

**COUNTY OF SAN JOAQUIN**

**AUDIT REPORT**

**JUNE 30, 2010**

**COUNTY OF SAN JOAQUIN  
AUDIT REPORT  
JUNE 30, 2010**

Table of Contents

	<u>Page</u>
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report .....	1
<b>Management's Discussion and Analysis (Required Supplementary Information) .....</b>	<b>3</b>
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Assets .....	13
Statement of Activities .....	14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet .....	16
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets – Governmental Activities .....	18
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities .....	21
Proprietary Funds:	
Statement of Fund Net Assets .....	22
Statement of Revenues, Expenses, and Changes in Fund Net Assets .....	24
Statement of Cash Flows .....	25
Fiduciary Funds:	
Statement of Fiduciary Net Assets .....	27
Statement of Changes in Net Assets .....	28
Notes to the Basic Financial Statements .....	29
<b>Required Supplementary Information (other than MD&amp;A):</b>	
Schedule of Funding Progress:	
Pension Benefit Plan .....	76
Postemployment Healthcare – Sick Leave Bank Program .....	77
Postemployment Healthcare – Implicit Subsidy .....	78
Budgetary Comparison Schedules:	
General Fund .....	79
Mental Health and Substance Abuse Fund .....	81
First Five Program Fund .....	83
Note to Required Supplementary Information:	
Budgetary Basis of Accounting .....	84
<b>Supplementary Information:</b>	
General Fund Accounts:	
Combining Balance Sheet .....	85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	86
Combining Balance Sheet – All General Fund Special Accounts .....	87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All General Fund Special Accounts .....	91

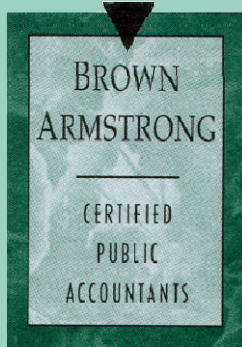
	<u>Page</u>
<b>Supplementary Information (continued):</b>	
Nonmajor Governmental Funds:	
Combining Balance Sheet .....	95
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	96
Special Revenue Funds:	
Combining Balance Sheet .....	97
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	103
Combining Balance Sheet – Nonmajor Special Districts Governed by the Board of Supervisors .....	109
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Districts Governed by the Board of Supervisors.....	112
Debt Service Funds:	
Combining Balance Sheet .....	115
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	116
Capital Projects Funds:	
Combining Balance Sheet .....	117
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	119
Combining Balance Sheet – Nonmajor Special Districts Governed by the Board of Supervisors .....	121
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Districts Governed by the Board of Supervisors.....	123
Internal Service Funds:	
Combining Statement of Fund Net Assets .....	125
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	128
Combining Statement of Cash Flows .....	131
Private Purpose Trust Funds:	
Combining Statement of Fiduciary Net Assets.....	137
Combining Statement of Changes in Fiduciary Net Assets .....	138
Agency Funds:	
Statement of Changes in Assets and Liabilities Arising from Cash Transactions .....	139
Component Unit Financial Statements:	
County Service Area No. 31 – Flag City:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	140
Statement of Activities .....	141
Fund Financial Statements:	
Governmental Funds:	
Combining Balance Sheet.....	142
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	143
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities .....	144

**STATISTICAL SECTION**

Financial Statistics for the Last Eight Years:

Changes in Net Assets .....	145
Fund Balances – Governmental Funds.....	149
Legal Debt Margin Information .....	151
Ratios of Outstanding Debt by Type .....	153
Changes in Fund Balances – Governmental Funds .....	156
Net Assets by Component.....	158

Peter C. Brown, CPA  
Burton H. Armstrong, CPA, MST  
Andrew J. Paulden, CPA  
Steven R. Starbuck, CPA  
Chris M. Thornburgh, CPA  
Eric H. Xin, CPA, MBA  
Richard L. Halle, CPA, MST  
Aileen K. Keeter, CPA



■ **Main Office**  
4200 Truxtun Ave., Suite 300  
Bakersfield, California 93309  
Tel 661.324.4971 Fax 661.324.4997  
e-mail: [info@bacpas.com](mailto:info@bacpas.com)

■ 560 Central Avenue  
Shafter, California 93263  
Tel 661.746.2145 Fax 661.746.1218

■ 8050 N. Palm Ave., Suite 300  
Fresno, California 93711  
Tel 559.476.3592 Fax 661.324.4997

## INDEPENDENT AUDITOR'S REPORT

Honorable Grand Jury and  
Board of Supervisors  
County of San Joaquin, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of San Joaquin, California (the County), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of County management. Our responsibility is to express opinions on these statements based on our audit. We did not audit the financial statements of Head Start Child Development Council, Inc., San Joaquin County Economic Development Association, Local Agency Formation Commission, or Health Plan of San Joaquin, which collectively represent 100 percent of the assets and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us. Our opinion, insofar as it relates to the amounts included for the discretely presented component units are based on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of San Joaquin, California, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated January 31, 2011, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12, schedule of funding progress on pages 76 through 78, and budgetary comparison information on pages 79 through 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The combining and individual nonmajor fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
January 31, 2011

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

This section of the County of San Joaquin's (County) annual financial report represents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2010. Please read it in conjunction with the County's basic financial statements following this section.

**FINANCIAL HIGHLIGHTS**

- The assets of the County exceeded its liabilities at the close of the 2009-10 fiscal year by \$921.5 million, which is referred to as net assets. Of this amount, \$70.9 million is considered unrestricted net assets, which may be used to meet ongoing obligations to citizens and creditors, \$368.2 million is restricted net assets and limited to specific purposes, and \$482.4 million is invested in capital assets, net of related debt.
- The County's total net assets decreased by \$20.4 million during the year. Governmental activities decreased the County's net assets by \$15.2 million and business-type activities decreased the County's net assets by \$5.2 million.
- As of June 30, 2010, the County governmental funds reported a combined fund balance of \$342.1 million, which is an increase of \$10.0 million from last year's fund balance. Of the combined fund balances, \$231.0 million or 67.5% is available to meet the County's current and future needs (*unreserved fund balances*).
- As of June 30, 2010, the unreserved fund balance for the General Fund was \$71.1 million, or approximately 11.2% of the total General Fund total expenditures. This entire amount is budgeted to be spent in the next fiscal year.
- The County's total long-term debt that is due beyond one year at June 30, 2010, was \$330.0 million, \$13.3 million lower than the prior year, primarily due to a \$13.5 million reduction in the current fiscal year's Teeter note.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) **Government-wide** financial statements; 2) **Fund** financial statements; and 3) **Notes** to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

**Government-Wide Financial Statements** are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business. Therefore, the statements are reported using the accrual basis of accounting. Please refer to Note 1, Section C for further information on the accrual basis of accounting.

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

The *statement of activities* presents information showing how net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that may result in cash flows in future fiscal periods.



**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

Both of these government-wide financial statements distinguish functions of the County that are principally supported by intergovernmental revenues and property and sales taxes (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government; public protection; public ways and facilities; health, sanitation and public assistance; education; and culture and recreation. The business-type activities of the County are the San Joaquin County General Hospital (Hospital), the Stockton Metropolitan Airport (Airport), and the San Joaquin County Solid Waste Enterprise (Landfill).

Component units that are discretely presented in the County's basic financial statements consist of legally separate entities for which the County is financially accountable or whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Examples are the Head Start Child Development Council, Health Plan of San Joaquin, Local Agency Formation Commission, and San Joaquin County Economic Development Association.

**The government-wide financial statements can be found on pages 13-15 of this report.**

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

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for 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 government'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.

The County reports four major individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the nonmajor governmental funds, including the debt service 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 elsewhere in this report.

The County adopted an annual appropriated budget for all of its major governmental funds. Budgetary comparison schedules have been provided for the General Fund and the major special revenue funds to demonstrate compliance with this budget and are included in the required supplementary section of this report.

**The governmental funds financial statements can be found on pages 16-21 of this report.**

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**Proprietary funds** are reported in two ways: enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Hospital, the Airport, and the Landfill whose revenues are from external user fees. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its insurance programs, fleet maintenance, telephone and radio communication programs, office automation equipment replacement program, and general office supply and services programs. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail with the inclusion of cash flow statements. The County considers all its three enterprise funds as major funds to the County. The internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

**The proprietary funds financial statements can be found on pages 22-26 of this report.**

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds except for agency funds. Agency funds are accounted for on the modified accrual accounting basis.

**The fiduciary funds financial statements can be found on pages 27-28 of this report.**

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 29-75 of this report.

**Required Supplementary Information** provides the schedule of funding progress for the Pension Benefit Plan, Postemployment Healthcare – Sick Leave Bank Program, and Postemployment Healthcare – Implicit Subsidy and the comparison of the budgetary information with the actual budget results for the major funds, the General Fund, the Mental Health and Substance Abuse Fund, and the First Five Program Fund. As mentioned earlier, the Board of Supervisors revises the budget throughout the year as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was actually adopted at year-end, which is not prohibited by State law.

**Other Supplementary Information** provides the combining and individual fund statements and schedules referred to earlier for nonmajor governmental funds, internal service funds, and fiduciary funds 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, assets exceeded liabilities by \$921.5 million at the close of the fiscal year 2009-10.

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**Condensed Statement of Net Assets (in 000's)**

	Governmental Activities		Business-Type Activities		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
<b>Assets:</b>						
Current and other assets	\$ 647,590	\$ 668,350	\$ 68,524	\$ 71,357	\$ 716,114	\$ 739,707
Capital assets	567,950	567,063	114,210	121,490	682,160	688,553
Total assets	<u>\$ 1,215,540</u>	<u>\$ 1,235,413</u>	<u>\$ 182,734</u>	<u>\$ 192,847</u>	<u>\$ 1,398,274</u>	<u>\$ 1,428,260</u>
<b>Liabilities:</b>						
Current and other liabilities	\$ 114,384	\$ 127,178	\$ 18,169	\$ 32,082	\$ 132,553	\$ 159,260
Long-term liabilities	231,324	226,825	112,887	103,263	344,211	330,088
Total liabilities	<u>345,708</u>	<u>354,003</u>	<u>131,056</u>	<u>135,345</u>	<u>476,764</u>	<u>489,348</u>
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	442,095	441,546	40,322	40,581	482,417	482,127
Restricted	366,389	357,929	1,785	2,134	368,174	360,063
Unrestricted	61,348	81,935	9,571	14,787	70,919	96,722
Total net assets	<u>869,832</u>	<u>881,410</u>	<u>51,678</u>	<u>57,502</u>	<u>921,510</u>	<u>938,912</u>
Total liabilities and net assets	<u>\$ 1,215,540</u>	<u>\$ 1,235,413</u>	<u>\$ 182,734</u>	<u>\$ 192,847</u>	<u>\$ 1,398,274</u>	<u>\$ 1,428,260</u>

The largest portion of the County's net assets in the amount of \$482.4 million, approximately 52.4% of the total, represents its investment in capital assets (e.g., land, land improvements, buildings, equipment, infrastructure, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens and to internal County departments. Consequently, these assets are not available for future spending. Although the County'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 cannot be used to liquidate these liabilities.

A significant portion of the County's net assets, \$368.2 million or 40.0%, represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the County's net assets is unrestricted net assets in the amount of \$70.9 million, or 7.7%, which may be used to meet the County's on-going obligations to citizens and creditors.

At the end of the current fiscal year, the County reported positive balances in all three categories of net assets for the County as a whole.

As shown below, the County's net assets decreased by \$17.4 million during the current fiscal year. That decrease is comprised of a \$3.0 million increase to beginning net assets due to various prior period adjustments and a decrease of \$20.4 million due to expenses exceeding revenues in the current fiscal year.

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

The following table indicates the changes in net assets for governmental and business-type activities.

**Changes in Net Assets (in \$000's)**

	Governmental Activities		Business-Type Activities		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 116,075	\$ 118,141	\$ 190,163	\$ 187,599	\$ 306,238	\$ 305,740
Operating grants and contributions	524,927	481,757	791	975	525,718	482,732
Capital grants and contributions	17,920	21,312	-	-	17,920	21,312
General Revenues:						
Property taxes	194,019	228,876	495	625	194,514	229,501
Property transfer taxes	2,190	2,416	-	-	2,190	2,416
Sales taxes	21,314	22,035	-	-	21,314	22,035
Motor vehicle and other in-lieu taxes	2,743	4,383	-	-	2,743	4,383
Transient occupancy tax	290	372	-	-	290	372
Franchise and others	2,470	2,652	-	-	2,470	2,652
Tobacco settlement proceeds	5,709	6,850	-	-	5,709	6,850
Investment earnings	4,632	15,166	590	1,407	5,222	16,573
Miscellaneous	78	(117)	-	-	78	(117)
Total Revenues	<u>892,367</u>	<u>903,843</u>	<u>192,039</u>	<u>190,606</u>	<u>1,084,406</u>	<u>1,094,449</u>
Expenses:						
General government	47,726	54,794	-	-	47,726	54,794
Public protection	284,101	294,094	-	-	284,101	294,094
Public ways and facilities	45,127	39,027	-	-	45,127	39,027
Community infrastructure program	220	1,216	-	-	220	1,216
Health and sanitation	112,352	118,325	-	-	112,352	118,325
Children and families act program	12,845	15,706	-	-	12,845	15,706
Public assistance	353,405	341,710	-	-	353,405	341,710
Education	5,898	6,712	-	-	5,898	6,712
Culture and recreation	7,359	7,397	-	-	7,359	7,397
Interest on long-term debt	7,312	8,425	-	-	7,312	8,425
Solid waste	-	-	19,749	20,980	19,749	20,980
Hospital	-	-	204,731	203,676	204,731	203,676
Airport	-	-	4,025	3,813	4,025	3,813
Total Expenses	<u>876,345</u>	<u>887,406</u>	<u>228,505</u>	<u>228,469</u>	<u>1,104,850</u>	<u>1,115,875</u>
Excess (deficiency) before transfers	16,022	16,437	(36,466)	(37,863)	(20,444)	(21,426)
Transfers	(31,215)	(26,007)	31,215	26,007	-	-
Change in net assets	<u>(15,193)</u>	<u>(9,570)</u>	<u>(5,251)</u>	<u>(11,856)</u>	<u>(20,444)</u>	<u>(21,426)</u>
Net assets, beginning of year, restated	<u>885,025</u>	<u>890,980</u>	<u>56,926</u>	<u>69,358</u>	<u>941,951</u>	<u>960,338</u>
Net assets, end of the year	<u>\$ 869,832</u>	<u>\$ 881,410</u>	<u>\$ 51,675</u>	<u>\$ 57,502</u>	<u>\$ 921,507</u>	<u>\$ 938,912</u>

**Governmental activities.** Governmental activities decreased the County's net assets by \$15.2 million, accounting for 74.3% of the total decrease in net assets of the County.

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

Revenues

Total revenues for the County's governmental activities decreased by \$11.5 million, or 1.3%, over the previous year.

- Revenues from the general revenues, such as property taxes, sales taxes, and investment earnings decreased by \$49.2 million from the prior year. This decrease reflects the impact of a sluggish economy and falling real estate market in the County.
- Revenues from service fees and court fees and fines decreased by \$2.1 million while the operating and capital grants and contributions increased by \$39.8 million. As an arm of the State government, operating grants and contributions serve multiple programs and are tied to mandated services such as public assistance, public health, mental health, public safety, etc. The capital grants were tied to specific capital projects within a specific time frame. These grant revenue sources increased 7.9% over the prior year primarily due to increased funding from various Federal and State sources.

Expenses

Expenses for most functional categories funded by the County's general revenues reflected decreases which parallel the County's economy and a decrease in discretionary revenues from the prior year. Overall, expenses for governmental activities decreased by \$11.1 million, or 1.2%, over the previous year. Of the total decrease, \$7.1 million comes from general government, \$10.1 million comes from public protection, and \$6.0 million comes from health and sanitation. These decreases are offset by increased expenses of \$6.1 million in public ways and facilities and \$11.7 million in public assistance, caused primarily by spending the increased Federal and State grant monies received.

**Business-type activities.** Business-type activities decreased the County's net assets by \$5.3 million. By excluding the operating grants and the statutory-required contribution transfers of \$31.2 million from the governmental-activities funds, the business-type activities would have decreased the County net assets by \$36.5 million.

Key factors that contributed to this decrease from the operating activities were the losses of \$28.7 million by the Hospital, \$1.3 million by the Landfill, and \$1.7 million by the Airport.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

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

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

At June 30, 2010, the County's governmental funds reported total fund balances of \$342.1 million, an increase of \$10.0 million, or 3.0%, in comparison with the prior year. Approximately \$231.0 million, or 67.5%, of the total fund balance constitutes unreserved fund balance, which is available to meet the County's current and future needs. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has been committed: 1) to pay debt service, \$18.5 million; 2) to reflect inventories and interfund advances that are long-term in nature and thus do not represent available spendable resources, \$6.3 million; and 3) to liquidate contractual commitments of the period, \$84.4 million. The County's management may also designate unreserved fund balance to a particular function or activity; however, designated fund balance is available for appropriations at any time.

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

The General Fund is the main operating fund of the County. At June 30, 2010, it had an unreserved fund balance of \$71.1 million while its total fund balance was \$88.5 million, a decrease of \$4.1 million from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures less transfers. Unreserved fund balance represents 11.2% of total fund expenditures, while total fund balance represents 13.9% of the same amount.

The Mental Health and Substance Abuse Fund, a major special revenue fund, was established to account for the mental health and substance abuse prevention and treatment services' activities. Therefore, the fund balance must be used for these designated services. At June 30, 2010, of its \$32.4 million fund balance, \$1.6 million has been committed and the remaining balance of \$30.8 million is available for the next fiscal year's appropriation.

The First Five Program Fund, a major special revenue fund, was created following voter approval of the Children and Families Act of 1998 (Proposition 10) for the purposes of promoting and improving the early development of children from the prenatal stage to five years of age. The fund balance is, therefore, restricted for this program. At June 30, 2010, of its \$5.6 million fund balance, \$2.8 million has been committed and the remaining balance of \$2.8 million is available for the next fiscal year's appropriation.

The County Capital Outlay Fund was created to account for the expenditures related to the new acquisition, construction, major maintenance, and/or additions and renovations of the County's facilities. Completion time for a capital project is often longer than a single fiscal year, depending on complexity and magnitude. Funds for projects still in progress at the end of a fiscal year are encumbered and carried forward in order to complete the work. At June 30, 2010, it had a fund balance of \$57.3 million.

Revenues for governmental functions totaled \$911.0 million in fiscal year 2009-10, which represents a \$1.2 million, or 0.1%, decrease from fiscal year 2008-09. The largest decreases in revenues were tax revenues \$28.5 million, which is attributable to reductions in the assessed value of real estate, and the use of money and property \$8.1 million, due to a decrease in interest rates. The largest increase in revenues was aid from other governmental agencies \$37.1 million, due to an increase in Federal and State grant monies (i.e., ARRA monies).

Expenditures for governmental functions totaled \$869.5 million in fiscal year 2009-10, which represents a decrease of \$78.4 million, or 8.3%, from the prior year. The largest increase occurred in functional categories that received additional Federal and State grant monies such as public ways and facilities \$3.0 million and public assistance \$11.9 million; while the largest decreases occurred in capital outlay \$72.0 million, health and sanitation \$11.9 million, public safety \$9.6 million, and general government \$3.5 million.

**Proprietary funds.** The County's proprietary funds provide similar information found in the government-wide financial statements, but in more detail.

The Solid Waste Enterprise Fund had \$0.4 million in net assets at June 30, 2010, the Airport Enterprise Fund had \$12.4 million, and the Hospital Enterprise Fund had \$38.9 million. The unrestricted net assets amounted to a negative \$3.0 million, \$1.4 million, and \$11.1 million, respectively, of the total proprietary funds' net assets.

The internal service funds had \$81.5 million in net assets at June 30, 2010, with \$70.4 million as unrestricted. Of the unrestricted net assets, \$57.8 million is designated for future claims under the County's self-insurance programs.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the 2009-10 fiscal year's original budget and the final amended budget resulted in a \$26.1 million net increase to appropriations. The major increases in the final amended budget can be briefly summarized as follows:

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

- The public protection budget increased by \$3.8 million due to additional funding provided by the Federal and State governments for the Justice Assistance Grant.
- The reserve for contingency budget decreased by \$4.8 million to reflect an increased subsidy of the Hospital's operations.
- The public assistance function budget increased by \$5.2 million to reflect the additional funding provided by the Federal and the State governments for public assistance programs.
- The transfers-out budget increased by \$21.2 million to provide authority for securitizing the property taxes loaned to the State of California under Proposition 1A.

During the year, actual revenues were less than budgetary estimates by \$59.4 million. The net decrease reflects the combination of increases and decreases of various revenue sources. The major decreases are \$58.2 million in aid from other governmental agencies for the public assistance area and \$30.7 million in transfers-in; while the major increase was \$31.6 million in net property and sales tax.

Actual expenditures were less than final amended budgetary estimates by \$120.2 million. A majority of the difference is attributable to below budget expenditures in public protection (\$15.2 million), health and sanitation (\$8.6 million), public assistance (\$52.1 million), and general government (\$19.9 million). The County also appropriated \$16.2 million for contingencies as part of the County reserve policy. The net effect of under-realization of revenues and under-utilization of appropriations resulted in a favorable variance of \$60.9 million, thus eliminating the need to draw upon existing fund balance.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital assets**

The County's investment in capital assets, net of related debt, for its governmental and business-type activities as of June 30, 2010, amounted to \$482.4 million. This investment in capital assets includes infrastructure, infrastructure in progress, land, buildings and improvements, equipment, and construction in progress. The total increase in the County's investment in capital assets for the current period was 0.1%.

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

- Construction in progress decreased by \$101.8 million due to completion of the new County administration building.
- Structure and improvements of \$8.6 million were added during the year for various County projects, primarily the new County administration building.
- All depreciable assets, except infrastructure, were depreciated from the mid-month of the acquisition month to the end of the current fiscal year. Infrastructures acquired since 1985 were depreciated, using the composite method, over the life of 25 years.

**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

Capital assets, net of accumulated depreciation, for the governmental and business-type activities are presented below to illustrate changes from the prior year (in \$000's):

	Governmental Activities		Business-Type Activities		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Infrastructure	\$ 208,994	\$ 208,091	\$ -	\$ -	\$ 208,994	\$ 208,091
Land	13,935	13,935	4,663	4,663	18,598	18,598
Structure and improvements	301,506	196,960	82,808	87,449	384,314	284,409
Furniture and equipment	33,778	36,554	19,777	21,883	53,555	58,437
Construction in progress	5,963	107,243	6,962	7,495	12,925	114,738
Capital leases	3,774	4,280	-	-	3,774	4,280
<b>Total</b>	<b>\$ 567,950</b>	<b>\$ 567,063</b>	<b>\$ 114,210</b>	<b>\$ 121,490</b>	<b>\$ 682,160</b>	<b>\$ 688,553</b>

For additional information related to capital assets, see Note 5 on pages 56-57.

**Long-term debt**

At June 30, 2010, the County had total long-term outstanding debt of \$291.8 million, excluding the amount due within one year (\$72.0 million). This amount was comprised of \$207.9 million of certificates of participation, \$14.2 million in landfill closure/postclosure, \$2.9 million in capital lease obligations, \$2.8 million in notes payable, \$6.1 million in earned compensated absences, \$57.8 million for estimated self-insurance claims liability, and \$38.2 million for the County's unfunded portion of other postemployment benefits (OPEB).

For additional information related to long-term debt, see Notes 6, 7 and 8 on pages 57-64 and Note 15 on pages 71-72.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

- The County's 2010-11 budget includes funding reductions in virtually all programs and services reflecting the prolonged recession that continues to negatively impact local revenues derived from property tax, sales tax, and development-related fees. The 2010-11 County budget includes the deletion of over 570 full-time equivalent positions, representing approximately 9% of the County's workforce. In addition, the adopted budget continues to restrict acquisition of capital assets and capital expenses; limits employee job-related travel/training to mandated requirement or critical to the department's operation; and maximizes/leverages non-County resources to preserve vital public services/programs.
- Approximately 50% of the County's budget is funded by State and Federal resources. As such, the State's economic condition and financial situation have a significant impact on the County's budget and programs. The constitutional amendment (Proposition 1A) approved by California voters in November 2004 protects, to some extent, local government revenues from reductions by the State. However, State funding for programs and services administered by the County on behalf of the State continues to be at risk. Programs that are most susceptible to State budget reductions include public safety grants and health and human services programs.



