approved by voters prior to July 1, 1978. The Article also established the 1975/76 assessed valuation as the base and limits annual increases to the cost of living, not to exceed two percent, for each year thereafter. Property may also be reassessed to full market value after a sale, transfer of ownership, or completion of new construction. Property may also be reassessed when there is a decline in the full market value. The State is prohibited under the Article from imposing new ad valorem, sales, or transactions taxes on real property. Local governments may impose special taxes (except on real property) with the approval of two-thirds of the qualified electors.

The County is responsible for assessing, collecting and distributing property taxes in accordance with state law. Liens on real property are established January 1 for the ensuing fiscal year. The property tax is levied as of July 1 on all taxable property located in the County. Secured property taxes are due in two equal installments on November 1 and February 1 and are delinquent 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.

In fiscal year 1993-94, the County adopted the Alternate Method of Property Tax Allocation (commonly referred to as the Teeter Plan). Under the Teeter Plan, the County Auditor-Controller, an elected official, is authorized to pay 100 percent of the property taxes billed (secured, supplemental, and debt service) to the taxing agencies within the County. The County recognizes property tax revenues in the period for which the taxes are levied.

Proposition 1A Borrowing by the State of California

Under the provisions of Proposition 1A and as part of the 2009-10 budget package passed by the California state legislature on July 28, 2009, the State of California borrowed 8% of the amount of the property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in lieu sales tax, and supplemental property tax, apportioned to cities, counties and special districts (excluding redevelopment agencies). The state is required to repay this borrowing plus interest by June 30, 2013. After repayment of this initial borrowing, the California legislature may consider only one additional borrowing within a ten-year period. The amount of this borrowing pertaining to the County of Tuolumne was \$1,943,919.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Authorized with the 2009-10 state budget package, the Proposition 1A Securitization Program was instituted by the California Statewide Communities Development Authority (California Communities), a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, to enable local governments to sell their Proposition 1A receivables. Under the Securitization Program, California Communities, acting solely as a conduit for the State of California, simultaneously purchased the Proposition 1A receivables and issued bonds (Prop 1A Bonds) to provide local agencies with cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010. The purchase price paid to the local agencies equaled 100% of the amount of the property tax reduction. All transaction costs of issuance and interest were paid by the State of California. Participating local agencies have no obligation on the bonds and no credit exposure to the State. The County participated in the securitization program and accordingly property taxes have been recorded in the same manner as if the State had not exercised its rights under the Proposition 1A. The receivable sales proceeds were equal to the book value and, as a result, no gain or loss was recorded.

Receivables

The majority of the loans receivable balance of \$5,665,449 is not expected to be collected within one year, and is therefore classified as nonspendable fund balance.

Accounts receivable of the General Medical Facility enterprise fund of \$592,517 is reported net of contractual and bad debt allowances of \$194,162. Accounts receivable of the Ambulance enterprise fund of \$421,681 is reported net of bad debt allowances of \$780,307.

Interfund Receivables and Payables

Activity between funds that are representative of lending and/or borrowing arrangements outstanding at the end of the fiscal year 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) in the balance sheet of governmental funds and the statement of net assets for proprietary funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. Advances to other funds, as reported in the governmental funds balance sheet, are reported as nonspendable fund balance in the applicable governmental funds to indicate those amounts that are not available for appropriation and are not expendable available financial resources.

Prepaid Items and Inventories

Prepaid items represent funds expended for goods and/or services prior to the end of the fiscal year but benefit periods extending beyond June 30, 2010. In governmental funds, a portion of fund balance has been classified as nonspendable to indicate that prepaid items do not represent expendable available financial resources.

Inventory is valued at average cost and consists of expendable supplies held for consumption that are expended as consumed. Inventories reported in governmental funds are reported as nonspendable fund balance, which indicates that they do not constitute expendable available financial resources.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include land, structures, equipment (vehicles, computers and office equipment) and infrastructure (i.e., roads and bridges) are reported in the applicable governmental and business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. The County defines capital assets as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair value on the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Buildings and structures, equipment, and infrastructure assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Structures and Improvements	5 – 25
Equipment	3 – 15
Infrastructure	25 – 30

GASB Statement No. 34 requires that the County report infrastructure including roads, bridges, sidewalks and traffic signals, in the government-wide financial statements. The County has retroactively reported infrastructure capital assets back to June 30, 1972. The County is not reporting any infrastructure assets using the modified approach.

Federal, State and Local Grants

Proprietary fund type grants received for operating assistance are recorded as nonoperating revenues in the year in which all eligibility requirements have been met. Governmental fund grants received are recorded as revenues in the year they become both measurable and available and when all eligibility requirements have been met. Monies received that do not meet these criteria are recorded as deferred revenue.

Compensated Absences

Employees accumulate vacation time in accordance with the employee's respective "Memorandum of Understanding". The amount of vacation and sick time vested and accrued depends on years of service and date of hire. Sick leave vested may be accumulated until termination or retirement. Upon termination or retirement, after 5 years of continuous service, an employee may receive full cash payment of the accumulated sick leave vested up to a maximum of 240 hours and receive a 50% payment for hours in excess of 240 hours. The liabilities for compensated absences are recorded in the Employee Leave Liability Internal Service Fund and the enterprise funds.

Deferred Revenue

Deferred revenue represents financial resources received before eligibility requirements have been met. Primarily, these resources are advances from the State of California and the federal government for costs of various programs administered by the County's Health & Social Services Department.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Encumbrances

Encumbrance accounting is used in governmental funds. In conformity with accounting principles generally accepted in the United States of America, encumbrances (i.e., purchase orders, contracts) outstanding at year-end are reported within fund balance categories and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Net Assets/Fund Balances

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested in 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.* 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.* This category represents net assets of the County, not restricted for any project or other purpose.

When both restricted and unrestricted net assets are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

The governmental funds utilize a classified fund balance presentation. Fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts can be spent as follows:

- *Nonspendable* – to reflect amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted* – to reflect amounts that can only be used for specific purposes pursuant to constraints either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – to reflect amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County Board of Supervisors. The formal action necessary to establish (and modify or rescind) a commitment is either (a) a three-fifths vote if done as part of the passage of the final budget, or (b) a four-fifths vote if done any other time.
- *Assigned* – to reflect amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The County Board of Supervisors has authorized the County Administrative Officer or the Auditor-Controller to assign amounts to a specific purpose via the County ordinance assigning purchasing agents.
- *Unassigned* – to reflect amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes with the general fund.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When both restricted and unrestricted fund balance amounts are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned unrestricted fund balance amounts are available for use, it is the County's policy to use committed resources first, then assigned resources, and then unassigned resources as they are needed.

Self-Insurance

The County self-insures for property damage, liability, workers' compensation, and unemployment claims. Self-insurance programs are accounted for in internal service funds. Excess workers' compensation insurance is provided by the CSAC Excess Insurance Authority, a public agency.

Use of Estimates

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

New Accounting Pronouncement

In June 2007, GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement addresses a previous lack of sufficient authoritative guidance in accounting and financial reporting of intangible assets among state and local governments. The objective of this statement is to establish requirements for recognition, initial measurement, and amortization to reduce inconsistencies and thereby improve comparability. This statement was implemented by the County during the year ended June 30, 2010; however, there was no material impact to the County's financial statements.

During the year ended June 30, 2010, the County implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that 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 governmental funds balance sheet displays fund balance information in accordance with the standard and the notes provide the required disclosures. This statement also clarifies the existing governmental fund type definitions, which may affect the activity reported in those funds. No changes in the governmental funds reported in prior years were required to comply with the clarifying definitions.

NOTE 2: CASH AND INVESTMENTS

The County follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents under the provisions of bond indentures. Cash and investments are comprised of the following shown on the financial statements:

Government-wide:	
Cash and investments	\$ 32,692,920
Restricted cash and investments	532,143
Fiduciary funds:	
Investment Trust Fund	46,131,335
Agency Funds	<u>2,484,448</u>
Total cash and investments	<u>\$ 81,840,846</u>

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 2: CASH AND INVESTMENTS (Continued)

The County's total cash and investments are detailed as follows:

Deposits	\$ (1,835,128)
Investments	83,662,800
Cash on hand	13,174
Total cash and investments	\$ 81,840,846

Authorized Investments

Under provisions of the County's Investment Policy, and in accordance with Section 53601 of the California Government Code, the County is authorized to invest in obligations of the U.S. Treasury, U.S. government agencies and instrumentalities, the California Local Agency Investment Fund (LAIF), California Asset Management Program (CAMP), prime commercial paper as rated by Standard and Poor's Corporation or Moody's Commercial Paper Record, medium-term corporate notes, bankers' acceptances, repurchase and reverse repurchase agreements, negotiable certificates of deposit, obligations of the State of California, and obligations of local agencies within California.

The County is a voluntary participant in LAIF. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2010 had a balance of \$69.4 billion. Of that amount, 5.42% was invested in structured notes and asset-backed securities. PMIA is not SEC-registered, but is required to invest according to California Government Code. The average maturity of PMIA investments was 203 days as of June 30, 2010. The Local Investment Advisory Board (LAIB) has oversight responsibility for LAIF. The LAIB consists of five members as designated by state statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the County's portion in the pool.

The County is a voluntary participant in CAMP, a California Joint Powers Authority that falls under California Government Code Section 53601(p), which is directed by a Board of Trustees that is made up of experienced local government finance directors and treasurers. At June 30, 2010, CAMP had a balance of \$2.5 billion with an average maturity of 48 days. The value of the pool shares in CAMP, which may be withdrawn, is determined on an amortized cost basis, which is the same as the fair value of the County's portion in the pool.

Concentration of Credit Risk

Investments in any one issuer (other than U.S. Treasury Securities, money market mutual funds or external investment pools) that represent 5% or more of the total investments of the County are as follows:

Federal Home Loan Bank	\$5,041,400
Federal Farm Credit Bank	\$5,104,840
Federal Home Loan Mortgage Corporation	\$5,051,430

Custodial Credit 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 custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, except that the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 2: CASH AND INVESTMENTS (Continued)

Interest Rate and Credit Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County mitigates interest rate risk by structuring the portfolio based on historical and current cash flow analysis eliminating the need to sell securities prior to maturity, and avoiding the purchase of long-term securities for the sole purpose of short-term speculation.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County mitigates its exposure to credit risk by purchasing investment grade securities with the minimum ratings required by the California Government Code and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the County's capital base and cash flow.

Pursuant to Government Code Sections 27131 through 27132, the Board of Supervisors adopted an investment policy. The investment policy has the following objectives: legality of investment, safety of principal, liquidity, and yield. In addition, the investment policy establishes cash management and investment guidelines for the Treasurer's responsible for the stewardship of public funds. All collateral on investments is to be either held by the Treasurer or in the County's name by a third party trust department. The Treasurer annually presents a report at a public board meeting on the current year's activity.

As of June 30, 2010, the County's cash and investments segmented time distribution and credit ratings are as follows:

	Credit Rating (S & P)	Maturity					Fair Value
		Under 30 Days	31 – 180 Days	181 – 365 Days	1 – 3 Years	More Than 3 Years	
Investment Pool:							
Cash on hand							\$ 10,513
Cash deposits							(2,047,676)
Total cash							(2,037,163)
Investments managed by County Treasurer:							
LAIF	Not Rated	\$ --	\$ --	\$40,500,000	\$ --	\$ --	40,500,000
CAMP	AAAm	--	5,000,000	--	--	--	5,000,000
U.S. Agency Securities:							
Federal Farm Credit Bank	AAA	--	1,000,000	--	4,104,840	--	5,104,840
Federal Home Loan Bank	AAA	--	3,042,400	--	1,999,000	--	5,041,400
Federal Home Loan Mortgage Corporation	AAA	--	2,051,430	1,000,000	1,000,000	1,000,000	5,051,430
Federal National Mortgage Association	AAA	--	--	--	2,000,000	--	2,000,000
Corporate Notes	AAA	--	1,005,500	4,063,600	6,191,770	--	11,260,870
Corporate Notes	AA+	--	--	--	1,000,000	--	1,000,000
Corporate Notes	AA	--	1,005,330	1,050,360	--	--	2,055,690
Corporate Notes	AA-	--	--	1,029,950	1,024,180	--	2,054,130
Corporate Notes	A+	--	2,015,370	1,039,610	--	--	3,054,980
Corporate Notes	A	--	--	--	1,088,000	--	1,088,000
Corporate Notes	Not Rated	451,460	--	--	--	--	451,460
Total investments managed by County Treasurer		\$ 451,460	\$15,120,030	\$48,683,520	\$18,407,790	\$1,000,000	83,662,800
Total Investment Pool							81,625,637
Cash and Investments Held Outside of the Pool							
Cash on hand							2,661
Cash deposits							212,548
Total cash and investments							\$81,840,846

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 2: CASH AND INVESTMENTS (Continued)

The County maintains written investment policies, which address a wide variety of investment practices, including primary investment objectives, investment authority, allowable investment vehicles, investment maturity terms, eligible financial institutions, capital preservation, and cash flow management. Under the County's policies, investments in the County's portfolio are intended to be held until maturity.

The Pool values participant's shares on an amortized cost basis. The Pool distributes income to participants quarterly based on their relative participation during the month, which is calculated based on (1) realized investment gains and losses computed on an amortized cost basis, (2) interest income based on stated rates (both paid and accrued), (3) amortization of discounts and premiums on a straight-line basis, and (4) investment and administrative expenses. This method differs from the fair value method used to value investments in these financial statements because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair value of the Pool's investments. Investment income related to investments reported in certain funds is assigned to other funds based upon legal or contractual provisions.

Certain agencies outside the County reporting entity participate in the Pool. The participation of these agencies is both voluntary and involuntary and is reported as part of the Investment Trust Fund. The involuntary participation in the Pool totals \$43,517,526 as of June 30, 2010.

A summary of the investments held by the Treasurer's Pool is as follows:

Investments	Fair Value	Principal	Interest Rate	Maturity Range
LAIF	\$ 40,500,000	\$ 40,500,000	0.528%	1/19/11*
CAMP	5,000,000	5,000,000	0.26%	8/26/10*
U.S. Agency Securities	17,197,670	17,000,000	1.05-4%	8/24/10-3/15/15
Corporate Notes	20,965,130	22,000,000	1.4-5.42%	7/1/10-1/8/13
Total Investments	<u>\$ 83,662,800</u>	<u>\$ 84,500,000</u>		

* LAIF and CAMP are investment pools, and as such, their maturities are measured as a weighted average; LAIF being 203 days and CAMP being 48 days.

The following are condensed statements of net assets, and changes in net assets, for the County's external investment pool as of June 30, 2010:

Statement of Net Assets:

Net assets held for pool participants	<u>\$ 82,019,498</u>
Equity of internal pool participants	\$ 35,494,302
Equity of external pool participants	<u>46,525,196</u>
Total equity	<u>\$ 82,019,498</u>

Statement of Changes in Net Assets:

Net assets at July 1, 2009	\$ 81,711,357
Net change in investment by pool participants	<u>308,141</u>
Net assets at June 30, 2010	<u>\$ 82,019,498</u>

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2010 for the governmental activities and business-type activities are as follows:

	Balance July 1, 2009	Increases	Decreases	Balance June 30, 2010
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,479,923	\$ 4,207,983	\$ --	\$ 6,687,906
Construction in progress	3,198,241	6,394,766	(4,512,605)	5,080,402
Total capital assets, not being depreciated	<u>5,678,164</u>	<u>10,602,749</u>	<u>(4,512,605)</u>	<u>11,768,308</u>
Capital assets, being depreciated:				
Structures and improvements	39,846,973	1,075,360	--	40,922,333
Equipment	37,309,423	2,970,167	(1,467,907)	38,811,683
Roads	347,787,862	659,569	--	348,447,431
Bridges	5,579,558	2,502,441	--	8,081,999
Total capital assets, being depreciated	<u>430,523,816</u>	<u>7,207,537</u>	<u>(1,467,907)</u>	<u>436,263,446</u>
Less accumulated depreciation for:				
Structures and improvements	(22,144,541)	(1,372,948)	--	(23,517,489)
Equipment	(32,074,006)	(2,265,074)	1,376,747	(32,962,333)
Roads	(334,007,167)	(1,192,575)	--	(335,199,742)
Bridges	(1,567,803)	(223,148)	--	(1,790,951)
Total accumulated depreciation	<u>(389,793,517)</u>	<u>(5,053,745)</u>	<u>1,376,747</u>	<u>(393,470,515)</u>
Total capital assets, being depreciated, net	<u>40,730,299</u>	<u>2,153,792</u>	<u>(91,160)</u>	<u>42,792,931</u>
Governmental activities, net	<u>\$ 46,408,463</u>	<u>\$ 12,756,541</u>	<u>\$ (4,603,765)</u>	<u>\$ 54,561,239</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,317,017	\$ --	\$ --	\$ 2,317,017
Capital assets, being depreciated:				
Structures and improvements	21,307,796	275,235	(16,663)	21,566,368
Equipment	6,897,484	454,489	(974,348)	6,377,625
Total capital assets, being depreciated	<u>28,205,280</u>	<u>729,724</u>	<u>(991,011)</u>	<u>27,943,993</u>
Less accumulated depreciation for:				
Structures and improvements	(12,327,357)	(639,185)	16,663	(12,949,879)
Equipment	(5,730,051)	(473,645)	927,763	(5,275,933)
Total accumulated depreciation	<u>(18,057,408)</u>	<u>(1,112,830)</u>	<u>944,426</u>	<u>(18,225,812)</u>
Total capital assets, being depreciated, net	<u>10,147,872</u>	<u>(383,106)</u>	<u>(46,585)</u>	<u>9,718,181</u>
Business-type activities, net	<u>\$ 12,464,889</u>	<u>\$ (383,106)</u>	<u>\$ (46,585)</u>	<u>\$ 12,035,198</u>

Fully depreciated equipment with an original cost and accumulated depreciation of \$15,907 was transferred from governmental activities to business-type activities during the year. As a result, the increase in accumulated depreciation for business-type activities differs from depreciation expense by this amount.

At June 30, 2010, the significant construction commitments included \$715,853 for the Highway J59 overlay project for which \$2,452,204 has been spent to date and \$245,319 for the Law and Justice Center for which \$873,885 has been spent to date.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: CAPITAL ASSETS (Continued)

Depreciation expense was charged to the governmental and business-type activities as follows:

Governmental activities:

General government	\$ 1,501,240
Public protection	1,163,002
Public ways and facilities	2,029,236
Health and sanitation	132,835
Public assistance	25,339
Education	105,900
Recreation and cultural services	72,725
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	23,468
Total depreciation expense – governmental activities	<u>\$ 5,053,745</u>

Business-type activities:

General Medical Facility	\$ 209,267
Solid Waste	37,918
Ambulance	385,901
Airport	263,118
VNA of the Mother Lode	4,788
Other enterprise funds	195,931
Total depreciation expense – business-type activities	<u>\$ 1,096,923</u>

NOTE 4: LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for governmental and business-type activities is as follows:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010	Due Within One Year
Governmental activities:					
Accrued claims	\$ 8,428,070	\$ 2,177,670	\$ (2,592,237)	\$ 8,013,503	\$ 1,749,901
Accrued OPEB liability	1,905,297	2,419,000	(315,628)	4,008,669	--
Compensated absences	6,778,425	1,688,725	(1,191,485)	7,275,665	1,000,000
Bonds payable	5,955,000	--	(120,000)	5,835,000	125,000
Plus premium	81,152	--	(2,969)	78,183	2,969
Note payable	104,454	--	(5,712)	98,742	6,026
Capital lease obligations	47,863	--	(47,863)	--	--
Total governmental activities	<u>\$ 23,300,261</u>	<u>\$ 6,285,395</u>	<u>\$ (4,275,894)</u>	<u>\$ 25,309,762</u>	<u>\$ 2,883,896</u>
Business-type activities:					
Compensated absences	\$ 649,696	\$ 130,092	\$ (334,817)	\$ 444,971	\$ 373,559
Landfill closure and postclosure	2,714,165	--	(72,132)	2,642,033	90,472
Capital lease obligations	380,486	--	(225,804)	154,682	91,490
Notes payable	7,296,223	189,873	(100,516)	7,385,580	1,805,717
Total business-type activities	<u>\$ 11,040,570</u>	<u>\$ 319,965</u>	<u>\$ (733,269)</u>	<u>\$ 10,627,266</u>	<u>\$ 2,361,238</u>

In governmental activities, the majority of employee compensated absences are liquidated by the Employee Leave Liability Internal Service Fund, which predominantly serves the governmental funds. Accordingly, its long-term liabilities are included as part of the totals for governmental activities.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 4: LONG-TERM LIABILITIES (Continued)

Capital Lease Obligations:

A medical office building lease with a monthly payment of \$8,049, including interest at 4.51% through 2012 with a balance at June 30, 2010 of \$154,682 is presented in the General Medical Facility Enterprise Fund.

The capital assets acquired through capital leases are as follows:

	Business-type Activities
Equipment	\$ 1,103,653
Less accumulated depreciation	(585,562)
Net capital assets under capital leases	<u>\$ 518,091</u>

The future minimum capital lease obligations as of June 30, 2010, are as follows:

Year Ending June 30,	Business-type activities
2011	\$ 96,590
2012	64,264
	<u>160,854</u>
Less: Interest	(6,172)
Total	<u>\$ 154,682</u>

Notes Payable:

During fiscal year 2009, the County received a loan of \$500,000 from the State of California for the closure of the Jamestown Landfill. This loan is for 10 years with no interest. The balance of \$450,000 as of June 30, 2010 is presented in the Solid Waste Fund.

During fiscal year 2009, the County entered into an agreement with the California State Association of Counties (CSAC) Excess Insurance Authority (EIA) to borrow \$6,330,000. These funds are to be used to help pay for the postclosure costs of the Jamestown Landfill. The interest rates are set by the EIA board based upon their inter-fund borrowing policy. The rate for 2009-10 is 2.95%. The loan must be repaid within 5 years. There are no fixed payments. The balance of \$6,626,243, which includes \$296,243 in accumulated interest as of June 30, 2010, is presented in the Solid Waste Fund.

During fiscal year 2006, the County received a loan of \$472,000 from the State of California for the clean up of tires that were unearthed during a clean up project. This loan is for 10 years with no interest. The balance of \$283,200 as of June 30, 2010 is presented in the Solid Waste Fund.

During fiscal year 2000, the County entered into an agreement with the State of California, where the State loaned the County \$51,800 for the purchase of a corporate hanger at the Columbia Airport. This loan is for 17 years with an annual interest rate 4.8%. The balance of \$26,137 as of June 30, 2010 is presented in the Airport Enterprise Fund.

During fiscal year 2007, the County entered into an agreement with WestAmerica Bank for \$115,000 for the purchase of cemetery land. This loan is for 15 years with an annual interest rate 5.5%. The balance at June 30, 2010 is \$98,742 and is presented in governmental activities.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 4: LONG-TERM LIABILITIES (Continued)

The annual debt service requirements to maturity for the notes payable are as follows:

Year Ended June 30,	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2011	\$ 6,026	\$ 5,431	\$ 1,805,717	\$ 1,249
2012	6,358	5,099	5,022,095	273,001
2013	6,707	4,750	101,054	907
2014	7,076	4,381	101,233	722
2015	7,465	3,992	101,412	530
2016-2020	43,956	13,329	254,069	446
2021-2022	21,154	1,760	--	--
Total	<u>\$ 98,742</u>	<u>\$ 38,742</u>	<u>\$ 7,385,580</u>	<u>\$ 276,855</u>

Judgment Obligation Bonds:

On November 16, 2006, the County issued \$6,195,000 Judgment Obligation Bonds pursuant to the terms of a stipulated judgment in the case entitled The People of the State of California ex rel. Attorney General Bill Lockyer and the California Regional Water Quality Control Board, Central Valley Region v. Sonora Mining Corp., et al.

The County pays semi-annual payments that began on May 1, 2007 and will end on November 1, 2036. The interest rate varies from 3.5% to 4.5%. Annual principal and interest payments range from \$362,987 to \$373,061.

Year Ended June 30,	Governmental activities	
	Principal	Interest
2011	\$ 125,000	\$ 248,061
2012	130,000	242,961
2013	135,000	237,999
2014	135,000	233,189
2015	140,000	228,205
2016-2020	800,000	1,054,519
2021-2025	970,000	875,663
2026-2030	1,205,000	634,387
2031-2035	1,500,000	330,976
2036-2037	695,000	31,612
	<u>\$ 5,835,000</u>	<u>\$ 4,117,572</u>

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 5: INTERFUND TRANSACTIONS

Advances to/from other funds

Advances to/from other funds represent long-term cash advances to support various agencies' cash flow needs. The following schedule briefly summarizes the amounts of advances to/from other funds at June 30, 2010:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Agency	\$ 5,013,352
Road	Other Governmental	3,506,483
	Solid Waste	1,894,300
		<u>5,400,783</u>
Internal Service	General	61,662
	Road	15,700
	Health and Welfare	1,537,091
	Community Development Block Grants	279,905
	Other Governmental	66,100
	Ambulance	304,800
	Airport	136,207
	Internal Service	1,081,730
		<u>3,483,195</u>
		<u>\$ 13,897,330</u>

The Property Tax Collection Agency Fund borrowed from the General Fund to offset cash deficits. The outstanding balance at June 30, 2010 totaled \$5,013,352.

The County Capital Capital Projects Fund (other governmental) borrowed from the Road Fund for the purchase of the land for the Law and Justice Center. The outstanding balance at June 30, 2010 totaled \$3,506,483.

The County Board of Supervisors authorized an advance from the Road Fund to Solid Waste Fund to offset up-front costs related to landfill closure costs. The outstanding balance at June 30, 2010 totaled \$1,894,300.

The County Board of Supervisors authorized advances to offset the Health and Welfare Fund's cash deficits. The Health and Welfare Fund borrowed from the Workers' Compensation Internal Service Fund. The outstanding balance at June 30, 2010 totaled \$1,537,091.

The Employee Leave Liability Internal Service Fund borrowed from the Post Retirement Insurance Internal Service Fund to offset cash deficits. The outstanding balance at June 30, 2010 totaled \$781,000. In addition, the Employee Group Insurance Internal Service Fund borrowed from the Workers' Compensation Internal Service Fund to offset cash deficits. The outstanding balance at June 30, 2010 totaled \$300,730.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 5: INTERFUND TRANSACTIONS (Continued)

Transfers in/out

Transfers are indicative of funding for capital projects, re-allocations of special revenues and subsidies of various County operations. The following schedule briefly summarizes the County's transfer activity for the year ended June 30, 2010:

Transfer From	Transfer To	Amount
General	Road	\$ 642,451
	Health and Welfare	4,966,379
	Other Governmental	747,571
	General Medical Facility	4,316,000
	Airport	97,946
	VNA of the Mother Lode	170,345
		<u>10,940,692</u>
Other Governmental	General	7,810
	Other Governmental	1,097,276
		<u>1,105,086</u>
General Medical Facility	VNA of the Mother Lode	<u>1,780,744</u>
Ambulance	Other Governmental	<u>42,764</u>
Internal Service	Internal Service	<u>333,969</u>
		<u>\$ 14,203,255</u>

In addition to the transfers noted in the above table, capital assets were transferred to the General Medical Facility and Ambulance from the general government for \$213,530 and \$61,705, respectively. However, governmental funds do not report these transfers out due to the different measurement focus. These transfers in of capital assets were reported as capital contributions in the General Medical Facility and Ambulance funds.

General Fund

The General Fund made contributions of \$10,940,692 to other funds to offset operating costs of the programs. Of the amount transferred out, the General Medical Facility received \$4,316,000 representing the County's contribution to offset operating losses. In addition, the Health and Welfare Fund received \$4,966,379 representing transfer of vehicle license fee revenue received from the State.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 6: RETIREMENT PLAN

Plan Description

The County of Tuolumne contributes to the California Public Employees' Retirement System (CalPERS) for its miscellaneous and safety employees. The Miscellaneous plan is an agent multiple-employer public employee defined benefit pension plan. The Safety plan is a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by contract with CalPERS in accordance with the provisions of the Public Employees Retirement Law and County ordinance. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, CA 95814.

Funding Policy

Participants are required to contribute 7% (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 at actuarially determined rates; those rates for the year ended June 30, 2010 were 11.376% for Miscellaneous employees and 26.170% for safety employees of the respective annual covered payroll. The contribution requirements of plan members and the County are established and may be amended by CalPERS.

Annual Pension Cost

For the year ended June 30, 2010, the County's annual pension cost of \$5,419,834 was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2007 actuarial valuations using the entry age actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected annual salary increases depending on age, service, and type of employment of 3.25% to 14.45%, (c) inflation of 3.00%, (d) payroll growth of 3.25%, (e) individual salary growth varying by duration of employment coupled with an assumed annual inflation growth of 3.00% and an annual production growth of 0.25%. The actuarial value of CalPERS assets was determined using the techniques that smooth the effects of short-term volatility in the market value of investments over a 15-year period (smoothed market value). The Miscellaneous plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2010 is 23 years for the Miscellaneous plan.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 6: RETIREMENT PLAN (Continued)

Three-Year Trend Information

Miscellaneous Plan Members

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/08	\$3,832,694	100%	--
6/30/09	4,059,526	100%	--
6/30/10	3,500,911	100%	--

Safety Plan Members

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/08	\$1,103,957	100%	--
6/30/09	1,565,840	100%	--
6/30/10	1,918,923	100%	--

Funded Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the Miscellaneous plan was 87.9% funded. For the Miscellaneous plan, the actuarial accrued liability for benefits was \$187.3 million and the actuarial value of assets was \$164.5 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$22.8 million. The covered payroll (annual payroll of active employees covered by the plan) was \$33.7 million for miscellaneous employees, and the ratio of UAAL to the covered payroll was 67.5%. The actuarial assumptions used for the June 30, 2009 valuation were the same as those disclosed on the previous page for the June 30, 2007 valuation, with the exception of (b) projected annual salary increases depending on age, service, and type of employment of 3.55% to 14.45%.

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

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

The County sponsors a single-employer defined benefit plan to provide medical, vision, and dental benefits for certain retired employees under contractual obligations negotiated between the County and members of the executive and confidential plan (Plan). All department heads, elected officials, and confidential staff who retire upon separation and have at least 10 years of service are eligible at varying levels for coverage under the Plan at age 50. Some members that retired due to disability may qualify at a younger age. Members with 10 years of service are covered at 50%. That coverage increases to 75% after 15 years of service and again increases to 100% coverage after 20 years of service. In fiscal year 2004-05, the formula changed where for each year of service after 10 years, coverage increased by 5% (i.e., 11 years of service equals 55%, 12 years of service equals 60%, etc.). Such coverage is at the same level as that provided prior to separation. Plan benefits as previously described continue until age 65, at which point eligible retirees are covered under a Medical Supplemental Plan, which pays secondary to Medicare. This is a lifetime benefit. Effective July 1, 2009, this benefit will no longer be offered to new employees. Benefit provisions are established and may be amended by the County. The Plan does not issue a publicly available financial report.

The County also provides medical coverage for all employees through the CalPERS healthcare program (PEMHCA).

The County allows retirees to continue participating in the medical insurance program after retirement. The following summarizes the retiree healthcare benefits:

- Retiree Executive and Confidential Plan: The County contributes to retiree medical plans for executive and confidential employees. Amounts and eligibility requirements vary by years of service.
- PEMHCA Minimum: Retirees participating in PEMHCA receive the PEMHCA minimum required employer contribution towards the retiree monthly premium.
- Implied Subsidy: An implied subsidy generally exists when retiree premiums are based on blended active and retiree experience. Since PEMHCA is a community rated plan for the County, no implied subsidy is required for the PEMHCA plan. The County's actuary has determined that no implied subsidy is required for the County's stand-alone medical plan.

Funding Policy

As of June 30, 2010, the County had cash and investments of \$933,664 set aside in the Post Retirement Insurance Internal Service Fund for the plans. No assets were invested in an irrevocable plan trust.

The County's actuarially determined contribution rate was 6.5% of annual covered payroll. However, the County currently contributes based on a projected pay-as-you-go funding method, that is, benefits are payable when due. For fiscal year 2009/10, the County contributed \$315,628 in benefit payments (\$54,841 for the PEMHCA minimum and \$260,787 for the executive and confidential plan).

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Annual Other Postemployment Benefit Cost and Net Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the Annual Required Contribution (ARC) of the employer, an amount actuarially determined as part of the June 30, 2009 actuarial valuation in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation.

Annual required contribution	\$ 2,477,000
Interest on Net OPEB	86,000
Amortization of Net OPEB	(144,000)
OPEB cost (expense)	2,419,000
Benefit payments made	(315,628)
Increase in net OPEB obligation	2,103,372
Net OPEB obligation – beginning of year	1,905,297
Net OPEB obligation – end of year	<u>\$ 4,008,669</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net postemployment healthcare plan obligation were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2009	\$ 2,265,000	\$ 359,703	15.9%	\$ 1,905,297
June 30, 2010	2,419,000	315,628	13.0	4,008,669

The quantification of costs set forth above should not be interpreted in any way as vesting such benefits; rather the disclosures are made solely to comply with the County's reporting obligations under GASB 45, as the County understands these obligations.

As required by GASB Statement No. 45, the County will report three years of data in the above table, as the information becomes available in subsequent years.

Funded Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$20.9 million and the actuarial value of plan assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$20.9 million. The covered payroll (annual payroll of active employees covered by the plan) was \$34.2 million and the ratio of UAAL to the covered payroll was 61.1%.

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

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 7: OTHER POST EMPLOYMENT BENEFITS PLAN (Continued)

Of the \$20.9 million of UAAL, \$13.2 million is associated with the County's Executive and Confidential Plan and the remaining \$7.7 million is associated with medical coverage for retirees provided through the CalPERS healthcare program. As mentioned under the Funding Policy, the County holds reserves of approximately \$0.9 million designated to fund the \$0.9 million of UAAL associated with the Executive and Confidential Plan. These funds are expected to be placed in trust in the coming year at which time they will qualify as plan assets in future disclosures.

The plans provide that an actuarial valuation be performed no less than every two years.

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 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 employer and plan members to that point. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

In the June 30, 2009 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), inflation of 3.00%, payroll growth of 3.25%, postemployment benefit increase of 4.5%, and annual pre-Medicare eligible healthcare cost trend rates for medical of 8.4% (9.0% for PPOs) in 2011 (actual 2009 and 2010 premium rates were used) decreasing to 4.5% over 6 years. The post-Medicare eligible healthcare trend started 0.3% higher for 2011. Salary scale and demographic assumptions for withdrawal, mortality, disability, and retirement rates were based on CalPERS 1997-2007 experience Study.

The UAAL is being amortized over a 30-year closed period as a level percentage of payroll.

NOTE 8: 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 and illnesses of employees; and natural disasters. The County maintains the Workers' Compensation and Liability Insurance internal service funds to account for and finance its risks of loss. Under this program, the County is self-insured for the following risks up to the maximum claim as follows: workers' compensation \$300,000; liability \$100,000; property loss \$100,000; with a \$10,000 deductible. The County purchases commercial insurance for claims in excess of the preceding coverage amounts.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 8: RISK MANAGEMENT (Continued)

All operating funds participate in the program and make payments to the internal service funds based on historical cost of the amounts needed to pay prior and current year claims, and to allow accrual of estimated incurred but not reported claims including loss adjustment expenses. Insurance premiums to commercial insurers are also processed through the internal service funds. There have been no settlements in excess of insurance coverage in the past three years. The total determined claims liability at June 30, 2010 is \$8,013,503. These claim estimates are based on the requirements of Governmental Accounting Standards Board Statement No. 10, and include estimated claims incurred but not yet reported as of June 30, 2010. Changes in the internal service funds claims liabilities during the years ended June 30, 2009 and 2010 were as follows:

<u>Fiscal Year</u>	<u>Balance at July 1</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Current Year Claim Payments</u>	<u>Balance At June 30</u>
2008-09	\$ 8,428,070	\$ 2,075,786	\$ (2,075,786)	\$ 8,428,070
2009-10	8,428,070	2,177,670	(2,592,237)	8,013,503

NOTE 9: CLOSURE AND POSTCLOSURE CARE COST

State and federal regulations require the County to place a final cover on its Central (Jamestown) and Big Oak Flat (Groveland) landfill sites when they stop accepting waste and to perform certain maintenance and functions at the sites for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$2,642,033 reported as landfill closure and postclosure care liability at June 30, 2010, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the Jamestown landfill and of the estimated capacity of the Groveland landfill. The County stopped accepting fill for the Groveland landfill during 2002. The Jamestown landfill was closed in 1995. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. As both of the County's landfills have been closed, the County currently takes its waste to a nearby transfer station to be transferred out of state.

NOTE 10: RESTATEMENTS

Public Transportation (Other Enterprise Funds)

At June 30, 2009, Federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) revenue was incorrectly accrued because eligible expenses had not been incurred. Therefore, net assets at the beginning of the year have been decreased by the \$51,425 from \$858,352 to \$806,927.

Public Power Agency (Other Enterprise Funds)

At June 30, 2009, a deposit with the Western Area Power Administration (WAPA) in the amount of \$81,250 was incorrectly reported as utilities expense. Therefore, net assets at the beginning of the year have been increased by the \$81,250 from \$1,934,337 to \$2,015,587.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 11: DEFICIT FUND EQUITY

As of June 30, 2010, the following individual funds had deficit fund equity balances:

Fund	Deficit
Solid Waste	\$ 9,990,979
County Capital	2,851,945
Workers' Compensation	1,241,140
Employee Leave Liability	8,056,628
Post Retirement Insurance	2,288,629

The Solid Waste deficit net assets are expected to be eliminated as the landfill closure/postclosure liability (including the notes payable entered into to help pay for the landfill closure portion of this liability) becomes more funded via user charges.

The County Capital deficit fund balance is expected to be eliminated once all the State funding sources have been determined and the County can determine its share, which it will borrow.

The internal service funds (Workers' Compensation, Employee Leave Liability, and Post Retirement Insurance) deficit net assets are expected to be eliminated via charges to other County funds.

NOTE 12: GENERAL MEDICAL FACILITY ENTERPRISE FUND

Charges for Services and Patient Accounts Receivable – The Facility has agreements with third-party payers that provide for payments to the Facility at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, cost reimbursement, discounted charges, and per diem payments. Net patient service revenue and patient accounts receivable are reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

A summary of the payment arrangements with major third-party payers follows:

Medicare – Inpatient acute psychiatric services are paid based on a cost reimbursement methodology. The Facility is reimbursed for cost reimbursable items at an interim rate with final settlement determined after submission of annual cost reports by the Facility and audits thereof by the Medicare fiscal intermediary. The Facility's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Facility. As of June 30, 2010, the Facility's Medicare cost reports had been audited by the Medicare fiscal intermediary through June 30, 2007. A Medicare review and tentative settlement have been completed for fiscal years ended June 30, 2008 and June 30, 2009.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 12: GENERAL MEDICAL FACILITY ENTERPRISE FUND (Continued)

Medi-Cal – Charges for inpatient acute psychiatric services are paid according to managed care agreement rates with counties that use these services, including the County of Tuolumne. Charges for long-term care services are paid based upon a fixed per diem. At June 30, 2010, all fiscal years have been tentatively settled by the State Department of Health Services and based on the tentative settlement for fiscal year 2008-2009 nothing is due the State. As of June 30, 2010, the Facility's Medi-Cal cost reports, for services provided prior to July 1, 2008, had been audited by the State through June 30, 2008.

Medi-Cal Waiver – California's Medi-Cal Hospital/Uninsured Care Demonstration Project (Demonstration) is a new system for paying selected hospitals, including the Facility, for hospital care provided to Medi-Cal and uninsured patients. The Demonstration was negotiated between the State of California's Department of Health Care Services (DHCS) and the federal Centers for Medicare and Medicaid Services (CMS) and covers the period from July 1, 2005 to June 30, 2010. The implementing State legislation (SB 1100) was enacted by the Legislature in September 2005. The five-year Demonstration affects payments for 23 public hospitals, including all University of California owned hospitals, identified as Designated Public Hospitals, and private and non-designated public safety net hospitals that serve large numbers of Medi-Cal patients.

Under the Demonstration, payments for the public hospitals are comprised of: 1) Fee-for service (FFS) cost based reimbursement for inpatient hospital services (exclusive of physician component); 2) Disproportionate Share Hospital (DSH) payments (formerly SB855); and 3) distribution from a newly created pool of federal funding for uninsured care, known as the Safety Net Care Pool (SNCP) (formerly SB1255). The nonfederal share of these three types of payments will be provided by the public hospitals rather than the State, primarily through certified public expenditures (CPE) whereby the hospital would expend its local funding for services to draw down the federal financial participation (FFP), currently provided at a 50% match. For the inpatient hospital FFS cost-based reimbursement, each hospital will provide its own CPE and receive all of the resulting federal match.