**COUNTY OF SAN JOAQUIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

- In October 2010, the Governor signed the 2010-11 State budget which (1) includes \$68.2 million in reimbursement for County costs associated with the May 2009 Special Election, San Joaquin County's projected share is \$1.3 million; (2) provides \$10 million for the Williamson Act Subvention Program, San Joaquin County's projected share is \$447,800; (3) suspends AB 3632 mandates and eliminates funding for SB 3632 mental health services and out-of-home placement for special needs students; (4) imposes additional reductions to various public assistance/human services programs including the CalWORKS program (reduces funding for County administration and aid payments), In-Home Supportive Services (3.6% across-the-board reduction to recipients' service hours), and subsidized child care services for welfare recipients (reduces State reimbursement rates for child care providers and eliminates Stage 3 funding); and (5) implements Medicaid Section 1115 Waiver renewal the State recently negotiated with the Centers for Medicare and Medicaid impacting service provision, funding, and reimbursements to San Joaquin General Hospital for healthcare services (includes the Hospital Fee Program which provides one-time funding totaling \$21 million for San Joaquin General Hospital).

All of these factors were considered in preparing the County's budget for fiscal 2010-11, approximately \$1.214 billion (including the business-type activities).

During the current fiscal year, unreserved fund balance in the General Fund remained at \$71.1 million. The County has appropriated the full amount for spending in the 2010-11 fiscal year budget.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or to request additional financial information should be addressed to the Auditor-Controller's Office, 44 N. San Joaquin Street, Suite 550, Stockton, CA 95202.

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**COUNTY OF SAN JOAQUIN  
STATEMENT OF NET ASSETS  
JUNE 30, 2010**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and investments:				
Pooled	\$ 472,490,025	\$ 10,545,261	\$ 483,035,286	\$ 25,701,304
Other banks	-	569,485	569,485	18,376,500
Imprest cash	321,740	10,530	332,270	-
Accounts receivable, net	10,447,331	41,018,453	51,465,784	187,628
Taxes receivable	59,619,857	-	59,619,857	-
Interest receivable	793,311	22,395	815,706	45,147
Internal balances	22,896,292	(22,896,292)	-	-
Due from other agencies	67,062,533	16,973,500	84,036,033	4,799,221
Loans receivable	20,000	-	20,000	-
Prepaid expenses	636,878	683,613	1,320,491	-
Inventory	1,269,958	2,743,244	4,013,202	-
Other assets	25,500	-	25,500	2,124,325
Unamortized debt issuance cost	1,470,652	1,098,049	2,568,701	-
Restricted assets:				
Cash and investments	10,460,881	17,590,506	28,051,387	-
Interest receivable	74,214	164,918	239,132	-
Capital assets:				
Non-depreciable	19,898,257	11,625,041	31,523,298	2,278,928
Depreciable, net	548,052,174	102,584,878	650,637,052	13,555,085
Total Assets	<u>\$ 1,215,539,603</u>	<u>\$ 182,733,581</u>	<u>\$ 1,398,273,184</u>	<u>\$ 67,068,138</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 20,368,880	\$ 7,972,302	\$ 28,341,182	\$ 4,726,389
Accrued expenses	12,485,355	3,608,179	16,093,534	-
Unearned revenue	21,939,884	4,695,787	26,635,671	-
Claims liability	57,845,814	-	57,845,814	17,624,823
Long-term liabilities:				
Due within one year	58,137,145	13,836,367	71,973,512	-
Due beyond one year	142,504,911	91,502,151	234,007,062	-
Other postemployment benefits	30,681,597	7,548,403	38,230,000	-
Other liabilities	592,075	515,189	1,107,264	1,086,727
Payable from restricted assets:				
Accrued interest	1,152,097	1,377,516	2,529,613	-
Total Liabilities	<u>345,707,758</u>	<u>131,055,894</u>	<u>476,763,652</u>	<u>23,437,939</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	442,095,234	40,321,738	482,416,972	15,834,013
Restricted for:				
Capital projects	211,814,533	-	211,814,533	-
Debt service	18,488,938	1,012,397	19,501,335	-
Landfill closure and postclosure	-	-	-	-
Children and families act program	5,489,547	-	5,489,547	-
Substance abuse and crime prevention	(434,248)	-	(434,248)	-
Public works and community infrastructure	70,980,025	-	70,980,025	-
Local law enforcement programs	796,855	-	796,855	-
Mental health and substance abuse programs	28,696,926	-	28,696,926	-
Other programs	30,556,159	772,673	31,328,832	-
Unrestricted	61,347,876	9,570,879	70,918,755	27,796,186
Total Net Assets	<u>869,831,845</u>	<u>51,677,687</u>	<u>921,509,532</u>	<u>43,630,199</u>
Total Liabilities and Net Assets	<u>\$ 1,215,539,603</u>	<u>\$ 182,733,581</u>	<u>\$ 1,398,273,184</u>	<u>\$ 67,068,138</u>

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

**COUNTY OF SAN JOAQUIN  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>					
Governmental Activities:					
General government	\$ 47,726,510	\$ (21,628,461)	\$ 16,002,101	\$ 2,792,483	\$ -
Public protection	284,100,674	13,496,594	44,575,946	82,101,696	-
Public ways and facilities	45,126,844	1,232,499	10,876,151	10,940,648	17,920,366
Community infrastructure program	219,793	-	933,701	-	-
Health and sanitation	112,352,621	1,962,742	38,321,000	83,227,424	-
Children and families act program	12,845,481	(56,943)	750	9,695,336	-
Public assistance	353,405,179	2,371,926	2,775,286	336,169,113	-
Education	5,898,215	23,412	297,122	-	-
Recreation and cultural services	7,358,473	2,598,231	2,293,085	-	-
Interest on long-term debt	7,311,782	-	-	-	-
<b>Total Governmental Activities</b>	<b>876,345,572</b>	<b>-</b>	<b>116,075,142</b>	<b>524,926,700</b>	<b>17,920,366</b>
Business-Type Activities:					
Hospital	204,730,696	-	171,131,971	-	-
Airport	4,024,516	-	1,715,024	459,028	-
Solid Waste	19,748,649	-	17,316,220	332,147	-
<b>Total Business-Type Activities:</b>	<b>228,503,861</b>	<b>-</b>	<b>190,163,215</b>	<b>791,175</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 1,104,849,433</b>	<b>\$ -</b>	<b>\$ 306,238,357</b>	<b>\$ 525,717,875</b>	<b>\$ 17,920,366</b>
<b>Component Units:</b>					
Head Start Child Development	\$ 35,021,110	\$ -	\$ 2,363,285	\$ 32,894,893	\$ -
Health Plan of San Joaquin	142,437,852	-	1,547,526	147,122,306	-
San Joaquin Economic Development	461,232	-	558,955	165,557	-
Local Agency Formation Commission	658,622	-	-	811,504	-
<b>Total Component Units</b>	<b>\$ 178,578,816</b>	<b>\$ -</b>	<b>\$ 4,469,766</b>	<b>\$ 180,994,260</b>	<b>\$ -</b>
General Revenues:					
Taxes:					
Property taxes					
Property transfer taxes					
Sales and use tax					
Transient occupancy taxes					
Franchise and other					
Other in-lieu taxes					
Unrestricted interest and investment earnings					
Tobacco settlement proceeds					
Miscellaneous					
Transfers					
Total General Revenues and Transfers					
Change in Net Assets					
Net Assets - Beginning, as Restated					
Net Assets - Ending					

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

Net (Expense) Revenue and  
Changes in Net Assets

Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (7,303,465)	\$ -	\$ (7,303,465)	\$ -
(170,919,626)	-	(170,919,626)	-
(6,622,178)	-	(6,622,178)	-
713,908	-	713,908	-
7,233,061	-	7,233,061	-
(3,092,452)	-	(3,092,452)	-
(16,832,706)	-	(16,832,706)	-
(5,624,505)	-	(5,624,505)	-
(7,663,619)	-	(7,663,619)	-
(7,311,782)	-	(7,311,782)	-
<u>(217,423,364)</u>	<u>-</u>	<u>(217,423,364)</u>	<u>-</u>
-	(33,598,725)	(33,598,725)	-
-	(1,850,464)	(1,850,464)	-
-	(2,100,282)	(2,100,282)	-
<u>-</u>	<u>(37,549,471)</u>	<u>(37,549,471)</u>	<u>-</u>
<u>(217,423,364)</u>	<u>(37,549,471)</u>	<u>(254,972,835)</u>	<u>-</u>
-	-	-	237,068
-	-	-	6,231,980
-	-	-	263,280
-	-	-	152,882
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,885,210</u>
194,019,051	495,249	194,514,300	-
2,190,179	-	2,190,179	-
21,314,504	-	21,314,504	-
289,767	-	289,767	-
2,470,265	-	2,470,265	-
2,742,578	-	2,742,578	-
4,632,198	590,015	5,222,213	203,844
5,708,772	-	5,708,772	-
78,437	-	78,437	-
<u>(31,215,630)</u>	<u>31,215,630</u>	<u>-</u>	<u>-</u>
<u>202,230,121</u>	<u>32,300,894</u>	<u>234,531,015</u>	<u>203,844</u>
(15,193,243)	(5,248,577)	(20,441,820)	7,089,054
<u>885,025,088</u>	<u>56,926,264</u>	<u>941,951,352</u>	<u>36,541,145</u>
<u>\$ 869,831,845</u>	<u>\$ 51,677,687</u>	<u>\$ 921,509,532</u>	<u>\$ 43,630,199</u>

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

**BASIC FINANCIAL STATEMENTS  
FUND FINANCIAL STATEMENTS**

**COUNTY OF SAN JOAQUIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	<u>General Fund</u>	<u>Mental Health and Substance Abuse Fund</u>	<u>First Five Program Fund</u>
<b>ASSETS</b>			
Cash and investments:			
Pooled	\$ 91,364,759	\$ 29,535,071	\$ 6,505,581
Imprest cash	248,975	39,450	-
Accounts receivable	2,688,311	4,629,296	5,417
Taxes receivable	59,147,491	-	-
Interest receivable	223,504	51,053	11,722
Due from other agencies	56,089,953	2,376,302	1,381,672
Due from other funds	23,204,603	3,350	-
Advances	7,105,906	-	-
Loans receivable	20,000	-	-
Inventory	41,424	117,467	-
Other assets	25,500	-	-
Restricted assets:			
Restricted cash and investments	-	-	-
Receivables	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 240,160,426</u>	<u>\$ 36,751,989</u>	<u>\$ 7,904,392</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 2,529,412	\$ 975,815	\$ 2,250,868
Due to other funds	1,946,028	86,177	20,792
Accrued salaries	9,497,716	1,315,201	23,526
Deferred revenues	108,490,377	2,001,748	-
Advances from other funds	-	-	-
Teeter note	28,500,000	-	-
Accrued interest	67,016	-	-
Other liabilities	592,075	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities	<u>151,622,624</u>	<u>4,378,941</u>	<u>2,295,186</u>
<b>FUND BALANCES</b>			
Reserved for:			
Encumbrances	9,625,710	1,382,375	2,818,540
Inventory	41,424	117,467	-
Debt service	-	-	-
Advances and loans	7,125,906	-	-
Other assets	628,975	39,450	-
Unreserved, reported in:			
General Fund	71,115,787	-	-
Special revenue funds	-	30,833,756	2,790,666
Capital projects funds	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Fund Balances	<u>88,537,802</u>	<u>32,373,048</u>	<u>5,609,206</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities and Fund Balances	<u>\$ 240,160,426</u>	<u>\$ 36,751,989</u>	<u>\$ 7,904,392</u>

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

County Capital Outlay Fund	Other Governmental Funds	Total
\$ 54,765,381	\$ 154,798,512	\$ 336,969,304
-	33,275	321,700
56	1,481,488	8,804,568
-	472,367	59,619,858
108,041	196,130	590,450
-	7,214,603	67,062,530
649,415	40,627	23,897,995
1,996,696	-	9,102,602
-	-	20,000
-	334,632	493,523
-	-	25,500
-	10,460,881	10,460,881
-	74,214	74,214
<u>\$ 57,519,589</u>	<u>\$ 175,106,729</u>	<u>\$ 517,443,125</u>
\$ 2,640	\$ 6,446,184	\$ 12,204,919
227,477	1,667,000	3,947,474
-	1,550,928	12,387,371
-	902,693	111,394,818
-	6,238,488	6,238,488
-	-	28,500,000
-	-	67,016
-	-	592,075
<u>230,117</u>	<u>16,805,293</u>	<u>175,332,161</u>
46,752,267	21,713,847	82,292,739
-	334,632	493,523
-	18,488,938	18,488,938
1,996,696	-	9,122,602
-	33,275	701,700
-	-	71,115,787
-	103,058,790	136,683,212
8,540,509	14,671,954	23,212,463
<u>57,289,472</u>	<u>158,301,436</u>	<u>342,110,964</u>
<u>\$ 57,519,589</u>	<u>\$ 175,106,729</u>	<u>\$ 517,443,125</u>

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



**COUNTY OF SAN JOAQUIN  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF  
NET ASSETS – GOVERNMENTAL ACTIVITIES  
JUNE 30, 2010**

<b>Fund Balance - Total Governmental Funds</b>		<b>\$ 342,110,964</b>
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		553,315,520
Internal service funds are used by management to charge the costs to individual funds. These assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		81,479,520
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		89,454,933
Prepaid items		4,206
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Certificates of participation	\$ (134,282,591)	
Capital assets	(79,520)	
Notes payable	(1,118,406)	
Other postemployment benefits liability	(30,381,138)	
Compensated absences	(31,146,309)	
Accrued interest payable	(995,986)	
Unamortized issuance costs	<u>1,470,652</u>	<u>(196,533,298)</u>
<b>Net Assets of Governmental Activities</b>		<b><u>\$ 869,831,845</u></b>

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

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

	General Fund	Mental Health and Substance Abuse Fund	First Five Program Fund
Revenues:			
Taxes	\$ 213,060,800	\$ -	\$ -
Licenses and permits	4,342,576	-	-
Fines, forfeitures, and penalties	12,909,722	371,721	-
Use of money and property	2,030,101	243,372	49,016
Aid from other governmental agencies	387,294,911	53,089,682	9,695,336
Charges for services	43,102,221	30,650,279	-
Other revenues	11,651,849	(121,663)	750
Total Revenues	<u>674,392,180</u>	<u>84,233,391</u>	<u>9,745,102</u>
Expenditures:			
Current:			
General government	41,614,265	-	-
Public protection	244,469,438	-	-
Public ways and facilities	136,334	-	-
Health and sanitation	36,316,725	72,219,359	12,902,029
Public assistance	303,674,458	-	-
Education	323,707	-	-
Recreation and culture	5,949,540	-	-
Capital outlay	2,004,745	48,280	-
Debt service:			
Principal retirement	388,267	-	-
Interest and debt issuance costs	381,779	-	-
Total Expenditures	<u>635,259,258</u>	<u>72,267,639</u>	<u>12,902,029</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>39,132,922</u>	<u>11,965,752</u>	<u>(3,156,927)</u>
Other Financing Sources (Uses)			
Loan proceeds	317,604	-	-
Transfers in	5,700,099	9,144,266	-
Transfers out	(51,980,245)	(13,639)	-
Total Other Financing Sources (Uses)	<u>(45,962,542)</u>	<u>9,130,627</u>	<u>-</u>
Net Change in Fund Balances	(6,829,620)	21,096,379	(3,156,927)
Fund Balances - Beginning, Restated	<u>95,367,422</u>	<u>11,276,669</u>	<u>8,766,133</u>
Fund Balances - Ending	<u>\$ 88,537,802</u>	<u>\$ 32,373,048</u>	<u>\$ 5,609,206</u>

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

County Capital Outlay Fund	Other Governmental Funds	Total
\$ -	\$ 20,531,858	\$ 233,592,658
-	179,025	4,521,601
-	1,223,823	14,505,266
698,444	1,057,580	4,078,513
1,813,836	96,389,519	548,283,284
-	18,143,537	91,896,037
60,391	2,492,850	14,084,177
<u>2,572,671</u>	<u>140,018,192</u>	<u>910,961,536</u>
69,647	547	41,684,459
65,804	29,437,300	273,972,542
146,536	32,063,857	32,346,727
-	1,131,610	122,569,723
78,487	45,799,698	349,552,643
-	5,525,191	5,848,898
10,184	262,745	6,222,469
9,181,709	16,286,708	27,521,442
-	2,205,400	2,593,667
-	6,770,315	7,152,094
<u>9,552,367</u>	<u>139,483,371</u>	<u>869,464,664</u>
<u>(6,979,696)</u>	<u>534,821</u>	<u>41,496,872</u>
-	-	317,604
2,065,502	10,607,307	27,517,174
<u>(873,000)</u>	<u>(6,462,356)</u>	<u>(59,329,240)</u>
<u>1,192,502</u>	<u>4,144,951</u>	<u>(31,494,462)</u>
(5,787,194)	4,679,772	10,002,410
<u>63,076,666</u>	<u>153,621,664</u>	<u>332,108,554</u>
<u>\$ 57,289,472</u>	<u>\$ 158,301,436</u>	<u>\$ 342,110,964</u>

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

**COUNTY OF SAN JOAQUIN  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF  
ACTIVITIES – GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

**Net Change in Fund Balances - Total Governmental Funds** \$ 10,002,410

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

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

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	\$ 27,521,442	
Less current year depreciation	(25,313,388)	2,208,054

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Decrease in accrued property tax revenues	(18,365,428)	
Decrease in accrued grant revenues	(295,786)	(18,661,214)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net assets.

Principal repayments:

Certificates of participation	2,200,000	
Notes payable	344,665	
Capital leases	48,906	
Less amortization of discount on certificates of participation	(328,658)	2,264,913

Long-term debt proceeds are a financial resource in the governmental funds, but they have no impact on the statement of activities since they increases the long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the statement of activities.

Other long-term notes	(349,875)	(349,875)
-----------------------	-----------	-----------

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 the governmental funds.

Change in accrued interest payable	14,845	
Change in other postemployment benefits liability	(9,883,816)	(9,868,971)

Capital assets transferred to external funds are recorded as reduction of net assets, but they do not provide any addition to current financial resources and, therefore, are not reported as revenues in the governmental funds.

(798,277)

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

9,717

**Change in Net Assets of Governmental Activities**

**\$ (15,193,243)**

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

**COUNTY OF SAN JOAQUIN  
STATEMENT OF FUND NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010**

	Business-Type Activities - Enterprise Funds				Governmental
	General Hospital	Stockton Metropolitan Airport	Solid Waste Disposal	Total	Internal Service Funds
<u>Assets</u>					
Current Assets:					
Cash and investments	\$ 569,485	\$ 1,665,051	\$ 8,880,210	\$ 11,114,746	\$ 135,520,721
Imprest cash	2,580	250	7,700	10,530	40
Prepaid expenses	683,613	-	-	683,613	632,672
Accounts receivable, net	39,818,068	139,540	1,060,845	41,018,453	158,768
Interest receivable	-	2,862	19,533	22,395	202,861
Due from other funds	14,270	-	242,417	256,687	1,312,127
Due from other agencies	16,937,638	6,334	29,528	16,973,500	1,483,996
Inventories	2,710,873	-	32,371	2,743,244	776,435
<b>Total Current Assets</b>	<b>60,736,527</b>	<b>1,814,037</b>	<b>10,272,604</b>	<b>72,823,168</b>	<b>140,087,620</b>
Noncurrent Assets:					
Restricted assets:					
Cash and investments	8,892,799	-	8,697,707	17,590,506	-
Interest receivable	164,918	-	-	164,918	-
Unamortized debt issuance cost	730,345	-	367,704	1,098,049	-
<b>Total Restricted Assets</b>	<b>9,788,062</b>	<b>-</b>	<b>9,065,411</b>	<b>18,853,473</b>	<b>-</b>
Capital Assets:					
Non-depreciable	6,985,759	1,373,015	3,266,267	11,625,041	17,481
Depreciable, net	71,750,511	13,600,966	17,233,401	102,584,878	14,617,432
<b>Total Capital Assets</b>	<b>78,736,270</b>	<b>14,973,981</b>	<b>20,499,668</b>	<b>114,209,919</b>	<b>14,634,913</b>
<b>Total Noncurrent Assets</b>	<b>88,524,332</b>	<b>14,973,981</b>	<b>29,565,079</b>	<b>133,063,392</b>	<b>14,634,913</b>
<b>Total Assets</b>	<b>\$ 149,260,859</b>	<b>\$ 16,788,018</b>	<b>\$ 39,837,683</b>	<b>\$ 205,886,560</b>	<b>\$ 154,722,533</b>

Continued

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

**COUNTY OF SAN JOAQUIN**  
**STATEMENT OF FUND NET ASSETS (Continued)**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2010**

	Business-Type Activities - Enterprise Funds				Governmental
	General Hospital	Stockton Metropolitan Airport	Solid Waste Disposal	Total	Activities Internal Service Funds
<u>Liabilities and Net Assets</u>					
Current Liabilities:					
Accounts payable	\$ 6,986,387	\$ 158,455	\$ 825,774	\$ 7,970,616	\$ 8,163,962
Accrued payroll	3,400,601	26,675	180,903	3,608,179	99,671
Due to other funds	20,233,498	385,720	14,591	20,633,809	885,526
Other current liabilities	-	61,497	453,692	515,189	-
Payable from restricted assets:					
Interest payable	1,117,929	-	259,587	1,377,516	89,095
Current portion:					
Certificates of participation	4,760,000	-	2,705,000	7,465,000	-
Notes payable	-	5,387	-	5,387	56,920
Capital leases	622,684	-	-	622,684	1,256,399
Compensated absences	5,181,804	60,691	500,801	5,743,296	234,822
<b>Total Current Liabilities</b>	<b>42,302,903</b>	<b>698,425</b>	<b>4,940,348</b>	<b>47,941,676</b>	<b>10,786,395</b>
Long-Term Liabilities:					
Unearned revenue	3,645,953	1,049,834	-	4,695,787	-
Advances from other funds	-	2,520,856	-	2,520,856	310,987
Certificates of participation, net	56,268,165	-	19,716,138	75,984,303	-
Notes payable	-	65,653	-	65,653	1,691,802
Capital leases	598,976	-	-	598,976	2,292,475
Compensated absences	569,581	(569)	97,666	666,678	15,081
Claims liability	-	-	-	-	57,845,813
Liability for closure/ postclosure costs	-	-	14,186,541	14,186,541	-
Other postemployment benefits liability	6,947,296	62,799	538,308	7,548,403	300,460
<b>Total Long-Term Liabilities</b>	<b>68,029,971</b>	<b>3,698,573</b>	<b>34,538,653</b>	<b>106,267,197</b>	<b>62,456,618</b>
<b>Total Liabilities</b>	<b>110,332,874</b>	<b>4,396,998</b>	<b>39,479,001</b>	<b>154,208,873</b>	<b>73,243,013</b>
Net Assets:					
Invested in capital assets, net of related debt	27,039,114	10,952,251	2,330,373	40,321,738	11,086,039
Restricted for:					
Debt service	-	-	1,012,397	1,012,397	-
Other	772,673	-	-	772,673	-
Unrestricted, net	11,116,198	1,438,769	(2,984,088)	9,570,879	70,393,481
<b>Total Net Assets</b>	<b>38,927,985</b>	<b>12,391,020</b>	<b>358,682</b>	<b>51,677,687</b>	<b>81,479,520</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 149,260,859</b>	<b>\$ 16,788,018</b>	<b>\$ 39,837,683</b>	<b>\$ 205,886,560</b>	<b>\$ 154,722,533</b>

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

**COUNTY OF SAN JOAQUIN  
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
	General Hospital	Stockton Metropolitan Airport	Solid Waste Disposal	Total	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 156,228,731	\$ 110,005	\$ 7,420,917	\$ 163,759,653	\$ 95,952,804
Concessions and rentals	-	1,558,009	8,842,870	10,400,879	-
Other income	14,903,240	542,259	1,052,433	16,497,932	388,528
<b>Total Operating Revenues</b>	<b>171,131,971</b>	<b>2,210,273</b>	<b>17,316,220</b>	<b>190,658,464</b>	<b>96,341,332</b>
Operating Expenses:					
Salaries and benefits	114,018,977	994,069	6,750,310	121,763,356	3,696,949
Services and supplies	78,642,097	1,139,793	7,127,007	86,908,897	22,476,108
Liability claims and loss adjustments	-	-	-	-	64,205,692
Insurance	-	235,294	469,188	704,482	3,437,587
Landfill closure and postclosure expense	-	-	1,214,868	1,214,868	-
Depreciation	6,487,165	1,460,515	3,020,664	10,968,344	3,503,101
Miscellaneous	657,505	459	12,843	670,807	15,319
<b>Total Operating Expenses</b>	<b>199,805,744</b>	<b>3,830,130</b>	<b>18,594,880</b>	<b>222,230,754</b>	<b>97,334,756</b>
<b>Operating Income (Loss)</b>	<b>(28,673,773)</b>	<b>(1,619,857)</b>	<b>(1,278,660)</b>	<b>(31,572,290)</b>	<b>(993,424)</b>
Non-Operating Revenues (Expenses):					
Gain (loss) on sale of asset	-	-	-	-	(302,368)
Interest income	494,754	11,489	83,772	590,015	804,586
Aid from other governmental agencies	-	459,028	332,147	791,175	163,949
Other	(1,191,728)	-	-	(1,191,728)	51,686
Interest expense	(3,733,224)	(194,386)	(1,153,769)	(5,081,379)	(311,149)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(4,430,198)</b>	<b>276,131</b>	<b>(737,850)</b>	<b>(4,891,917)</b>	<b>406,704</b>
<b>Net Income (Loss) Before Transfers</b>	<b>(33,103,971)</b>	<b>(1,343,726)</b>	<b>(2,016,510)</b>	<b>(36,464,207)</b>	<b>(586,720)</b>
Transfers:					
Transfers in	30,635,043	584,061	-	31,219,104	596,436
Transfers out	(2,087)	(435)	(952)	(3,474)	-
<b>Change in Net Assets</b>	<b>(2,471,015)</b>	<b>(760,100)</b>	<b>(2,017,462)</b>	<b>(5,248,577)</b>	<b>9,716</b>
Net Assets - Beginning of Year	41,974,937	13,151,120	2,376,144	57,502,201	80,640,965
Prior Period Adjustments	(575,937)	-	-	(575,937)	828,839
<b>Net Assets - End of Year</b>	<b>\$ 38,927,985</b>	<b>\$ 12,391,020</b>	<b>\$ 358,682</b>	<b>\$ 51,677,687</b>	<b>\$ 81,479,520</b>

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

**COUNTY OF SAN JOAQUIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	General Hospital	Stockton Metropolitan Airport	Solid Waste Disposal	Total	Internal Service Funds
Cash Flows from Operating Activities:					
Cash received from customers	\$ 157,981,193	\$ 2,346,198	\$ 16,315,841	\$ 176,643,232	\$ 94,302,310
Cash payments to suppliers for goods and services	(38,012,978)	(1,168,861)	(7,372,054)	(46,553,893)	(81,260,275)
Cash payments to other departments for goods and services	(199,052)	(133,498)	417,006	84,456	(5,258,079)
Cash payments to employees for services	(141,178,205)	(971,027)	(6,669,853)	(148,819,085)	(3,659,412)
Net Cash Provided (Used) by Operating Activities	<u>(21,409,042)</u>	<u>72,812</u>	<u>2,690,940</u>	<u>(18,645,290)</u>	<u>4,124,544</u>
Cash Flows from Noncapital Financing Activities:					
Transfers in (out)	30,632,956	583,626	(952)	31,215,630	596,436
State and Federal grant receipts	-	-	332,147	332,147	163,949
Loan repayment or borrowing	-	(170,256)	-	(170,256)	-
Other non-operating receipts (payments)	(666,579)	(43,107)	-	(709,686)	828,839
Net Cash Provided (Used) by Noncapital Financing Activities	<u>29,966,377</u>	<u>370,263</u>	<u>331,195</u>	<u>30,667,835</u>	<u>1,589,224</u>
Cash Flows from Capital and Related Financing Activities:					
Capital contribution grants	-	459,028	-	459,028	-
Acquisition and construction of capital assets	(2,303,009)	(732,855)	(605,738)	(3,641,602)	(2,981,410)
Insurance recovery	-	-	-	-	51,686
Proceeds from sale of property and equipment	-	-	-	-	(302,367)
Other postemployment benefits obligation	1,883,185	18,050	148,409	2,049,644	84,232
Principal payment on debts	(5,150,335)	(4,781)	(3,174,499)	(8,329,615)	(73,556)
Interest payments on debts	(3,733,224)	(194,387)	(1,211,619)	(5,139,230)	(311,181)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(9,303,383)</u>	<u>(454,945)</u>	<u>(4,843,447)</u>	<u>(14,601,775)</u>	<u>(3,532,596)</u>
Cash Flows from Investing Activities:					
Interest on investment and note receivable	494,754	12,981	130,747	638,482	927,580
Net Cash Provided by Investing Activities	<u>494,754</u>	<u>12,981</u>	<u>130,747</u>	<u>638,482</u>	<u>927,580</u>
Increase (Decrease) in Cash and Cash Equivalents	(251,294)	1,111	(1,690,565)	(1,940,748)	3,108,752
Cash and Cash Equivalents, Beginning of Year	<u>9,716,158</u>	<u>1,664,190</u>	<u>19,276,182</u>	<u>30,656,530</u>	<u>132,412,009</u>
Cash and Cash Equivalents, End of Year	<u>\$ 9,464,864</u>	<u>\$ 1,665,301</u>	<u>\$ 17,585,617</u>	<u>\$ 28,715,782</u>	<u>\$ 135,520,761</u>

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



**COUNTY OF SAN JOAQUIN  
STATEMENT OF CASH FLOWS (Continued)  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	General Hospital	Stockton Metropolitan Airport	Solid Waste Disposal	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (28,673,773)	\$ (1,619,857)	\$ (1,278,660)	\$ (31,572,290)	\$ (993,424)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	7,144,670	1,460,515	3,020,664	11,625,849	3,503,101
(Increase) decrease in receivables	(716,691)	167,725	(1,277,490)	(1,826,456)	(61,000)
(Increase) decrease in prepaid expenses	(43,749)	-	-	(43,749)	131,056
(Increase) decrease in inventories	(139,811)	-	(25,407)	(165,218)	(153,097)
Increase (decrease) in payables	730,235	64,429	1,036,961	1,831,625	3,675,927
Increase (decrease) in closure/postclosure liability	-	-	1,214,872	1,214,872	-
Increase (decrease) in claim liabilities	-	-	-	-	(1,978,019)
Increase (decrease) in unearned revenues	290,077	-	-	290,077	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (21,409,042)</u>	<u>\$ 72,812</u>	<u>\$ 2,690,940</u>	<u>\$ (18,645,290)</u>	<u>\$ 4,124,544</u>

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

**COUNTY OF SAN JOAQUIN  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
AS OF JUNE 30, 2010**

	June 30, 2010			December 31, 2009	
	Investment Trust Fund	Agency Funds	Private Purpose Trust Funds	Total	Pension Trust Fund
<b>Assets</b>					
Cash and investments - pooled	\$ 791,986,981	\$ 33,307,268	\$ 5,596,803	\$ 830,891,052	\$ 1,635,797
Cash and investments held by others	7,028,324	5,419,650	3,914,718	16,362,692	25
Pension trust investments	-	-	-	-	1,836,285,471
Investments sold, funds not received	-	-	-	-	6,175,406
Investment income receivables	72,853,014	-	12,103	72,865,117	4,062,020
Loans receivable	-	40,500,000	34,793,205	75,293,205	-
Other receivables	-	25,559,539	51,137	25,610,676	12,537
Pension fund contribution receivable	-	-	-	-	4,354,385
Other assets	-	256,836	-	256,836	70,345
Capital assets, net of depreciation	-	-	-	-	728,996
<b>Total Assets</b>	<b>\$ 871,868,319</b>	<b>\$ 105,043,293</b>	<b>\$ 44,367,966</b>	<b>\$ 1,021,279,578</b>	<b>\$ 1,853,324,982</b>
<b>Liabilities</b>					
Accounts payable	\$ 25,926,580	\$ 31,557,932	\$ 340,704	\$ 57,825,216	\$ -
Accrued liabilities	-	-	-	-	1,097,058
Securities lending - cash collateral	-	-	-	-	109,734,294
Securities purchased but not paid	-	-	-	-	5,928,605
Due to other agencies	-	73,485,361	-	73,485,361	-
<b>Total Liabilities</b>	<b>25,926,580</b>	<b>105,043,293</b>	<b>340,704</b>	<b>131,310,577</b>	<b>116,759,957</b>
<b>Net Assets</b>					
Held in trust for:					
Employee pension benefits	-	-	-	-	1,721,674,580
Employee postemployment health benefits	-	-	-	-	14,890,445
Revolving loans	-	-	43,085,232	43,085,232	-
External investment pool participants	845,941,739	-	76,133	846,017,872	-
Other purposes	-	-	865,897	865,897	-
<b>Total Net Assets</b>	<b>845,941,739</b>	<b>-</b>	<b>44,027,262</b>	<b>889,969,001</b>	<b>1,736,565,025</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 871,868,319</b>	<b>\$ 105,043,293</b>	<b>\$ 44,367,966</b>	<b>\$ 1,021,279,578</b>	<b>\$ 1,853,324,982</b>

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

**COUNTY OF SAN JOAQUIN  
STATEMENT OF CHANGES IN NET ASSETS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	June 30, 2010			December 31, 2009
	Investment Trust Fund	Private Purpose Trust Funds	Total	Pension Trust Fund
<b>Additions</b>				
Employer's contributions	\$ -	\$ -	\$ -	\$ 102,008,075
Employees' contributions	-	-	-	13,012,755
Contributions from investment pool participants	3,852,391,590	-	3,852,391,590	-
Contributions from other governments	-	1,794,597	1,794,597	-
Interest and investment income	4,952,588	164,367	5,116,955	182,006,929
Miscellaneous income	-	344,307	344,307	12,091
<b>Total Additions</b>	<b>3,857,344,178</b>	<b>2,303,271</b>	<b>3,859,647,449</b>	<b>297,039,850</b>
<b>Deductions</b>				
Benefit payments	-	44,457	44,457	116,077,428
Contribution refund	-	-	-	1,038,467
Withdrawals from pooled investments	3,858,084,990	-	3,858,084,990	-
Allowance for loan writedowns	-	9,071	9,071	-
Administration and program expenses	-	462,973	462,973	3,527,196
<b>Total Deductions</b>	<b>3,858,084,990</b>	<b>516,501</b>	<b>3,858,601,491</b>	<b>120,643,091</b>
<b>Change in Net Assets</b>	<b>(740,812)</b>	<b>1,786,770</b>	<b>1,045,958</b>	<b>176,396,759</b>
Net Assets - Beginning, Restated	846,682,551	42,240,492	888,923,043	1,560,168,266
<b>Net Assets - Ending</b>	<b>\$ 845,941,739</b>	<b>\$ 44,027,262</b>	<b>\$ 889,969,001</b>	<b>\$ 1,736,565,025</b>

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

**BASIC FINANCIAL STATEMENTS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The reporting entity refers to the scope of activities, organizations, and functions included in the financial statements. The County of San Joaquin (County) is a political subdivision created by the State of California and, as such, can exercise the powers specified by the Constitution and laws of the State of California. The County operates under the general laws of the State and is governed by an elected five member Board of Supervisors (Board).

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from County government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual component units may be obtained by writing to the County of San Joaquin, Auditor-Controller's Office, 44 N. San Joaquin Street, Suite 550, Stockton, California 95202.

***Blended Components***

Special Districts Governed by the Board of Supervisors. The special service districts governed by the Board are established for the purposes of providing special services to various County areas. However, the outstanding special assessment debts and the debt service of these special districts governed by the Board are excluded from these financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 6, described below. The special districts do not issue separate financial statements.

The special service districts governed by the Board include a flood control district, 2 water and power authorities, a waterworks district, 30 lighting districts, 28 maintenance districts, 40 county service areas, and 5 improvement districts as follows:

San Joaquin County Flood Control  
 Mokelumne River Water and Power Authority  
 Northeastern San Joaquin County Groundwater Banking Authority  
 San Joaquin Water Works #2

<u>Lighting District</u>	<u>Maintenance District</u>	<u>County Service Areas</u>
Ash Street	Acampo	Number 1
Boggs Tract	Almond Park	Number 2
Burkett Gardens	Ashley Drainage	Number 3
Burkett Gardens Acres	Bear Creek Terrace	Number 3A
Eastview	Bowling Green Estates	Number 4

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**A. Reporting Entity** (Continued)

**Blended Components** (Continued)

Special Districts Governed by the Board of Supervisors (Continued)

<u>Lighting District (Continued)</u>	<u>Maintenance District (Continued)</u>	<u>County Service Areas (Continued)</u>
Elkhorn	Colonial Heights	Number 5
Farmington	Corral Hollow	Number 8
Linden	Country Club Vista	Number 11
Lockeford	Elkhorn Golf Course Estates	Number 12
Mariposa Heights	Gala Manor	Number 14
Mission Village	Lambert Village	Number 15
Morada Estates	Lincoln Village	Number 16
Morada Manor	Lockeford	Number 17
North Oaks	Maurland Manor	Number 18
North Wilson Way	Mokelumne Acres	Number 21
Northeast Stockton	Morada Acres	Number 23
Oro Street	Morada Estates	Number 24
Plymouth Village	Morada Manor	Number 15
Rancho Village	Pacific Gardens	Number 29
Shasta Avenue	Rancho San Joaquin	Number 30
Shippee – French Camp Homesite	Raymus Village	Number 31
Silva Gardens	Riviera Cliffs	Number 35
South French Camp	Shaded Terrace	Number 36
Southwest Stockton	Spring Creek Estates	Number 37
Stockton No. 5	Summer Home Estates	Number 41
Tuxedo – Country Club	Sunnyside Estates	Number 42
Victor	Walnut Acres	Number 43
West Lane	Wilkinson Manor	Number 44
West Stockton		Number 45
Woodbridge		Number 46
		Number 47
		Number 48
		Number 49
		Number 50
		Number 51
		Number 52
		Number 53
		Number 54
		Number 55
		Number 56

Improvement Districts

- San Joaquin Improvement #47
- San Joaquin Improvement #51
- San Joaquin Improvement #52
- San Joaquin Improvement #54
- Industrial Way and Beckman Road

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**A. Reporting Entity** (Continued)

***Blended Components*** (Continued)

Special Districts Governed by the Board of Supervisors (Continued)

Each district was created to provide services to the residents of certain areas or to undertake a capital improvement project, including the providing or arranging of financing and collecting the assessments to pay any debt incurred to finance the project.

The accounting principles established for reporting transactions of special districts are as follows:

- (1) GASB Statement No. 6, *Accounting and Financial Reporting for Special Assessments*, requires transactions of service-type special districts and of the construction phase related to capital improvements financed by special assessment to be reported within the general, special revenue, or capital projects funds, as appropriate. Revenues and expenditures are recognized on the same basis of accounting as described in Note 1 – C. Any capital assets constructed or acquired, other than infrastructure, are reported in the government-wide financial statements on the same accounting principles as described in Note 1.
- (2) With the exception of Shaded Terrace Maintenance District and Sunnyside Estates Maintenance District, all special assessment debts were incurred under the provisions of the Improvement Bond Acts of 1911 and 1915, under which the County is not obligated in any manner for special assessment debts; the County acts as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings as appropriate. Transactions affecting debt service are reported in the agency fund and the outstanding assessment debt approximating \$703,190 as of June 30, 2010, is not presented in the financial statements. The maintenance districts of Shaded Terrace and Sunnyside Estates obtained, each, a loan from the United States Department of Agriculture to finance certain capital improvements to their water systems. As required by the loan agreement, the districts established a debt service fund to accumulate funds for loan repayment purposes. These loans are reported in the County's statement of net assets and the related debt service is also included in the Debt Service Fund.

The San Joaquin General Hospital (the Hospital), organized as an enterprise fund of the County on July 1, 1975, owns and operates a licensed general acute care hospital within the County. The Hospital provides a full range of acute and intensive care medical service to both inpatients and outpatients. The Hospital is an integral part of the County reporting entity. The financial statements are available through the Auditor-Controller's office.

The First Five San Joaquin County (the Agency) (previously, the Children and Families Commission) was established under the authority of the California Children and Families First Act of 1998 and Sections 130100, et seq. of the Health and Safety Code. The County Board appointed all members of the agency. The Board can remove appointed members at will. The agency is blended within the County's special revenue fund and reported as a major fund for the fiscal year 2009-10. The financial statements are available through the Auditor-Controller's office.

The In-Home Supportive Services (IHSS) Public Authority maintains a registry and referral system to assist consumers in finding qualified in-home supportive services personnel as well as training of and support for providers and recipients of IHSS. The IHSS Public Authority is primarily funded by State grants. The County's Board is the governing body for the IHSS Public Authority. Therefore, this entity has been blended with the primary government. The financial statements are available through the Auditor-Controller's office.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**A. Reporting Entity** (Continued)

***Blended Components*** (Continued)

Special Districts Governed by the Board of Supervisors (Continued)

The San Joaquin County Employees' Retirement Association (SJCERA) is governed by the Board of Retirement. The Board consists of nine regular members and one alternate. Four are elected by participating members, four are appointed by the County Board of Supervisors, and one is the County Treasurer. Although it is legally separated from the County, SJCERA is reported as a fiduciary fund because the sole purpose of SJCERA is to provide retirement benefits to the employees of the County and certain participating special districts. SJCERA uses the calendar year as its fiscal year; therefore, the financial information related to the Pension Trust Fund represents the year ended December 31, 2009. The financial statements of the Pension Trust Fund are available through SJCERA (see Note 14).

The San Joaquin County Public Facilities Financing Corporation (the Corporation) is included as part of the primary government. The sole purpose of the Corporation is to finance for the benefit of the County the acquisition and construction of the County's major capital projects. The Corporation has assigned and transferred, without recourse, to the US Bank Trust Corporation for the benefit of the owners of the certificates each and all of its rights under the Site Lease and the Project Lease. With the exception of bonds issued for the North County Landfill Project, the Solid Waste System Project, and the San Joaquin General Hospital Expansion Project, debt service and outstanding debts and the related capital projects are reported in the government-wide financial statements. The bonds issued for the North County Landfill Project, the Solid Waste System Project, and the General Hospital Expansion Project and the related construction are reported in the Solid Waste Disposal Enterprise Fund and General Hospital Enterprise Fund, as applicable. The Corporation's financial statements are available through the County Administrator's Office.

***Discretely Presented Component Units***

The component units' column in the basic financial statements includes the financial data of the County's other component units. They are reported in a separate column to emphasize that they are legally separate from the County. The County has chosen to report all of the discretely presented component units as major component units.

- Head Start Child Development Council, Inc. (the Council), a nonprofit corporation, provides Head Start pre-school services to low-income families in San Joaquin County. The Council annually receives significant Federal grants for providing Head Start services as a subrecipient through the County.
- San Joaquin County Economic Development Association (the Association), a nonprofit corporation, promotes, publicizes, encourages, and coordinates economic development of San Joaquin County. The Association is governed by a five-member board appointed by the Board of Supervisors and is operationally funded solely by the County.
- Local Agency Formation Commission, established pursuant to Government Code Section 56000, is governed by five commissioners. It approves or disapproves any application proposing annexation or detachment of territory to or from a city or special district. It also develops and determines Spheres of Influence, which are projected future service areas of local governmental agencies.
- Health Plan of San Joaquin, created by the Board of Supervisors in 1995, provides medical care and health services to Medi-Cal recipients and other groups of persons pursuant to various statutes specified in the Welfare and Institutions Code.

Separate financial statements of these individual component units have been issued and are available from their respective administration office or the County Auditor-Controller's office. Condensed financial data is presented in Note 17.



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**A. Reporting Entity** (Continued)

***Related Organizations***

The County's Board of Supervisors are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments; therefore, these organizations are not included in these financial statements. These organizations are Tracy Public Cemetery District, Escalon Cemetery District, San Joaquin Regional Transit District, New Mariposa Drainage District, San Joaquin County Housing Authority, and Colleagueville Fire District.

***Joint Powers Agreement***

The County has seven Joint Powers Agreements (JPA).

- (1) San Joaquin Valleywide Air Pollution Study Agency was formed by the County and other counties in 1990 for the purpose of designing, planning, programming, and implementing an ozone and air pollution study in the geographical territory encompassed by the member counties.
- (2) San Joaquin Area Flood Control Agency was formed by the County and the City of Stockton in 1995 to study, plan for, develop, finance, acquire, construct, maintain, repair, manage, operate, and control water control works and facilities for the protection of the public.
- (3) San Joaquin Regional Rail Commission was formed by the County, certain incorporated cities within the County, and the San Joaquin Council of Governments in 1995 to resolve issues relating to the rail passenger services and facilities for the purpose of transporting passengers within and outside their respective boundaries.
- (4) Mokelumne River Water and Power Authority was formed by the County and San Joaquin County Flood Control and Water Conservation District in 1990 to finance the acquisition and construction of a dam, reservoir, generating facilities, and conveyance facilities in order to benefit the County and the San Joaquin County Flood Control and Water Conservation District.
- (5) Northern San Joaquin County Groundwater Banking Authority (previously, East San Joaquin Parties Water Authority) was formed by the County, the San Joaquin County Flood Control and Water Conservation District, cities, and other water conservation and irrigation districts in 1996. This JPA was formed to plan, along with other public entities, projects to meet the water deficiencies of Eastern San Joaquin County.
- (6) Altamont Commuter Express (ACE) was formed in 1997 by the San Joaquin Regional Rail Commission, a joint powers agency of which the County is a member, the Alameda County Congestion Management Agency and the Santa Clara County Transit District. ACE was formed to combine the parties' efforts to achieve a viable commuter rail service link over the existing rail line between the cities of the County and San Jose to improve air quality and reduce crippling congestion within the interstate highways.
- (7) San Joaquin Council of Governments was formed by the County and incorporated cities within the County in 1983 to manage the area-wide issues requiring multi-jurisdictional cooperation.

With the exception of the responsibilities borne by the participating parties during the JPA start-up period, the County does not retain any on-going financial interest or responsibility in these JPAs, except Mokelumne River Water and Power Authority and Northern San Joaquin County Groundwater Banking Authority, which are either controlled by the Board of Supervisors or fully funded by a County controlled district and therefore blended with the County's financial statements.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### A. Reporting Entity (Continued)

#### *Joint Powers Agreement* (Continued)

#### *Non-Related Organizations*

The school districts and special districts governed by local boards are independent and are not in any way related to the County; therefore, only those entities using the services of either the County Treasurer or County Auditor-Controller are included in these financial statements as fiduciary funds.

The Lodi Grape Festival and Harvest Fair (Festival) operates fairground facilities located in Lodi, California. It conducts the annual Lodi Grape Festival and the annual Harvest Fair. Although the County has the responsibility to provide certain capital assets and improvements to the Festival, the State Department of Food and Agriculture, through its Division of Fairs and Expositions, supervises and provides funding for the activities of the Festival. Therefore, it is not a component unit of the County.

The San Joaquin County Historical Society (Society), in addition to activities customarily associated with a historical society, operates the San Joaquin County Historical Museum for the County. The County provides the Society funds to cover the Museum operating expenses. Since there is no fiscal dependency or financial burden to the County, it is not a component unit of the County.

### B. Basis of Financial Presentation

The GASB recently released several new accounting and financial reporting standards. The following new standards may have a significant impact on the County's financial reporting process.

**GASB Statement No. 51**, *Accounting and Financial Reporting for Intangible Assets*, is effective in financial statements for the year ending June 30, 2010. It establishes accounting and financial reporting requirements for intangible assets to reduce various inconsistencies that are currently applied by various governmental entities. The County has implemented GASB Statement No. 51.

**GASB Statement No. 53**, *Accounting and Financial Reporting for Derivative Instruments*, is effective in financial statements for the year ending June 30, 2010. It establishes accounting and financial reporting requirements for derivative instruments to enhance the usefulness and comparability of derivative instrument information reported by State and local governments. The County currently has no derivative instruments.

**GASB Statement No. 54**, *Fund Balance Reporting and Governmental Fund Type Definitions*, is effective in financial statements for the year ending June 30, 2011. It redefines the governmental fund types and the fund balance reporting to improve the usefulness, including the understandability, of governmental fund balance information and to make a government's fund balance more transparent. The County will not be early implementing GASB Statement No. 54.

**GASB Statement No. 57**, *Other Postemployment Benefits (OPEB) Measurements by Agent Employers and Agent Multiple-Employer Plans*, is effective upon issuance, with a delayed implementation for provisions related to the frequency and timing of measurements of actuarial valuations first used to report funded status information in OPEB plan financial statements for periods beginning after June 15, 2011. It creates an alternative measurement method for agent employers with fewer than 100 total plan members. GASB Statement No. 57 is not applicable to the County because the County has more than 100 total plan participants.

**GASB Statement No. 58**, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*, is effective for periods beginning after June 15, 2009. It establishes accounting and financial reporting requirements for all governments that have petitioned for relief under Chapter 9 of the U.S. Bankruptcy Code or have been granted relief under the provisions of Chapter 9, including governments that enter into bankruptcy and are not expected to emerge as a going concern. The County has not, nor expects to file for Chapter 9 bankruptcy or relief under GASB Statement No. 58.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### **B. Basis of Financial Presentation** (Continued)

**GASB Statement No. 59, *Financial Instruments Omnibus***, is effective for financial statements for periods beginning after June 15, 2010. It updates the accounting and financial reporting requirements of previously issued pronouncements that address financial instruments. The County will not be early implementing GASB Statement No. 59.

#### ***Government-Wide Financial Statements***

Information relating to the primary government (the County) and its components is displayed in the statement of net assets and statement of activities. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County and between the County and its discretely presented component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by fees charged to external parties.