For the DSH and SNCP distributions, the CPEs of all the public hospitals will be used in the aggregate to draw down the federal match. The Demonstration prioritizes payments so that, to the extent possible, total payments to hospitals are at a minimum "baseline" level. For public hospitals, the baseline level is determined and satisfied on a hospital-specific basis. The baseline for the 2008-2009 fiscal year was established at the Facility's total net Medi-Cal inpatient payments for 2006-2007. In fiscal year 2009-2010 the Facility only provided long-term care services and is not eligible for the DSH and SNCP distributions.

County Medical Services Program – Charges for acute psychiatric services are paid based on a cost reimbursement methodology less 15%.

The Facility has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations (HMO), and preferred provider organizations (PPO). The basis for payment to the Facility under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

COUNTY OF TUOLUMNE, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 13: CONTINGENCIES

Grants and subventions

The County received federal grants either directly from federal governmental agencies or as a subgrantee of the State of California. Several grants were passed through to subgrantees of the County. Where grants were passed through to subgrantees, the subgrantees were required to comply with the same terms and conditions, and an audit was required to ensure that the expenses claimed were allowable and that subgrantees complied with related terms and conditions. Continued funding of these grants is dependent upon the budgeting process of the federal, state, and County governments.

Litigation

The County from time to time is a party to various claims, legal actions, and complaints arising in the ordinary course of business. In the opinion of the County's administration the various claims, legal actions and complaints not covered by insurance resulting from such litigation would not materially affect the financial position of the County.

Patient service revenue

The General Medical Facility Enterprise Fund grants credit without collateral to its patients, most of who are local residents and are insured under third-party payer agreements. Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews or investigations.

Receivables from patients and third-party payers at June 30, 2010 are summarized as follows:

Medicaid (Medi-Cal)	100%
County Medical Service Program	--
Private Patients	--
Total	<u>100%</u>

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

NOTE 14: SUBSEQUENT EVENTS

Public Transportation

Effective July 1, 2010, the County no longer manages the Public Transportation Enterprise Fund, which was transferred over to the Tuolumne County Transportation Council.

Child Support Services

On September 7, 2010, the Board approved the County to join the Central Sierra Child Support Agency effective January 1, 2011, which will eliminate the Child Support Services Special Revenue Fund.

Required Supplementary Information

TUOLUMNE
COUNTY



**COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF FUNDING PROGRESS – MISCELLANEOUS RETIREMENT PLAN
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED**

REQUIRED SUPPLEMENTARY INFORMATION

Actuarial Valuation Date	Entry Age Normal Actuarial Accrued Liability (a)	Actuarial Value of Assets (b)	Unfunded/ Liability (a)-(b)	Funded Ratio (b)/(a)	Annual Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a % of Covered Payroll [(a)-(b)]/(c)
6/30/07	\$165,140,194	\$148,899,716	\$16,240,478	90.2%	\$37,399,642	43.4%
6/30/08	174,735,880	156,492,641	18,243,239	89.6	32,587,279	56.0
6/30/09	187,292,218	164,543,583	22,748,635	87.9	33,694,302	67.5



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**COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS PLAN
FOR THE YEAR ENDED JUNE 30, 2009
UNAUDITED**

REQUIRED SUPPLEMENTARY INFORMATION

Actuarial Valuation Date	Entry Age Normal Actuarial Accrued Liability (a)	Actuarial Value of Assets (b)	Unfunded Liability (a)-(b)	Funded Ratio (b)/(a)	Annual Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a % of Covered Payroll [(a)-(b)]/(c)
6/30/07	\$ 18,955,000	\$ --	\$ 18,955,000	0.0%	\$ 34,805,000	54.5%
6/30/09	20,866,000	--	20,866,000	0.0%	34,170,000	61.1%

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$ 25,495,979	\$ 25,000,932	\$ 25,347,812	\$ 346,880
Licenses and permits	1,634,247	1,489,247	1,451,045	(38,202)
Fines, forfeits, and penalties	1,587,400	1,566,038	1,556,836	(9,202)
Interest, rents, and concessions	286,770	286,770	241,024	(45,746)
Intergovernmental:				
State	11,742,104	11,308,932	10,898,215	(410,717)
Federal	2,532,811	3,167,522	2,721,910	(445,612)
Other	659,100	659,100	637,140	(21,960)
Charges for services	9,857,553	10,541,068	10,144,632	(396,436)
Miscellaneous	168,137	357,306	383,716	26,410
Total revenues	53,964,101	54,376,915	53,382,330	(994,585)
Expenditures:				
General government:				
Board of supervisors	723,354	733,832	708,339	25,493
Appropriation for contingencies	1,000,000	169,913	-	169,913
County administrative office	802,151	806,915	787,901	19,014
County auditor-controller	1,120,429	1,132,814	1,130,998	1,816
Treasurer-tax collector	440,026	443,837	418,570	25,267
Assessor-recorder	1,311,275	1,333,977	1,333,969	8
Recorder-micrographics	168,800	168,800	126,745	42,055
Archives	102,155	103,108	100,493	2,615
Office of revenue recovery	637,537	645,159	587,535	57,624
County counsel	862,920	867,684	856,567	11,117
Human resources	656,671	661,243	638,478	22,765
County clerk - elections	569,126	579,031	519,353	59,678
Facilities management	3,043,952	2,931,060	2,891,812	39,248
Plant acquisition	-	517,622	368,145	149,477
Economic development and promotion	318,750	553,784	553,783	1
County film commission	78,009	80,768	80,762	6
Information systems and services	2,861,898	2,891,388	2,668,252	223,136
Public works - surveyor	247,505	249,410	232,470	16,940
Amador-Tuolumne community action agency	24,000	24,000	24,000	-
Jamestown mine	571,452	572,405	555,175	17,230
Total general government	15,540,010	15,466,750	14,583,347	883,403
Public protection:				
CAO emergency services	125,676	125,676	124,102	1,574
CAO homeland security	352,707	352,707	199,831	152,876
Transfer to outside fire districts	194,149	8,439	8,439	-
Grand jury	21,906	31,247	31,244	3
District attorney	1,734,601	1,776,205	1,776,204	1
DA - statutory rape vertical prosecution	105,928	108,367	108,364	3
Public defender	797,810	806,479	797,281	9,198
County - court related AB 233	864,480	830,480	797,798	32,682
Sheriff-coroner	9,184,888	9,398,365	8,645,978	752,387
Sheriff - courtroom security	631,970	637,686	541,752	95,934
Sheriff - communications	1,274,197	1,432,827	1,182,786	250,041
Tuolumne narcotics team	789,069	1,237,921	887,475	350,446

The accompanying note is an integral part of the required supplementary information.

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Public protection (continued):				
County jail	4,404,374	4,510,664	4,343,891	166,773
Probation	3,364,315	3,451,748	3,166,024	285,724
Agriculture - weights and measures	551,102	585,509	564,971	20,538
Community development department	2,348,245	2,409,422	2,263,896	145,526
Animal control	750,348	764,922	741,288	23,634
Total public protection	27,495,765	28,468,664	26,181,324	2,287,340
Public ways and facilities:				
Special district administration	98,790	99,743	90,255	9,488
Health and sanitation:				
Sheriff - emergency medical communications	24,677	24,677	24,468	209
Air Pollution	677,750	822,716	501,731	320,985
Total health and sanitation	702,427	847,393	526,199	321,194
Public Assistance:				
Victim witness prosecution program	196,898	225,583	210,344	15,239
Veterans services	150,757	152,662	131,033	21,629
Total public assistance	347,655	378,245	341,377	36,868
Education:				
Library	1,018,864	1,028,868	1,028,407	461
Farm advisor	148,502	156,641	156,632	9
Total education	1,167,366	1,185,509	1,185,039	470
Recreation and cultural services:				
Sheriff - boat patrol	424,913	459,321	423,092	36,229
County recreation	654,592	657,974	622,130	35,844
Standard Park	238,283	240,188	223,614	16,574
Youth centers	240,330	248,188	227,750	20,438
Total recreation and cultural services	1,558,118	1,605,671	1,496,586	109,085
Total expenditures	46,910,131	48,051,975	44,404,127	3,647,848
Excess of revenues over expenditures	7,053,970	6,324,940	8,978,203	2,653,263
Other financing sources (uses):				
Transfers in	9,327	9,327	7,810	(1,517)
Transfers out	(9,575,173)	(9,624,789)	(10,940,692)	(1,315,903)
Proceeds from sale of capital assets	15,000	15,000	23,777	8,777
Total other financing sources (uses)	(9,550,846)	(9,600,462)	(10,909,105)	(1,308,643)
Net change in fund balance (budgetary basis)	\$ (2,496,876)	\$ (3,275,522)	(1,930,902)	\$ 1,344,620
Basis adjustment:				
Agency funds allocation			195,464	
Net change in fund balance (GAAP basis)			(1,735,438)	
Fund balance, beginning of year			8,126,863	
Fund balance, end of year			\$ 6,391,425	

The accompanying note is an integral part of the required supplementary information.

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Licenses and permits	\$ 139,835	\$ 139,835	\$ 100,266	\$ (39,569)
Interest, rents, and concessions	8,500	8,500	-	(8,500)
Intergovernmental:				
State	5,444,450	5,136,876	3,194,176	(1,942,700)
Federal	2,510,767	2,818,341	2,505,475	(312,866)
Other	1,300	1,300	-	(1,300)
Charges for services	961,996	1,015,157	993,332	(21,825)
Miscellaneous	1,330	1,330	368	(962)
Total revenues	9,068,178	9,121,339	6,793,617	(2,327,722)
Expenditures:				
Public ways and facilities:				
Public works administration	1,123,320	1,129,036	1,120,876	8,160
Engineering services and development	495,241	500,005	488,690	11,315
Engineering services - projects	591,360	595,933	576,844	19,089
Traffic and engineering	173,134	178,405	178,402	3
Road maintenance	8,204,367	8,348,302	5,870,539	2,477,763
Total expenditures	10,587,422	10,751,681	8,235,351	2,516,330
Deficiency of revenues under expenditures	(1,519,244)	(1,630,342)	(1,441,734)	188,608
Other financing sources:				
Transfers in	642,451	642,451	642,451	-
Proceeds from sale of capital assets	22,000	22,000	2,790	(19,210)
Total other financing sources	664,451	664,451	645,241	(19,210)
Net change in fund balance (budgetary basis)	\$ (854,793)	\$ (965,891)	(796,493)	\$ 169,398
Basis adjustment:				
Agency funds allocation			388,223	
Net change in fund balance (GAAP basis)			(408,270)	
Fund balance, beginning of year			13,711,588	
Fund balance, end of year			\$ 13,303,318	

The accompanying note is an integral part of the required supplementary information.

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HEALTH AND WELFARE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Fines, forfeits, and penalties	\$ 21,032	\$ 14,000	\$ 56,343	\$ 42,343
Interest, rents, and concessions	-	-	3,012	3,012
Intergovernmental:				
State	18,494,239	15,121,669	13,684,496	(1,437,173)
Federal	7,012,687	11,335,576	10,996,576	(339,000)
Other	75,000	55,000	55,000	-
Charges for services	1,957,668	1,511,409	1,168,300	(343,109)
Miscellaneous	512,107	427,762	419,917	(7,845)
Total revenues	28,072,733	28,465,416	26,383,644	(2,081,772)
Expenditures:				
Health and sanitation:				
Health	3,545,070	3,890,055	3,631,909	258,146
Tobacco control program	186,856	188,523	178,509	10,014
Mobile health van	191,861	171,575	98,014	73,561
Environmental health	1,272,199	1,131,097	1,081,012	50,085
Environmental health - solid waste grant	16,500	16,500	16,461	39
Behavioral health	9,451,147	8,747,856	7,523,573	1,224,283
California children services	268,684	268,684	241,410	27,274
Total health and sanitation	14,932,317	14,414,290	12,770,888	1,643,402
Public assistance:				
Social services administration	11,536,402	11,542,053	11,191,842	350,211
Welfare and security	6,970,254	7,773,834	7,744,341	29,493
Total public assistance	18,506,656	19,315,887	18,936,183	379,704
Total expenditures	33,438,973	33,730,177	31,707,071	2,023,106
Deficiency of revenues under expenditures	(5,366,240)	(5,264,761)	(5,323,427)	(58,666)
Other financing sources:				
Transfers in	4,846,023	4,865,563	4,966,379	100,816
Net change in fund balance	\$ (520,217)	\$ (399,198)	(357,048)	\$ 42,150
Fund balance, beginning of year			620,690	
Fund balance, end of year			\$ 263,642	

The accompanying note is an integral part of the required supplementary information.

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT
BLOCK GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Interest, rents, and concessions	\$ -	\$ 142,773	\$ 147,545	\$ 4,772
Intergovernmental:				
Federal	1,325,859	771,590	771,587	(3)
Miscellaneous	52,450	-	-	-
Total revenues	1,378,309	914,363	919,132	4,769
Expenditures:				
Public assistance:				
06-STBG-1980	-	201,646	167,639	34,007
First time Buyer 3087	-	71,548	71,545	3
First time Buyer 4714	100,000	120,173	120,168	5
Tuolumne Parking Study 08-PTAG-5367	37,450	8,065	8,062	3
CDBG-Jamestown Façade 08-EDEF-5790	350,000	317,950	17,950	300,000
CDBG-Big Hill Water System 09-STBG-6418	800,000	40,985	40,985	-
Housing Rehab Repay Loan #6	-	93,385	93,382	3
Total expenditures	1,287,450	853,752	519,731	334,021
Net change in fund balance	\$ 90,859	\$ 60,611	399,401	\$ 338,790
Fund balance, beginning of year			5,189,928	
Fund balance, end of year			\$ 5,589,329	

The accompanying note is an integral part of the required supplementary information.

**COUNTY OF TUOLUMNE, CALIFORNIA
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010**

Budgets and Budgetary Accounting

The County operates under the general laws of the State of California and annually adopts a budget for its General Fund, special revenue funds, capital projects funds, and permanent fund. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as proposed expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by resolution during the year. Department heads may, upon approval from the County administrator, make transfers from one object or purpose to another within the same budget unit. Encumbrances outstanding at year-end are included in restricted and assigned fund balances for subsequent year expenditures, based on the authorized encumbered appropriation carried over. All appropriations lapse at year-end. Annual budgets are adopted on a basis of accounting, which differs from generally accepted accounting principles (GAAP) in the United States of America. As a result, if there's a difference between the budgetary basis and GAAP basis, the budgetary comparison schedules present a reconciliation between the bases. The difference is as follows:

1. Agency funds allocation – The County does not budget for its agency funds. However, in accordance with GASB Statement No. 34, the County has allocated many of its agency funds' activities to its governmental funds.

As expenditures are controlled at the department level, the budget and actual comparisons presented in these financial statements are not segregated by type (i.e., current, capital outlay, and debt service) as the statements of revenues, expenditures and changes in fund balances are presented.



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**COMBINING AND INDIVIDUAL NONMAJOR FUND
STATEMENTS AND SCHEDULES**



COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2010

	Other Special Revenue Funds	Capital Projects Funds	Permanent Fund	Total Other Governmental Funds
Assets:				
Cash and investments	\$ 6,603,302	\$ 300,016	\$ 257,954	\$ 7,161,272
Taxes receivable	3,343	-	-	3,343
Intergovernmental receivables	221,170	414,772	-	635,942
Prepaid items	17,629	-	-	17,629
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 6,845,444</u>	<u>\$ 714,788</u>	<u>\$ 257,954</u>	<u>\$ 7,818,186</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 492,389	\$ 60,250	\$ -	\$ 552,639
Salaries and benefits payable	52,245	-	-	52,245
Deferred revenue	35,942	-	-	35,942
Advances from other funds	66,100	3,506,483	-	3,572,583
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>646,676</u>	<u>3,566,733</u>	<u>-</u>	<u>4,213,409</u>
Fund balances:				
Nonspendable:				
Not in spendable form	17,629	-	-	17,629
To be maintained intact	-	-	112,532	112,532
Restricted:				
Public ways and facilities	3,395,141	-	-	3,395,141
Children and Families Commission	888,475	-	-	888,475
Public protection	1,892,804	-	-	1,892,804
Perpetual care	-	-	145,422	145,422
Other purposes	4,719	-	-	4,719
Unassigned (deficit)	<u>-</u>	<u>(2,851,945)</u>	<u>-</u>	<u>(2,851,945)</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficit)	<u>6,198,768</u>	<u>(2,851,945)</u>	<u>257,954</u>	<u>3,604,777</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances (deficit)	<u>\$ 6,845,444</u>	<u>\$ 714,788</u>	<u>\$ 257,954</u>	<u>\$ 7,818,186</u>

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Other Special Revenue Funds	Capital Projects Funds	Permanent Fund	Total Other Governmental Funds
Revenues:				
Taxes	\$ 2,665,756	\$ -	\$ -	\$ 2,665,756
Licenses and permits	51,887	-	-	51,887
Fines, forfeits, and penalties	228,782	-	-	228,782
Interest, rents and concessions	131,890	225	3,245	135,360
Intergovernmental:				
State	1,556,433	191,099	-	1,747,532
Federal	1,459,269	223,673	-	1,682,942
Other	104,118	-	-	104,118
Charges for services	367,246	162,927	2,617	532,790
Miscellaneous	197,164	136,592	2,350	336,106
Total revenues	<u>6,762,545</u>	<u>714,516</u>	<u>8,212</u>	<u>7,485,273</u>
Expenditures:				
Current:				
General government	2,640	-	-	2,640
Public protection	5,307,409	-	-	5,307,409
Public ways and facilities	267,044	57,136	-	324,180
Health and sanitation	816,830	-	-	816,830
Capital outlay	34,948	5,202,787	-	5,237,735
Debt service:				
Principal	5,712	-	-	5,712
Interest	5,745	-	-	5,745
Total expenditures	<u>6,440,328</u>	<u>5,259,923</u>	<u>-</u>	<u>11,700,251</u>
Excess (deficiency) of revenues over (under) expenditures	<u>322,217</u>	<u>(4,545,407)</u>	<u>8,212</u>	<u>(4,214,978)</u>
Other financing sources (uses):				
Transfers in	194,149	1,693,462	-	1,887,611
Transfers out	(1,070,683)	(34,403)	-	(1,105,086)
Proceeds from sale of capital assets	1,170	-	-	1,170
Total other financing sources (uses)	<u>(875,364)</u>	<u>1,659,059</u>	<u>-</u>	<u>783,695</u>
Net change in fund balances	<u>(553,147)</u>	<u>(2,886,348)</u>	<u>8,212</u>	<u>(3,431,283)</u>
Fund balances, beginning of year	<u>6,751,915</u>	<u>34,403</u>	<u>249,742</u>	<u>7,036,060</u>
Fund balances (deficit), end of year	<u>\$ 6,198,768</u>	<u>\$ (2,851,945)</u>	<u>\$ 257,954</u>	<u>\$ 3,604,777</u>

OTHER GOVERNMENTAL FUNDS

OTHER SPECIAL REVENUE FUNDS



Special revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes. Included in the Special Revenue classification are the following funds:

Fish and Game – This fund is used to account for revenues and expenditures related to the protection, conservation, propagation and preservation of fish and wildlife in the county.

County Fire – This fund is used to account for revenues and expenditures related to fire protection services in the unincorporated areas of the county.

Criminal Justice Facility – This fund is used to account for the revenues and expenditures resulting from criminal justice activities such as fines and facility fees.

Courthouse Construction – This fund is used to account for the revenues and expenditures resulting from courthouse activities such as fines and court fees.

Monument Preservation – This fund is used to account for the revenues and expenditures resulting from historical monument maintenance and preservation activity.

Child Support Services – This fund is used to account for the revenues and expenditures relating to the County's child support enforcement program.

Cemetery Districts – This fund is used to account for the revenues and expenditures resulting from county cemetery maintenance and preservation.

Children and Families Commission – This fund is used to account for activities of the Tuolumne County Children and Families Commission.

County Service Areas – Provide miscellaneous services throughout all unincorporated areas of the County.

Lighting Districts – Provide street and highway safety lighting for all unincorporated areas of the County.