The statement of activities presents a comparison between direct and indirect expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Indirect expenses are those that are allocated to a program or a function from the County's centralized general service function based on the cost allocation principles established by the Federal Office of Management and Budget (OMB). Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, 2) fines and penalties ordered by the courts, 3) licenses and permits charged by the programs, and 4) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

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

#### ***Fund Financial Statements***

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category, governmental, proprietary, and fiduciary, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The County is required to report the General Fund, County Capital Outlay Fund, the General Hospital, and the Solid Waste Disposal as major funds. Although not required to be reported as major funds, the County has also chosen to report the Mental Health and Substance Abuse Fund, the First Five Program Fund, and the Stockton Metropolitan Airport Fund as major funds for consistency reasons. All remaining governmental funds are separately aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Proprietary fund operating expenses, such as salaries and benefits or services and supplies, result from providing services and producing and delivering goods related to the proprietary fund's primary operations. Expenses that are not directly related to the proprietary fund's primary operations are reported as non-operating expenses.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**B. Basis of Financial Presentation** (Continued)

***Fund Financial Statements*** (Continued)

The County reports the following major governmental funds:

- General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources and transactions except those required to be accounted for in another fund. It includes certain special accounts that are under the control of various General Fund departments and those that are used to accumulate resources for designated purposes.
- Mental Health and Substance Abuse Fund – The Mental Health and Substance Abuse Fund is used to account for the proceeds of specific sources with its expenditures legally restricted for mental health and substance abuse services.
- First Five Program Fund – The First Five Program Fund is used to account for the funding provided through excise taxes collected by the State on tobacco products following voter approval of the Children and Families Act of 1998 (Proposition 10). The purpose of the program is to promote, support, and improve the early development of children from the prenatal stage to five years of age. Monies are expended in accordance with a strategic plan prepared by the San Joaquin County Children and Families Commission.
- County Capital Outlay Fund – The County Capital Outlay Fund is used to account for financial resources to be used for the major maintenance, acquisition, and/or construction of major capital facilities, other than those financed by business-type funds.

The County reports all of its enterprise funds as major funds:

- The San Joaquin County General Hospital Fund (the Hospital) accounts for hospital operations involved in providing health services to County residents. Revenues are primarily fees for patient services, payments from Federal and State programs such as Medicare, Med-Cal, realignment revenues, and subsidies from the General Fund.
- The Stockton Metropolitan Airport Enterprise Fund (the Airport) accounts for commercial, corporate business, and general aviation activities of the County. Revenues are primarily landing fees, rental and concessionary fees generated from the Airport owned facilities, capital grants from the Federal Aviation Administration, and unsecured property taxes within the Airport's boundaries.
- The San Joaquin County Solid Waste Disposal Enterprise Fund accounts for the County's solid waste transfer and disposal activities, acquisition, design, development, and closure and postclosure maintenance of landfill sites, refuse collection franchise management, and other recycling programs. Revenues are primarily the gate fees and franchises.

The County reports the following additional fund types:

- Internal Service Funds – Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or agencies of the County on a cost recovery basis. These services include the County's fleet maintenance; telephone and radio communications; office automation; centrally managed insurance programs – workers' compensation, employee medical, dental, and unemployment benefits; and casualty liabilities.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### **B. Basis of Financial Presentation** (Continued)

#### ***Fund Financial Statements*** (Continued)

- Fiduciary Funds:
  - The Pension Trust Fund – This is used to account for the County’s retirement system assets and changes in net assets. The retirement association is a separate entity and its financial operations are controlled by its Board of Retirement. The financial statements of the retirement association are included as a fiduciary fund. The post-retirement health benefit plan is also included in the Pension Trust Fund, as it is managed by San Joaquin County Employees’ Retirement Association (SJCERA).
  - Investment Trust Fund – This is used to account for the assets of legally separate entities who participate in the County Treasurer’s investment pool. This fund represents the assets, primarily cash and investments, and the related net assets/fund balance for investment pool participants, such as schools, local fire districts, the San Joaquin County Superior Court, reclamation districts, etc.
  - Private Purpose Trust Funds – These funds are used to account for the assets held for a minor pursuant to a liability claim settlement and revolving loan funds that are funded by the Federal Community Development Block Grant, Home Loan Program, and Economic Development Administration for the benefit of the community as a whole, rather than for the benefit of the County.
  - Agency Funds – These funds are used to account for the assets and the related liabilities of clearing accounts, such as payroll withholdings, estate accounts, assets forfeiture accounts, court ordered deposits, and various entities other than those accounted for in the Investment Trust Fund.

### **C. Basis of Accounting**

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

For its business-type activities and enterprise funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board, or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes accounting principles generally accepted in the United States of America for governmental units. The County has elected not to follow subsequent private sector guidance of the Financial Accounting Standards Board after November 30, 1989.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, expenditures are recorded when the related liability is incurred except the unmatured interest on long-term debt, and expenses related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources. Revenues are recorded when they are both measurable and available to finance expenditures during the fiscal period. Property and sales taxes, interest, State and Federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Revenues earned but not received within sixty days after the end of the accounting period, on the other hand, are recorded as receivables and deferred revenues, in accordance with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

The financial statements of the component units are maintained on the following basis of accounting:

- San Joaquin County Economic Development Association: accrual accounting basis.
- Head Start Child Development Council, Inc.: modified accrual accounting basis plus accrual of encumbered expenses.
- Local Agency Formation Commission: modified accrual accounting basis.
- Health Plan of San Joaquin: accrual accounting basis.

### **D. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers.

- Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation, and are referred to as either “due to/due from other funds” (the short-term interfund loans) or “advance to/from other funds” (the long-term interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds are reported in the fund financial statements and are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.
- Services provided, deemed to be at market or near market rate and are the core business of the function, are treated as revenues or expenditures/expenses in the funds involved. The related accounts payable and accounts receivable are eliminated upon consolidation and are referred to as “due to/due from other funds” on the fund financial statements.
- Reimbursement transactions are treated as reductions of expenditures/expenses in one fund and corresponding increases in the other fund.
- Operating/Capital transfers are reported as “transfers in” or “transfers out” in the other financing sources/(uses) and netted as part of the reconciliation to the government-wide presentation.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### **E. Cash and Investments**

Cash and investments consist of cash held in the bank or on hand and debt and equity securities. All investment securities, such as certificates of deposit; bankers' acceptances; commercial paper; repurchase agreements; and U.S. Treasury notes, stocks, bonds, etc., are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. The fair values of investments are obtained by using quotations obtained from independent published sources. The commingled funds are valued based on the fair value of the commingled trust's underlying assets. Interest earnings on the County Treasurer's investment pool are distributed to all participating funds based on their average daily cash balance within the pool.

### **F. Inventory and Prepaid Expenses**

Inventory of materials and supplies in the enterprise funds, internal service funds, Sheriff's Commissary Store (a General Fund account), Mental Health and Substance Abuse Fund (a major governmental fund), and Road Fund (a nonmajor governmental fund) are stated at cost as determined by the first-in, first-out method. Materials and supplies purchased by other funds are for current consumption and are recorded as expenditures when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

### **G. Capital Assets**

Capital assets (including infrastructure) are recorded at historical costs or at estimated historical cost if actual historical cost is not available. Infrastructures acquired prior to June 30, 1980, are not recorded. The County defines capital assets as assets with an initial, individual cost of more than \$1,000 for equipment/furniture and \$5,000 for structures and improvements, and an estimated useful life in excess of one year.

Capital assets acquired by the governmental funds are accounted for as expenditures of those funds and capitalized and recorded as assets in the government-wide financial statements. Assets constructed through the issuance of Certificates of Participation are capitalized. Material interest and incidental expenses, net of interest revenue earned on proceeds of Certificates of Participation during the construction period, have been capitalized. Major equipment acquired through long-term lease purchase arrangements is capitalized and reported as assets in the government-wide statement of net assets.

Contributed capital assets are valued at their estimated fair market value on the date contributed. Contributed capital assets include public domain (infrastructure) general capital assets consisting of certain improvements, including pavements in progress, bridges, and right of way.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements that significantly increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Depreciable capital assets of the enterprise funds and internal service funds are depreciated using the straight-line method over estimated useful lives of 10 to 60 years for structures and improvements and 2 to 20 years for equipment, furniture, and fixtures.

Capital assets used in operations of the governmental funds are depreciated on the government-wide financial statements only, using the straight-line method over estimated lives of 10 to 50 years for structure and improvements and 2 to 5 years for equipment, furniture, and fixtures. Infrastructure (i.e., roads, bridges, water/sewer, drainage system, flood control, etc.) is depreciated using a composite method to depreciate the infrastructure acquired after June 30, 1980, over an estimated weighted average life of 25 years.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **H. Capital Lease Obligations**

Capital leases consist of lease-purchase obligations stated at the present value of future minimum lease payments.

### **I. Property Taxes**

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the Government Code and Revenue and Taxation Code. The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions, including schools and special districts, within the County.

Property is assessed at 100% of full cash or market value (with some exceptions) pursuant to Article XIII of the California State Constitution and statutory provisions. The total 2009-10 net assessed valuation of the County real property was \$57.0 billion.

The property tax levy to support general operations of the various jurisdictions is limited to 1% of full cash value and is distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are separately calculated and levied each fiscal year. The rates are formally adopted by the Board after approval of city councils or the governing boards of special districts where applicable. Property taxes are levied on both real and personal property.

Secured property tax payments are levied in two equal installments: the first is generally due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property with unpaid taxes incurs a lien on January 1 preceding the fiscal year for which taxes are levied. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid on August 31.

In 1983, the Governor signed Senate Bill 813 which requires county assessors to appraise property and issue an assessment when new construction is completed or a change in ownership occurs. The supplemental assessment will reflect the change in value for the remainder of the property tax year. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates, but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill.

The County's property taxes are accounted for in the property tax collection fund (tax resource fund) until apportionments are made and funds are disbursed to taxing jurisdictions. The fund carried a deficit cash balance of approximately \$6.8 million as of June 30, 2010.

Since fiscal year 1993-94, the County has opted into the alternative tax apportionment method, commonly known as the Teeter Plan. Under this method, the County, along with all other taxing agencies, has been paid 100% of the current secured taxes levied for each year. The fund balance (deficit) of the tax resource fund is consolidated with the General Fund at year-end. To finance the 100% distribution, the County has been choosing the interfund borrowing method every year since 1993-94 and reports the borrowing as the liability of the County General Fund.

The County maintains a balance of 2.5% (the legally required minimum balance is 1%) of the annual taxes levied on properties participating in the Teeter Plan in a Tax Loss Reserve Fund. The balance was approximately \$16.3 million at June 30, 2010. Penalties and interest collected on delinquent secured taxes are kept in the Tax Resource Fund.

Taxes, including unsecured property taxes, earned but not collected within 60 days after June 30, 2010, are recorded as taxes receivable (approximate \$75.9 million) and are offset by a deferred revenue liability of \$67.9 million on the fund financial statements. The changes in deferred revenues between prior fiscal year and the current fiscal year, however, are recognized as revenues on the government-wide financial statements. The net taxes receivable was \$59.6 million, net of the estimated uncollectible amount of \$16.3 million.



## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### **J. Compensated Absences**

Unused vacation leave may be accumulated up to a specified maximum and is paid at the time of termination from County employment. In accordance with the Memorandum of Understanding (MOU) between the County and the employees' unions, the County is only obligated to pay for unused sick leave up to a certain percentage at the time of eligible employees' retirement. Upon retirement, the County converts the non-cash payout portion to a sick leave bank to provide the post-retirement medical or dental premium coverage for eligible employees.

The County accrues as current liabilities the compensated vacation and other leave benefits that are attributable to employees' services already rendered but not yet paid. A portion of the cash payout of the unused sick leave upon retirement, based on the past three years' experience, is also accrued as current liabilities.

### **K. Bond Issuance Costs and Discounts**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond discounts and premiums are amortized over the life of the bonds in the same manner as interest expense. Issuance costs are deferred and amortized over the lives of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond discount or premium. Bond issuance costs are reported as deferred charges in the asset section, net of accumulated amortization.

In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, during the period paid. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

### **L. Cash and Cash Equivalents**

For purposes of the statements of cash flows of the proprietary funds, cash and cash equivalents are defined as cash pools managed by the County Treasurer and any other short-term, highly liquid investments that are both a) readily convertible to known amounts of cash and b) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Changes in fair value of investments are reported as cash flow from investing activities as they meet the definition of cash equivalents.

### **M. Management Estimates**

In preparing basic financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

### **N. Postemployment Health Benefits**

The County does not provide employees any Other Postemployment Benefits (OPEB) other than the postemployment health benefits under the "sick leave bank" program, as described below. The sick leave bank program is administered by SJCERA (see Note 14 – Employee Retirement System for more information).

In accordance with GASB Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, however, the County has an implicit subsidy liability as the County allows any member or beneficiary receiving a pension benefit to purchase post-retirement health insurance under one of the County's sponsored plans. In some cases, the purchase of this insurance can result in an implicit subsidy payable by the County.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **N. Postemployment Health Benefits (Continued)**

Sick Leave Bank Benefit: The County provides full time employees with 12 days of paid sick leave per year. Unused sick leave is allowed to accumulate. As a result of the settlement of a lawsuit, as explained later, for those regular employees who were hired on or before August 26, 2001, and meet certain requirements, their accumulated unused sick leave, net of their cash-out portion, upon retirement is converted to a sick leave bank at a rate of \$27.65 per hour, which is used to pay their postemployment health insurance costs. However, the sick leave bank benefits are not vested in any way and are of a use-or-lose plan. Employees hired after that specified date are not eligible for sick leave cash payout or the sick leave bank benefits. The actuarial accrued liability was \$41.8 million with \$14.9 million of the actuarial value of the assets in the sick leave bank account at December 31, 2009. The County has committed to provide the annual required contribution (ARC) since fiscal year 2007-08.

At December 31, 2009, the total number of the eligible members was comprised of 3,006 active members and 853 retired members.

Implicit Subsidy Benefit: The County allows any member or beneficiary receiving pension benefits to purchase post-retirement health insurance under the County sponsored plans and this results in an implicit subsidy payable by the County. Currently, the County pays for these benefits on a pay-as-you-go basis, as opposed to the pre-funded approach that is used in the pension and sick leave bank programs. The County has contributed \$3.2 million toward this implicit subsidy for fiscal year 2009-10.

### **O. Hospital and Other Program Revenues**

Net patient service revenue is 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. Gross patient services revenue for fiscal year 2010 was \$499.2 million, the estimated adjustment was \$410.1 million for a net patient service revenue of \$89.1 million. 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.

- **Medi-Cal and Medicare Programs**

A substantial portion of Hospital revenues is derived from services provided to patients eligible for benefits under the Medi-Cal and Medicare programs. Medi-Cal inpatient services are reimbursed at a contractually agreed upon per-diem rate. Services to inpatient Medicare program beneficiaries are primarily paid under prospectively determined rates-per-discharge based upon diagnostic related groups. Certain other services to Medicare beneficiaries are reimbursed based on cost, subject to certain limitations.

- **SB1100 – Medi-Cal Hospital Waiver**

In September 2005, the California legislature passed SB1100. It puts in place the negotiated payment method (California's Medi-Cal Hospital Waiver) between the State of California and the Federal government. The Medi-Cal Waiver (Waiver) is a financing agreement that changed how the State draws down Federal matching funds to support public hospitals. It replaced a 15-year old system – SB855 and SB1255 that governed hospital fee-for-service (FFS) and Disproportionate Share Hospital (DSH) payments. Under the new Waiver, the non-Federal share used to draw the Federal funds is a combination of certified public expenditures (CPEs) and intergovernmental transfers (IGTs).

The Medi-Cal Waiver assigns each affected hospital a baseline payment amount (amounts paid in 2005-06 fiscal year) and establishes a method for distributing additional Waiver funds, referred to as stabilization funds, among the hospitals. The aggregate baseline funding for the 22 public hospitals is estimated at \$2.8 billion and stabilization funding is estimated at \$367.4 million as of June 30, 2010. San Joaquin General Hospital's fiscal year 2010 baseline amount is estimated at \$67.6 million with stabilization funds estimated at \$8.1 million at June 30, 2010.

**NOTE 2 – CASH AND INVESTMENTS**

With the exception of the Pension Trust Fund, Revolving Loan Fund Trusts, and restricted Certificates of Participation proceeds, the County Treasurer-Tax Collector pools cash from various funds for investment purposes. The investment pool includes both voluntary and involuntary participation from external entities. Interest earned on investments is credited to individual funds based on their average daily cash balances and current year secured tax charges and direct assessments where applicable. The Pension Trust Fund, Revolving Loan Fund Trusts, and restricted Certificates of Participation proceeds are invested and managed separately from the pooled cash and investments.

As of June 30, 2010, the County’s cash, deposits and investments were as follows (in \$000’s):

	Investment Pool	Special Funds and Investments	Pension Trust Fund	Fiscal Agents	Totals
Cash on hand	\$ 162	\$ -	\$ -	\$ -	\$ 162
Deposits with financial institutions	28,308	5,004	124,588	27,683	185,583
Outstanding warrants	(115,479)	-	-	-	(115,479)
Investments	1,436,379	22,898	1,711,698	-	3,170,975
	<u>\$ 1,349,370</u>	<u>\$ 27,902</u>	<u>\$ 1,836,286</u>	<u>\$ 27,683</u>	<u>\$ 3,241,241</u>

Total cash and investments were presented on the County’s financial statements as follows (in \$000’s):

	Unrestricted	Restricted	Total
Primary government	\$ 483,937	\$ 28,051	\$ 511,988
Investment trust fund	792,710	6,305	799,015
Private purpose trust funds	9,512	-	9,512
Agency fund	38,727	-	38,727
Pension trust fund	1,837,921	-	1,837,921
Discretely presented component units	44,078	-	44,078
	<u>\$ 3,206,885</u>	<u>\$ 34,356</u>	<u>\$ 3,241,241</u>

Investment Pool

The County Treasurer’s Pool is not SEC-registered, but is invested in accordance with California State Government Code and the County Treasurer’s investment policy. The California statutes and the County’s investment policy authorize the County to invest in obligations of the U.S. Treasury, certain Federal agencies, bankers’ acceptances, “prime” commercial paper, certificates of deposit, swaps and trades, State Treasurer’s Local Agency Investment Fund, and repurchase agreements. All of the County Treasurer’s investments are of a midterm and short-term nature. California State Government Code provides for the formation of an Investment Oversight Committee, which is charged with overseeing activity in the pool for compliance to policy and code requirements. To this end, the Oversight Committee annually reviews the County’s investment policy and causes an audit of investments to occur annually.

Of the total cash, deposits, and investments in the investment pool, \$343,881 was restricted for capital projects of the Solid Waste Enterprise Fund in accordance with the official statement of the 2003 Certificates of Participation.

## NOTE 2 – CASH AND INVESTMENTS (Continued)

### Deposits

At year-end, the carrying amount of the County's cash on hand and authorized deposits at various financial institutions was \$35.0 million. Of the total deposits, \$33.7 million was uninsured but secured by the pledging banks and, therefore, was exposed to custodial credit risk. The custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it.

Statutes and County investment policy allow the pool deposits to be covered by federal depository insurance or by a multiple financial institution collateral pool, which is maintained at a minimum of 110% of the uninsured deposits with the pledging institution's agent in the institution's name. The County has made no exceptions to this requirement during the current year.

### Investments

As of June 30, 2010, the County had the following pool investments (in \$000's):

	<u>Fair Value</u>	<u>Weighted Average Maturities (in days)</u>	<u>Fair Value as % of the Pool Investments</u>	<u>Credit Rating S&amp;P/MIS</u>
Money Market Account	\$ 100,000	-	7.0%	A-1+/P-1
Sweep Account	46,468	-	3.2%	A-1+/P-1
Federal Home Loan Bank	391,790	127	27.3%	AAA/not rated
Federal National Mortgage Association	613,623	290	42.7%	AAA/Aaa
Federal Home Loan Mortgage Corporation	234,498	82	16.3%	AAA/Aaa
State Local Agency Investment Fund (LAIF)	<u>50,000</u>	-	<u>3.5%</u>	Not rated
Total	<u>\$ 1,436,379</u>	172	<u>100.0%</u>	

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County investment policy, the County Treasurer manages the exposure to declines in fair values by limiting the weighted average maturity of the investment portfolio to three years or less. As of June 30, 2010, the weighted average maturity of the pool investments was 172 days.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. California statutes and the County's investment policy limit the County investments to obligations of the U.S. Treasury, certain Federal agencies, bankers' acceptances, "prime" commercial paper, certificates of deposit, swaps and trades, State Treasurer's Local Agency Investment Fund, and repurchase agreements. Credit ratings as of June 30, 2010, of the pool investments is presented above.

*Concentration of Credit Risk* – Concentration of credit risk is the loss risk attributed to the magnitude of a government's investment in a single issuer. The County's investment policy places certain maximum percentage limitations of investments by investment type and the Treasurer has adhered to this policy with no exception. As of June 30, 2010, the County's investments by investment type as the percentage of the pool investments are shown above.

## NOTE 2 – CASH AND INVESTMENTS (Continued)

### Investments (Continued)

Investments in the securities of any individual issuer, other than U.S. Treasury securities, mutual funds, and external investment funds, that represent 5 percent or more of pooled investments are as follows at June 30, 2010 (in \$000's):

<u>Issuer</u>	<u>Amount</u>	<u>Percent of Investments</u>
Federal Home Loan Bank	\$ 391,790	27.3%
Federal National Mortgage Association	613,623	42.7%
Federal Home Loan Mortgage Corporation	234,498	16.3%
Money Market Account	100,000	7.0%

*Custodial Credit Risk* – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the County's pooled investments were exposed to custodial credit risk during the fiscal year because all securities were held by the County's safekeeping agent in the County's name.

*Local Agency Investment Fund (LAIF)* – It is an investment pool managed by the California Department of Treasury. The County's total investment in the LAIF at June 30, 2010, was \$50 million which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The State Treasurer's pooled investment program, including LAIF, values participants' shares on an amortized cost basis. Specifically, the program distributes income to participants quarterly, based on their relative participation during the quarter. This participation is calculated based on (1) realized investment gains and losses calculated 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 amortized cost method differs from the fair value method used to value investments in these financial statements; 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. Because the total difference between the fair value of the investments in the pool and the value distributed to pool participants using the amortized cost method described above is not material, no adjustment was made to the financial statements.

The State Treasurer's Office reports its investments at fair value. The fair value of securities in the State Treasurer's pooled investment program generally is based on quoted market prices. The State Treasurer's Office performs a quarterly fair market valuation of the pooled investment program portfolio. In addition, the State Treasurer's Office performs a monthly fair market valuation of all securities held against carrying cost. These valuations are posted to the State Treasurer's Office web site at [www.treasurer.ca.gov](http://www.treasurer.ca.gov). As of June 30, 2009, the weighted average maturity of the securities in the pooled investment program administered by the State Treasurer's Office was approximately 214 days. Weighted average maturity is the average number of days, given a dollar-weighted value of individual investments, that the securities in the portfolio have remaining from evaluation date to stated maturity.

This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Advisory Board) has oversight responsibility for LAIF. The Advisory Board consists of five members as designated by State Statute. The total amount invested by all public agencies in the Pooled Money Investment Account (PMIA) on June 30, 2009, was \$69.4 billion. Of that amount, 2.64% was invested in structured notes and asset-backed securities with the remaining 97.36% invested in other non-derivative financial products.

**NOTE 2 – CASH AND INVESTMENTS** (Continued)Statement of Net Assets

The following represents condensed statements of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2010. The cash and investments of the Revolving Loan Funds and the deposits with other banks are not included in this statement, as they are managed and invested by a trustee bank.

## Statement of Net Assets (in \$000's)

	Internal Investment Pool	External Investment Pool	Total
Assets:			
Cash and investments**	\$ 557,327	\$ 792,043	\$ 1,349,370
Investment income receivable	1,005	1,247	2,252
Pool participants fund deposit receivable	199,999	71,606	271,605
Other assets	45,304	6,305	51,609
	<u>803,635</u>	<u>871,201</u>	<u>1,674,836</u>
Liabilities	<u>251,948</u>	<u>25,928</u>	<u>277,876</u>
Net Assets	<u>\$ 551,687</u>	<u>\$ 845,273</u>	<u>\$ 1,396,960</u>

\*\* Not including the cash and investments of the Revolving Loan Fund and the deposits with other banks that were managed by the trustee banks.

## Statement of Changes in Net Assets (in \$000's)

	Internal Investment Pool	External Investment Pool	Total
Additions:			
Contributions	\$ 2,106,997	\$ 3,867,656	\$ 5,974,653
Investment income	3,167	4,973	8,140
Total Additions	<u>2,110,164</u>	<u>3,872,629</u>	<u>5,982,793</u>
Deductions:			
Distributions	<u>2,120,725</u>	<u>3,863,797</u>	<u>5,984,522</u>
Net Change	(10,561)	8,832	(1,729)
Net Assets - Beginning	<u>562,248</u>	<u>836,441</u>	<u>1,398,689</u>
Net Assets - Ending	<u>\$ 551,687</u>	<u>\$ 845,273</u>	<u>\$ 1,396,960</u>

**NOTE 2 – CASH AND INVESTMENTS** (Continued)

**Special Funds and Investments**

In addition to the County Treasurer's investment pool, certain specific funds and investments are managed by contracted financial institutions and include the Revolving Loan Fund and the restricted Certificates of Participation (COPs) and Revenue Bonds proceeds. The investments of COPs and Revenue Bonds were reported as restricted cash and investments on the financial statements. The purpose of the restricted cash is to fund future long-term debt payments (\$23.9 million) and capital projects (\$0.1 million) and to restrict cash for patient gift funds (\$772,673). Presented below are those deposits and investments managed by the trustee banks at June 30, 2010 (in \$000's).

	Fair Value			Weighted Average Maturities (yrs)	Credit Rating S&P/MIS
	Revolving Loan Fund	Certificates of Participation	Total		
Cash and money market fund deposits	\$ 3,915	\$ 3,740	\$ 7,655	Not applicable	Not applicable
Federal Home Loan Bank	-	5,290	5,290	1.8	AAA/not rated
Federal Home Loan Mortgage Corporation	-	2,169	2,169	2.5	AAA/Aaa
Federal National Mortgage Association	-	3,482	3,482	1.2	AAA/Aaa
Repurchase Agreements	-	8,120	8,120	Not applicable	A/A
Federal Farm Credit Banks	-	1,186	1,186	2.6	Not applicable
	<u>\$ 3,915</u>	<u>\$ 23,987</u>	<u>\$ 27,902</u>		

All of the underlying investments of the fixed income mutual fund were in obligations of the U.S. government and were not subject to credit risk.

**NOTE 2 – CASH AND INVESTMENTS** (Continued)

**Pension Trust Fund Investments**

The Pension Trust Fund's investment activity is governed by the SJCERA Board of Retirement's policy. In fiscal year 2009-10, the targeted allocations of the investment portfolio were: 18% in domestic equity investments, 18% in international equities, 34% in fixed income investments, 10% in real estate investments, and 20% in alternative investments.

The Pension Trust Fund's investments are presented below at fair value in accordance with GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and consist of both short-term and long-term investments (in \$000's):

	<u>Fair Value</u>
Investments:	
Domestic equities	\$ 565,029
Domestic debt securities	319,247
International equities	85,078
Real estate	207,851
Alternative investments	<u>424,759</u>
Sub-Total	<u>1,601,964</u>
Investments Held by Broker-Dealers Under Securities Loans:	
Domestic equities	81,863
Domestic debt securities	24,349
International equities and debt securities	<u>3,522</u>
Total Investments Held by Broker-Dealers Under Securities Loans	109,734
Commingled Funds:	
Short-term investment pool	<u>-</u>
Sub-Total	<u>109,734</u>
Cash held by custodian (including cash collaterals)	<u>124,588</u>
Total	<u>\$ 1,836,286</u>

All investments owned by the Pension Trust Fund (the Plan) are held for safekeeping by independent master custodians through a "book entry system."

Cash not needed for the Plan's daily operations is deposited with the Plan master custodian, who pools from their clients all cash pending for permanent investment in their Short-Term Investment Fund (STIF) and/or Short-Term Extendable Portfolio (STEP) accounts. The cash in the STIF account is invested in high-grade money market instruments with very short maturities, such as bonds, notes, foreign currency deposits (call deposits), and forward exchange contracts on a short-term basis. The cash in the STEP account is invested in various securities with the purpose of maximizing returns to the extent consistent with minimizing unit value volatility. The STEP investments are marked to market daily. At December 31, 2009, the Plan had \$124.6 million, \$0 million, and \$109.7 million in the STIF, the STEP, and the security lending STIF account, respectively.



**NOTE 2 – CASH AND INVESTMENTS** (Continued)

**Pension Trust Fund Investments** (Continued)

*Security Lending* – The security lending STIF account represents the short-term investment of the cash collateral received from the borrower under the security-lending program. The Plan’s master custodian was appointed as the lending fiduciary by the Plan. Under the contract, the master custodian may lend securities of the Plan, other than commingled funds, held by it to certain Plan approved security borrowers. All loans are fully collateralized with cash, securities issued or fully guaranteed by the U.S. Government, or irrevocable bank letters of credit. Initial collateralization is 102% of the market value of the loaned securities. As securities are loaned, collateral is maintained at a minimum of 100% of the market value of the securities plus accrued income. The potential risks involved in the security lending program include borrower bankruptcy, collateral deficiencies, and problems with settlements, corporate actions, dividends, and interest.

Since the security lending program is operated on a pooled basis, the cash collateral and the market value of non-cash collateral are pro-rated among all participants. The securities lending contracts do not allow the lenders to pledge or sell any non-cash collateral unless the borrower defaults. Cash collateral, on the other hand, is invested by the Plan’s master custodian in a fund created solely for the investment of cash collateral purposes. At year-end, the Plan had no credit risk exposure to borrowers because the amounts the Plan owes the borrowers exceeded the amounts the borrowers owe the Plan.

The cash collateral is reported on the financial statements as an asset and as a liability of the Pension Trust Fund while the non-cash collateral is reported neither as an asset or liability in accordance with GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*. The Pension Trust Fund’s portion of the securities lending program has earned \$449,142 and \$1,536,992, in 2009 and 2008 respectively. The table below details the County’s out-on-loan securities, excluding the commingled funds owned by SJCERA, as of December 31, 2009 (in \$000’s):

	Fair Value	Cash Collateral Value	Non-Cash Collateral Value
Domestic equities	\$ 79,312	\$ 81,863	\$ 13
Domestic debt securities	23,683	24,349	5
International equities	17,039	690	17,391
International debt securities	2,715	2,832	-
Total	<u>\$ 122,749</u>	<u>\$ 109,734</u>	<u>\$ 17,409</u>

**NOTE 2 – CASH AND INVESTMENTS** (Continued)

**Pension Trust Fund Investments** (Continued)

*Credit Risk* – The Plan's investments at December 31, 2009, that were exposed to credit risk (in \$000's) and the corresponding credit ratings from Standard & Poor's (S&P):

	<u>Fair Value</u>
Pension S&P credit rating	
AAA	\$ 22,249
AA	12,512
A	45,326
BBB	41,512
BB	22,551
B	26,602
CCC	9,633
D	822
Not rated	32,332
U.S. government and agencies (implicit guarantee, includes FNMA, FHLB, FHLMC, and others)	<u>105,708</u>
Total investments in fixed domestic income securities	<u>\$ 319,247</u>

*Custodial Credit Risk* – All cash deposits with the Pension Trust Fund's independent custodian, Northern Trust (NT), were uninsured and uncollateralized. All investment securities were held by NT and identified by NT's internal records that the Plan was the owner of the securities, and therefore they were not subject to custodial credit risk.

*Concentration of Credit Risk* – The Plan's investment policy restricts investment holdings to maximum of 5% of any single issuer within the Plan's investment portfolio. At December 31, 2009, the investment portfolio contained no concentration of investments in any one entity that represented 5% or more of the Plan net assets.

*Interest Rate Risk* – The Plan manages its exposure to declines in fair values by requiring a minimum quality rating of Baa (Moody's) or BBB (S&P) for fixed income securities. To manage interest rate risk, the effective duration of the total fixed income portfolio is restricted to 0.5 to 1.5 times certain aggregate bond indexes. At December 31, 2009, the Plan's investments subject to the interest rate risk are presented below (in \$000's).

**NOTE 2 – CASH AND INVESTMENTS** (Continued)**Pension Trust Fund Investments** (Continued)

	Fair Value	Weighted Average Maturity (Years)
Asset backed securities	\$ 12,154	9.4
Bank loans	36,862	4.1
Commercial mortgage-backed	2,200	34.7
U.S. government bonds	21,218	7.4
U.S. government mortgages	103,757	20.0
U.S. government agencies	3,170	8.4
Corporate and other credit	125,805	12.2
Non-government backed CMO's	10,529	28.8
Municipal/Revenue bonds	3,552	20.4
	<u>\$ 319,247</u>	
Total		

*Derivative Financial Instruments* – The Plan uses forward settlement contracts, forward currency contracts, futures and options contracts, and other derivative products within fixed income financial instruments to reduce financial market risks, enhance yields, and to participate in all market areas without increasing investment costs. At December 31, 2009, the Plan's derivative financial instruments, with a fair value of \$341.5 million, include government and corporate obligations that consist of asset-based securities, futures, hedge equity, Collateralized Mortgage Obligations (CMOs), and Collateralized Mortgage Backed Securities (CMBS).

*Foreign Currency Risk* – The foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit.

SJCERA's exposure to foreign currency risk in U.S. dollars as of December 31, 2009, is as follows (in \$000's):

<u>Currency Type</u>	<u>Fair Value</u>
Australian dollar	\$ 958
Brazilian real	5,605
British pound sterling	2,307
Canadian dollar	109
Columbian peso	195
Euro Currency	1,615
Hong Kong dollar	1,935
Indonesian rupiah	247
Japanese yen	233
Malaysian ringgit	132
Mexican peso	274
Norwegian krone	302
Polish zloty	182
Singapore dollar	528
Swedish krona	360
Thailand baht	458
	<u>15,440</u>
Totals	<u>\$ 15,440</u>

### NOTE 3 – RECEIVABLES

Taxes and accounts receivable balances of the County's major individual funds and nonmajor and internal service funds in the aggregate, including the applicable allowance for uncollectible accounts are as follows (in \$000's):

<b>Receivables - Governmental Activities</b>	General Fund	Mental Health and Substance Abuse Fund	First Five Program Fund	County Capital Outlay Fund	Other Governmental Funds	Internal Service Funds	Total Governmental Activities
Taxes - gross	\$ 73,952	\$ -	\$ -	\$ -	\$ 472	\$ -	\$ 74,424
Accounts	2,688	4,629	5	-	1,481	1,643	10,446
Sales tax	1,482	-	-	-	-	-	1,482
Interest	224	51	12	108	196	203	794
Loan receivable	20	-	-	-	-	-	20
Due from other agencies	56,090	2,376	1,382	-	7,215	-	67,063
Gross receivables	134,456	7,056	1,399	108	9,364	1,846	154,229
Less: allowance for uncollectible	(16,287)	-	-	-	-	-	(16,287)
	<u>\$ 118,169</u>	<u>\$ 7,056</u>	<u>\$ 1,399</u>	<u>\$ 108</u>	<u>\$ 9,364</u>	<u>\$ 1,846</u>	<u>\$ 137,942</u>

<b>Receivables - Business-Type Activities</b>	Hospital	Airport	Solid Waste	Total Business-Type Activities
Accounts	\$ 39,818	\$ 140	\$ 1,061	\$ 41,019
Interest	165	3	20	188
Due from other agencies	16,938	6	30	16,974
Gross receivables	56,921	149	1,111	58,181
	<u>\$ 56,921</u>	<u>\$ 149</u>	<u>\$ 1,111</u>	<u>\$ 58,181</u>

Governmental funds report deferred revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At June 30, 2010, the various components of deferred revenue and unearned revenue reported were as follows (in \$000's):

<b>Governmental Activities:</b>	Unavailable	Unearned	Total
General Fund:			
Property taxes receivable – secured	\$ 67,855	\$ -	\$ 67,855
Property taxes receivable – unsecured	3,879	-	3,879
Due from other governmental agencies	13,882	-	13,882
Grants received prior to meeting all eligible requirements	-	21,940	21,940
Others	934	-	934
Mental Health and Substance Abuse Fund:			
Due from other governmental agencies	2,002	-	2,002
Other Governmental Funds and Internal Service Funds:			
Due from other governmental agencies	22	-	22
Others	409	-	409
Property taxes receivable - unsecured	472	-	472
	<u>\$ 89,455</u>	<u>\$ 21,940</u>	<u>\$ 111,395</u>

**NOTE 3 – RECEIVABLES** (Continued)

<b>Business-Type Activities:</b>	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Hospital	\$ -	\$ 3,646	\$ 3,646
Airport	-	1,050	1,050
Solid Waste	-	-	-
	<u>\$ -</u>	<u>\$ 4,696</u>	<u>\$ 4,696</u>

**NOTE 4 – INTERFUND TRANSACTIONS AND BALANCES**

**Due to and due from other funds**

Due to and due from other funds represents short-term borrowing between funds and regular services and supplies provided but not settled at year-end. The composition of interfund balances as of June 30, 2010, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Hospital	\$ 20,174,295
	Airport	380,569
	Solid Waste	3,829
	Internal Service Funds	228,424
	General Fund	1,021,886
	Mental Health and Substance Abuse Fund	9,014
	First Five Program Fund	19,843
	County Capital Outlay Fund	214,105
	Nonmajor Funds	1,152,638
		<u>23,204,603</u>
Mental Health and Substance Abuse Fund	General Fund	915
	Nonmajor Fund	672
	Hospital	1,763
	<u>3,350</u>	
County Capital Outlay Fund	Internal Service Funds	649,415
		<u>649,415</u>
Nonmajor Funds	General Fund	21,056
	County Capital Outlay Fund	13,372
	Nonmajor Funds	6,199
	<u>40,627</u>	
	<b>Governmental Funds</b>	<u>23,897,995</u>

**NOTE 4 – INTERFUND TRANSACTIONS AND BALANCES** (Continued)

**Due to and due from other funds** (Continued)

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Internal Service Funds	Hospital	57,440
	Airport	5,151
	Solid Waste	10,762
	Internal Service Funds	7,687
	General Fund	896,901
	Mental Health and Substance Abuse Fund	68,163
	First Five Program Fund	949
	Nonmajor Funds	265,074
	<b>Internal Service Funds</b>	<u>1,312,127</u>
Hospital	General Fund	5,270
	Mental Health and Substance Abuse Fund	9,000
		<u>14,270</u>
Solid Waste	Nonmajor Funds	242,417
		<u>242,417</u>
Total	<b>Enterprise Funds</b>	<u>256,687</u>
		<u>\$ 25,466,809</u>

**Advances to/from other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 4,585,051
	Airport	2,520,855
		7,105,906
County Capital Outlay Fund	Internal Service Funds	343,259 *
	Other Governmental Funds	1,653,437
		<u>1,996,696</u>
		<u>\$ 9,102,602</u>

\* In fiscal year 2009-10, a principal payment of \$32,271 was made by the Internal Service Funds for the advance from the County Capital Outlay Fund. Unlike in the Statement of Net Assets for Proprietary Funds, the pay down of the advance is not reflected in the Balance Sheet for Governmental Funds. Therefore, the advances from is out of balance by \$32,271.

**NOTE 4 – INTERFUND TRANSACTIONS AND BALANCES** (Continued)

**Fund Transfers**

During the course of normal operations, the County has numerous transactions between funds as a result of labor negotiations, new funding resources, new projects, debt service payments, etc. Those transfer transactions are summarized below (in \$000's):

Transfer from	Transfer to	Amount
General Fund	Hospital <sup>(1)</sup>	\$ 30,635
	Stockton Metropolitan Airport <sup>(2)</sup>	316
	Mental Health and Substance Abuse Fund <sup>(3)</sup>	9,144
	County Capital Outlay Fund <sup>(4)</sup>	2,066
	Internal Service Funds <sup>(5)</sup>	185
	Other Governmental Funds <sup>(6)</sup>	9,634
		<u>51,980</u>
Mental Health and Substance Abuse Fund	Internal Service Funds <sup>(7)</sup>	14
		<u>14</u>
County Capital Outlay Fund	Stockton Metropolitan Airport <sup>(8)</sup>	268
	General Fund <sup>(9)</sup>	235
	Internal Service Funds <sup>(10)</sup>	370
		<u>873</u>
Other Governmental Funds	General Fund <sup>(11)</sup>	5,465
	Internal Service Funds <sup>(12)</sup>	25
	Other Governmental Funds <sup>(13)</sup>	973
		<u>6,463</u>
Hospital	Internal Service Funds <sup>(14)</sup>	2
	Stockton Metropolitan Airport	-
	Solid Waste Disposal	1
		<u>3</u>
		<u>\$ 59,333</u>

- (1) Provide subsidy to cover portion of Hospital's operation.
- (2) Provide subsidy to cover portion of Airport's operation
- (3) Provide subsidy for operations.
- (4) Transfer funds to pay for capital outlay.
- (5) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.
- (6) Transfer funds to cover debt service payments and to pay for capital outlay.
- (7) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.
- (8) Transfer funds to pay for capital outlay.
- (9) Transfer excess funds back to the General Fund upon project completion.
- (10) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.
- (11) Transfer funds to pay for General Fund operations
- (12) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.
- (13) Provide subsidies to various funds.

**NOTE 4 – INTERFUND TRANSACTIONS AND BALANCES** (Continued)**Fund Transfers** (Continued)

- (14) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.
- (15) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.
- (16) Provide working capital to internal service fund for purchases of Internal Service Funds services or capital assets.

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2010, was as follows (in \$000's):

	Restated Balance June 30, 2009	Additions	Retirement	Transfers and Adjustments	Balance June 30, 2010
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 13,935	\$ -	\$ -	\$ -	\$ 13,935
Construction in progress	107,243	2,925	-	(104,205)	5,963
Total capital assets, not being depreciated	121,178	2,925	-	(104,205)	19,898
Capital assets, being depreciated:					
Structure and improvements	312,985	7,427	-	104,205	424,617
Furniture and equipment	88,039	5,829	(3,819)	-	90,049
Capitalized leases	8,021	1,259	-	-	9,280
Other capitalized assets	8,742	-	-	-	8,742
Infrastructure	317,685	12,914	-	-	330,599
Total capital assets, being depreciated	735,472	27,429	(3,819)	104,205	863,287
Less accumulated depreciation for:					
Structure and improvements	116,025	7,086	-	-	123,111
Furniture and equipment	51,485	7,956	(3,170)	-	56,271
Capitalized leases	4,365	1,141	-	-	5,506
Other capitalized assets	8,118	624	-	-	8,742
Infrastructure	109,594	12,011	-	-	121,605
Total accumulated depreciation	289,587	28,818	(3,170)	-	315,235
Total capital assets, being depreciated, net	445,885	(1,389)	(649)	104,205	548,052
Governmental activities capital assets, net	<u>\$ 567,063</u>	<u>\$ 1,536</u>	<u>\$ (649)</u>	<u>\$ -</u>	<u>\$ 567,950</u>
<b>Business-Type Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 4,663	\$ -	\$ -	\$ -	\$ 4,663
Construction in progress	7,495	605	-	(1,138)	6,962
Total capital assets, not being depreciated	12,158	605	-	(1,138)	11,625
Capital assets, being depreciated:					
Structure and improvements	180,845	1,190	-	1,112	183,147
Furniture and equipment	72,116	1,892	(232)	27	73,803
Total capital assets, being depreciated	252,961	3,082	(232)	1,139	256,950
Less accumulated depreciation for:					
Structure and improvements	93,396	6,943	-	-	100,339
Furniture and equipment	50,233	4,025	(232)	-	54,026
Total accumulated depreciation	143,629	10,968	(232)	-	154,365
Total capital assets, being depreciated, net	109,332	(7,886)	-	1,139	102,585
Business-type activities capital assets, net	<u>\$ 121,490</u>	<u>\$ (7,281)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 114,210</u>



**NOTE 5 – CAPITAL ASSETS** (Continued)

Depreciation expense was charged to governmental functions as follows (in \$000's):

	<u>Amount</u>
General government	\$ 3,330
Public protection	5,731
Public ways and facilities	12,609
Health and sanitation	1,058
Social services	1,589
Education	42
Culture and recreation	956
Depreciation on capital assets held by the County internal service funds is charged to the various functions based on their usage of the assets	<u>3,503</u>
Total depreciation expense - governmental activities	<u><u>\$ 28,818</u></u>

Depreciation expense was charged to business-type functions as follows (in \$000's):

	<u>Amount</u>
Airport enterprise	\$ 1,460
Solid Waste enterprise	3,021
General Hospital enterprise	<u>6,487</u>
Total depreciation expense – business-type functions	<u><u>\$ 10,968</u></u>

**NOTE 6 – LONG-TERM DEBT**

The following is a schedule of long-term liabilities as of June 30, 2010 (in \$000's):

**Governmental Activities:**

	<u>Amount</u>			<u>Balance June 30, 2010</u>	<u>Amounts Due Within One Year</u>
	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>		
Teeter note	\$ 42,000	\$ -	\$ 13,500	\$ 28,500	\$ 28,500
Certificates of participation	135,025	-	2,200	132,825	2,350
Discount/gain on advance refunding (net)	1,210	-	(248)	1,458	-
Notes payable	3,234	-	399	2,835	63
Capital leases	3,664	1,259	1,295	3,628	1,284
Compensated absences	29,888	31,396	29,888	31,396	25,940
Estimated claims	59,824	-	1,978	57,846	-
	<u>\$ 274,845</u>	<u>\$ 32,655</u>	<u>\$ 49,012</u>	<u>\$ 258,488</u>	<u>\$ 58,137</u>

Estimated claims are liquidated by the internal service funds. Compensated absences are generally liquidated by the General Fund and related special revenue funds.

**NOTE 6 – LONG-TERM DEBT** (Continued)

**Business-Type Activities:**

	Amount				
	Balance June 30, 2009	Additions	Deductions	Balance June 30, 2010	Amounts Due Within One Year
Certificates of participation	\$ 95,875	\$ -	\$ 7,710	\$ 88,165	\$ 7,465
Discount/gain on advance refunding (net)	(5,236)	-	(520)	(4,716)	-
Notes payable	76	-	5	71	5
Capital lease	1,735	-	513	1,222	623
Landfill closure and postclosure	12,972	1,215	-	14,187	-
Compensated absences	5,986	6,410	5,986	6,410	5,743
	<u>\$ 111,408</u>	<u>\$ 7,625</u>	<u>\$ 13,694</u>	<u>\$ 105,339</u>	<u>\$ 13,836</u>

**A. Capital Leases**

The County has entered into long-term capital leases agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met. Equipment under capital leases includes the following:

	Governmental Activities	Business-Type Activities
Equipment	\$ 9,279,740	\$ 2,891,586
Less: accumulated depreciation	<u>5,505,339</u>	<u>1,497,756</u>
Net Value	<u>\$ 3,774,401</u>	<u>\$ 1,393,830</u>

The related amortization on the capital leases is as follows:

Year Ended June 30	Governmental Activities	Business-Type Activities
2010-11	\$ 1,448,254	\$ 666,484
2011-12	1,078,430	564,306
2012-13	736,978	36,865
2013-14	424,483	16,431
2014-15	195,951	-
2015 - 2018	<u>102,109</u>	<u>-</u>
Total Requirements	3,986,205	1,284,086
Less Interest	<u>357,811</u>	<u>62,426</u>
Present Value of Remaining Payments	<u>\$ 3,628,394</u>	<u>\$ 1,221,660</u>

**NOTE 6 – LONG-TERM DEBT** (Continued)

**B. Certificates of Participation and Notes Payable**

**Certificates of Participation**

The County had the following Certificates of Participation (COPs) issues outstanding at June 30, 2010:

<u>Project Name</u>	<u>Issuance Date</u>	<u>Face Value of the COP</u>	<u>Year-End Balance</u>
1993 Capital Facilities Project (partially refunded by 2007 COP)	October 1, 1993	\$ 110,740,000	\$ 9,865,000
Solid Waste System Facilities Project (including refunding)	May 8, 2003	36,830,000	22,165,000
1999 San Joaquin General Hospital Refunding	May 1, 1999	108,420,000	66,000,000
2007 County Administration Building	May 23, 2007	114,635,000	114,635,000
2007 County Service Area No. 31	December 1, 2007	<u>8,450,000</u>	<u>8,325,000</u>
Total		<u>\$ 379,075,000</u>	<u>\$ 220,990,000</u>

According to the official statements of the COPs, all proceeds from the issuance are held and maintained by a Trustee Bank (Trustee) for the County Treasury. The Trustee invests the proceeds in demand or time deposits of any bank authorized to accept deposits of public funds, and/or in permitted investments as authorized by the County. Interest or profits on such investments received by the Trustee are, prior to the completion of the acquisition, construction, and installation of the project, deposited in the Project Fund and thereafter are deposited in the Interest Fund. Costs of the acquisition and construction of the project are paid by the Trustee from the Project Fund, upon the County's authorization. Once the project is completed, the remaining funds in the Acquisition and Construction Fund, if any, are transferred to the County's proper funds or to the debt service funds.

The 2007 County Service Area No. 31 Project COPs are recorded as the liabilities of the governmental activities on the statement of net assets. The debt service transactions and the fund balance of the reserve are recorded in the County's Debt Service Fund. The portion of the proceeds that is used for the acquisition and construction of certain sanitary sewer improvements is recorded in the County Capital Outlay Fund. All related capital assets are also included in the governmental activities on the statement of net assets.

The 2007 COPs were issued on December 1, 2007, with an average interest rate from 4.10% to 5.8%. The proceeds, after the required deposit to the Reserve Fund and issuance costs and discounts, are deposited in the Improvement Fund to finance the acquisition and construction of certain sanitary sewer improvements. The certificates mature in 2037 with principal payments ranging from \$125,000 to \$590,000.