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING BALANCE SHEET
OTHER SPECIAL REVENUE FUNDS
JUNE 30, 2010

	<u>Fish and Game</u>	<u>County Fire</u>	<u>Criminal Justice Facility</u>	<u>Courthouse Construction</u>	<u>Monument Preservation</u>	<u>Child Support Services</u>
Assets:						
Cash and investments	\$ 162,911	\$ 1,288,547	\$ 418,623	\$ 4,176	\$ 5,599	\$ 11
Taxes receivable	-	2,985	-	-	-	-
Intergovernmental receivables	-	56,154	-	-	-	103,085
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 162,911</u>	<u>\$ 1,347,686</u>	<u>\$ 418,623</u>	<u>\$ 4,176</u>	<u>\$ 5,599</u>	<u>\$ 103,096</u>
Liabilities and fund balances						
Liabilities:						
Accounts payable	\$ -	\$ 467,947	\$ -	\$ -	\$ -	\$ 166
Salaries and benefits payable	-	14,171	-	-	-	36,830
Deferred revenue	4,800	30,262	-	-	880	-
Advances from other funds	-	-	-	-	-	66,100
Total liabilities	<u>4,800</u>	<u>512,380</u>	<u>-</u>	<u>-</u>	<u>880</u>	<u>103,096</u>
Fund balances:						
Nonspendable:						
Not in spendable form	-	-	-	-	-	-
Restricted:						
Public ways and facilities	-	-	-	-	-	-
Children and Families						
Commission	-	-	-	-	-	-
Public protection	158,111	835,306	418,623	4,176	-	-
Other purposes	-	-	-	-	4,719	-
Total fund balances	<u>158,111</u>	<u>835,306</u>	<u>418,623</u>	<u>4,176</u>	<u>4,719</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 162,911</u>	<u>\$ 1,347,686</u>	<u>\$ 418,623</u>	<u>\$ 4,176</u>	<u>\$ 5,599</u>	<u>\$ 103,096</u>

Cemetery Districts	Children and Families Commission	County Service Areas	Lighting Districts	Total Other Special Revenue Funds	
\$ 477,051	\$ 855,451	\$ 2,203,569	\$ 1,187,364	\$ 6,603,302	Assets:
102	-	106	150	3,343	Cash and investments
1,482	56,497	2,273	1,679	221,170	Taxes receivable
11,457	6,172	-	-	17,629	Intergovernmental receivables
					Prepaid items
<u>\$ 490,092</u>	<u>\$ 918,120</u>	<u>\$ 2,205,948</u>	<u>\$ 1,189,193</u>	<u>\$ 6,845,444</u>	Total assets
					Liabilities and fund balances
					Liabilities:
\$ 803	\$ 23,473	\$ -	\$ -	\$ 492,389	Accounts payable
1,244	-	-	-	52,245	Salaries and benefits payable
-	-	-	-	35,942	Deferred revenue
-	-	-	-	66,100	Advances from other funds
<u>2,047</u>	<u>23,473</u>	<u>-</u>	<u>-</u>	<u>646,676</u>	Total liabilities
					Fund balances:
11,457	6,172	-	-	17,629	Nonspendable:
					Not in spendable form
-	-	2,205,948	1,189,193	3,395,141	Restricted:
					Public ways and facilities
-	888,475	-	-	888,475	Children and Families
476,588	-	-	-	1,892,804	Commission
-	-	-	-	4,719	Public protection
					Other purposes
<u>488,045</u>	<u>894,647</u>	<u>2,205,948</u>	<u>1,189,193</u>	<u>6,198,768</u>	Total fund balances
<u>\$ 490,092</u>	<u>\$ 918,120</u>	<u>\$ 2,205,948</u>	<u>\$ 1,189,193</u>	<u>\$ 6,845,444</u>	Total liabilities and fund balances

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
OTHER SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Fish and Game</u>	<u>County Fire</u>	<u>Criminal Justice Facility</u>	<u>Courthouse Construction</u>	<u>Monument Preservation</u>	<u>Child Support Services</u>
Revenues:						
Taxes	\$ -	\$ 2,387,779	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	51,887	-	-	-	-
Fines, forfeits, and penalties	12,886	-	212,383	3,513	-	-
Interest, rents and concessions	2,407	37,591	21,373	663	184	318
Intergovernmental:						
State	-	228,468	-	-	-	634,422
Federal	-	29,336	-	-	-	1,429,933
Other	-	104,118	-	-	-	-
Charges for services	-	40,233	-	-	8,938	22,865
Miscellaneous	-	192,956	-	-	-	-
Total revenues	<u>15,293</u>	<u>3,072,368</u>	<u>233,756</u>	<u>4,176</u>	<u>9,122</u>	<u>2,087,538</u>
Expenditures:						
Current:						
General government	-	-	-	-	2,640	-
Public protection	2,596	3,139,024	-	-	-	2,087,051
Public ways and facilities	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-
Capital outlay	-	28,353	-	-	-	487
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>2,596</u>	<u>3,167,377</u>	<u>-</u>	<u>-</u>	<u>2,640</u>	<u>2,087,538</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,697</u>	<u>(95,009)</u>	<u>233,756</u>	<u>4,176</u>	<u>6,482</u>	<u>-</u>
Other financing sources (uses):						
Transfers in	-	194,149	-	-	-	-
Transfers out	(3,100)	-	(1,021,156)	(41,717)	(4,710)	-
Proceeds from sale of capital assets	-	1,170	-	-	-	-
Total other financing sources (uses)	<u>(3,100)</u>	<u>195,319</u>	<u>(1,021,156)</u>	<u>(41,717)</u>	<u>(4,710)</u>	<u>-</u>
Net change in fund balances	9,597	100,310	(787,400)	(37,541)	1,772	-
Fund balances, beginning of year	<u>148,514</u>	<u>734,996</u>	<u>1,206,023</u>	<u>41,717</u>	<u>2,947</u>	<u>-</u>
Fund balances, end of year	<u>\$ 158,111</u>	<u>\$ 835,306</u>	<u>\$ 418,623</u>	<u>\$ 4,176</u>	<u>\$ 4,719</u>	<u>\$ -</u>

<u>Cemetery Districts</u>	<u>Children and Families Commission</u>	<u>County Service Areas</u>	<u>Lighting Districts</u>	<u>Total Other Special Revenue Funds</u>	
					Revenues:
\$ 79,404	\$ -	\$ 80,505	\$ 118,068	\$ 2,665,756	Taxes
-	-	-	-	51,887	Licenses and permits
-	-	-	-	228,782	Fines, forfeits, and penalties
6,665	14,125	30,496	18,068	131,890	Interest, rents and concessions
					Intergovernmental:
1,142	689,608	1,166	1,627	1,556,433	State
-	-	-	-	1,459,269	Federal
-	-	-	-	104,118	Other
13,218	-	281,992	-	367,246	Charges for services
4,208	-	-	-	197,164	Miscellaneous
<u>104,637</u>	<u>703,733</u>	<u>394,159</u>	<u>137,763</u>	<u>6,762,545</u>	Total revenues
					Expenditures:
					Current:
-	-	-	-	2,640	General government
78,738	-	-	-	5,307,409	Public protection
-	-	220,406	46,638	267,044	Public ways and facilities
-	816,830	-	-	816,830	Health and sanitation
6,108	-	-	-	34,948	Capital outlay
					Debt service:
5,712	-	-	-	5,712	Principal
5,745	-	-	-	5,745	Interest
<u>96,303</u>	<u>816,830</u>	<u>220,406</u>	<u>46,638</u>	<u>6,440,328</u>	Total expenditures
<u>8,334</u>	<u>(113,097)</u>	<u>173,753</u>	<u>91,125</u>	<u>322,217</u>	Excess (deficiency) of revenues over (under) expenditures
					Other financing sources (uses):
-	-	-	-	194,149	Transfers in
-	-	-	-	(1,070,683)	Transfers out
-	-	-	-	1,170	Proceeds from sale of capital assets
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(875,364)</u>	Total other financing sources (uses)
8,334	(113,097)	173,753	91,125	(553,147)	Net change in fund balances
<u>479,711</u>	<u>1,007,744</u>	<u>2,032,195</u>	<u>1,098,068</u>	<u>6,751,915</u>	Fund balances, beginning of year
<u>\$ 488,045</u>	<u>\$ 894,647</u>	<u>\$ 2,205,948</u>	<u>\$ 1,189,193</u>	<u>\$ 6,198,768</u>	Fund balances, end of year

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FISH AND GAME SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Fines, forfeits, and penalties	\$ 3,850	\$ 3,850	\$ 12,886	\$ 9,036
Interest, rents, and concessions	2,100	2,100	2,407	307
Total revenues	5,950	5,950	15,293	9,343
Expenditures:				
Public protection:				
Fish and wildlife	20,031	16,931	2,596	14,335
Excess (deficiency) of revenues				
over (under) expenditures	(14,081)	(10,981)	12,697	23,678
Other financing uses:				
Transfers out	-	(3,100)	(3,100)	-
Net change in fund balance	<u>\$ (14,081)</u>	<u>\$ (14,081)</u>	9,597	<u>\$ 23,678</u>
Fund balance, beginning of year			148,514	
Fund balance, end of year			<u>\$ 158,111</u>	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COUNTY FIRE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$ 2,441,696	\$ 2,359,440	\$ 2,387,779	\$ 28,339
Licenses and permits	105,000	85,000	51,887	(33,113)
Interest, rents, and concessions	28,099	28,099	37,591	9,492
Intergovernmental:				
State	241,302	230,988	228,468	(2,520)
Federal	29,400	29,400	29,336	(64)
Other	104,000	104,000	104,118	118
Charges for services	30,000	42,386	23,327	(19,059)
Miscellaneous	192,700	192,700	192,956	256
Total revenues	3,172,197	3,072,013	3,055,462	(16,551)
Expenditures:				
Public protection:				
County Fire Department	4,092,645	3,992,461	3,167,377	825,084
Deficiency of revenues under expenditures	(920,448)	(920,448)	(111,915)	808,533
Other financing sources:				
Transfers in	194,149	194,149	194,149	-
Proceeds from sale of capital assets	-	-	1,170	1,170
Total other financing sources	194,149	194,149	195,319	1,170
Net change in fund balance (budgetary basis)	\$ (726,299)	\$ (726,299)	83,404	\$ 809,703
Basis adjustment:				
Agency funds allocation			16,906	
Net change in fund balance (GAAP basis)			100,310	
Fund balance, beginning of year			734,996	
Fund balance, end of year			\$ 835,306	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CRIMINAL JUSTICE FACILITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Fines, forfeits, and penalties	\$ 240,000	\$ 240,000	\$ 212,383	\$ (27,617)
Interest, rents, and concessions	17,000	17,000	21,373	4,373
Total revenues	257,000	257,000	233,756	(23,244)
Other financing uses:				
Transfers out	(1,463,023)	(1,463,023)	(1,021,156)	441,867
Net change in fund balance	<u>\$ (1,206,023)</u>	<u>\$ (1,206,023)</u>	(787,400)	<u>\$ 418,623</u>
Fund balance, beginning of year			<u>1,206,023</u>	
Fund balance, end of year			<u>\$ 418,623</u>	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COURTHOUSE CONSTRUCTION SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Fines, forfeits, and penalties	\$ 3,000	\$ 3,000	\$ 3,513	\$ 513
Interest, rents, and concessions	542	542	663	121
Total revenues	3,542	3,542	4,176	634
Expenditures:				
General government				
Courthouse construction	45,259	3,542	-	3,542
Excess (deficiency) of revenues over (under) expenditures	(41,717)	-	4,176	4,176
Other financing uses:				
Transfers out	-	(41,717)	(41,717)	-
Net change in fund balance	\$ (41,717)	\$ (41,717)	(37,541)	\$ 4,176
Fund balance, beginning of year			41,717	
Fund balance, end of year			\$ 4,176	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - MONUMENT PRESERVATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Interest, rents, and concessions	\$ 280	\$ 280	\$ 184	\$ (96)
Charges for services	7,000	7,000	8,938	1,938
Total revenues	7,280	7,280	9,122	1,842
Expenditures:				
General Government				
Monumentation	4,000	4,000	2,640	1,360
Excess of revenues over expenditures	3,280	3,280	6,482	3,202
Other financing uses:				
Transfers out	(6,227)	(6,227)	(4,710)	1,517
Net change in fund balance	<u>\$ (2,947)</u>	<u>\$ (2,947)</u>	1,772	<u>\$ 4,719</u>
Fund balance, beginning of year			<u>2,947</u>	
Fund balance, end of year			<u>\$ 4,719</u>	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD SUPPORT SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Interest, rents, and concessions	\$ 5,000	\$ 5,000	\$ 318	\$ (4,682)
Intergovernmental:				
State	720,973	720,973	634,422	(86,551)
Federal	1,365,239	1,365,239	1,429,933	64,694
Charges for services	-	22,865	22,865	-
Total revenues	2,091,212	2,114,077	2,087,538	(26,539)
Expenditures:				
Public protection:				
Child support services	2,091,212	2,114,047	2,087,538	26,509
Net change in fund balance	\$ -	\$ 30	-	\$ (30)
Fund balance, beginning of year			-	
Fund balance, end of year			\$ -	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CEMETERY DISTRICTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$ 82,484	\$ 82,484	\$ 79,404	\$ (3,080)
Interest, rents, and concessions	5,203	5,203	6,665	1,462
Intergovernmental:				
State	1,238	1,238	1,142	(96)
Charges for services	25,833	25,833	13,218	(12,615)
Miscellaneous	750	750	4,208	3,458
Total revenues	115,508	115,508	104,637	(10,871)
Expenditures:				
Public protection:				
Carter cemetery	210,013	210,013	50,005	160,008
Columbia cemetery	105,017	105,017	26,485	78,532
Jamestown cemetery	67,488	67,488	10,468	57,020
Oak Grove cemetery	17,884	19,184	8,490	10,694
Oak Grove donations	20,812	20,812	-	20,812
Shaws Flat Springfield cemetery	107,689	107,689	855	106,834
Total expenditures	528,903	530,203	96,303	433,900
Net change in fund balance	\$ (413,395)	\$ (414,695)	8,334	\$ 423,029
Fund balance, beginning of year			479,711	
Fund balance, end of year			\$ 488,045	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILDREN AND FAMILIES
COMMISSION SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Interest, rents, and concessions	\$ 16,000	\$ 14,000	\$ 14,125	\$ 125
Intergovernmental:				
State	636,507	681,948	689,608	7,660
Total revenues	652,507	695,948	703,733	7,785
Expenditures:				
Health and sanitation:				
Prop. 10 restricted admin.	92,430	91,170	75,735	15,435
Prop. 10 - general	387,673	424,061	375,491	48,570
School readiness	225,000	225,000	225,000	-
Regional technical assistance	67,500	140,606	140,604	2
Total expenditures	772,603	880,837	816,830	64,007
Net change in fund balance	\$ (120,096)	\$ (184,889)	(113,097)	\$ 71,792
Fund balance, beginning of year			1,007,744	
Fund balance, end of year			\$ 894,647	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COUNTY SERVICE AREAS
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$ 77,280	\$ 77,280	\$ 80,505	\$ 3,225
Interest, rents, and concessions	30,669	30,669	30,496	(173)
Intergovernmental:				
State	922	922	1,166	244
Charges for services	281,818	281,818	281,992	174
Total revenues	390,689	390,689	394,159	3,470
Expenditures:				
Public ways and facilities:				
CSA #2 Lake Don Pedro #2,3	78,105	78,105	117	77,988
CSA #3 Lake Don Pedro #1	93,862	93,862	2,666	91,196
CSA #4 Jupiter Subdivision	4,205	4,205	11	4,194
CSA #5 Emerald Ranch	20,727	20,727	9,269	11,458
CSA #8 Lake Don Pedro #4,5	3,898	3,898	7	3,891
CSA #9 Columbia Water	-	77	77	-
CSA #10 Monte Grande Heights	132,413	132,413	10,837	121,576
CSA #11 Phoenix Lake Country Club	3,055	3,055	4	3,051
CSA #13 Yosemite Highland	74,125	74,125	8,807	65,318
CSA #20 Cedar Ridge Road	241,971	241,971	24,514	217,457
CSA #26 Manzanita Drive	18,962	18,962	581	18,381
CSA #28 Rough & Ready Ridge	115,986	115,986	15,026	100,960
CSA #29 Comstock Ranch	253,457	253,457	10,891	242,566
CSA #30 Bull Pine Acres	542	542	-	542
CSA #31 Curtis Creek Ranch	9,029	9,029	-	9,029
CSA #32 Ridgewood Units 2,3	286,813	286,813	40,005	246,808
CSA #34 Phoenix Lk Fairway Estate	352	352	-	352
CSA #35 Preston Lane	9,206	9,206	-	9,206
CSA #36 Columbia Vista Estates	72,885	72,885	6,868	66,017
CSA #37 Mi-Wuk Pines Estates	78,958	78,958	7,736	71,222
CSA #40 Sunnyhill Subdivision	7,746	7,746	-	7,746
CSA #41 Oak Hill Road	1,198	1,198	498	700
CSA #42 Meadow Oak Park	5,078	5,078	-	5,078
CSA #43 Black Oak Estates	102,663	102,663	14,839	87,824
CSA #44 Yosemite Vista Estates	983	983	-	983
CSA #45 Buena Oaks Estates	3,486	3,486	-	3,486
CSA #46 MT. Ridge Estates	8,979	8,979	-	8,979
CSA #47 Cherry Valley Golf & Co	47,055	47,055	1,932	45,123
CSA #48 Sonora Vista Estate	170,782	170,782	22,813	147,969
CSA #49 Poppy Hill Subdivision	42,893	42,893	3,380	39,513
CSA #50 Yosemite Estates	2,896	2,896	-	2,896
CSA #51 Twain Harte Heights	39,808	39,808	7,658	32,150
CSA #52 Gina Lane	2,533	2,533	74	2,459
CSA #53 Whispering Woods	202,078	202,078	4,923	197,155
CSA #55 Vilas Lanes	1,791	1,791	-	1,791
CSA #56 Milla Villa Estates	83,145	83,145	18,517	64,628
CSA #57 Countryside Estates	19,454	19,454	-	19,454

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COUNTY SERVICE AREAS
SPECIAL REVENUE FUND (Continued)
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
CSA #58 Chaparral Heights	84,340	84,340	-	84,340
CSA #59 Mountain Vista	10,144	10,144	-	10,144
CSA #60 Gibbs Ranch #7	30,114	30,114	-	30,114
CSA #61 Granite Ridge	2,699	2,699	-	2,699
CSA #62 Sierra Meadows	27,023	27,023	2,434	24,589
CSA # 64-Eagle Ridge	19,304	19,304	4,161	15,143
CSA #65 Deer Park	6,872	6,872	1,761	5,111
Total public protection	2,421,615	2,421,692	220,406	2,201,286
Total expenditures	2,421,615	2,421,692	220,406	2,201,286
Net change in fund balance	\$ (2,030,926)	\$ (2,031,003)	173,753	\$ 2,204,756
Fund balance, beginning of year			2,032,195	
Fund balance, end of year			\$ 2,205,948	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LIGHTING DISTRICTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$ 118,685	\$ 118,685	\$ 118,068	\$ (617)
Interest, rents, and concessions	16,287	16,287	18,068	1,781
Intergovernmental:				
State	-	-	1,627	1,627
Total revenues	134,972	134,972	137,763	2,791
Expenditures:				
Public ways and facilities:				
Columbia Lighting District	364,279	344,279	7,606	336,673
Groveland Lighting District	266,604	246,604	3,464	243,140
Jamestown Lighting District	231,965	231,965	16,185	215,780
Rolling Hills Lighting District	47,699	42,699	1,804	40,895
South Sonora Lighting District	122,323	114,323	1,965	112,358
Tuolumne Lighting District	232,628	202,628	11,261	191,367
Valle Vista Lighting District	15,147	12,147	1,844	10,303
Volponi Acres Lighting District	44,558	37,558	2,509	35,049
Total expenditures	1,325,203	1,232,203	46,638	1,185,565
Net change in fund balance	\$ (1,190,231)	\$ (1,097,231)	91,125	\$ 1,188,356
Fund balance, beginning of year			1,098,068	
Fund balance, end of year			\$ 1,189,193	

OTHER GOVERNMENTAL FUNDS

CAPITAL PROJECTS 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).

Airport Construction – This fund is used to account for construction and improvement of Pine Mountain Lake and Columbia Airports.

County Capital – This fund is used to account for all County capital projects not accounted for in the Road or Airport construction funds..

**COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 2010**

	<u>Airport Construction</u>	<u>County Capital</u>	<u>Total</u>
Assets:			
Cash and investments	\$ -	\$ 300,016	\$ 300,016
Intergovernmental receivables	<u>-</u>	<u>414,772</u>	<u>414,772</u>
Total assets	<u><u>\$ -</u></u>	<u><u>\$ 714,788</u></u>	<u><u>\$ 714,788</u></u>
 Liabilities and fund deficit			
Liabilities:			
Accounts payable	\$ -	\$ 60,250	\$ 60,250
Advances from other funds	<u>-</u>	<u>3,506,483</u>	<u>3,506,483</u>
Total liabilities	<u>-</u>	<u>3,566,733</u>	<u>3,566,733</u>
 Fund deficit:			
Unassigned	<u>-</u>	<u>(2,851,945)</u>	<u>(2,851,945)</u>
Total fund deficit	<u>-</u>	<u>(2,851,945)</u>	<u>(2,851,945)</u>
Total liabilities and fund deficit	<u><u>\$ -</u></u>	<u><u>\$ 714,788</u></u>	<u><u>\$ 714,788</u></u>

**COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Airport Construction</u>	<u>County Capital</u>	<u>Total</u>
Revenues:			
Interest, rents and concessions	\$ -	\$ 225	\$ 225
Intergovernmental:			
State	-	191,099	191,099
Federal	-	223,673	223,673
Charges for services	-	162,927	162,927
Miscellaneous	-	136,592	136,592
	<u>-</u>	<u>714,516</u>	<u>714,516</u>
Total revenues	<u>-</u>	<u>714,516</u>	<u>714,516</u>
Expenditures:			
Current:			
Public ways and facilities	-	57,136	57,136
Capital outlay	-	5,202,787	5,202,787
	<u>-</u>	<u>5,259,923</u>	<u>5,259,923</u>
Total expenditures	<u>-</u>	<u>5,259,923</u>	<u>5,259,923</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(4,545,407)</u>	<u>(4,545,407)</u>
Other financing sources (uses):			
Transfers in	-	1,693,462	1,693,462
Transfers out	(34,403)	-	(34,403)
Total other financing sources (uses)	<u>(34,403)</u>	<u>1,693,462</u>	<u>1,659,059</u>
Net change in fund balances	(34,403)	(2,851,945)	(2,886,348)
Fund balances, beginning of year	<u>34,403</u>	<u>-</u>	<u>34,403</u>
Fund deficit, end of year	<u>\$ -</u>	<u>\$ (2,851,945)</u>	<u>\$ (2,851,945)</u>

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD CONSTRUCTION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Interest, rents, and concessions	\$ 31,200	\$ 24,000	\$ 21,349	\$ (2,651)
Intergovernmental:				
State	100,000	100,000	-	(100,000)
Federal	7,237,488	7,281,625	4,158,896	(3,122,729)
Other	40,000	140,000	80,350	(59,650)
Charges for services	<u>736,000</u>	<u>100,000</u>	<u>100,654</u>	<u>654</u>
Total revenues	8,144,688	7,645,625	4,361,249	(3,284,376)
Expenditures:				
Public ways and facilities:				
Public works projects	<u>9,698,547</u>	<u>11,430,878</u>	<u>4,897,558</u>	<u>6,533,320</u>
Net change in fund balance	<u>\$ (1,553,859)</u>	<u>\$ (3,785,253)</u>	<u>(536,309)</u>	<u>\$ 3,248,944</u>
Fund balance, beginning of year			<u>3,786,127</u>	
Fund balance, end of year			<u>\$ 3,249,818</u>	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - AIRPORT CONSTRUCTION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Other financing uses:				
Transfers out	\$ (34,386)	\$ (34,403)	(34,403)	\$ -
Fund balance, beginning of year			34,403	
Fund balance, end of year			\$ -	

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COUNTY CAPITAL CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Interest, rents, and concessions	\$ -	\$ -	\$ 225	\$ 225
Intergovernmental:				
State	596,000	671,320	191,099	(480,221)
Federal	223,673	223,673	223,673	-
Charges for services	476,432	476,432	162,927	(313,505)
Miscellaneous	-	126,451	136,592	10,141
Total revenues	1,296,105	1,497,876	714,516	(783,360)
Expenditures:				
Public ways and facilities:				
County capital projects	3,468,670	5,778,211	5,259,923	518,288
Deficiency of revenues under expenditures	(2,172,565)	(4,280,335)	(4,545,407)	(265,072)
Other financing sources:				
Transfers in	2,172,565	2,182,565	1,693,462	(489,103)
Net change in fund balance	\$ -	\$ (2,097,770)	(2,851,945)	\$ (754,175)
Fund balance, beginning of year			-	
Fund deficit, end of year			\$ (2,851,945)	

OTHER GOVERNMENTAL FUNDS

PERMANENT FUND

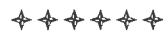


The Permanent Fund is used to account for financial resources of the Cemetery Endowment that are legally restricted to the extent that only earnings, and not principal, may be used.

COUNTY OF TUOLUMNE, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Interest, rents, and concessions	\$ 2,406	\$ 2,406	\$ 3,245	\$ 839
Charges for services	3,416	3,416	2,617	(799)
Miscellaneous	1,200	1,200	2,350	1,150
Total revenues	7,022	7,022	8,212	1,190
Expenditures:				
Public protection:				
Carter cemetery endowment	31,215	31,215	-	31,215
Columbia cemetery endowment	139,937	139,937	-	139,937
Jamestown cemetery endowment	13,023	13,023	-	13,023
Oak Grove cemetery endowment	32,268	32,268	-	32,268
Total expenditures	216,443	216,443	-	216,443
Net change in fund balance	\$ (209,421)	\$ (209,421)	8,212	\$ 217,633
Fund balance, beginning of year			249,742	
Fund balance, end of year			\$ 257,954	

OTHER ENTERPRISE FUNDS



Public Transportation – This fund is used to account for revenues and expenses of County operated public transportation activities.

Public Power Agency – This fund is used to account for revenues and expenses of the 30-member Tuolumne County Public Power Agency, which supplies electrical power to its members at a rate below the current market rate.

**COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF NET ASSETS
OTHER ENTERPRISE FUNDS
JUNE 30, 2010**

	<u>Public Transportation</u>	<u>Public Power Agency</u>	<u>Total Other Enterprise Funds</u>
Assets:			
Current assets:			
Cash and investments	\$ 234,715	\$ 1,631,304	\$ 1,866,019
Intergovernmental receivables	397,859	43,132	440,991
Deposits with others	<u>-</u>	<u>67,000</u>	<u>67,000</u>
Total current assets	632,574	1,741,436	2,374,010
Noncurrent assets:			
Restricted cash and investments	-	432,143	432,143
Capital assets:			
Depreciable, net	<u>765,089</u>	<u>546</u>	<u>765,635</u>
Total assets	<u>1,397,663</u>	<u>2,174,125</u>	<u>3,571,788</u>
Liabilities:			
Current liabilities			
Accounts payable	193,180	231,949	425,129
Salaries and benefits payable	12,268	-	12,268
Unearned revenue	242,446	-	242,446
Accrued compensated absences	<u>63,980</u>	<u>-</u>	<u>63,980</u>
Total liabilities	<u>511,874</u>	<u>231,949</u>	<u>743,823</u>
Net Assets			
Invested in capital assets, net of related debt	765,089	546	765,635
Restricted for:			
Energy services	-	432,143	432,143
Unrestricted	<u>120,700</u>	<u>1,509,487</u>	<u>1,630,187</u>
Total net assets	<u>\$ 885,789</u>	<u>\$ 1,942,176</u>	<u>\$ 2,827,965</u>

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Public Transportation</u>	<u>Public Power Agency</u>	<u>Total Other Enterprise Funds</u>
Operating revenues:			
Charges for services	\$ 496,326	\$ 1,542,394	\$ 2,038,720
Operating expenses:			
Salaries and benefits	433,515	-	433,515
Purchased services	1,199,668	-	1,199,668
Professional fees	41,656	118,642	160,298
General and administrative	253,912	139,729	393,641
Utilities	-	1,392,320	1,392,320
Depreciation	195,732	199	195,931
Total operating expenses	<u>2,124,483</u>	<u>1,650,890</u>	<u>3,775,373</u>
Operating loss	<u>(1,628,157)</u>	<u>(108,496)</u>	<u>(1,736,653)</u>
Nonoperating revenues (expenses):			
Interest income	(2,254)	35,085	32,831
Intergovernmental:			
Federal	229,786	-	229,786
Other	1,020,132	-	1,020,132
Other income	<u>27,289</u>	<u>-</u>	<u>27,289</u>
Total nonoperating revenues (expenses)	<u>1,274,953</u>	<u>35,085</u>	<u>1,310,038</u>
Loss before capital contributions	(353,204)	(73,411)	(426,615)
Capital contributions	<u>432,066</u>	<u>-</u>	<u>432,066</u>
Change in net assets	78,862	(73,411)	5,451
Net assets, beginning of year, as restated	<u>806,927</u>	<u>2,015,587</u>	<u>2,822,514</u>
Net assets, end of year	<u><u>\$ 885,789</u></u>	<u><u>\$ 1,942,176</u></u>	<u><u>\$ 2,827,965</u></u>

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Public Transportation</u>	<u>Public Power Agency</u>	<u>Total Other Enterprise Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 523,615	\$ 1,541,560	\$ 2,065,175
Payments to suppliers	(1,336,146)	(1,643,383)	(2,979,529)
Payments to employees	(400,473)	-	(400,473)
Payments for interfund services used	(39,263)	-	(39,263)
Net cash used for operating activities	<u>(1,252,267)</u>	<u>(101,823)</u>	<u>(1,354,090)</u>
Cash flows from noncapital financing activities:			
Intergovernmental	<u>1,398,789</u>	<u>-</u>	<u>1,398,789</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(432,066)	-	(432,066)
Capital contributions	<u>432,066</u>	<u>-</u>	<u>432,066</u>
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	<u>(2,254)</u>	<u>35,085</u>	<u>32,831</u>
Net increase (decrease) in cash and cash equivalents	144,268	(66,738)	77,530
Cash and cash equivalents, beginning of year	<u>90,447</u>	<u>2,130,185</u>	<u>2,220,632</u>
Cash and cash equivalents, end of year	<u><u>\$ 234,715</u></u>	<u><u>\$ 2,063,447</u></u>	<u><u>\$ 2,298,162</u></u>
Reconciliation to the Statement of Net Assets:			
Cash and investments	\$ 234,715	\$ 1,631,304	\$ 1,866,019
Restricted cash and investments	<u>-</u>	<u>432,143</u>	<u>432,143</u>
Total cash and cash equivalents	<u><u>\$ 234,715</u></u>	<u><u>\$ 2,063,447</u></u>	<u><u>\$ 2,298,162</u></u>
Reconciliation of operating loss to net cash used for operating activities:			
Operating loss	\$ (1,628,157)	\$ (108,496)	\$ (1,736,653)
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation expense	195,732	199	195,931
Other income	27,289	-	27,289
Changes in assets and liabilities:			
Intergovernmental receivables	-	(834)	(834)
Deposits with others	-	14,250	14,250
Accounts payable	119,827	(6,942)	112,885
Salaries and benefits payable	4,924	-	4,924
Accrued compensated absences	28,118	-	28,118
Net cash used for operating activities	<u><u>\$ (1,252,267)</u></u>	<u><u>\$ (101,823)</u></u>	<u><u>\$ (1,354,090)</u></u>

INTERNAL SERVICE FUNDS



Internal service funds are used to account for the financing of goods or services by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. A more detailed description of the funds established and used by the County follows:

Workers' Compensation – This fund is used to account for the County's workers' compensation revenues, expenses and estimated long-term liability.

Liability Insurance – This fund is used to account for the County's general liability revenues, expenses and estimated long-term liability.

Purchasing and Special Services – This fund is used to account for the County's general purchasing as special services activity.

Telecommunications – This fund is used to account for the activity of telecommunications services provided for County activities.

Unemployment Insurance – This fund is used to account for the activity related to the County's unemployment insurance benefits.

Employee Group Insurance – This fund is used to account for the activity related to the County's employee group insurance benefits.

Employee Leave Liability – This fund is used to account for the activity related to the County's employee leave liability benefits.

Post Retirement Insurance – This fund is used to account for the activity related to the County's post retirement insurance benefits.

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2010

	<u>Workers'</u> <u>Compensation</u>	<u>Liability</u> <u>Insurance</u>	<u>Purchasing</u> <u>and Special</u> <u>Services</u>	<u>Telecommunications</u>	<u>Unemployment</u> <u>Insurance</u>
Assets:					
Current assets:					
Cash and investments	\$ 3,810,652	\$ 590,890	\$ 40,518	\$ 318,084	\$ 261,685
Intergovernmental receivables	-	-	1,034	-	-
Prepaid items	-	-	-	-	-
Total current assets	<u>3,810,652</u>	<u>590,890</u>	<u>41,552</u>	<u>318,084</u>	<u>261,685</u>
Noncurrent assets:					
Restricted cash and investments	100,000	-	-	-	-
Advances to other funds	2,702,195	-	-	-	-
Capital assets:					
Depreciable, net	-	-	6,699	25,381	-
Total noncurrent assets	<u>2,802,195</u>	<u>-</u>	<u>6,699</u>	<u>25,381</u>	<u>-</u>
Total assets	<u>6,612,847</u>	<u>590,890</u>	<u>48,251</u>	<u>343,465</u>	<u>261,685</u>
Liabilities:					
Current liabilities:					
Accounts payable	-	36,524	574	27,567	110,800
Salaries and benefits payable	10,484	-	2,205	-	-
Accrued compensated absences	-	-	-	-	-
Accrued claims	<u>1,679,901</u>	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>1,690,385</u>	<u>106,524</u>	<u>2,779</u>	<u>27,567</u>	<u>110,800</u>
Noncurrent liabilities:					
Advances from other funds	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Accrued OPEB Liability	-	-	-	-	-
Accrued claims	<u>6,163,602</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>6,163,602</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>7,853,987</u>	<u>206,524</u>	<u>2,779</u>	<u>27,567</u>	<u>110,800</u>
Net Assets (Deficit):					
Invested in capital assets, net of related debt	-	-	6,699	25,381	-
Unrestricted	<u>(1,241,140)</u>	<u>384,366</u>	<u>38,773</u>	<u>290,517</u>	<u>150,885</u>
Total net assets (deficit)	<u>\$ (1,241,140)</u>	<u>\$ 384,366</u>	<u>\$ 45,472</u>	<u>\$ 315,898</u>	<u>\$ 150,885</u>

Employee Group Insurance	Employee Leave Liability	Post Retirement Insurance	Total Internal Service Funds	
				Assets:
				Current assets:
\$ 87	\$ 37	\$ 933,664	\$ 5,955,617	Cash and investments
-	-	-	1,034	Intergovernmental receivables
361,648	-	5,376	367,024	Prepaid items
361,735	37	939,040	6,323,675	Total current assets
				Noncurrent assets:
-	-	-	100,000	Restricted cash and investments
-	-	781,000	3,483,195	Advances to other funds
-	-	-	32,080	Capital assets:
-	-	-	-	Depreciable, net
-	-	781,000	3,615,275	Total noncurrent assets
361,735	37	1,720,040	9,938,950	Total assets
				Liabilities:
				Current liabilities:
1,805	-	-	177,270	Accounts payable
-	-	-	12,689	Salaries and benefits payable
-	1,000,000	-	1,000,000	Accrued compensated absences
-	-	-	1,749,901	Accrued claims
1,805	1,000,000	-	2,939,860	Total current liabilities
				Noncurrent liabilities:
300,730	781,000	-	1,081,730	Advances from other funds
-	6,275,665	-	6,275,665	Accrued compensated absences
-	-	4,008,669	4,008,669	Accrued OPEB Liability
-	-	-	6,263,602	Accrued claims
300,730	7,056,665	4,008,669	17,629,666	Total noncurrent liabilities
302,535	8,056,665	4,008,669	20,569,526	Total liabilities
				Net Assets (Deficit):
-	-	-	32,080	Invested in capital assets, net of related debt
59,200	(8,056,628)	(2,288,629)	(10,662,656)	Unrestricted
\$ 59,200	\$ (8,056,628)	\$ (2,288,629)	\$ (10,630,576)	Total net assets (deficit)

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Workers'</u> <u>Compensation</u>	<u>Liability</u> <u>Insurance</u>	<u>Purchasing</u> <u>and Special</u> <u>Services</u>	<u>Telecommunications</u>	<u>Unemployment</u> <u>Insurance</u>
Operating revenues:					
Charges for services	\$ 2,075,767	\$ 1,499,778	\$ 562,801	\$ 679,865	\$ 350,074
Miscellaneous	254,740	31,483	417	-	-
Total operating revenues	<u>2,330,507</u>	<u>1,531,261</u>	<u>563,218</u>	<u>679,865</u>	<u>350,074</u>
Operating expenses:					
Salaries and benefits	333,435	18,000	113,111	-	-
Professional fees	194,420	54,177	26,021	157,543	27
Claims	1,882,151	295,519	-	-	-
Health insurance benefits	-	-	-	-	-
Unemployment benefits	-	-	-	-	588,235
General and administrative	175,182	237,638	503,277	457,719	2,619
Depreciation	-	-	2,773	20,695	-
Total operating expenses	<u>2,585,188</u>	<u>605,334</u>	<u>645,182</u>	<u>635,957</u>	<u>590,881</u>
Operating income (loss)	<u>(254,681)</u>	<u>925,927</u>	<u>(81,964)</u>	<u>43,908</u>	<u>(240,807)</u>
Nonoperating revenues (expenses):					
Interest income	135,225	5,008	1,280	4,413	1,610
Intergovernmental:					
Federal	-	-	-	-	-
Interest expense	-	-	-	-	(154)
Total nonoperating revenues (expenses)	<u>135,225</u>	<u>5,008</u>	<u>1,280</u>	<u>4,413</u>	<u>1,456</u>
Income (loss) before transfers	<u>(119,456)</u>	<u>930,935</u>	<u>(80,684)</u>	<u>48,321</u>	<u>(239,351)</u>
Transfers in	-	-	-	-	333,969
Transfers out	<u>(333,969)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>(453,425)</u>	<u>930,935</u>	<u>(80,684)</u>	<u>48,321</u>	<u>94,618</u>
Net assets (deficit), beginning of year	<u>(787,715)</u>	<u>(546,569)</u>	<u>126,156</u>	<u>267,577</u>	<u>56,267</u>
Net assets (deficit), end of year	<u>\$ (1,241,140)</u>	<u>\$ 384,366</u>	<u>\$ 45,472</u>	<u>\$ 315,898</u>	<u>\$ 150,885</u>

Employee Group Insurance	Employee Leave Liability	Post Retirement Insurance	Total Internal Service Funds	
				Operating revenues:
\$ 5,944,917	\$ 780,610	\$ 700,101	\$ 12,593,913	Charges for services
-	-	-	286,640	Miscellaneous
<u>5,944,917</u>	<u>780,610</u>	<u>700,101</u>	<u>12,880,553</u>	Total operating revenues
				Operating expenses:
-	2,320,725	-	2,785,271	Salaries and benefits
549	-	15,844	448,581	Professional fees
-	-	-	2,177,670	Claims
6,023,614	-	2,419,000	8,442,614	Health insurance benefits
-	-	-	588,235	Unemployment benefits
-	-	-	1,376,435	General and administrative
-	-	-	23,468	Depreciation and amortization
<u>6,024,163</u>	<u>2,320,725</u>	<u>2,434,844</u>	<u>15,842,274</u>	Total operating expenses
<u>(79,246)</u>	<u>(1,540,115)</u>	<u>(1,734,743)</u>	<u>(2,961,721)</u>	Operating income (loss)
				Nonoperating revenues (expenses):
-	4,059	25,251	176,846	Interest income
				Intergovernmental:
109,957	-	-	109,957	Federal
<u>(4,294)</u>	<u>-</u>	<u>-</u>	<u>(4,448)</u>	Interest expense
<u>105,663</u>	<u>4,059</u>	<u>25,251</u>	<u>282,355</u>	Total nonoperating revenues (expenses)
26,417	(1,536,056)	(1,709,492)	(2,679,366)	Income (loss) before transfers
-	-	-	333,969	Transfers in
-	-	-	<u>(333,969)</u>	Transfers out
26,417	(1,536,056)	(1,709,492)	(2,679,366)	Change in net assets
<u>32,783</u>	<u>(6,520,572)</u>	<u>(579,137)</u>	<u>(7,951,210)</u>	Net assets (deficit), beginning of year
<u>\$ 59,200</u>	<u>\$ (8,056,628)</u>	<u>\$ (2,288,629)</u>	<u>\$ (10,630,576)</u>	Net assets (deficit), end of year

COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Workers' Compensation	Liability Insurance	Purchasing and Special Services	Telephone	Unemployment Insurance
Cash Flows from operating activities:					
Receipts from interfund services provided	\$ 2,330,507	\$ 1,531,261	\$ 563,845	\$ 753,799	\$ 350,074
Payments to suppliers	(369,602)	(282,337)	(546,853)	(695,802)	(562,343)
Payments to employees	(322,951)	(18,000)	(112,772)	-	-
Claims paid	(1,840,648)	(751,589)	-	-	-
Net cash provided by (used for) operating activities	<u>(202,694)</u>	<u>479,335</u>	<u>(95,780)</u>	<u>57,997</u>	<u>(212,269)</u>
Cash flows from noncapital financing activities:					
Advances to other funds	-	-	-	-	-
Receipt on advances to other funds	2,756,347	-	-	-	-
Advances from other funds	-	-	-	-	-
Payment on advances from other funds	-	-	-	-	-
Transfers in from other funds	-	-	-	-	333,969
Transfers out to other funds	(333,969)	-	-	-	-
Interest paid	-	-	-	-	(154)
Intergovernmental	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities:	<u>2,422,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>333,815</u>
Cash flows from investing activities:					
Interest received	<u>135,225</u>	<u>5,008</u>	<u>1,280</u>	<u>4,413</u>	<u>1,610</u>
Net increase (decrease) in cash and cash equivalents	2,354,909	484,343	(94,500)	62,410	123,156
Cash and cash equivalents, beginning of year	<u>1,555,743</u>	<u>106,547</u>	<u>135,018</u>	<u>255,674</u>	<u>138,529</u>
Cash and cash equivalents, end of year	<u>\$ 3,910,652</u>	<u>\$ 590,890</u>	<u>\$ 40,518</u>	<u>\$ 318,084</u>	<u>\$ 261,685</u>
Reconciliation to the Statement of Net Assets:					
Cash and investments	\$ 3,810,652	\$ 590,890	\$ 40,518	\$ 318,084	\$ 261,685
Restricted cash and investments	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 3,910,652</u>	<u>\$ 590,890</u>	<u>\$ 40,518</u>	<u>\$ 318,084</u>	<u>\$ 261,685</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ (254,681)	\$ 925,927	\$ (81,964)	\$ 43,908	\$ (240,807)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	-	-	2,773	20,695	-
Changes in assets and liabilities:					
Accounts receivable, net	-	-	-	71,935	-
Intergovernmental receivables	-	-	627	1,999	-
Prepaid items	-	-	-	-	-
Accounts payable	-	9,478	(17,555)	(80,540)	28,538
Salaries and benefits payable	10,484	-	339	-	-
Accrued OPEB liability	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Accrued claims	41,503	(456,070)	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (202,694)</u>	<u>\$ 479,335</u>	<u>\$ (95,780)</u>	<u>\$ 57,997</u>	<u>\$ (212,269)</u>

Employee Group Insurance	Employee Leave Liability	Post Retirement Insurance	Total Internal Service Funds	
				Cash Flows from operating activities:
\$ 5,944,917	\$ 780,610	\$ 700,101	\$ 12,955,114	Receipts from interfund services provided
(6,028,490)	-	(332,303)	(8,817,730)	Payments to suppliers
-	(1,823,485)	-	(2,277,208)	Payments to employees
-	-	-	(2,592,237)	Claims paid
(83,573)	(1,042,875)	367,798	(732,061)	Net cash provided by (used for) operating activities
				Cash flows from noncapital financing activities:
-	-	(781,000)	(781,000)	Advances to other funds
-	-	-	2,756,347	Receipt on advances to other funds
-	781,000	-	781,000	Advances from other funds
(22,020)	-	-	(22,020)	Payment on advances from other funds
-	-	-	333,969	Transfers in from other funds
-	-	-	(333,969)	Transfers out to other funds
(4,294)	-	-	(4,448)	Interest paid
109,957	-	-	109,957	Intergovernmental
83,643	781,000	(781,000)	2,839,836	Net cash provided by (used for) noncapital financing activities:
				Cash flows from investing activities:
-	4,059	25,251	176,846	Interest received
70	(257,816)	(387,951)	2,284,621	Net increase (decrease) in cash and cash equivalents
17	257,853	1,321,615	3,770,996	Cash and cash equivalents, beginning of year
\$ 87	\$ 37	\$ 933,664	\$ 6,055,617	Cash and cash equivalents, end of year
				Reconciliation to the Statement of Net Assets:
\$ 87	\$ 37	\$ 933,664	\$ 5,955,617	Cash and investments
-	-	-	100,000	Restricted cash and investments
\$ 87	\$ 37	\$ 933,664	\$ 6,055,617	Total cash and cash equivalents
				Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:
\$ (79,246)	\$ (1,540,115)	\$ (1,734,743)	(2,961,721)	Operating income (loss)
				Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:
-	-	-	23,468	Depreciation expense
-	-	-	71,935	Changes in assets and liabilities:
-	-	-	2,626	Accounts receivable, net
(3,833)	-	(831)	(4,664)	Intergovernmental receivables
(494)	-	-	(60,573)	Prepaid items
-	-	-	10,823	Accounts payable
-	-	2,103,372	2,103,372	Salaries and benefits payable
-	-	-	497,240	Accrued OPEB liability
-	497,240	-	497,240	Accrued compensated absences
-	-	-	(414,567)	Accrued claims
\$ (83,573)	\$ (1,042,875)	\$ 367,798	\$ (732,061)	Net cash provided by (used for) operating activities



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AGENCY FUNDS



Agency funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity since all assets are due to individuals or entities at some future time.

Property Tax Collection – This fund is used to account for property tax collections awaiting apportionment to governmental agencies.

Local Transportation – This fund is used to account for the quarter of one percent sales tax collected by the State Board of Equalization and deposited with the county of origin for local transportation support. The Tuolumne County Transportation Council, the regional agency responsible for administration of these monies, directs their use and distribution.

Emergency Medical – This fund is used to account for fines collected to pay for medical services for the indigent (SB611) and allocated to third parties.

**COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	Balance at June 30, 2009	Additions	Deductions	Balance at June 30, 2010
Property Tax Collection				
Assets:				
Cash and investments	\$ 769,511	\$ 74,341,120	\$ 74,386,257	\$ 724,374
Taxes receivable	8,432,483	10,580,774	9,801,728	9,211,529
Total assets	<u>\$ 9,201,994</u>	<u>\$ 84,921,894</u>	<u>\$ 84,187,985</u>	<u>\$ 9,935,903</u>
Liabilities:				
Advances from other funds	\$ 5,124,737	\$ -	\$ 111,385	\$ 5,013,352
Agency obligations	4,077,257	845,294	-	4,922,551
Total liabilities	<u>\$ 9,201,994</u>	<u>\$ 845,294</u>	<u>\$ 111,385</u>	<u>\$ 9,935,903</u>
Local Transportation				
Assets:				
Cash and investments	\$ 1,817,817	\$ 2,772,891	\$ 3,039,365	\$ 1,551,343
Intergovernmental receivables	520,562	373,597	520,562	373,597
Total assets	<u>\$ 2,338,379</u>	<u>\$ 3,146,488</u>	<u>\$ 3,559,927</u>	<u>\$ 1,924,940</u>
Liabilities:				
Salaries and benefits payable	\$ 38	\$ 2,804	\$ 2,805	\$ 37
Agency obligations	2,338,341	13,238	426,676	1,924,903
Total liabilities	<u>\$ 2,338,379</u>	<u>\$ 16,042</u>	<u>\$ 429,481</u>	<u>\$ 1,924,940</u>
Emergency Medical				
Assets:				
Cash and investments	\$ 382,685	\$ 121,304	\$ 295,258	\$ 208,731
Total assets	<u>\$ 382,685</u>	<u>\$ 121,304</u>	<u>\$ 295,258</u>	<u>\$ 208,731</u>
Liabilities:				
Agency obligations	\$ 382,685	\$ 962	\$ 174,916	\$ 208,731
Total liabilities	<u>\$ 382,685</u>	<u>\$ 962</u>	<u>\$ 174,916</u>	<u>\$ 208,731</u>

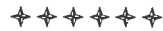
**COUNTY OF TUOLUMNE, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	Balance at June 30, 2009	Additions	Deductions	Balance at June 30, 2010
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 2,970,013	\$ 77,235,315	\$ 77,720,880	\$ 2,484,448
Taxes receivable	8,432,483	10,580,774	9,801,728	9,211,529
Intergovernmental receivables	520,562	373,597	520,562	373,597
	<u>11,923,058</u>	<u>88,189,686</u>	<u>88,043,170</u>	<u>12,069,574</u>
Total assets	<u>\$ 11,923,058</u>	<u>\$ 88,189,686</u>	<u>\$ 88,043,170</u>	<u>\$ 12,069,574</u>
Liabilities:				
Salaries and benefits payable	\$ 38	\$ 2,804	\$ 2,805	\$ 37
Advances from other funds	5,124,737	-	111,385	5,013,352
Agency obligations	6,798,283	859,494	601,592	7,056,185
	<u>11,923,058</u>	<u>862,298</u>	<u>715,782</u>	<u>12,069,574</u>
Total liabilities	<u>\$ 11,923,058</u>	<u>\$ 862,298</u>	<u>\$ 715,782</u>	<u>\$ 12,069,574</u>



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STATISTICAL SECTION



This part of the County of Tuolumne's comprehensive annual financial report provides supplemental information for the benefit of the readers. This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

Financial Trends – These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Schedule 1 – Net Assets by Component

Schedule 2 – Changes in Net Assets

Schedule 3 – Fund Balances of Governmental Funds

Schedule 4 – Changes in Fund Balances, Governmental Funds

Schedule 5 – Tax Revenues by Source, Governmental Funds

Revenue Capacity Information – These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Schedule 6 – Assessed Value of Taxable Property

Schedule 7 – Direct and Overlapping Property Tax Rates

Schedule 8 – Principal Property Taxpayers

Schedule 9 – Property Tax Levies and Collections

Debt Capacity Information – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Schedule 10 – Ratios of Outstanding Debt by Type

Schedule 11 – Ratios of General Bonded Debt Outstanding

Schedule 12 – Direct and Overlapping Governmental Activities Debt

Schedule 13 – Legal Debt Margin Information

Schedule 14 – Pledged Revenue Coverage

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Schedule 15 – Demographic and Economic Statistics

Schedule 16 – Principal Employers

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Schedule 17 – Full-Time Equivalent County Government Employees by Function

Schedule 18 – Operating Indicators by Function

Schedule 19 – Capital Assets Statistics by Function

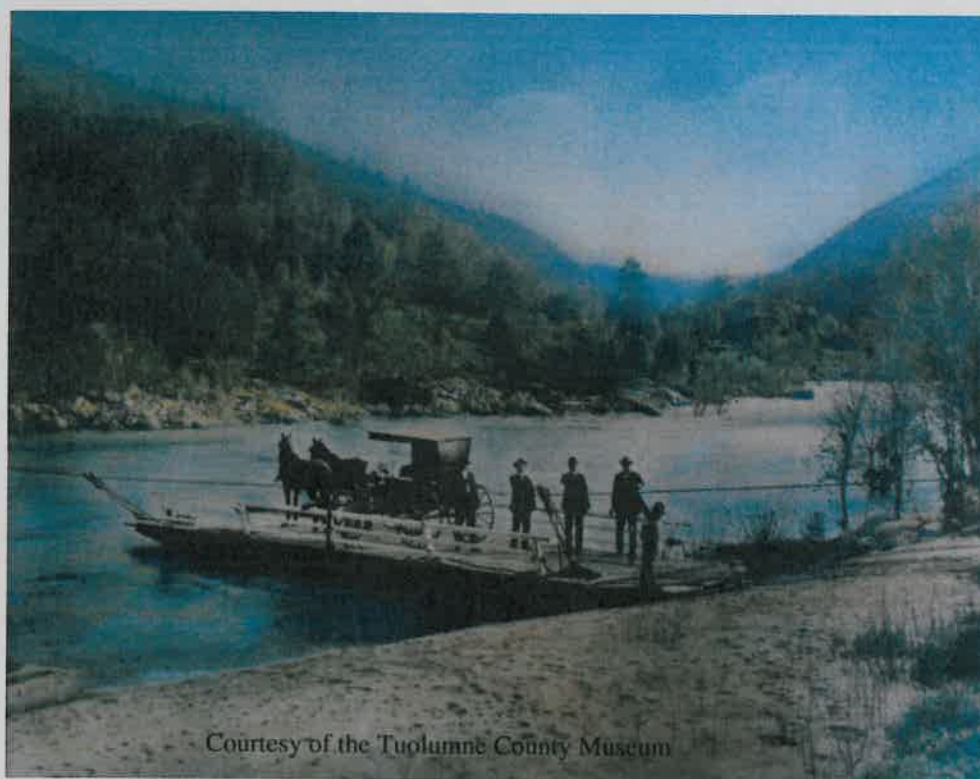
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.



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County of Tuolumne
California

Statistical Section



Courtesy of the Tuolumne County Museum

COUNTY OF TUOLUMNE, CALIFORNIA

Net Assets by Component Last Eight Fiscal Years (Accrual Basis of Accounting)

Schedule 1 Financial Trends

	Fiscal Year							
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Governmental activities:								
Invested in capital assets, net of related debt	\$ 49,437,561	\$ 48,879,341	\$ 47,613,046	\$ 50,010,046	\$ 47,739,711	\$ 46,217,118	\$ 46,256,146	\$ 54,462,497
Restricted	19,647,634	24,994,782	31,682,658	27,252,825	30,530,085	33,051,827	30,344,393	28,862,829
Unrestricted	258,583	2,219,241	2,273,777	(1,622,862)	(3,622,233)	(2,274,859)	(4,509,430)	(10,731,061)
Total governmental activities net assets	69,343,778	76,093,364	81,569,481	75,640,009	74,647,563	76,994,086	72,091,109	72,594,265
Business-type activities:								
Invested in capital assets, net of related debt	9,492,182	10,373,738	10,540,245	11,022,785	12,540,681	12,364,712	12,054,950	11,854,379
Restricted	195,003	235,110	274,814	311,388	772,760	382,270	419,285	432,143
Unrestricted	(10,139,041)	(9,714,837)	(8,258,289)	(6,174,002)	(5,723,740)	(9,434,132)	(13,957,153)	(11,312,348)
Total business-type activities net assets	(451,856)	894,011	2,556,770	5,160,171	7,589,701	3,312,850	(1,482,918)	974,174
Primary government:								
Invested in capital assets, net of related debt	58,929,743	59,253,079	58,153,291	61,032,831	60,280,392	58,581,830	58,311,096	66,316,876
Restricted	19,842,637	25,229,892	31,957,472	27,564,213	31,302,845	33,434,097	30,763,678	29,294,972
Unrestricted	(9,880,458)	(7,495,596)	(5,984,512)	(7,796,864)	(9,345,973)	(11,708,991)	(18,466,583)	(22,043,409)
Total primary government net assets	\$ 68,891,922	\$ 76,987,375	\$ 84,126,251	\$ 80,800,180	\$ 82,237,264	\$ 80,306,936	\$ 70,608,191	\$ 73,568,439

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with fiscal year 2002-03.

Source: Tuolumne County's Financial Statements

COUNTY OF TUOLUMNE, CALIFORNIA

Changes in Net Assets Last Eight Fiscal Years (Accrual Basis of Accounting)

Schedule 2 Financial Trends

	Fiscal Year							
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Expenses								
Governmental activities:								
General government	\$ 13,037,907	\$ 13,859,311	\$ 15,155,420	\$ 16,539,535	\$ 15,604,958	\$ 17,927,110	\$ 16,222,730	\$ 15,451,199
Public protection	24,527,643	26,414,292	27,352,016	29,174,432	30,142,288	33,886,040	34,478,168	33,225,736
Public ways and facilities	12,112,933	8,888,284	8,444,217	9,284,993	8,395,063	9,041,406	10,616,764	9,228,467
Health and sanitation	11,558,357	11,654,775	10,850,902	12,597,128	12,154,748	12,935,931	14,979,342	14,150,887
Public assistance	15,211,021	16,699,988	16,649,868	19,452,193	18,660,028	17,732,946	19,508,559	19,724,037
Education	1,101,896	1,116,494	1,210,690	1,432,414	1,395,303	1,463,879	1,501,365	1,256,725
Recreation and cultural services	1,134,978	1,105,006	1,463,086	1,559,125	1,683,948	1,737,867	1,801,717	1,568,443
Interest on long term debt	218,745	37,864	22,755	10,638	176,012	270,301	291,235	270,323
Total governmental activities expenses	78,903,480	79,776,014	81,148,954	90,050,458	88,212,348	94,995,480	99,399,880	94,875,817
Business-type activities:								
General Medical Facility	27,445,952	26,798,455	30,867,019	36,120,540	38,220,097	15,789,738	10,292,846	8,419,817
Solid waste	6,042,795	2,367,445	1,073,106	1,102,926	845,119	3,102,109	4,154,121	1,096,872
Ambulance	2,271,077	2,383,769	3,152,902	3,354,725	3,559,791	4,224,401	4,443,895	4,335,974
Airport	725,955	697,042	703,442	921,130	719,861	769,275	821,209	753,127
VNA of the Mother Lode	-	3,407,614	3,625,032	4,061,207	5,592,774	5,446,784	4,917,584	969,680
Public transportation	1,250,121	1,248,504	1,348,599	1,361,229	1,690,218	2,062,631	2,156,242	2,128,484
Public Power Agency	1,221,514	1,116,368	1,560,106	1,534,839	1,405,460	1,722,058	1,846,140	1,650,890
Total business-type activities expenses	38,957,414	38,019,197	42,330,206	48,456,596	52,033,320	33,116,996	28,632,037	19,354,844
Total primary government expenses	117,860,894	117,795,211	123,479,160	138,507,054	140,245,668	128,112,476	128,031,917	114,230,661
Program Revenues								
Governmental Activities:								
Charges for services:								
General government	7,271,500	8,374,870	8,673,914	11,174,809	11,058,782	11,608,849	8,731,697	10,115,024
Public protection	3,093,005	3,693,330	4,001,694	4,023,938	3,857,690	3,811,379	3,637,789	3,309,650
Public ways and facilities	2,148,920	3,141,988	5,274,486	2,310,244	2,720,544	2,242,940	1,447,791	1,944,470
Health and sanitation	1,713,608	1,059,576	1,527,673	1,444,996	1,299,495	1,305,271	1,466,256	580,480
Public assistance	-	422,077	480,133	574,236	647,705	753,958	745,406	709,011
Education	32,664	28,812	30,793	31,049	68,694	45,628	48,308	60,734
Recreation and cultural services	154,363	237,655	217,521	226,175	291,862	248,621	254,554	252,139
Operating Grants and contributions	28,633,576	32,684,901	26,034,177	31,113,715	29,956,181	30,440,389	32,452,016	33,939,350
Capital grants and contributions	1,717,360	3,010,824	2,954,328	1,109,826	532,358	1,329,288	1,456,719	4,654,018
Total governmental activities program revenues	44,764,996	52,654,033	49,194,719	52,008,988	50,433,311	51,786,323	50,240,536	55,564,876
Business-type Activities:								
Charges for services:								
General Medical Facility	23,679,341	23,824,746	27,416,825	27,930,873	28,108,691	9,002,787	5,917,029	5,499,349
Solid waste	777,353	1,767,984	1,616,430	1,454,344	1,424,989	1,351,046	1,228,219	1,174,569
Ambulance	2,435,100	2,472,922	3,346,846	3,389,368	3,663,048	3,966,271	4,317,026	3,839,236
Airport	296,872	373,550	371,565	398,179	432,675	413,362	414,903	424,911
VNA of the Mother Lode	-	3,012,457	3,003,649	3,207,816	3,209,233	4,178,132	4,368,411	620,865
Public transportation	445,012	414,752	456,284	434,943	515,187	577,233	535,031	496,326
Public Power Agency	1,545,862	1,604,282	1,588,142	1,462,971	1,462,910	1,372,390	1,480,624	1,542,394
Operating Grants and contributions	966,203	997,635	1,191,281	1,471,695	1,493,085	2,095,449	1,900,051	1,359,700
Capital grants and contributions	27,450	189,603	43,356	157,904	143,346	134,019	87,710	432,066
Total Business-type activities program revenues	30,173,193	34,657,931	39,034,378	39,908,093	40,453,164	23,090,689	20,249,004	15,389,416
Total primary government program revenues	\$ 74,938,189	\$ 87,311,964	\$ 88,229,097	\$ 91,917,081	\$ 90,886,475	\$ 74,877,012	\$ 70,489,540	\$ 70,954,292

Continued

COUNTY OF TUOLUMNE, CALIFORNIA
Changes in Net Assets (Continued)
Last Eight Fiscal Years
(accrual basis of accounting)