The 2007 County Administration Building Project COPs are recorded as the liabilities of the governmental activities on the statement of net assets. The debt service transactions and the fund balance of the reserve are recorded in the County's Debt Service Fund. The portion of the proceeds that is used for the construction of the County administration building is recorded in the County Capital Outlay Fund. All activities are also included in the governmental activities on the statement of net assets.

**NOTE 6 – LONG-TERM DEBT** (Continued)

**B. Certificates of Participation and Notes Payable** (Continued)

**Certificates of Participation** (Continued)

The 2007 COPs were issued on May 23, 2007, with an average interest rate from 4.75% to 5.0%. A portion of the proceeds from the new issuance was deposited in an irrevocable trust (\$18,398,857) with an escrow agent to provide for future scheduled debt services on the refunded 1993 COPs. As a result, the refunded portion of the outstanding 1993 COPs are considered to be defeased and the liability for those debts has been removed from the financial statement. The remaining proceeds, after the required deposit to the Reserve Fund and issuance costs and discounts, are deposited in the Improvement Fund for the design and construction of the new County administration building. The final acceptance and occupancy of the new building occurred in August 2009. The certificates mature in 2036 with principal payments ranging from \$2,765,000 to \$7,985,000.

The 2003 Solid Waste System Facilities Projects COPs are recorded in the Solid Waste Enterprise Fund. The COPs were issued on May 8, 2003, with an average interest rate of 6.5% to advance refund the outstanding Certificates of Participation issued in 1994, current refund the outstanding COPs issued in 1991, and provide approximately \$17 million to fund various Solid Waste System Facilities projects. These COPs are repaid from the net revenues of the County's solid waste system operations in accordance with the COP agreements. The improvement of real property is recognized in the Enterprise Fund's capital improvements. The certificates mature in 2022 with principal payments ranging from \$1,360,000 to \$3,155,000.

The 1991 COPs were paid off in May 2003, and the 1994 COPs were paid off in April 2004. The deferred amount on this refunding (the difference between the net carrying amount of old debt and the amount of funds required to redeem the old debts or to be deposited in escrow fund to refund old debts at the time of refunding) is amortized over the life of the original debt, which is shorter than the new debt.

The 1999 San Joaquin General Hospital Refunding COPs are recorded in the San Joaquin General Hospital Enterprise Fund. The COPs were issued on May 1, 1999, with an average interest rate of 4.9% to advance refund the then outstanding COPs issued for the 1993 San Joaquin General Hospital Expansion Project with an average interest rate of 6.48%. The refunded COPs were paid off in September 2003. The refunding COP matures in 2021 with principal payments ranging from \$4,370,000 to \$6,735,000.

The 1993 Capital Facilities Project COPs are recorded as the liabilities of the governmental activities on the statement of net assets. The debt services transactions and fund balance of the remaining proceeds are recorded in the County's Debt Service Fund. The related building structures and improvements are also recorded in the governmental activities on the statement of net assets.

The 1993 COPs were issued on October 1, 1993, with an average interest rate from 3.86% to 5.16% to advance refund the then outstanding COPs with an average interest rate of 6.07% to 7.18%. The then outstanding COPs included the 1989 Human Services Facilities Project COPs, the 1989 Jail and Sheriff's Operating Center Project, and the 1991 Public Facilities Project. The refunded COPs were paid off in November 2004.

On May 23, 2007, the County issued the 2007 COPs. Of the face value of \$114,635,000, \$18,398,857 was deposited in an escrow fund to pay the scheduled debt service on the Refunded 1993 COPs to and including September 4, 2007, and to prepay on September 4, 2007, the refunded 1993 COPs maturing November 15, 2019, at a prepayment price equal to 100% of the principal represented by the Refunded 1993 COPs plus accrued interest. The refunded portion of the outstanding 1993 COPs, along with the related original deferred amount on the 1993 COPs, are considered to be defeased and the liability for those debts have been removed from the financial statement. As of June 30, 2010, the certificates defeased had an outstanding balance of \$18,355,000.

**NOTE 6 – LONG-TERM DEBT** (Continued)

**B. Certificates of Participation and Notes Payable** (Continued)

**Certificates of Participation** (Continued)

Repayments made by the County to the Trustee Bank are held in trust by the Trustee Bank in the Interest Fund or the Base Rental Fund for the benefit of the County, but are irrevocably pledged to the trustee for the benefit of the owners of the COPs. The funds are used for the payment of interest and principal evidenced by the certificates.

The unfunded portion of the 1993 COPs matures in 2014 with principal payments ranging from \$2,220,000 to \$2,720,000.

**Notes Payable**

In November 2002, the County signed a fixed-price agreement of \$5.7 million to purchase an electronic voting system. To finance the purchase and additional related project costs, the County signed a loan agreement with a financial institution in an amount of \$3.2 million. The remaining project cost is to be funded by the State, pursuant to the 2002 California Voting Modernization Act (Proposition 41). In addition, the Federal government may also provide additional funding pursuant to Federal Bill House Resolution 3295. The purchase and loan agreements were finalized on July 1, 2003. The electronic voting machines were delivered on July 1, 2003, and the loan carries a term of 10 years with an interest rate of 4.73%. At June 30, 2010, the loan carried a balance of \$727,636.

The County Maintenance Districts of Shaded Terrace and Sunnyside Estates (Special Revenue Funds) had entered into agreements with the United States Department of Agriculture (USDA) for a loan of \$300,000 and \$100,000, respectively, in 2000-01. The loans, along with the grants received from USDA, are used to finance certain capital improvements to the water system of the districts. As of June 30, 2010, the outstanding balances on the loans totaled \$358,500.

In fiscal year 2004-05, the County settled a lawsuit that was filed by H.D. Arnaiz, LTD, a California limited partnership (HDAL). This lawsuit involved HDAL's rights to lease certain real property around the Airport area. The settlement requires the County to make an annual payment of \$132,115 between August 2005 and August 2029 (Promissory Note). In addition, the County is to make an annual property tax-based payment between September 2005 and September 2029 (tax-based agreement). The tax-based payment is to be calculated each year and to be paid only if a certain threshold is met. The sum total of the payments under the promissory note payment and the tax-based agreement, in the aggregate is not to exceed \$4.0 million prior to 2029. The County reports it as a note liability (\$2.0 million) of the Casualty Insurance Fund, an internal service fund, at the present value of the minimum payments. As of June 30, 2010, the outstanding note was \$1,748,672.

The Airport (Enterprise Fund) has the remaining life of a 12-year note with a third party which financed the 1993-94 purchase of a paint shop. The note had a fixed interest rate of 12%. It carried a balance of \$71,040 as of June 30, 2010, and will be paid in full in 2018.

**Teeter Plan Borrowing**

Pursuant to Revenue and Taxation Code Section 4701, the County has opted into the "Alternative Method of Property Tax Distribution" method since fiscal year 1993-94. This method is known as the "Teeter Plan." Under the Teeter Plan, the County and all other taxing agencies received 100% of the current secured tax levy and direct assessments. In 1993-94, all taxing agencies received their share of 95% of all outstanding delinquent taxes and 100% of delinquent assessments. Additionally, Senate Bill 742 (1993) allowed counties converting to the Teeter Plan a one-time property shift reduction for the excess property tax revenues that schools received in 1993-94 due to the conversion.

**NOTE 6 – LONG-TERM DEBT** (Continued)

**B. Certificates of Participation and Notes Payable** (Continued)

**Teeter Plan Borrowing** (Continued)

In order to convert to the Teeter Plan, the County had to buy out the existing unpaid property taxes, which was approximately \$28.4 million as of June 30, 2010. The County has been choosing the interfund borrowing method to partially finance the buy-out every year since 1993-94.

The County utilizes the delinquent tax penalty collections in 2009-10, an extra amount set aside in the Loss Reserve Fund, and the interfund borrowing of \$28.5 million to finance the buy-out and the cumulative interest cost on the borrowing.

The interfund borrowing of \$28.5 million is collateralized with the uncollected taxes and is recorded in the General Fund. The interfund borrowing note, dated June 22, 2010, is to be repaid in full by July 1, 2010. However, the intention of the borrowing is to refinance the note every year until such time that the collection of delinquent taxes is sufficient to repay the note. The interest expense of the Teeter Plan borrowing is computed based on the County Treasury's investment rate and was reported within the County's General Fund. In fiscal year 2009-10, the County recognized \$317,604 interest expense on the loan.

The County is required by law to maintain a Loss Reserve Fund (classified as the General Fund's reserved fund balance) in an amount equivalent to 1% of the total tax roll for that year. At June 30, 2010, the County set aside 2.5%, instead of 1%. The reserve fund balance was \$16.3 million.

**Schedule of Future Payments**

The following is a schedule of the future long-term debts payments as of June 30, 2010 (in \$000's):

**Governmental Activities:**

Year Ended June 30	Certificates of Participation		Notes Payable	
	Principal	Interest	Principal	Interest
2011	\$ 2,350	\$ 6,548	\$ 62	\$ 93
2012	2,515	6,423	420	125
2013	2,690	6,281	440	105
2014	2,870	6,128	71	85
2015	2,925	5,977	74	81
2016-2020	17,245	27,451	421	356
2021-2025	21,760	22,568	522	256
2026-2030	27,810	16,394	645	131
2031-2035	35,390	8,647	79	37
2036-2040	17,270	904	101	16
	132,825	107,321	2,835	1,285
Add gain on advance refunding	1,458	-	-	-
<b>Total Debt</b>	<b>\$ 134,283</b>	<b>\$ 107,321</b>	<b>\$ 2,835</b>	<b>\$ 1,285</b>

**NOTE 6 – LONG-TERM DEBT** (Continued)

**B. Certificates of Participation and Notes Payable** (Continued)

**Schedule of Future Payments** (Continued)

**Business-Type Activities:**

Year Ended June 30	Certificates of Participation		Notes Payable	
	Principal	Interest	Principal	Interest
2011	\$ 7,465	\$ 4,270	\$ 5	\$ 8
2012	7,935	3,912	6	8
2013	6,620	3,528	7	7
2014	6,950	3,190	8	6
2015	7,310	2,821	9	5
2016-2020	41,345	8,105	36	7
2021-2025	10,540	456	-	-
	88,165	26,282	71	41
Less discount on advance refunding	(4,716)	-	-	-
Total Debt	<u>\$ 83,449</u>	<u>\$ 26,282</u>	<u>\$ 71</u>	<u>\$ 41</u>

**NOTE 7 – LEGAL DEBT MARGIN**

Government Code Section 25371 limits the County's ability to raise resources through the issuance of debt to finance acquisitions or construction of County facilities. The computation of the debt limitation and legal debt margin is presented below:

Net assessed value fiscal year 2009-10	<u>\$ 51,835,497,707</u>
Legal Debt Limit – 1 1/4% of total assessed value	
Amount of debt applicable to debt limit:	<u>\$ 647,943,721</u>

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations of excess investment earnings on various bonds and financings and, at June 30, 2010, does not expect to incur a significant liability.

Special Assessment Debt

Special assessment district transactions are recorded in the Agency Fund as the County acts as an agent for the property owners in collecting assessments bonds and forwarding the collections to the bondholders. However, the County is not obligated in any manner for repayment of these special assessments. As of June 30, 2010, such special assessment debt outstanding totaled approximately \$703,190.

## **NOTE 8 – LANDFILL CLOSURE AND POSTCLOSURE LIABILITY**

State and Federal laws and regulations require the County to place a final cover on its landfills when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, requires a portion of these closure and postclosure care costs to be recognized as an operating expense in each period of operation, based on landfill capacity used. The County is also required by State and Federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care.

The County uses the Solid Waste Closure Fund, reported within the Solid Waste Enterprise Fund, to account for the contributions, as well as the landfill closure and postclosure costs.

At June 30, 2010, the landfill closure and postclosure care liability (\$14.2 million) represents the cumulative amount reported to date based on the cumulative usage of the landfills' capacity, minus the cash payments made. The remaining estimated cost of closure and postclosure care of \$77.3 million will be recognized as the remaining estimated capacities are filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2010. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

Prior year deposits and interest earned exceeds the minimum closure fund balance required by the State, therefore no transfers into the closure fund were made in fiscal year 2009-10. The funds available for landfill closure and postclosure remain at \$5.2 million, which leaves approximately \$9.0 million to be funded in future years. Two of the County's four landfills have been closed. The remaining two landfills are North County and Foothill. North County received a permit revision which increased the height and capacity of the landfill, thereby extending its operation until 2048. North County is at 13.1% of the new capacity. Foothill will be operative until 2059 and is at 12.7% capacity.

## **NOTE 9 – RISK MANAGEMENT PROGRAMS**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and employees' health. To effectively manage those risks and control costs, the County established self-insurance programs for casualty (December 1974), workers' compensation (June 2003), unemployment compensation (January 1978), medical insurance (June 1982), and dental insurance (June 1982). Under these programs, the County provides coverage for up to a \$1,000,000 for each general liability and malpractice claim, \$25,000 for each property damage claim, \$10,000 for each public official performance claim, \$350,000 for health insurance coverage, and \$3,000 for dental insurance coverage per employee per year. The County also joins together with other counties in the State through the California State Association of Counties (CSAC) to obtain general liability and malpractice insurance coverage for claims in excess of the coverage provided by the County up to \$25 million and \$10 million, respectively. The County also purchases commercial stop loss insurance for the health insurance coverage in excess of the County covered portion. Settled claims have not exceeded the CSAC coverage or the commercial insurance coverage in any of the past three fiscal years.

The County, prior to fiscal year 2003-04, obtained the workers' compensation insurance through CSAC's Excess Insurance Authority Primary Workers' Compensation Program. The program provided for first dollar coverage for the County on a pooled basis with aggregate stop loss coverage in place to provide a unique "guaranteed cost" feature. Effective fiscal year 2003-04, the County reverted back to the self-insurance program and only secured the excess coverage through the Excess Workers' Compensation Program of CSAC's Excess Insurance Authority (EIA).

All funds of the County participate in the programs and make payments to the insurance funds based on the actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.



**NOTE 9 – RISK MANAGEMENT PROGRAMS** (Continued)

Based on the most recent actuarial studies (December of 2009) the full value of the County's unpaid casualty (general liability and malpractice liability) liabilities and the workers' compensation program liabilities at June 30, 2010, were estimated at a discounted value of \$18.4 million and \$30.6 million, respectively, using the discount rate of 4%. These actuarially determined liabilities include the unpaid loss adjustment expenses.

In the opinion of management, the total assets in the insurance funds were sufficient to cover the actuarially determined claim liabilities, premium, and administration cost as of June 30, 2010, except for the casualty insurance fund.

The insurance funds had the following net assets (in \$000's):

	<u>Net Assets</u>
Casualty Insurance	\$ 2,555
Workers' Compensation Insurance	20,623
Medical Insurance	18,513
Dental Insurance	1,592
Unemployment Insurance	<u>2,736</u>
<b>Total</b>	<b><u>\$ 46,019</u></b>

Changes in the insurance funds' claim liabilities for fiscal years 2008-09 and 2009-10 were (in \$000's):

	<u>Casualty</u>	<u>Workers' Compensation</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>	<u>Unemployment</u>	<u>Total</u>
<b>Balance at June 30, 2008</b>	\$ 14,869	\$ 29,737	\$ 6,452	\$ 344	\$ 244	\$ 51,646
Claims and changes in estimates for fiscal year 2008-09	10,072	13,128	42,897	5,168	1,159	72,424
Less: claim payments	<u>(5,416)</u>	<u>(9,767)</u>	<u>(42,763)</u>	<u>(5,191)</u>	<u>(1,109)</u>	<u>(64,246)</u>
<b>Balance at June 30, 2009</b>	19,525	33,098	6,586	321	294	59,824
Claims and changes in estimates for fiscal year 2009-10	2,882	4,770	49,798	4,495	2,260	64,205
Less: claim payments	<u>(4,052)</u>	<u>(6,654)</u>	<u>(48,973)</u>	<u>(4,501)</u>	<u>(2,003)</u>	<u>(66,183)</u>
<b>Balance at June 30, 2010</b>	<b><u>\$ 18,355</u></b>	<b><u>\$ 31,214</u></b>	<b><u>\$ 7,411</u></b>	<b><u>\$ 315</u></b>	<b><u>\$ 551</u></b>	<b><u>\$ 57,846</u></b>

**NOTE 10 – LONG-TERM OPERATING LEASE AGREEMENTS**

The County has several long-term operating lease agreements, with original terms ranging from one to ten years, for leased office space for County departments. There are no material restrictions imposed by these agreements. The minimum rental payments required under the operating lease commitments at June 30, 2010, are (in \$000's):

<u>Year Ended June 30</u>	<u>Primary Government</u>
2011	\$ 3,509
2012	2,937
2013	1,394
2014	1,357
2015	1,328
Thereafter	<u>6,791</u>
	<u>\$ 17,316</u>

Total rent expense under operating lease agreements during the year ended June 30, 2010, was approximately \$4.7 million.

A new lease agreement was entered in October 2003 for the County to lease for the Workforce Investment Act Program an office building that was under construction by a property developer. The agreement would allow the County to occupy the office building for a minimum of 15 years after the completion of the construction with scheduled rent increases. The County moved into this new building in September 2005. The fiscal year 2009-10 rent payment was \$970,627.

**NOTE 11 – RENTAL INCOME UNDER OPERATING LEASES**

The following is a schedule by years of minimum future rental income on noncancellable operating leases as of June 30, 2010 (in \$000's). These operating leases, for various real property, contain no material restrictions. All are to be paid to the Airport Enterprise Fund.

<u>Year Ended June 30</u>	<u>Amount</u>
2011	\$ 745
2012	630
2013	627
2014	593
2015	574
Thereafter	<u>12,886</u>
	<u>\$ 16,055</u>

Total rental income under operating lease agreements during the year ended June 30, 2010, is approximately \$760,050.

## **NOTE 12 – NET ASSETS/FUND BALANCES**

The governmental-wide and business-type activities 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 Net Assets – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Assets – This category represents net assets of the County, not restricted for any project or other purpose.

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

As of June 30, 2010, reservations of fund balances are described below:

- Encumbrances – to reflect the outstanding contractual obligations for goods and services that have not been received.
- Inventory – to reflect the portion of assets that do not represent available spendable resources.
- Debt Service – to reflect the funds held by trustees or fiscal agents for future payment of bond principal and interest. These funds are not available for general operations.
- Advances and Loans – to reflect the amount due from other funds that are long-term in nature, such amounts do not represent available spendable resources.
- Other Assets – to reflect the loan receivables and other assets that do not represent available spendable resources.

Portions of unreserved fund balance may be designated to indicate tentative plans for financial resource utilization in a future period, such as for general contingencies or capital projects. Such plans or intent are subject to change and have not been legally authorized or may not result in expenditures. Fund balance designations include:

- Health and Social Services Programs – to reflect management's intent to expend the funds to meet the immediate needs in the following year for the County's health and social services programs.
- Public Safety Programs – to reflect management's intent to expend the funds to support the County's public safety needs.
- Parks and Recreation Programs – to reflect management's intent to expend certain funds for planned capital projects.
- Self-Insurance Programs – to meet the Federal and State governments' requirements for being self-insured for general liability, workers' compensation, health and dental, and unemployment programs.

**NOTE 13 – DEFICIT FUND BALANCE/NET ASSETS**

The following funds had deficit fund balances at June 30, 2010:

Substance Abuse and Crime Prevention (Nonmajor Special Revenue Fund) The deficit resulted from a reduction in Proposition 36 funding.	\$ (410,830)
County Head Start (Nonmajor Special Revenue Fund) The deficit resulted from prior year's delay in obtaining Federal and State reimbursements for costs incurred.	(13,330)
Water District (Nonmajor Special Revenue Fund) The deficit resulted from an increase in professional services related to water issues.	(35,842)
Northeastern San Joaquin Groundwater Banking Authority (Nonmajor Special Revenue Fund) The deficit resulted from prior year's excess expenditures over revenues.	(387,403)
Mokelumne River Water and Power Authority (Nonmajor Special Revenue Fund) The deficit resulted from an increase in studies and consulting services related to Delta issues.	(1,171,176)
	<hr/> <u>\$ (2,018,581)</u>

Deficits in these funds are expected to be eliminated in future years through future revenues and/or transfers from other funds.

**NOTE 14 – EMPLOYEE RETIREMENT SYSTEM**

The County's Pension Trust Fund is governed by the Board of Retirement of the San Joaquin County Employees' Retirement Association (SJCERA). Prior to fiscal year 1993-94, the County also participated in the California Public Employees' Retirement System (CalPERS) for employees working in the Division of Public Health of the County Health Care Services. Since the 1993-94 fiscal year, all County employees are covered by one single retirement plan, SJCERA. The Public Health employees are covered by SJCERA through reciprocity. Both the County's and the employees' cumulative contribution to CalPERS will remain with CalPERS.

The County also contracted with Hartford to administer a qualified retirement plan under Section 401(a) of the Internal Revenue Code for full-time County physicians in healthcare services. These physicians are not members of SJCERA. The plan became operative on January 1, 1999.

The Health Plan of San Joaquin and Head Start Child Development Council, Inc., discretely presented component units, have a money purchase pension plan, 401(a), or a deferred annuity program on behalf of their employees. The other two discretely presented component units are covered by SJCERA.

**NOTE 14 – EMPLOYEE RETIREMENT SYSTEM** (Continued)

The San Joaquin County Employees' Retirement Association (Plan)

Plan Description

The following description of the San Joaquin County Employees' Retirement Association (SJCERA) is provided for general information purposes. SJCERA is governed by the Board of Retirement under the 1937 County Employees' Retirement Law (1937 Act). Members should refer to this Law for more complete information.

The SJCERA issues a stand alone financial report and was audited by Brown Armstrong Accountancy Corporation. The report is available by writing to San Joaquin County Employees' Retirement Association, 6 South El Dorado Street, Suite 400, Stockton, CA 95202 or by calling (209) 468-2163. The data presented within this footnote is obtained from the financial statements that were audited by and reported on by the said Certified Public Accountants on May 25, 2010.

General

The Plan is a cost sharing multiple employer defined benefit pension plan (covering certain districts outside the reporting entity). It provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. It also provides postemployment health benefits (sick leave bank benefits) to certain members who meet certain criteria contained in the Memorandum of Understanding between the County and employees' unions.

The Board of Retirement maintains its own accounting records and controls its own assets. The Plan's net assets, including the postemployment healthcare program – sick leave bank benefit, totaled approximately \$1.7 billion at December 31, 2009. The Plan's financial statements are presented on the accrual basis of accounting. The Plan member and employer contributions that should have been made in the calendar year based on the actuarially determined contribution rates are recognized as revenues of that calendar year. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

The Plan's investments are reported at fair value. All administrative costs of the Plan are paid from the Plan's investment earnings.

Funding Policy

Pension: Contribution rates for the employers and employees were determined in accordance with actuarially determined contribution requirements by an actuarial valuation performed as of January 1, 2009.

Employee contributions are payable over each employee's future working lifetime. The employer rates reflect the entry age normal funding method. Under this method, the normal cost is being paid over the future working lifetimes of the members. The past service liability is amortized over a rolling 10-year period.

In 2009, the employees' contributions were about \$13.0 million, an average of 3.4% of the annual covered payroll.

The adopted employers' 2009 contribution rates, based on the actuarial determined requirements applicable to covered payroll, were 47.54% for safety members and 24.87% for general members. The employers' actual contributions, including the contributions from the Plan's unapportioned earnings, to the Plan for the years ending December 31, 2009, 2008, 2007, and were \$97.8 million, \$94.2 million, and \$85.9 million, respectively, equal to the required contributions for each year.

**NOTE 14 – EMPLOYEE RETIREMENT SYSTEM** (Continued)

Postemployment Health Benefit Plan – Sick Leave Bank

The Board of Retirement, as part of the settlement of the class-action lawsuit brought by the San Joaquin County Deputy Sheriff's Association, extended the sick leave bank benefit to cover all eligible employees who were on the August 27, 2001, payroll or who deferred prior to August 27, 2001. The actuarially determined sick leave bank benefit liability for eligible members hired from January 28, 1992, through August 27, 2001, has been fully funded. However, the funding for eligible active members who were hired prior to January 28, 1992, was yet to be fully funded. The County has adopted a funding policy, effective fiscal year 2006-07, to make a bi-weekly contribution to the plan based on the annual actuarial valuation of the benefit plan. Based on the December 31, 2009, actuary report, the County has made the annual required contribution of \$4,202,490 in calendar year 2009. The employees are not required to contribute to the plan.

California Public Employees' Retirement System (CalPERS)

General Description

Certain employees of the Health Care Services Department (Public Health) were members of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. Effective June 28, 1993, those employees became members of the SJCERA through reciprocity.

Defined Contribution Pension Plan for the County Full-Time Physicians in Health Care Services

The County has an agreement with Hartford to administer a qualified retirement plan, 401(a), for the County's fulltime physicians. Under this plan, the County contributes \$8,000 annually per qualified physician to the plan. The physicians are also required to contribute a mandatory, tax-deferred match at a rate of 6.0% of their compensation. In fiscal year 2009-10, the County contributed \$538,765 to the plan.

Defined Contribution Pension Plan for the Health Plan of San Joaquin and Head Start Child Development Council, Inc.

The Health Plan of San Joaquin has a money purchase pension plan, 401(a), for its employees. All full-time, permanent employees are eligible to participate. The Health Plan of San Joaquin contributes 5.75% of each participant's gross pay to the plan. Employees do not make contributions to the plan. In fiscal year 2009-10, the Health Plan of San Joaquin contributed \$443,893 to the pension plan.

The Health Plan of San Joaquin approved a defined benefit plan contract between the Health Plan of San Joaquin and CalPERS on January 28, 2002. Active CalPERS plan members are required to contribute 7% of reportable earnings and the Health Plan of San Joaquin is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The Health Plan of San Joaquin's contribution for the period ended June 30, 2010, was \$828,001.

The Head Start Child Development Council, Inc., (Council) maintains a deferred annuity program on behalf of its employees. The employees contribute to the plan on a voluntary basis. The Council contributes to the plan for those employees who meet the eligibility requirements set forth in the plan. For the year ended January 31, 2010, the Council contributed \$417,167 to the plan.

The Local Agency Formation Commission participates in the County's pension plan and it contributed \$31,874 to the plan for the period ended June 30, 2010.

**NOTE 15 – POSTEMPLOYMENT HEALTH BENEFITS – IMPLICIT SUBSIDY**

As explained in Note 1 – N, the County does not provide employees any Other Postemployment Benefits (OPEB) other than the postemployment health benefits under the “sick leave bank” program, as described in Note 14. The sick leave bank program is administered by the County’s Retirement Association (see Note 14 – Employee Retirement System for more information).

However, the County allows any member or beneficiary receiving a pension benefit to purchase post-retirement health insurance from one of the County’s sponsored plans. In some cases, the purchase of this insurance can result in an implicit subsidy payable by the County in accordance with GASB Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

**Funding Policy** Currently, the County pays for these benefits on a pay-as-you-go basis, as opposed to the pre-funded approach that is used in the pension and sick leave bank programs. The “annual required contribution” presented below is based on projected pay-as-you-go financing requirements. For fiscal year 2009-10, the County’s actual contribution amounted to \$3.2 million for current premiums.

**Annual OPEB Cost and Net OPEB Obligation** The County’s annual OPEB-Implicit Subsidy cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 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 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 (in \$000’s):

Annual Required Contribution	\$ 12,530
Interest on net OPEB-Implicit Subsidy obligation	1,177
Adjustment to annual required contribution	<u>-</u>
Annual OPEB-Implicit Subsidy cost	13,707
Contribution made	<u>3,174</u>
Increase in obligation	10,533
Net OPEB-Implicit Subsidy obligation - beginning of year	<u>27,697</u>
Net OPEB-Implicit Subsidy obligation - end of year	<u><u>\$ 38,230</u></u>

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009-10 were as follows (\$000’s):

Year Ended <u>December 31,</u>	Annual OPEB-Subsidy Obligation	Annual Actual Contribution	Percentage of Annual Cost Contribution	Net Pension Obligation End of Year
2007	\$ 16,768	\$ 3,139	18.72%	\$ 13,629
2008	\$ 17,650	\$ 3,582	20.29%	\$ 27,697
2009	\$ 13,707	\$ 3,174	23.16%	\$ 38,230

**Funded Status and Funding Progress** As of December 31, 2009, the most recent actuarial valuation date, the plan was not funded, as the County chose to fund the program on the pay-as-you-go basis. The actuarial accrued liability and the unfunded actuarial accrued liability (UAAL) for benefits was \$123.8 million. The covered payroll was \$385.4 million, and the ratio of the UAAL to the covered payroll was 32.1%.

**NOTE 15 – POSTEMPLOYMENT HEALTH BENEFITS – IMPLICIT SUBSIDY (Continued)**

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents all fiscal year information since inception in fiscal year 2007-08 to indicate whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the December 31, 2009, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.25% investment rate of return (net of administrative expenses), which is an expected investment return based on the County's own investments, and an annual healthcare cost trend increment rate of 9.0% initially, reduced by decrements to an ultimate rate of 4.75% after 6 years. Both rates include a 3.5% salary increase assumption. Since the County chose to fund the plan on the basis of a pay-as-you-go method, there is no actuarial value of assets involved in the computation. The UAAL is being amortized as a level dollar amount over a closed period of 30 years. The remaining amortization period at December 31, 2009, was 28 years.

**NOTE 16 – RETIREE HEALTH REIMBURSEMENT PLAN AND TRUST**

**Purpose**

The purpose of the retiree health reimbursement plan and trust is to provide qualifying employees with an opportunity to receive reimbursement for certain healthcare expenses eligible under the plan. It is the intention of the County that the benefits payable under this plan be eligible for exclusion from the gross income of participants as provided by Sections 105(b) and 106 of the Internal Revenue Code (Code). It is also the intention of the County that the plan qualify as a Health Reimbursement Arrangement ("HRA") under IRS Revenue Ruling 2002-41 (June 26, 2002) and IRS Notice 2002-45 (June 26, 2002).

The purposes of the trust are (1) to provide a source of funds to pay benefits under the plan and (2) to permit Trust assets to be invested and such earnings be non-taxable under Section 501(c)(9) of the Code.

**Funding**

The County shall make a fixed contribution per participant as set forth in the appropriate adoption agreement. The amount of employer contribution, and any restrictions on the use thereof, shall be identified in the adoption agreement and communicated to the participants. The amount of the employer contribution may change from year to year as announced by the adopting employer prior to the plan year start and reflected in the adoption agreement. Unless otherwise stated in the adoption agreement, the employer contribution shall be available for reimbursement as soon as received by the Trustee and placed in the Trust. The total employer contribution for fiscal year 2009-10 was \$1.1 million.



**NOTE 17 – COMPONENT UNIT CONDENSED FINANCIAL INFORMATION**

Condensed financial data for the four discretely presented major component units is presented below:

**Statement of Net Assets**

	Head Start Child Development Council, Inc.	San Joaquin Economic Development Association	Local Agency Formation Commission	Health Plan of San Joaquin	Total
<b>ASSETS</b>					
Cash and investment – pool	\$ -	\$ -	\$ 197,489	\$ 25,503,815	\$ 25,701,304
Cash and investments – other	819,124	599,905	-	16,957,471	18,376,500
Due from other governments	579,745	-	-	4,219,476	4,799,221
Interest receivable	-	-	466	44,681	45,147
Accounts receivable	174,128	-	13,500	-	187,628
Depreciable assets, net	923,367	2,256	-	14,908,390	15,834,013
Other assets	357,925	-	-	1,766,400	2,124,325
<b>Total Assets</b>	<b>\$ 2,854,289</b>	<b>\$ 602,161</b>	<b>\$ 211,455</b>	<b>\$ 63,400,233</b>	<b>\$ 67,068,138</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 2,590,946	\$ 83,356	\$ 10,514	\$ 2,041,573	\$ 4,726,389
Accrued claims payable	-	-	-	11,925,150	11,925,150
Provider risk sharing payable	-	-	-	5,699,673	5,699,673
Unpaid compensated absences	-	-	-	-	-
Unearned revenues	80,709	-	-	-	80,709
Other liabilities	-	-	-	1,006,018	1,006,018
<b>Total Liabilities</b>	<b>2,671,655</b>	<b>83,356</b>	<b>10,514</b>	<b>20,672,414</b>	<b>23,437,939</b>
<b>NET ASSETS</b>					
Investment in capital assets, net of related debt	923,367	2,256	-	14,908,390	15,834,013
Unrestricted net assets	(740,733)	516,549	200,941	27,819,429	27,796,186
<b>Total Net Assets</b>	<b>182,634</b>	<b>518,805</b>	<b>200,941</b>	<b>42,727,819</b>	<b>43,630,199</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,854,289</b>	<b>\$ 602,161</b>	<b>\$ 211,455</b>	<b>\$ 63,400,233</b>	<b>\$ 67,068,138</b>

**NOTE 17 – COMPONENT UNIT CONDENSED FINANCIAL INFORMATION** (Continued)Statement of Changes in Net Assets

	Head Start Child Development Council, Inc.	San Joaquin Economic Development Association	Local Agency Formation Commission	Health Plan of San Joaquin	Total
Program Revenues:					
Operating grants and contributions	\$ 32,894,893	\$ 165,557	\$ 811,504	\$ 147,122,306	\$ 180,994,260
Charges for services	2,363,285	558,955	-	1,547,526	4,469,766
Interest income	-	1,825	2,136	199,883	203,844
Total Program Revenues	<u>35,258,178</u>	<u>726,337</u>	<u>813,640</u>	<u>148,869,715</u>	<u>185,667,870</u>
Program Expenses:					
General government	-	-	658,622	-	658,622
Public assistance	35,021,110	461,232	-	-	35,482,342
Health	-	-	-	142,437,852	142,437,852
Total Program Expenses	<u>35,021,110</u>	<u>461,232</u>	<u>658,622</u>	<u>142,437,852</u>	<u>178,578,816</u>
Change in net assets	237,068	265,105	155,018	6,431,863	7,089,054
Net assets, beginning	<u>(54,434)</u>	<u>253,700</u>	<u>45,923</u>	<u>36,295,956</u>	<u>36,541,145</u>
Net assets, ending	<u>\$ 182,634</u>	<u>\$ 518,805</u>	<u>\$ 200,941</u>	<u>\$ 42,727,819</u>	<u>\$ 43,630,199</u>

**NOTE 18 – COMMITMENTS AND CONTINGENCIES**Pending Litigations

The County is a defendant in various casualty and workers' compensation lawsuits. Based on the most recent actuary report issued in December 2009, the County's actuarially determined ultimate loss liability of these lawsuits under the casualty insurance and workers' compensation programs was approximately \$18.4 million and \$30.6 million, respectively. The assets of these two insurance funds totaling \$76.1 million were sufficient to cover these actuarially determined losses as of June 30, 2010 (See Note 9).

Grants

The County recognizes as revenue, grant monies received and available within 60 days as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Medicare and Medi-Cal Programs

The Medicare program provides for reimbursement for the cost of service provided to program patients. The Medi-Cal program provides for reimbursement based on cost per patient day or service provided for administrative day services. Preliminary estimates of the amounts to be received from or due to third parties are included in the current year's financial statements. Final determination of amounts due for services to program patients is made when the cost reports are settled with respective administrative agencies, and any adjustments are made in the period such amounts are fully determined. Medicare and Medi-Cal cost reports have been audited through June 30, 2007, and June 30, 2006, respectively. The Hospital recognized approximately \$1.9 million and \$3.1 million in net patient service revenue in 2010 and 2009 for changes in estimated cost report settlements for cost reports finalized during the year ended June 30, 2010 and 2009, respectively.

**NOTE 18 – COMMITMENTS AND CONTINGENCIES** (Continued)

**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 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 was \$16,901,488.

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 to California Communities. Under the securitization program, California Communities 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 Proposition 1A. The receivable sale proceeds were equal to the book value and, as a result, no gain or loss was recorded.

**NOTE 19 – PRIOR PERIOD ADJUSTMENTS**

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

The impact of the restatements on the fund balance/net assets, as previously reported, is presented below:

	Fund Financial Fund Financial Statements		
	General Fund	General Hospital	Internal Service Funds
Net Assets/Fund Balance, June 30, 2009, as previously reported after adjustment for change in reporting entity	\$ 92,581,245	\$ 41,974,937	\$ 80,640,965
Restatements:			
Correct reporting of prior year revenues and expenditures	<u>2,786,177</u>	<u>(575,937)</u>	<u>828,839</u>
Fund Balance, June 30, 2009, as restated	<u>\$ 95,367,422</u>	<u>\$ 41,399,000</u>	<u>\$ 81,469,804</u>
	Government-Wide Statements		Fiduciary Fund Statements
	Governmental Activities	Business-Type Activities	Investment Trust Fund
Net Assets/Fund Balance, June 30, 2009, as previously reported after adjustment for change in reporting entity	\$ 881,410,071	\$ 57,502,201	\$ 840,461,132
Restatements:			
Correct reporting of prior year revenues and expenditures	<u>3,615,017</u>	<u>(575,937)</u>	<u>6,221,419</u>
Fund Balance, June 30, 2009, as restated	<u>\$ 885,025,088</u>	<u>\$ 56,926,264</u>	<u>\$ 846,682,551</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010**

**Schedule of Funding Progress and Funding Status – Pension Trust Fund**

The tables below show a) a multi-year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30 and b) a multi-year history of the funding status of the Pension Trust Fund:

Required Supplementary Information  
For the Year Ended June 30, 2010  
**Pension Benefit Plan**  
Schedule of Funding Progress  
(amounts in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded/ (Overfunded) AAL	Funded Ratio	Covered Payroll	Unfunded (Overfunded) AAL Percentage of Covered Payroll
1/1/2002	\$ 1,357,409	\$ 1,266,747	\$ (90,662)	107.2%	\$ 243,327	0%
1/1/2003	1,448,905	1,418,209	(30,696)	102.2%	259,812	0%
1/1/2004	1,531,288	1,621,060	89,772	94.5%	286,429	31%
1/1/2005	1,614,979	1,769,507	154,528	91.3%	296,473	52%
1/1/2006	1,727,033	1,935,818	208,785	89.2%	309,692	67%
1/1/2007	1,869,717	2,149,938	280,221	87.0%	340,828	82%
1/1/2008	2,029,949	2,334,521	304,572	87.0%	367,361	83%
1/1/2009	1,821,357	2,510,925	689,568	72.5%	377,559	183%

Schedule of Employer Contributions  
(amount in thousands)

Actuarial Valuation	Actual Annual Contribution	Annual Required Contribution	Percentage Contribution	Net Pension Obligation
2005	\$ 62,509	\$ 62,509	100.0%	\$ -
2006	73,612	73,612	100.0%	-
2007	85,869	85,869	100.0%	-
2008	94,163	94,163	100.0%	-
2009	97,806	97,806	100.0%	-

(Employer contributions for fiscal years 2002, 2003, and 2004 are not available.)

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010**

Required Supplementary Information  
For the Year Ended June 30, 2010  
**Postemployment Healthcare – Sick Leave Bank Program**  
Schedule of Funding Progress  
(amounts in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded/ (Overfunded) AAL	Funded Ratio	Covered Payroll	Unfunded (Overfunded) AAL Percentage of Covered Payroll
1/1/2005	\$ 16,636	\$ 30,465	\$ 13,829	54.6%	\$224,753	6%
1/1/2006	14,660	37,475	22,815	39.1%	229,726	10%
1/1/2007	14,702	41,583	26,881	35.4%	221,626	12%
1/1/2008	13,120	41,203	28,083	31.8%	212,675	13%
1/1/2009	14,890	41,760	26,870	35.7%	203,064	13%

(Schedule of Funding Progress information for fiscal year ended December 31, 2004, is not available.)

Schedule of Employer Contributions  
(amounts in thousands)

Actuarial Valuation	Actual Annual Contribution	Annual Required Contribution	Percentage Contribution	Net Pension Obligation
2006	\$ 650,000	\$ 650,000	100.0%	\$ -
2007	2,780,500	2,780,500	100.0%	-
2008	4,083,235	4,083,235	100.0%	-
2009	4,202,490	4,202,490	100.0%	-

(Employer contributions for fiscal years 2004 and 2005 are not available.)

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010**

Required Supplementary Information  
For the Year Ended June 30, 2010  
**Postemployment Healthcare – Implicit Subsidy**  
Schedule of Funding Progress  
(amounts in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded/ (Overfunded) AAL	Funded Ratio	Covered Payroll	Unfunded (Overfunded) AAL Percentage of Covered Payroll
12/31/2007	\$ -	\$ 157,337	\$ 157,337	0.0%	\$367,062	43%
12/31/2008	-	163,596	163,596	0.0%	377,213	43%
12/31/2009	-	123,763	123,763	0.0%	385,394	32%

(Schedule of Funding Progress information begins with fiscal year ended June 30, 2008, per GASB Statement No. 45.)

Schedule of Employer Contributions  
(amount in thousands)

Actuarial Valuation	Actual Annual Contribution	Annual Required Contribution	Percentage Contribution	Net Pension Obligation
2007	\$ 3,139	\$ 16,768	18.7%	\$ 13,629
2008	3,582	17,037	21.0%	27,084
2009	3,167	12,530	25.3%	36,447

(Employer contributions begin with fiscal year 2007 per GASB Statement No. 45.)

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance with Final Budget
	Original	Final		
Budgetary fund balance, July 1	\$ 44,639,464	\$ 44,639,464	\$ 44,639,464	\$ -
Resources (inflows):				
Taxes	181,476,125	181,476,125	213,060,800	31,584,675
Licenses and permits	4,592,132	4,592,132	4,298,143	(293,989)
Fines, forfeitures, and penalties	10,142,505	10,142,505	9,465,652	(676,853)
Use of money and property	2,009,705	2,016,802	1,643,910	(372,892)
Aid from other governmental agencies	428,358,086	437,363,354	379,169,227	(58,194,127)
Charges for services	47,622,053	47,466,203	41,293,173	(6,173,030)
Other revenues	1,786,704	2,730,030	8,127,272	5,397,242
Other financing sources	32,450,136	45,294,644	14,618,200	(30,676,444)
<b>Total resources</b>	<b>708,437,446</b>	<b>731,081,795</b>	<b>671,676,377</b>	<b>(59,405,418)</b>
Charges to appropriations (outflows):				
Current:				
General government	63,818,042	63,978,042	44,047,507	(19,930,535)
Public protection	253,392,655	257,229,323	241,988,214	(15,241,109)
Public ways and facilities	151,603	151,603	177,767	26,164
Health and sanitation	40,931,184	41,427,184	32,790,648	(8,636,536)
Public assistance	347,064,808	352,270,267	300,210,239	(52,060,028)
Education	350,000	350,000	323,707	(26,293)
Recreation and culture	6,511,118	6,511,118	5,763,266	(747,852)
Reserve for contingency	21,015,080	16,220,861	-	(16,220,861)
Capital outlay	-	-	1,688,401	1,688,401
Debt service:				
Principal	-	-	388,267	388,267
Interest	-	30,461	381,779	351,318
Other financing uses	40,844,105	62,000,366	52,114,998	(9,885,368)
<b>Total charges to appropriations</b>	<b>774,078,595</b>	<b>800,169,225</b>	<b>679,874,793</b>	<b>(120,294,432)</b>
Fund balance, end of year	<b>\$ (21,001,685)</b>	<b>\$ (24,447,966)</b>	<b>\$ 36,441,048</b>	<b>\$ 60,889,014</b>



**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010  
BUDGETARY COMPARISON SCHEDULE (Continued)  
GENERAL FUND**

Explanation of differences between budgetary inflows and outflows and accounting principals generally accepted in the United States of America (GAAP) revenues and expenditures:

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule, not including fund balance	\$ 671,676,377
--	----------------

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financing reporting purposes.	(14,618,200)
--	--------------

Receipts from General Fund special accounts were budgeted only if they were expected to be used by the General Fund account, but were reported as revenues of the General Fund for financial reporting purposes.	<u>17,334,003</u>
--	-------------------

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 674,392,180</u>
--	-----------------------

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 679,874,793
---	----------------

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(52,339,774)
---	--------------

Disbursements from General Fund special accounts were not budgeted but were reported as expenditures for financial reporting purposes.	3,688,229
--	-----------

Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes.	<u>4,036,010</u>
---	------------------

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 635,259,258</u>
--	-----------------------

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010  
BUDGETARY COMPARISON SCHEDULE  
MENTAL HEALTH AND SUBSTANCE ABUSE FUND**

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance with Final Budget
	Original	Final		
Budgetary fund balance, July 1	\$ 11,276,669	\$ 11,276,669	\$ 11,276,669	\$ -
Resources (inflows):				
Fines, forfeitures, and penalties	210,000	210,000	371,721	161,721
Use of money and property	25,000	25,000	243,372	218,372
Aid from other governmental agencies	44,819,703	44,742,523	52,869,154	8,126,631
Charges for services	31,448,138	32,494,326	30,650,279	(1,844,047)
Other revenues	100,415	100,415	98,865	(1,550)
Other financing sources	9,754,182	9,745,182	9,144,265	(600,917)
<b>Total resources</b>	<b>86,357,438</b>	<b>87,317,446</b>	<b>93,377,656</b>	<b>6,060,210</b>
Charges to appropriations (outflows):				
Current:				
Health and sanitation	88,017,144	88,986,152	71,366,181	(17,619,971)
Capital outlay	-	-	48,280	48,280
Other financing uses	-	-	1,154,108	1,154,108
<b>Total charges to appropriations</b>	<b>88,017,144</b>	<b>88,986,152</b>	<b>72,568,569</b>	<b>(16,417,583)</b>
<b>Fund balance, end of year</b>	<b>\$ 9,616,963</b>	<b>\$ 9,607,963</b>	<b>\$ 32,085,756</b>	<b>\$ 22,477,793</b>

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010  
BUDGETARY COMPARISON SCHEDULE (Continued)  
MENTAL HEALTH AND SUBSTANCE ABUSE FUND**

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule, not including fund balance \$ 93,377,656

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financing reporting purposes. (9,144,265)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 84,233,391

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule, not including fund balance \$ 72,568,569

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes. (13,639)

Changes in outstanding encumbrances - encumbrances for equipment and supplies ordered but not received - are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes. (287,291)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 72,267,639

**COUNTY OF SAN JOAQUIN  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010  
BUDGETARY COMPARISON SCHEDULE  
FIRST FIVE PROGRAM FUND**

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance with Final Budget
	Original	Final		
Budgetary fund balances, July 1	\$ 8,766,133	\$ 8,766,133	\$ 8,766,133	\$ -
Resources (inflows):				
Use of money and property	140,803	140,803	49,016	(91,787)
Aid from other governmental agencies	9,779,661	9,779,661	9,695,336	(84,325)
Other revenues	-	-	750	750
Total resources	<u>9,920,464</u>	<u>9,920,464</u>	<u>9,745,102</u>	<u>(175,362)</u>
Charges to appropriations (outflows):				
Current:				
Health and sanitation	24,721,570	24,721,570	12,297,442	(12,424,128)
Other financing uses	-	-	56,548	56,548
Total charges to appropriations	<u>24,721,570</u>	<u>24,721,570</u>	<u>12,353,990</u>	<u>(12,367,580)</u>
Fund balance, end of year	<u>\$ (6,034,973)</u>	<u>\$ (6,034,973)</u>	<u>\$ 6,157,245</u>	<u>\$ 12,192,218</u>

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

Uses/outflows of resources

Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule, not including fund balance	<u>\$ 9,745,102</u>
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 2,353,990
Differences - budget to GAAP:	
Changes in outstanding encumbrances - encumbrances for equipment and supplies ordered but not received - are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes.	<u>10,548,039</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 12,902,029</u>

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

**BUDGETARY BASIS OF ACCOUNTING**

In accordance with provisions of Sections 29000 through 29144 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and legally adopts an operating balanced final budget on or before June 30 of each year. Public hearings are conducted to review all proposed appropriations and the sources of financing before the adoption.

Since the final budget must be balanced, any shortfall in revenue and other financing sources requires an equal reduction in appropriations. This operating balanced budget is adopted each fiscal year for the general, special revenue and special district service funds. It is prepared on a modified cash basis except that encumbrances are treated as budgeted expenditures in the year the purchase commitment is made. The encumbered appropriations do not lapse at year-end. Accordingly, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent year expenditures and become authorized encumbrance appropriations carried over. Throughout the fiscal year, supplemental appropriations may be made by the Board of Supervisors when revenues are received from unanticipated sources, or from anticipated sources in excess of estimates thereof or from contingency sources.

The legal level for budgetary control (the level at which expenditures may not exceed budgeted appropriations) is at the index and object level. An "index" for legal appropriation purposes may be (1) a single department, (2) a division of a large department having multiple divisions, or (3) an entire fund. Object levels of expenditures for legal appropriation purposes are:

1. Salaries and benefits
2. Services and supplies
3. Other charges
4. Capital outlay
5. Other financing uses
6. Interfund transfers
7. Appropriation for contingencies
8. Contracts
9. Unclassified

All amendments or transfers of line item appropriations between objects within the same index require County Administrator approval. Amendments and transfers of appropriations between indexes or that involve the addition or deletion of a project or piece of equipment must be approved by the Board of Supervisors. The Board of Supervisors has authorized the Auditor-Controller of the County to make year-end budget adjustments and appropriation transfers within the respective County budgets and funds to provide for expenditures in excess of budgeted amounts.

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

The budgets for the governmental funds may include an object level known as "intrafund transfers" in the charges for appropriations. This object level is an accounting mechanism used by the County to show reimbursements between operations within the same fund (an example would be the General Fund).