Schedule 2
Financial Trends

	Fiscal Year							
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Net (expense) revenue								
Governmental activities	\$ (34,138,484)	\$ (27,121,981)	\$ (31,954,235)	\$ (38,041,470)	\$ (37,779,037)	\$ (43,209,157)	\$ (49,159,344)	\$ (39,310,941)
Business-type activities	(8,784,221)	(3,361,266)	(3,295,828)	(8,548,503)	(11,580,156)	(10,026,307)	(8,383,033)	(3,965,428)
Total primary government net expense	(42,922,705)	(30,483,247)	(35,250,063)	(46,589,973)	(49,359,193)	(53,235,464)	(57,542,377)	(43,276,369)
General Revenues and Other								
Changes in Net Assets								
Governmental Activities:								
Taxes:								
Property	12,531,774	15,712,487	19,719,949	22,545,907	24,777,319	26,678,566	27,539,807	26,309,709
Property transfer	444,055	575,316	672,257	672,622	447,453	319,083	207,004	209,899
Transient occupancy	1,211,510	1,052,217	1,171,269	1,375,760	1,374,444	1,515,725	1,417,832	1,491,006
Sales taxes shared state revenue	11,975,359	13,412,547	14,980,175	15,679,601	15,941,751	15,617,504	13,187,419	11,956,647
Grants and other intergovernmental revenue not restricted to specific programs	5,046,004	4,413,520	3,002,924	2,428,991	3,257,936	3,409,183	2,804,918	2,798,355
Unrestricted investment earnings	1,048,964	856,556	780,939	2,246,676	1,716,815	2,338,695	921,138	725,136
Proceeds from sale of tobacco settlement revenues	6,908,475	-	-	-	-	-	-	-
Other	1,646,238	1,986,906	1,438,248	609,731	830,248	736,186	1,010,175	1,140,107
Gain on sale of capital assets	-	39,876	102,417	2,603	-	65,395	-	-
Transfers	(4,347,885)	(4,177,858)	(4,437,826)	(10,983,116)	(13,842,281)	(5,124,657)	(2,831,926)	(4,816,762)
Total governmental activities	36,464,494	33,871,567	37,430,352	34,578,775	34,503,685	45,555,680	44,256,367	39,814,097
Business-type Activities:								
Unrestricted investment earnings	271,503	198,970	142,897	148,514	146,541	133,136	39,621	35,232
Gain on sale of capital assets	2,208	-	-	2,080	-	-	43,782	158,837
Other	239,578	330,305	377,864	18,194	20,864	491,663	191,079	1,381,864
Transfers	4,347,885	4,177,858	4,437,826	10,983,116	13,842,281	5,124,657	2,831,926	4,816,762
Total Business-type activities	4,861,174	4,707,133	4,958,587	11,151,904	14,009,686	5,749,456	3,106,408	6,392,695
Total primary government	41,325,668	38,578,700	42,388,939	45,730,679	48,513,371	51,305,136	47,362,775	46,206,792
Changes in Net Assets								
Governmental activities	2,326,010	6,749,586	5,476,117	(3,462,695)	(3,275,352)	2,346,523	(4,902,977)	503,156
Business-type activities	(3,923,047)	1,345,867	1,662,759	2,603,401	2,429,530	(4,276,851)	(5,276,625)	2,427,267
Total primary government	\$ (1,597,037)	\$ 8,095,453	\$ 7,138,876	\$ (859,294)	\$ (845,822)	\$ (1,930,328)	\$ (10,179,602)	\$ 2,930,423

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with fiscal year 2002-03.

Source: Tuolumne County's Financial Statements

COUNTY OF TUOLUMNE, CALIFORNIA
Fund Balances of Governmental Funds
Last Eight Fiscal Years
(Modified Accrual Basis of Accounting)

Schedule 3
Financial Trends

	Fiscal Year							
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
General Fund								
Reserved	\$ 548,658	\$ 1,392,688	\$ 950,274	\$ 1,385,086	\$ 1,757,852	\$ 6,840,631	\$ 6,340,317	
Unreserved	5,407,208	7,561,178	8,843,060	7,830,442	4,377,326	1,249,672	1,786,546	
Nonspendable								\$ 5,014,522
Assigned								259,097
Unassigned								1,117,806
Total General Fund	<u>5,955,866</u>	<u>8,953,866</u>	<u>9,793,334</u>	<u>9,215,528</u>	<u>6,135,178</u>	<u>8,090,303</u>	<u>8,126,863</u>	<u>6,391,425</u>
All other governmental funds								
Reserved	7,604,713	10,657,106	11,510,264	6,350,019	7,837,182	8,622,262	8,529,682	
Unreserved, reported in:								
Special revenue funds	15,561,118	17,700,868	22,154,258	18,248,305	19,519,915	20,142,775	17,964,958	
Capital projects funds	2,006,957	1,636,297	2,289,560	4,147,766	4,388,169	4,048,091	3,600,011	
Permanent fund	80,100	-	-	-	226,401	238,699	249,742	
Nonspendable								11,285,183
Restricted								17,653,766
Unassigned								(2,928,065)
Total all other governmental funds	<u>25,252,888</u>	<u>29,994,271</u>	<u>35,954,082</u>	<u>28,746,090</u>	<u>31,971,667</u>	<u>33,051,827</u>	<u>30,344,393</u>	<u>26,010,884</u>
Total governmental funds	<u>\$ 31,208,754</u>	<u>\$ 38,948,137</u>	<u>\$ 45,747,416</u>	<u>\$ 37,961,618</u>	<u>\$ 38,106,845</u>	<u>\$ 41,142,130</u>	<u>\$ 38,471,256</u>	<u>\$ 32,402,309</u>

Notes: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with fiscal year 2002-03. In addition, the County implemented GASB Statement No. 54 beginning with fiscal year 2009-10.

Source: Annual Financial Reports

COUNTY OF TUOLUMNE, CALIFORNIA
Changes in Fund Balances, Governmental Funds
Last Eight Fiscal Years
(Modified Accrual Basis of Accounting)

Schedule 4
Financial Trends

	Fiscal Year							
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Revenues								
Taxes	\$ 14,187,339	\$ 17,340,020	\$ 21,563,475	\$ 24,594,289	\$ 26,599,216	\$ 28,513,374	\$ 29,164,643	\$ 28,010,614
Licenses and permits	1,672,240	1,798,486	2,443,085	2,545,053	2,353,455	2,336,157	1,887,753	1,603,198
Fines, forfeits and penalties	1,936,474	2,071,969	2,050,378	1,893,077	1,924,056	1,927,457	1,867,210	1,841,961
Interest, rents and concessions	873,143	709,833	636,188	2,027,654	1,358,702	1,956,133	706,875	548,290
Intergovernmental revenues	47,244,088	53,396,333	46,801,361	49,667,167	49,506,735	50,716,804	49,901,072	53,238,413
Charges for services	10,805,346	13,087,853	15,712,751	15,347,317	15,667,261	15,753,032	12,576,838	13,526,349
Miscellaneous	1,646,238	1,986,906	1,438,248	609,731	830,248	736,186	1,010,175	1,140,107
Total revenues	<u>78,364,868</u>	<u>90,391,400</u>	<u>90,645,486</u>	<u>96,684,288</u>	<u>98,239,673</u>	<u>101,939,143</u>	<u>97,114,566</u>	<u>99,908,932</u>
Expenditures								
General government	11,201,178	11,661,933	13,177,604	14,768,996	14,268,508	15,962,038	14,492,881	13,756,470
Public protection	23,113,763	25,254,167	26,500,974	28,086,898	29,753,500	32,274,087	32,565,830	30,899,115
Public ways and facilities	5,936,080	5,906,406	6,310,302	7,035,952	6,754,268	7,238,609	8,476,717	6,895,127
Health and sanitation	11,382,381	11,562,336	10,803,647	12,474,481	12,174,579	12,876,623	14,634,914	13,976,029
Public assistance	15,069,384	16,586,812	16,558,054	19,343,103	18,558,647	17,653,855	19,438,866	19,618,137
Education	1,045,002	1,054,722	1,135,460	1,362,793	1,341,091	1,406,055	1,428,810	1,181,421
Recreation and cultural services	1,109,338	1,075,188	1,442,269	1,498,537	1,633,825	1,684,216	1,683,059	1,455,283
Capital outlay	6,404,493	5,147,091	5,054,447	6,538,480	3,121,371	4,936,085	5,065,136	13,234,840
Debt service								
Principal	1,232,510	387,476	450,828	150,140	88,689	221,319	214,171	173,575
Costs of Issuance	-	-	-	-	284,069	-	-	-
Interest	204,657	37,864	22,755	10,638	133,831	274,103	294,971	274,092
Total expenditures	<u>76,698,786</u>	<u>78,673,995</u>	<u>81,456,340</u>	<u>91,270,018</u>	<u>88,112,378</u>	<u>94,526,990</u>	<u>98,295,355</u>	<u>101,464,089</u>
Excess of revenues over (under) expenditures	<u>1,666,082</u>	<u>11,717,405</u>	<u>9,189,146</u>	<u>5,414,270</u>	<u>10,127,295</u>	<u>7,412,153</u>	<u>(1,180,789)</u>	<u>(1,555,157)</u>
Other financing sources (uses)								
Transfers in	4,367,738	4,007,403	4,526,092	9,343,259	5,320,246	5,502,412	5,321,413	7,504,251
Transfers out	(8,630,623)	(8,185,261)	(7,721,282)	(20,477,902)	(18,185,526)	(9,993,496)	(6,825,235)	(12,045,778)
Contributions	30,102	125,459	167,743	380,501	181,491	79,560	-	-
Debt issued	-	-	-	-	6,310,000	-	-	-
Premium on debt issued	-	-	-	-	89,069	-	-	-
Litigation Settlement	-	-	-	-	(6,000,000)	-	-	-
Loan proceeds	-	-	450,000	-	-	-	-	-
Sale of tobacco settlement revenues	6,908,475	-	-	-	-	-	-	-
Proceeds from sale of capital assets	15,641	74,377	187,580	20,851	19,746	34,656	13,737	27,737
Total other financing sources (uses)	<u>2,691,333</u>	<u>(3,978,022)</u>	<u>(2,389,867)</u>	<u>(10,733,291)</u>	<u>(12,264,974)</u>	<u>(4,376,868)</u>	<u>(1,490,085)</u>	<u>(4,513,790)</u>
Net change in fund balances	<u>\$ 4,357,415</u>	<u>\$ 7,739,383</u>	<u>\$ 6,799,279</u>	<u>\$ (5,319,021)</u>	<u>\$ (2,137,679)</u>	<u>\$ 3,035,285</u>	<u>\$ (2,670,874)</u>	<u>\$ (6,068,947)</u>
Debt service as a percentage of non-capital expenditures	2.04%	0.58%	0.62%	0.19%	0.60%	0.55%	0.55%	0.51%

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with Fiscal Year 2002-03.

Source: Annual Financial Reports

COUNTY OF TUOLUMNE, CALIFORNIA
Tax Revenues by Source, Governmental Funds
Last Eight Fiscal Years

Schedule 5
Financial Trends

	Fiscal Year							
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Property Taxes	\$ 12,531,774	\$ 15,712,487	\$ 19,719,949	\$ 22,545,907	\$ 24,777,319	\$ 26,678,566	\$ 27,539,807	\$ 26,309,709
Transient Occupancy Tax	1,211,510	1,052,217	1,171,269	1,375,760	1,374,444	1,515,725	1,417,832	1,491,006
Property Transfer Tax	444,055	575,316	672,257	672,622	447,453	319,083	207,004	209,899
	<u>\$ 14,187,339</u>	<u>\$ 17,340,020</u>	<u>\$ 21,563,475</u>	<u>\$ 24,594,289</u>	<u>\$ 26,599,216</u>	<u>\$ 28,513,374</u>	<u>\$ 29,164,643</u>	<u>\$ 28,010,614</u>

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with Fiscal Year 2002-03.

Source: Annual Financial Reports

COUNTY OF TUOLUMNE, CALIFORNIA

Assessed Value of Taxable Property

Last Ten Fiscal Years

Schedule 6

Revenue Capacity Information

Fiscal Year	Land Value	Improvement Value	Fixed Equipment Value	Personal Property Value	Exemptions	Total Value	Total Direct Tax Rate
2000-01	\$ 1,221,471,893	\$ 2,231,282,557	\$ 55,785,940	\$ 182,215,539	\$ (168,768,136)	\$ 3,521,987,793	1.000000
2001-02	1,282,533,558	2,365,047,999	55,937,479	191,289,427	(176,611,735)	3,718,196,728	1.000000
2002-03	1,355,743,386	2,546,957,153	57,387,765	195,267,582	(196,561,732)	3,958,794,154	1.000000
2003-04	1,445,263,764	2,777,388,083	56,936,559	208,352,563	(212,969,461)	4,274,971,508	1.000000
2004-05	1,564,107,326	3,035,952,519	58,870,151	216,645,305	(230,465,872)	4,645,109,429	1.000000
2005-06	1,733,669,191	3,365,964,240	57,119,356	228,901,010	(238,449,355)	5,147,204,442	1.000000
2006-07	1,957,913,518	3,717,656,365	56,507,453	245,340,409	(245,405,292)	5,732,012,453	1.000000
2007-08	2,145,103,991	4,008,372,025	66,343,776	248,407,548	(257,171,119)	6,211,056,221	1.000000
2008-09	2,276,735,511	4,245,622,498	63,664,917	265,448,345	(266,653,333)	6,584,817,938	1.000000
2009-10	2,271,634,724	4,199,985,004	63,634,216	270,136,621	(279,277,026)	6,526,113,539	1.000000

Notes: Includes locally assessed Secured and Unsecured Roll property values, does not include Utility Roll values. Breakdown of residential and commercial values not available.

Due to passage of the Proposition 13 (Prop 13) property tax initiative in 1978, the County does not track the estimated actual value of all properties in the County. Under Prop 13, property is assessed at the 1975 market value with an annual increase limited to 2% on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date of purchase. Additionally, Prop 13 limits the property tax rate to 1% of assessed value, plus the rate necessary to fund local voter-approved bonds and special assessments.

Source: County of Tuolumne - Assessor's Office

COUNTY OF TUOLUMNE, CALIFORNIA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Schedule 7
Revenue Capacity Information

Fiscal Year	Countywide AB-8	Special Districts Bonds	Schools Bonds	Cities Bonds	Total
2000-01	1.0000	0.0658	0.5129	0.0320	1.6107
2001-02	1.0000	0.0650	0.5135	0.0310	1.6095
2002-03	1.0000	0.0647	0.5139	0.0300	1.6086
2003-04	1.0000	0.0644	0.5141	0.0290	1.6075
2004-05	1.0000	0.0642	0.5140	0.0330	1.6112
2005-06	1.0000	0.0644	0.5138	0.0350	1.6132
2006-07	1.0000	0.0531	0.5134	0.0140	1.5805
2007-08	1.0000	0.0532	0.5133	0.0120	1.5785
2008-09	1.0000	0.0533	0.5134	0.0113	1.5780
2009-10	1.0000	0.0529	0.5137	0.0114	1.5780

Note: In June 1978, California voters approved Proposition 13, which restricted property taxes to a County-wide rate of 1% per \$100 of assessed value plus voter approved indebtedness. The distribution of County-wide basic tax rate of 1% is based on the County's AB 8 Apportionment factors.

Source: Tuolumne County Auditor-Controller Property Tax Section

COUNTY OF TUOLUMNE, CALIFORNIA

Principal Property Taxpayers

June 30, 2010 and June 30, 2001

Schedule 8

Revenue Capacity Information

Taxpayer	Fiscal Year 2010			Fiscal Year 2001		
	Assessed Value	Rank	% of County	Assessed Value	Rank	% of County
Pacific Gas & Electric	\$ 92,928,821	1	1.42%	\$ 55,034,082	2	1.56%
Sierra Pacific Industries	51,693,214	2	0.79%	56,756,731	1	1.61%
City & County of San Francisco	43,302,652	3	0.66%	36,960,183	3	1.05%
AT&T California	18,899,954	4	0.29%			
Portola Minerals (Blue Mountain)	18,172,556	5	0.28%	16,299,530	5	0.46%
Sonora/Five Assoc. (Junction)	17,969,350	6	0.28%	14,935,933	6	0.42%
Pacific Ultrapower	14,600,000	7	0.22%			
Wal-Mart	13,200,854	8	0.20%	9,860,867	7	0.28%
R1 Timberhills LLC	11,370,122	9	0.17%	9,233,165	9	0.26%
Skyline Place Holdings LLC	11,221,685	10	0.17%			
Pacific Bell				26,440,318	4	0.75%
Sonora Plaza 1 LLC				9,432,086	8	0.27%
Dodge Ridge Corporation				8,512,239	10	0.24%
	<u>\$ 293,359,208</u>		<u>4.50%</u>	<u>\$ 234,952,895</u>		<u>6.67%</u>
Countywide Assessed Value	\$ 6,526,113,539			\$ 3,521,987,793		

Source: Tuolumne County Assessor/Recorder

COUNTY OF TUOLUMNE, CALIFORNIA
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 9
Revenue Capacity Information

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount ¹	% of Levy
2001	\$ 38,456,709	\$ 36,717,916	95.5%	\$ 1,016,267	\$ 37,734,183	98.1%
2002	40,298,656	38,691,322	96.0%	1,581,551	40,272,873	99.9%
2003	43,072,702	41,372,509	96.1%	1,332,305	42,704,814	99.1%
2004	45,897,173	44,712,003	97.4%	1,090,013	45,802,016	99.8%
2005	49,850,712	48,620,855	97.5%	1,053,117	49,673,972	99.6%
2006	55,939,608	54,537,242	97.5%	1,218,945	55,756,187	99.7%
2007	62,293,344	60,340,752	96.9%	1,334,570	61,675,322	99.0%
2008	67,552,173	64,772,348	95.9%	2,055,874	66,828,222	98.9%
2009	71,106,023	67,983,387	95.6%	2,589,820	70,573,207	99.3%
2010	71,433,620	68,273,766	95.6%	N/A	68,273,766	95.6%

¹ Collections include delinquent (abstract) bills.

Source: Auditor-Controller Office/Crest Tax System

COUNTY OF TUOLUMNE, CALIFORNIA

Ratios of Outstanding Debt by Type

Last Eight Fiscal Years

Schedule 10

Debt Capacity Information

Fiscal Year	Governmental Activities			Business-type Activities			Percentage of Taxable Assessed Value ¹	Percentage of Personal Income ²	Per Capita ²
	Judgment Obligation Bonds	Notes Payable	Capital Leases	Notes Payable	Capital Leases	Total Primary Government			
2002-03	\$ -	\$ 68,897	\$ 791,043	\$ 47,656	\$ 1,142,201	\$ 2,049,797	0.05%	0.14%	\$ 36.49
2003-04	-	36,085	436,379	45,416	861,175	1,379,055	0.03%	0.09%	24.31
2004-05	-	-	471,636	42,996	1,763,259	2,277,891	0.05%	0.14%	40.18
2005-06	-	-	321,496	512,397	1,408,269	2,242,162	0.04%	0.13%	39.38
2006-07	6,282,090	115,000	232,807	460,347	1,078,313	8,168,557	0.14%	0.44%	143.21
2007-08	6,154,121	109,868	141,620	410,190	736,736	7,552,535	0.12%	0.38%	133.53
2008-09	6,036,152	104,454	47,863	7,296,223	380,486	13,865,178	0.21%	0.69%	245.28
2009-10	5,913,183	98,742	-	7,385,580	154,682	13,552,187	0.21%	n/a	243.08

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with Fiscal Year 2002-03.

¹ See Schedule 6, Assessed Value and Actual Value of Taxable Property, for total taxable assessed value.

² See Schedule 15, Demographic and Economic Statistics, for the population and personal income figures. These ratios are calculated using personal income and population for the most recent calendar year.

Source: Audited financial statements

COUNTY OF TUOLUMNE, CALIFORNIA
Ratios of General Bonded Debt Outstanding
Last Eight Fiscal Years

Schedule 11
Debt Capacity Information

<u>Fiscal Year</u>	<u>Judgment Obligation Bonds</u>	<u>Total General Bonded Debt</u>	<u>Percentage of Taxable Assessed Value ¹</u>	<u>Per Capita ²</u>
2002-03	\$ -	\$ -	0.00%	\$ -
2003-04	-	-	0.00%	-
2004-05	-	-	0.00%	-
2005-06	-	-	0.00%	-
2006-07	6,282,090	6,282,090	0.11%	110.14
2007-08	6,154,121	6,154,121	0.10%	108.81
2008-09	6,036,152	6,036,152	0.09%	106.78
2009-10	5,913,183	5,913,183	0.09%	106.06

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with Fiscal Year 2002-03.

¹ See Schedule 6, Assessed Value and Actual Value of Taxable Property, for total taxable assessed

² figures. These ratios are calculated using personal income and population for the most recent calendar year.

Source: Audited financial statements

COUNTY OF TUOLUMNE, CALIFORNIA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2010

Schedule 12
Debt Capacity Information

	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>County's Share of Debt</u>
DEBT REPAYD WITH PROPERTY TAXES:			
SCHOOL DISTRICTS			
Summerville High School	\$ 16,328,285	100%	\$ 16,328,285
SPECIAL DISTRICTS			
Groveland Community Service Dist	88,081	100%	<u>88,081</u>
Sub-total Overlapping Debt			16,416,366
COUNTY			<u>5,913,183</u>
Total Direct and Overlapping Debt			<u><u>\$ 22,329,549</u></u>

Source: Auditor-Controller, County of Tuolumne

COUNTY OF TUOLUMNE, CALIFORNIA

Legal Debt Margin Information

Last Ten Fiscal Years

Schedule 13

Debt Capacity Information

<u>Fiscal Year</u>	<u>Assessed Value of Property</u>	<u>Debt Limit, 1.25% of Assessed Value</u>	<u>Debt Applicable to the Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net debt Applicable to the Limit as a % of Debt Limit</u>
2000-01	\$3,521,987,793	\$ 44,024,847	\$ -	\$ 44,024,847	0.00%
2001-02	3,718,196,728	46,477,459	-	46,477,459	0.00%
2002-03	3,958,794,154	49,484,927	-	49,484,927	0.00%
2003-04	4,274,971,508	53,437,144	-	53,437,144	0.00%
2004-05	4,645,109,429	58,063,868	-	58,063,868	0.00%
2005-06	5,147,204,442	64,340,056	-	64,340,056	0.00%
2006-07	5,732,012,453	71,650,156	6,282,090	65,368,066	8.77%
2007-08	6,211,056,221	77,638,203	6,154,121	71,484,082	7.93%
2008-09	6,584,817,938	82,310,224	6,036,152	76,274,072	7.33%
2009-10	6,526,113,539	81,576,419	5,913,183	75,663,236	7.25%

Source: Tuolumne County Auditor-Controller's and Assessor's Office

COUNTY OF TUOLUMNE, CALIFORNIA
Pledged Revenue Coverage

Schedule 14
Debt Capacity Information

GASB Statement No. 44, Economic Condition Reporting: The Statistical Section, requires that the County show all nongeneral obligation long-term debt backed by pledged revenues. The County has no nongeneral obligation long-term debt.

COUNTY OF TUOLUMNE, CALIFORNIA
Demographic and Economic Statistics
Last Ten Years

Schedule 15
Demographic and Economic Information

Fiscal Year	Population ²	Change	Personal Income ¹ (Thousand of dollars)	Change	Per Capita Personal Income ¹	Change	Unemployment Rate ²
2000-01	54,722	0.4%	\$ 1,326,684	4.6%	\$ 24,276	4.6%	5.2%
2001-02	55,520	1.5%	1,380,817	4.1%	25,032	3.1%	6.3%
2002-03	56,177	1.2%	1,430,160	3.6%	25,685	2.6%	6.7%
2003-04	56,725	1.0%	1,509,416	5.5%	26,852	4.5%	6.8%
2004-05	56,688	-0.1%	1,638,900	8.6%	29,170	8.6%	6.2%
2005-06	56,940	0.4%	1,731,181	5.6%	30,767	5.5%	5.6%
2006-07	57,038	0.2%	1,847,602	6.7%	32,953	7.1%	6.2%
2007-08	56,559	-0.8%	1,966,716	6.4%	35,321	7.2%	7.7%
2008-09	56,528	-0.1%	2,007,288	2.1%	36,092	2.2%	12.8%
2009-10	55,753	-1.4%	³		³		13.4%

Sources:

¹ US Dept of Commerce - Bureau of Economic Analysis, California Dept of Finance

² California Economic Development Dept Labor Market Info

³ Data not yet published.

COUNTY OF TUOLUMNE, CALIFORNIA

Principal Employers June 30, 2010 and June 30, 2008

Schedule 16

Demographic and Economic Information

June 30, 2010			June 30, 2008		
Employer	Number of Employees	% of County	Employer	Number of Employees	% of County
Sierra Conservation Center	1,000-4,999	3.8%-18.9%	Sierra Conservation Center	1,000-4,999	3.7%-18.4%
Sonora Regional Medical Center	1,000-4,999	3.8%-18.9%	Sonora Regional Medical Center	500-999	1.8% - 3.7%
Black Oak Casino	500-999	1.9% - 3.8%	Black Oak Casino	500-999	1.8% - 3.7%
Dodge Ridge Ski Resort	500-999	1.9% - 3.8%	Dodge Ridge Ski Resort	250-499	0.9% - 1.8%
MRL Industries Inc	250-499	0.9% - 1.9%	MRL Industries Inc	250-499	0.9% - 1.8%
Wal-Mart	250-499	0.9% - 1.9%	Wal-Mart	250-499	0.9% - 1.8%
Avalon Care Center	100-249	0.4% - 0.9%	Avalon Care Center	100-249	0.4% - 0.9%
Chicken Ranch Bingo & Casino	100-249	0.4% - 0.9%	Chicken Ranch Bingo & Casino	100-249	0.4% - 0.9%
Columbia College	100-249	0.4% - 0.9%	Columbia College	100-249	0.4% - 0.9%
Diestel Turkey Ranch	100-249	0.4% - 0.9%	Diestel Turkey Ranch	100-249	0.4% - 0.9%
Hetch Hetchy Water & Power	100-249	0.4% - 0.9%	Hetch Hetchy Water & Power	100-249	0.4% - 0.9%
Sierra Pacific Industries	100-249	0.4% - 0.9%	Sierra Pacific Industries	100-249	0.4% - 0.9%
Sonora School District	100-249	0.4% - 0.9%	Sonora School District	100-249	0.4% - 0.9%
Safeway	100-249	0.4% - 0.9%	Lair of the Golden Bear	100-249	0.4% - 0.9%
Andy's True Value Home Ctr	50 - 99	0.2% - 0.4%	Sonora Union High School	100-249	0.4% - 0.9%
Condor Earth Technologies	50 - 99	0.2% - 0.4%	Pak 'N Save Foods	100-249	0.4% - 0.9%
Applebees Neighborhood Grill	50 - 99	0.2% - 0.4%	Applebees Neighborhood Grill	50 - 99	0.2% - 0.4%
Blue Mountain Minerals	50 - 99	0.2% - 0.4%	Blue Mountain Minerals	50 - 99	0.2% - 0.4%
Kinematic Automation	50 - 99	0.2% - 0.4%	Kinematic Automation	50 - 99	0.2% - 0.4%
Orchard Supply Hardware	50 - 99	0.2% - 0.4%	Orchard Supply Hardware	50 - 99	0.2% - 0.4%
Save Mart	50 - 99	0.2% - 0.4%	Save Mart	50 - 99	0.2% - 0.4%
Sierra Motors	50 - 99	0.2% - 0.4%	Sierra Motors	50 - 99	0.2% - 0.4%
Twain Harte Market	50 - 99	0.2% - 0.4%	Twain Harte Market	50 - 99	0.2% - 0.4%
Waste Management Inc	50 - 99	0.2% - 0.4%	Waste Management Inc	50 - 99	0.2% - 0.4%
Ekwipper Inc Computer Systems	50 - 99	0.2% - 0.4%	Big Oak Flat-Groveland School District	50 - 99	0.2% - 0.4%
Front Porch Communications	50 - 99	0.2% - 0.4%	Columbia Elementary School	50 - 99	0.2% - 0.4%
George Reed Engineering	50 - 99	0.2% - 0.4%	Evergreen Lodge - Yosemite	50 - 99	0.2% - 0.4%
Price Co Foods	50 - 99	0.2% - 0.4%	Jamestown Elementary School	50 - 99	0.2% - 0.4%
Skyline Place Senior Living	50 - 99	0.2% - 0.4%	Gotchalks	50 - 99	0.2% - 0.4%
Tuolumne Utilities District	50 - 99	0.2% - 0.4%	Mervyns	50 - 99	0.2% - 0.4%

Total Workforce in Tuolumne County:

Year	Labor Force	Number of Workers Employed
7/10	26,340	22,810
7/09	26,480	23,100
7/08	27,110	25,020
7/07	26,370	24,720
7/06	26,150	24,670
7/05	26,430	24,800
7/04	26,020	24,260
7/03	25,740	24,020
7/02	25,480	23,880
7/01	24,700	23,420

Note: Tuolumne County itself is a principal employer but is excluded for the purposes of this report. Number of employees reflect an average range based on California Employment Development Department data. Data prior to 2008 unavailable.

Source: EDD Labor Market Info

COUNTY OF TUOLUMNE, CALIFORNIA
Full-time Equivalent County Employees By Function
Last Ten Fiscal Years

Schedule 17
Operating Information

	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
General Government										
Board of Supervisors	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.80
County Administrative Office	5.00	6.00	6.00	6.00	5.00	6.00	6.00	6.00	5.00	5.00
Auditor-Controller	12.00	12.00	12.00	12.00	12.00	12.00	13.00	13.00	13.00	13.00
Treasurer/Tax Collector	6.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	4.50	4.50
Assessor/Recorder	22.00	21.00	21.00	20.00	20.00	20.00	18.00	18.00	18.00	18.00
Office of Revenue Recovery	7.00	7.00	7.00	8.00	8.00	8.00	8.00	8.00	7.00	8.00
County Counsel	4.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	5.00
Human Resources	6.00	6.00	6.80	7.80	6.80	6.80	6.80	6.80	6.80	4.80
Elections	4.00	5.00	5.00	4.00	3.00	3.00	3.00	3.00	3.00	2.00
Facilities Management	37.00	37.00	38.00	36.00	33.00	33.00	29.00	29.00	27.00	27.00
Jamestown Mine	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Film Commissioner	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Information Technology	18.00	22.00	22.00	26.00	26.00	29.00	22.00	25.00	25.00	22.00
Surveyor	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	3.00	2.00
Total General Government	133.50	139.50	141.30	143.30	137.30	141.30	131.30	134.30	128.30	120.10
Public Protection										
District Attorney	20.00	19.00	19.00	17.00	17.00	18.00	21.00	20.00	19.00	18.00
Child Support Services	30.00	32.00	37.00	38.00	27.00	26.75	27.00	25.81	23.81	24.50
Public Defender	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Sheriff/Coroner	138.50	134.00	136.00	138.50	135.00	138.00	139.00	142.00	139.00	131.00
Probation	29.00	35.50	35.50	35.50	29.00	33.00	34.00	35.00	33.00	31.00
County Fire	4.00	4.00	4.00	4.00	4.00	4.00	7.00	8.00	8.00	7.00
Agriculture Comm/Wts & Meas	7.00	6.00	4.00	5.00	5.00	6.00	6.00	6.00	6.00	5.00
Community Development Dept	26.00	29.00	29.00	30.75	31.75	32.75	32.75	29.75	28.75	22.75
Code Compliance	-	-	-	-	-	-	-	2.00	-	-
Animal Control	8.00	8.00	8.00	8.00	9.00	9.00	9.00	10.00	9.00	9.00
Total Public Protection	269.50	274.50	279.50	283.75	263.75	274.50	282.75	284.56	274.56	255.25
Public Ways and Facilities										
Public Works Admin, Eng, Dev, Roads	57.00	62.00	63.00	66.00	55.00	59.00	58.00	61.00	61.00	57.00
Total Public Ways and Facilities	57.00	62.00	63.00	66.00	55.00	59.00	58.00	61.00	61.00	57.00
Health and Sanitation										
Health & Tobacco Control	28.30	26.30	28.10	31.80	31.30	31.15	29.40	26.28	25.20	22.40
Environmental Health	13.00	13.00	13.00	13.00	13.00	13.00	14.00	14.50	10.60	8.63
Behavioral Health	-	-	2.00	2.00	4.00	4.00	6.00	6.00	68.50	50.00
Air Pollution Control	-	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Health and Sanitation	41.30	39.30	45.10	48.80	50.30	50.15	51.40	48.78	106.30	83.03
Public Assistance										
Social Services	111.00	117.00	119.00	118.00	116.00	116.00	109.00	105.00	105.00	104.00
D.A. Victim Witness	3.50	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Veterans	1.00	1.00	1.00	1.00	1.00	1.90	1.90	2.00	2.00	2.00
Total Public Assistance	115.50	122.00	124.00	123.00	120.00	120.90	113.90	110.00	110.00	109.00
Education										
Library	7.00	12.38	12.13	12.60	11.63	11.63	10.50	12.00	12.00	11.00
Farm Advisor	2.50	2.40	2.40	2.00	2.00	2.50	2.50	2.50	2.50	2.00
Total Education	9.50	14.78	14.53	14.60	13.63	14.13	13.00	14.50	14.50	13.00
Recreation										
Recreation	9.50	9.60	9.60	11.75	9.75	11.35	9.75	9.75	9.75	8.60
County Museum	-	-	-	-	-	-	0.75	0.75	0.80	-
Boat Patrol	2.50	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.00	3.00
Total Recreation & Cultural	12.00	12.60	12.60	15.25	12.75	14.35	13.50	13.50	13.55	11.60
Enterprises & Internal Service Funds										
Airports	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.80	4.00	4.00
Public Transportation	3.00	3.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00
Solid Waste	2.00	2.00	2.00	3.00	2.00	2.00	3.50	3.50	4.00	5.00
Tuolumne General Hospital	232.25	234.75	235.20	219.63	230.40	242.00	187.30	-	-	-
Tuolumne General Medical Center	-	-	-	-	-	-	-	67.00	37.40	37.40
Home Health - VNA	-	-	-	30.90	29.40	25.00	27.90	27.90	23.80	-
Adult Day Health Care	-	-	-	-	-	-	-	5.50	6.00	-
Hospice	-	-	-	7.20	6.20	9.00	9.90	9.70	6.80	-
Outpatient Rehab	-	-	-	-	-	-	-	2.80	-	-
Purchasing	1.75	1.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Enterprise & Internal	243.00	245.50	247.20	270.73	278.00	288.00	239.60	127.20	89.00	53.40
Grand Total	881.30	910.18	927.23	965.43	930.73	962.33	903.45	793.84	797.21	702.38

Source: County of Tuolumne Adopted Budgets

COUNTY OF TUOLUMNE, CALIFORNIA

Operating Indicators by Function ⁺

Last Eight Fiscal Years ⁺

Schedule 18 Operating Information

<u>Function</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
<u>General Government</u>								
Recorded documents - Assessor-Recorder	16,342	15,911	21,071	23,479	27,898	27,780	31,511	30,618
Fictitious Business Names - County Clerk	504	464	527	549	538	585	604	612
Number of registered voters - Elections	31,699	31,204	33,666	32,057	32,644	31,168	30,139	29,147
Applications received - Human Resources	1,248	1,364	1,540	1,737	1,959	1,109	1,206	1,219
Maintenance service requests received - Facilities Maint	7,592	6,813	4,388	3,427	3,091	N/A	N/A	N/A
<u>Public Protection</u>								
Misdemeanor cases filed - District Attorney	2,620	2,871	2,774	2,467	2,651	2,502	2,121	1,666
Felony cases filed - District Attorney	816	751	845	816	913	882	881	738
Arrests - Adults - Sheriff	4,517	4,820	5,262	1,932	2,092	2,149	2,224	1,908
Arrests - Juveniles - Sheriff	238	247	230	220	250	363	394	314
Average Daily Jail Population - Sheriff	130.0	133.3	137.5	137	138	133	136	132
Cases supervised - Probation - Adult	2,284	2,289	2,236	2,314	2,208	2,279	1,321	1,119
Cases supervised - Probation - Juvenile	98	127	106	115	118	107	105	99
Fire emergency responses - County Fire	696	845	872	901	904	N/A	N/A	N/A
EMS / Medical Aids - County Fire/CDF	5,518	5,522	5,228	5,105	5,095	N/A	N/A	N/A
Building permits issued - Community Development	1,120	1,181	1,550	1,739	1,957	1,933	2,085	2,155
Received calls for response - Animal Control	3,223	3,809	3,800 **	3,842	3,699	3,802	4,625	4,080
<u>Public Ways & Facilities</u>								
Maintained road lanes (in miles/lanes)	607.5/1214	607.5/1214	607.5/1214	607.5/1214	607.5/1214	607.5/1214	607.5/1214	607.5/1214
Percent of roadway miles rehabilitated	24.2	4.0	3.5	5.5	0.0	3.0	3.5	7.5
Potholes repaired	1,000's	1,000's	1,000's	1,000's	1,000's	1,000's	1,000's	1,000's
<u>Health & Sanitation</u>								
Food inspections - Environmental Health	700	731	632	533	640	862	939	1,116
Unduplicated Open Clients served - Mental Health	1,671	2,166	1,661	2,734	2,720	2,273	1,744	2,384
Hazardous waste lbs accepted - Solid Waste	654,029	617,058	672,002	544,026	589,983	292,755	160,484	199,751
Hazardous waste lbs recycled - Solid Waste	604,429	540,965	586,727	505,789	492,695	203,572	93,757	113,417
<u>Public Assistance</u>								
<u>Human Services</u>								
Medi-Cal eligible households aided	32,731	32,778	17,259	18,302	21,849	22,894	22,364	22,457
Food stamps eligible households aided	28,470	22,158	17,127	15,469	13,659	13,888	12,078	14,181
General assistance eligible cases aided	39	42	60	114	165	164	162	68
CALWORKS eligible households aided	8,191	7,380	6,090	6,266	7,140	7,512	7,642	8,666
<u>Education</u>								
<u>Library</u>								
Number of library visitors	291,122	370,191	379,982	338,304	396,614	391,177	400,141	355,089
Number of registered card holders	26,042	28,723	33,928	32,081	29,968	26,862	26,212	22,622
Public internet sessions	23,788	24,957	25,459	21,313	21,407	17,072	15,912	12,505
<u>Recreation</u>								
Recreational registrations/participants	1,400 **	1,433	1,399	1,808	7,227	11,396	10,865	9,890

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with Fiscal Year 2002-03.

⁺ 10 year data not readily available

** Estimated

Source: Various County Departments

COUNTY OF TUOLUMNE, CALIFORNIA

Capital Asset Statistics by Function

Last Eight Fiscal Years ⁺

Schedule 19 Operating Information

<u>Function</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
<u>General Government</u>								
Administration Buildings	4	4	5	5	5	5	5	5
Vehicles	25	27	24	25	27	26	24	24
<u>Public Protection</u>								
Administration buildings	8	8	8	8	8	8	8	8
Jail and detention facilities	1	1	1	1	1	1	1	1
Sheriff sub-stations	6	6	6	6	6	6	6	6
Patrol boats	11	11	11	11	10	10	10	9
Vehicles/Patrol cars	221	241	242	229	227	204	203	190
Fire stations	11	11	11	11	11	11	11	11
Fire engines	15	15	16	14	16	15	15	15
<u>Public Ways & Facilities</u>								
Administration buildings	1	1	1	1	1	1	1	1
Maintenance buildings	5	5	5	5	5	5	5	5
Bridges	11	11	11	11	11	11	11	11
Roads (miles)	607.5	607.5	607.5	607.5	607.5	607.5	607.5	607.5
Traffic Signals	19	19	18	17	17	17	17	17
Heavy Equipment	54	46	51	49	52	52	52	51
Vehicles	70	53	66	69	70	70	71	70
<u>Health & Sanitation</u>								
Administration buildings	1	1	3	3	3	3	3	3
Medical Facility	1	1	1	1	1	1	1	1
Health clinics	0	0	2	2	2	2	2	2
Hazardous Waste Facilities	3	3	3	3	3	3	3	3
Vehicles	17	23	21	20	22	20	21	21
<u>Public Assistance</u>								
Administration buildings	1	1	1	1	1	1	1	1
Vehicles	49	53	53	53	57	54	52	55
<u>Education</u>								
Libraries - main	1	1	1	1	1	1	1	1
Libraries - branches	6	6	6	6	6	6	6	6
Vehicles	1	4	4	5	5	4	4	5
<u>Recreation</u>								
Administration buildings	5	5	5	5	5	5	5	5
Sports fields	9	9	9	9	9	9	9	9
Vehicles	8	9	9	7	7	5	4	4

Note: Prior year information is presented in accordance with the County's implementation of GASB Statement No. 34 beginning with Fiscal Year 2002-03.

⁺ 10 year data not readily available

Source: Auditor-Controller's Office capital asset records.