**SUPPLEMENTARY INFORMATION**

## **GENERAL FUND ACCOUNTS**

General Fund Accounts, representing the general operating fund of the County, include the General Account (General Fund) and certain special accounts that are under the control of various General Fund departments. They are used to account for all financial resources not accounted for in another fund.

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
ALL GENERAL FUNDS  
JUNE 30, 2010**

	General Accounts	Contingency	General Reserve	Total
<b>ASSETS</b>				
Cash and investments:				
Pooled	\$ 72,224,700	\$ 9,121,589	\$ 10,018,470	\$ 91,364,759
Imprest cash	248,975	-	-	248,975
Interest receivable	223,504	-	-	223,504
Accounts receivable	2,688,311	-	-	2,688,311
Taxes receivable	59,147,491	-	-	59,147,491
Due from other agencies	56,089,953	-	-	56,089,953
Due from other funds	21,754,258	1,450,345	-	23,204,603
Advances to other funds	3,383,672	3,722,234	-	7,105,906
Loans receivable	-	20,000	-	20,000
Inventory	41,424	-	-	41,424
Other assets	25,500	-	-	25,500
	<u>215,827,788</u>	<u>14,314,168</u>	<u>10,018,470</u>	<u>240,160,426</u>
Total Assets	<u>\$ 215,827,788</u>	<u>\$ 14,314,168</u>	<u>\$ 10,018,470</u>	<u>\$ 240,160,426</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,529,412	\$ -	\$ -	\$ 2,529,412
Accrued payroll	9,497,716	-	-	9,497,716
Accrued interest	67,016	-	-	67,016
Due to other funds	1,946,028	-	-	1,946,028
Teeter note	28,500,000	-	-	28,500,000
Deferred revenues	108,490,377	-	-	108,490,377
Other liabilities	592,075	-	-	592,075
	<u>151,622,624</u>	<u>-</u>	<u>-</u>	<u>151,622,624</u>
Total Liabilities	<u>151,622,624</u>	<u>-</u>	<u>-</u>	<u>151,622,624</u>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	9,625,710	-	-	9,625,710
Loans and advances	3,383,672	3,742,234	-	7,125,906
Inventory	41,424	-	-	41,424
Other assets	248,975	380,000	-	628,975
Unreserved:				
Designated	53,165,742	15,634	15,385	53,196,761
Undesignated	(2,260,359)	10,176,300	10,003,085	17,919,026
	<u>64,205,164</u>	<u>14,314,168</u>	<u>10,018,470</u>	<u>88,537,802</u>
Total Fund Balances	<u>64,205,164</u>	<u>14,314,168</u>	<u>10,018,470</u>	<u>88,537,802</u>
Total Liabilities and Fund Balances	<u>\$ 215,827,788</u>	<u>\$ 14,314,168</u>	<u>\$ 10,018,470</u>	<u>\$ 240,160,426</u>



**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GENERAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	General Accounts	Contingency	General Reserve	Total
<b>Revenues:</b>				
Taxes	\$ 213,060,800	\$ -	\$ -	\$ 213,060,800
Licenses, permits, and franchises	4,342,576	-	-	4,342,576
Fines, forfeitures, and penalties	12,909,722	-	-	12,909,722
Revenue from use of money and property	1,749,739	222,482	57,880	2,030,101
Aid from other governmental agencies	387,294,911	-	-	387,294,911
Charges for services	43,102,221	-	-	43,102,221
Other revenue	11,651,849	-	-	11,651,849
<b>Total Revenues</b>	<b>674,111,818</b>	<b>222,482</b>	<b>57,880</b>	<b>674,392,180</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	41,614,265	-	-	41,614,265
Public protection	244,469,438	-	-	244,469,438
Public ways and facilities	136,334	-	-	136,334
Health and sanitation	36,316,725	-	-	36,316,725
Public assistance	303,674,458	-	-	303,674,458
Education	323,707	-	-	323,707
Recreation and cultural services	5,949,540	-	-	5,949,540
Capital outlay	2,004,745	-	-	2,004,745
<b>Debt service:</b>				
Principal	388,267	-	-	388,267
Interest	381,779	-	-	381,779
<b>Total Expenditures</b>	<b>635,259,258</b>	<b>-</b>	<b>-</b>	<b>635,259,258</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>38,852,560</b>	<b>222,482</b>	<b>57,880</b>	<b>39,132,922</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from long-term debt	317,604	-	-	317,604
Transfers within General Fund	10,917,723	(10,917,723)	-	-
Transfers in	5,700,099	-	-	5,700,099
Transfers out	(51,914,743)	-	(65,502)	(51,980,245)
<b>Total Other Financing Sources (Uses)</b>	<b>(34,979,317)</b>	<b>(10,917,723)</b>	<b>(65,502)</b>	<b>(45,962,542)</b>
<b>Net Change in Fund Balances</b>	<b>3,873,243</b>	<b>(10,695,241)</b>	<b>(7,622)</b>	<b>(6,829,620)</b>
Fund Balances, Beginning of Year	57,545,744	25,009,409	10,026,092	92,581,245
Prior Period Adjustment	2,786,177	-	-	2,786,177
Fund Balances, Beginning of Year, as restated	60,331,921	25,009,409	10,026,092	95,367,422
<b>Fund Balances, End of Year</b>	<b>\$ 64,205,164</b>	<b>\$ 14,314,168</b>	<b>\$ 10,018,470</b>	<b>\$ 88,537,802</b>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
ALL GENERAL FUND SPECIAL ACCOUNTS  
JUNE 30, 2010**

	General Accounts	Sheriff's Special Accounts	Prisoner Welfare Accounts	Sheriff Commissary Jail Industries
<b>ASSETS</b>				
Cash and investments:				
Pooled	\$ 252,510	\$ 2,203,844	\$ 91,226	\$ 224,997
Imprest cash	96,375	-	-	-
Accounts receivable	2,061,153	65,542	165,846	93,906
Taxes receivable	57,392,953	-	-	-
Interest receivable	160,272	3,011	-	-
Due from other agencies	55,091,430	181,674	-	-
Due from other funds	21,740,609	2,561	4,469	(14)
Advances to other funds	3,383,672	-	-	-
Inventory	-	-	-	41,424
Other assets	25,500	-	-	-
	<u>140,204,474</u>	<u>2,456,632</u>	<u>261,541</u>	<u>360,313</u>
Total Assets	<u>\$ 140,204,474</u>	<u>\$ 2,456,632</u>	<u>\$ 261,541</u>	<u>\$ 360,313</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,300,541	\$ 91,251	\$ 10,778	\$ 9,471
Due to other funds	1,936,158	3,054	3,074	410
Accrued payroll	9,491,710	-	-	-
Deferred revenues	86,458,399	50,266	87,646	-
Teeter note	28,500,000	-	-	-
Accrued interest	67,016	-	-	-
Other liabilities	592,075	-	-	-
	<u>129,345,899</u>	<u>144,571</u>	<u>101,498</u>	<u>9,881</u>
Total Liabilities	<u>129,345,899</u>	<u>144,571</u>	<u>101,498</u>	<u>9,881</u>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	9,607,528	-	-	420
Loans and advances	3,383,672	-	-	-
Inventory	-	-	-	41,424
Other	96,375	-	-	-
Unreserved	(2,229,000)	2,312,061	160,043	308,588
	<u>10,858,575</u>	<u>2,312,061</u>	<u>160,043</u>	<u>350,432</u>
Total Fund Balances	<u>10,858,575</u>	<u>2,312,061</u>	<u>160,043</u>	<u>350,432</u>
Total Liabilities and Fund Balances	<u>\$ 140,204,474</u>	<u>\$ 2,456,632</u>	<u>\$ 261,541</u>	<u>\$ 360,313</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
ALL GENERAL FUND SPECIAL ACCOUNTS  
JUNE 30, 2010**

	<u>Court Fees and Assessments</u>	<u>Emergency Medical Services</u>	<u>Agriculture Special Accounts</u>	<u>Public Health Special Accounts</u>
<b>ASSETS</b>				
Cash and investments:				
Pooled	\$ 2,176,534	\$ 2,898,967	\$ 1,348,398	\$ 8,512,773
Imprest cash	-	-	-	-
Accounts receivable	26,015	49,082	61,304	1,334
Taxes receivable	-	-	-	-
Interest receivable	3,325	4,124	75	7,786
Due from other agencies	141,377	-	-	46,025
Due from other funds	-	-	-	3,243
Advances to other funds	-	-	-	-
Inventory	-	-	-	-
Other assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 2,347,251</u>	<u>\$ 2,952,173</u>	<u>\$ 1,409,777</u>	<u>\$ 8,571,161</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 11,960	\$ 100	\$ 28,858
Due to other funds	-	-	-	-
Accrued payroll	-	-	-	-
Deferred revenues	-	-	4,077	-
Teeter note	-	-	-	-
Accrued interest	-	-	-	-
Other liabilities	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>11,960</u>	<u>4,177</u>	<u>28,858</u>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	-	-	-	-
Loans and advances	-	-	-	-
Inventory	-	-	-	-
Other	-	-	-	-
Unreserved	2,347,251	2,940,213	1,405,600	8,542,303
	<u>2,347,251</u>	<u>2,940,213</u>	<u>1,405,600</u>	<u>8,542,303</u>
Total Fund Balances	<u>2,347,251</u>	<u>2,940,213</u>	<u>1,405,600</u>	<u>8,542,303</u>
Total Liabilities and Fund Balances	<u>\$ 2,347,251</u>	<u>\$ 2,952,173</u>	<u>\$ 1,409,777</u>	<u>\$ 8,571,161</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
ALL GENERAL FUND SPECIAL ACCOUNTS  
JUNE 30, 2010**

	Community Service Special Accounts	Parks' Special Accounts	Recorder's Accounts	Assessor Special Accounts	Probation Juvenile Welfare
<b>ASSETS</b>					
Cash and investments:					
Pooled	\$ 1,708,379	\$ 4,818,720	\$ 432,518	\$ 206,268	\$ 1,158,889
Imprest cash	2,600	-	-	-	-
Accounts receivable	15,008	-	239	2,987	-
Taxes receivable	-	-	-	-	-
Interest receivable	2,469	5,153	-	567	3,587
Due from other agencies	414,832	-	-	-	-
Due from other funds	3,382	-	-	5	-
Advances to other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Other assets	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 2,146,670</u>	<u>\$ 4,823,873</u>	<u>\$ 432,757</u>	<u>\$ 209,827</u>	<u>\$ 1,162,476</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 57,928	\$ 138	\$ -	\$ -	\$ 100
Due to other funds	1,274	-	-	-	300
Accrued payroll	6,006	-	-	-	-
Deferred revenues	-	-	-	-	-
Teeter note	-	-	-	-	-
Accrued interest	-	-	-	-	-
Other liabilities	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	<u>65,208</u>	<u>138</u>	<u>-</u>	<u>-</u>	<u>400</u>
<b>FUND BALANCES</b>					
Reserved for:					
Encumbrances	17,762	-	-	-	-
Loans and advances	-	-	-	-	-
Inventory	-	-	-	-	-
Other	2,600	-	-	-	-
Unreserved	<u>2,061,100</u>	<u>4,823,735</u>	<u>432,757</u>	<u>209,827</u>	<u>1,162,076</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Fund Balances	<u>2,081,462</u>	<u>4,823,735</u>	<u>432,757</u>	<u>209,827</u>	<u>1,162,076</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities and Fund Balances	<u>\$ 2,146,670</u>	<u>\$ 4,823,873</u>	<u>\$ 432,757</u>	<u>\$ 209,827</u>	<u>\$ 1,162,476</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
ALL GENERAL FUND SPECIAL ACCOUNTS  
JUNE 30, 2010**

	Community Development Accounts	District Attorney Accounts	HSA Grant Accounts	Other Accounts	Total
<b>ASSETS</b>					
Cash and investments:					
Pooled	\$ 2,400,980	\$ 4,234,648	\$ 21,915,339	\$ 17,639,710	\$ 72,224,700
Imprest cash	-	-	150,000	-	248,975
Accounts receivable	-	133,010	-	12,885	2,688,311
Taxes receivable	-	1,754,538	-	-	59,147,491
Interest receivable	3,477	8,195	-	21,463	223,504
Due from other agencies	-	214,615	-	-	56,089,953
Due from other funds	-	3	-	-	21,754,258
Advances to other funds	-	-	-	-	3,383,672
Inventory	-	-	-	-	41,424
Other assets	-	-	-	-	25,500
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 2,404,457</u>	<u>\$ 6,345,009</u>	<u>\$ 22,065,339</u>	<u>\$ 17,674,058</u>	<u>\$ 215,827,788</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 18,287	\$ 2,529,412
Due to other funds	1,758	-	-	-	1,946,028
Accrued payroll	-	-	-	-	9,497,716
Deferred revenues	-	-	21,889,989	-	108,490,377
Teeter note	-	-	-	-	28,500,000
Accrued interest	-	-	-	-	67,016
Other liabilities	-	-	-	-	592,075
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities	<u>1,758</u>	<u>-</u>	<u>21,889,989</u>	<u>18,287</u>	<u>151,622,624</u>
<b>FUND BALANCES</b>					
Reserved for:					
Encumbrances	-	-	-	-	9,625,710
Loans and advances	-	-	-	-	3,383,672
Inventory	-	-	-	-	41,424
Other	-	-	150,000	-	248,975
Unreserved	<u>2,402,699</u>	<u>6,345,009</u>	<u>25,350</u>	<u>17,655,771</u>	<u>50,905,383</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Fund Balances	<u>2,402,699</u>	<u>6,345,009</u>	<u>175,350</u>	<u>17,655,771</u>	<u>64,205,164</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities and Fund Balances	<u>\$ 2,404,457</u>	<u>\$ 6,345,009</u>	<u>\$ 22,065,339</u>	<u>\$ 17,674,058</u>	<u>\$ 215,827,788</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GENERAL FUND SPECIAL ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2010**

	General Accounts	Sheriff's Special Accounts	Prisoner Welfare Accounts	Sheriff Commissary Jail Industries
<b>Revenues:</b>				
Taxes	\$ 213,060,800	\$ -	\$ -	\$ -
Licenses, permits, and franchises	4,298,143	-	-	-
Fines, forfeitures, and penalties	9,465,652	351,942	-	-
Revenue from use of money and property	1,363,548	11,121	231	46
Aid from other governmental agencies	379,169,227	793,813	-	-
Charges for services	41,293,173	277,397	2,270	-
Other revenue	7,615,679	1,999	1,583,175	1,374,401
<b>Total Revenues</b>	<b>656,266,222</b>	<b>1,436,272</b>	<b>1,585,676</b>	<b>1,374,447</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	41,609,248	-	-	-
Public protection	240,962,369	237,964	424,880	872,578
Public ways and facilities	136,334	-	-	-
Health and sanitation	35,761,894	-	-	-
Public assistance	303,573,119	-	-	-
Education	323,707	-	-	-
Recreation and cultural services	5,949,540	-	-	-
Capital outlay	1,969,108	31,997	3,640	-
<b>Debt service:</b>				
Principal	388,267	-	-	-
Interest	381,779	-	-	-
<b>Total Expenditures</b>	<b>631,055,365</b>	<b>269,961</b>	<b>428,520</b>	<b>872,578</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,210,857	1,166,311	1,157,156	501,869
<b>Other Financing Sources (Uses):</b>				
Issuance of debt	317,604	-	-	-
Transfers between General Fund accounts	19,002,988	(536,471)	(1,166,583)	(430,071)
Transfers in	5,700,099	-	-	-
Transfers out	(51,763,113)	-	(168)	(40)
<b>Total Other Financing Sources (Uses)</b>	<b>(26,742,422)</b>	<b>(536,471)</b>	<b>(1,166,751)</b>	<b>(430,111)</b>
<b>Net Change in Fund Balances</b>	<b>(1,531,565)</b>	<b>629,840</b>	<b>(9,595)</b>	<b>71,758</b>
Fund Balances, Beginning of Year	9,603,963	1,682,221	169,638	278,674
Prior Period Adjustment	2,786,177	-	-	-
Fund Balances, Beginning of Year, as restated	12,390,140	1,682,221	169,638	278,674
<b>Fund Balance, End of Year</b>	<b>\$ 10,858,575</b>	<b>\$ 2,312,061</b>	<b>\$ 160,043</b>	<b>\$ 350,432</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
ALL GENERAL FUND SPECIAL ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Court Fees and Assessments</u>	<u>Emergency Medical Services</u>	<u>Agriculture Special Accounts</u>	<u>Public Health Special Accounts</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	333,758	595,011	-	680,767
Revenue from use of money and property	13,146	16,222	18,849	21,760
Aid from other governmental agencies	535,283	22,059	-	2,615,798
Charges for services	-	-	450,353	59,672
Other revenue	-	-	119,145	(319,804)
	<u>882,187</u>	<u>633,292</u>	<u>588,347</u>	<u>3,058,193</u>
Total Revenues				
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	81,663	-
Public ways and facilities	-	-	-	-
Health and sanitation	-	407,631	-	147,200
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and cultural services	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>407,631</u>	<u>81,663</u>	<u>147,200</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>882,187</u>	<u>225,661</u>	<u>506,684</u>	<u>2,910,993</u>
Other Financing Sources (Uses):				
Issuance of debt	-	-	-	-
Transfers between General Fund accounts	(580,761)	-	(520,677)	(1,485,452)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>(580,761)</u>	<u>-</u>	<u>(520,677)</u>	<u>(1,485,452)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	301,426	225,661	(13,993)	1,425,541
Fund Balances, Beginning of Year	2,045,825	2,714,552	1,419,593	7,116,762
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year, as restated	<u>2,045,825</u>	<u>2,714,552</u>	<u>1,419,593</u>	<u>7,116,762</u>
Fund Balance, End of Year	<u>\$ 2,347,251</u>	<u>\$ 2,940,213</u>	<u>\$ 1,405,600</u>	<u>\$ 8,542,303</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
ALL GENERAL FUND SPECIAL ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Community Service Special Accounts	Parks' Special Accounts	Recorder's Accounts	Assessor Special Accounts	Probation Juvenile Welfare
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	-	-
Fines, forfeitures, and penalties	80,240	-	-	-	-
Revenue from use of money and property	6,788	20,444	(210)	16,002	35,627
Aid from other governmental agencies	1,783,286	-	-	-	2,299,765
Charges for services	171,385	157,113	54,725	224,050	-
Other revenue	56,423	558,263	-	-	2,388
<b>Total Revenues</b>	<b>2,098,122</b>	<b>735,820</b>	<b>54,515</b>	<b>240,052</b>	<b>2,337,780</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	-	-	-	-	-
Public protection	-	-	-	-	1,888,915
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	101,339	-	-	-	-
Education	-	-	-	-	-
Recreation and cultural services	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Debt service:</b>					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total Expenditures</b>	<b>101,339</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,888,915</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,996,783</b>	<b>735,820</b>	<b>54,515</b>	<b>240,052</b>	<b>448,865</b>
<b>Other Financing Sources (Uses):</b>					
Issuance of debt	-	-	-	-	-
Transfers between General Fund accounts	(1,937,924)	(227,491)	(3,000)	(214,000)	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(150,000)	(1,422)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,937,924)</b>	<b>(227,491)</b>	<b>(3,000)</b>	<b>(364,000)</b>	<b>(1,422)</b>
<b>Net Change in Fund Balances</b>	<b>58,859</b>	<b>508,329</b>	<b>51,515</b>	<b>(123,948)</b>	<b>447,443</b>
Fund Balances, Beginning of Year	2,022,603	4,315,406	381,242	333,775	714,633
Prior Period Adjustment	-	-	-	-	-
Fund Balances, Beginning of Year, as restated	2,022,603	4,315,406	381,242	333,775	714,633
Fund Balance, End of Year	<b>\$ 2,081,462</b>	<b>\$ 4,823,735</b>	<b>\$ 432,757</b>	<b>\$ 209,827</b>	<b>\$ 1,162,076</b>



**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
ALL GENERAL FUND SPECIAL ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Community Development Accounts	District Attorney Accounts	HSA Grant Accounts	Other Accounts	Total
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 213,060,800
Licenses, permits, and franchises	44,433	-	-	-	4,342,576
Fines, forfeitures, and penalties	-	1,402,352	-	-	12,909,722
Revenue from use of money and property	13,810	32,152	(8,583)	188,786	1,749,739
Aid from other governmental agencies	-	75,680	-	-	387,294,911
Charges for services	15,500	382,943	-	13,640	43,102,221
Other revenue	-	525,726	-	134,454	11,651,849
<b>Total Revenues</b>	<b>73,743</b>	<b>2,418,853</b>	<b>(8,583)</b>	<b>336,880</b>	<b>674,111,818</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	-	-	-	5,017	41,614,265
Public protection	1,069	-	-	-	244,469,438
Public ways and facilities	-	-	-	-	136,334
Health and sanitation	-	-	-	-	36,316,725
Public assistance	-	-	-	-	303,674,458
Education	-	-	-	-	323,707
Recreation and cultural services	-	-	-	-	5,949,540
Capital outlay	-	-	-	-	2,004,745
<b>Debt service:</b>					
Principal	-	-	-	-	388,267
Interest	-	-	-	-	381,779
<b>Total Expenditures</b>	<b>1,069</b>	<b>-</b>	<b>-</b>	<b>5,017</b>	<b>635,259,258</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>72,674</b>	<b>2,418,853</b>	<b>(8,583)</b>	<b>331,863</b>	<b>38,852,560</b>
<b>Other Financing Sources (Uses):</b>					
Issuance of debt	-	-	-	-	317,604
Transfers between General Fund accounts	-	(1,352,835)	-	370,000	10,917,723
Transfers in	-	-	-	-	5,700,099
Transfers out	-	-	-	-	(51,914,743)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(1,352,835)</b>	<b>-</b>	<b>370,000</b>	<b>(34,979,317)</b>
<b>Net Change in Fund Balances</b>	<b>72,674</b>	<b>1,066,018</b>	<b>(8,583)</b>	<b>701,863</b>	<b>3,873,243</b>
Fund Balances, Beginning of Year	2,330,025	5,278,991	183,933	16,953,908	57,545,744
Prior Period Adjustment	-	-	-	-	2,786,177
Fund Balances, Beginning of Year, as restated	2,330,025	5,278,991	183,933	16,953,908	60,331,921
Fund Balance, End of Year	<u>\$ 2,402,699</u>	<u>\$ 6,345,009</u>	<u>\$ 175,350</u>	<u>\$ 17,655,771</u>	<u>\$ 64,205,164</u>

### **NONMAJOR GOVERNMENTAL FUNDS**

Nonmajor governmental funds include special revenue funds, capital projects funds, and debt service funds that are not classified as major funds by the County.

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments:				
Pooled	\$ 121,097,402	\$ 8,059,306	\$ 25,641,804	\$ 154,798,512
Imprest cash	33,275	-	-	33,275
Interest receivable	167,920	79	28,131	196,130
Accounts receivable	1,393,734	-	87,754	1,481,488
Taxes receivable	472,367	-	-	472,367
Due from other agencies	6,899,677	-	314,926	7,214,603
Due from other funds	40,627	-	-	40,627
Inventory	334,632	-	-	334,632
Restricted assets:				
Restricted cash and investments	105,542	10,355,339	-	10,460,881
Receivables	-	74,214	-	74,214
 Total Assets	 <u>\$ 130,545,176</u>	 <u>\$ 18,488,938</u>	 <u>\$ 26,072,615</u>	 <u>\$ 175,106,729</u>
 <b>LIABILITIES</b>				
Accounts payable	\$ 6,446,184	\$ -	\$ -	\$ 6,446,184
Accrued payroll	1,550,928	-	-	1,550,928
Due to other funds	1,667,000	-	-	1,667,000
Advances from other funds	4,585,051	-	1,653,437	6,238,488
Deferred revenues	902,693	-	-	902,693
 Total Liabilities	 <u>15,151,856</u>	 <u>-</u>	 <u>1,653,437</u>	 <u>16,805,293</u>
 <b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	11,966,623	-	9,747,224	21,713,847
Debt service	-	18,488,938	-	18,488,938
Inventory	334,632	-	-	334,632
Other	33,275	-	-	33,275
Unreserved:				
Designated	184,337	-	39,379	223,716
Undesignated	102,874,453	-	14,632,575	117,507,028
 Total Fund Balances	 <u>115,393,320</u>	 <u>18,488,938</u>	 <u>24,419,178</u>	 <u>158,301,436</u>
 Total Liabilities and Fund Balances	 <u>\$ 130,545,176</u>	 <u>\$ 18,488,938</u>	 <u>\$ 26,072,615</u>	 <u>\$ 175,106,729</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 20,531,858	\$ -	\$ -	\$ 20,531,858
Licenses, permits, and franchises	179,025	-	-	179,025
Fines, forfeitures, and penalties	21,515	-	1,202,308	1,223,823
Revenue from use of money and property	662,400	305,718	89,462	1,057,580
Aid from other governmental agencies	96,074,593	-	314,926	96,389,519
Charges for services	18,116,487	23,583	3,467	18,143,537
Other revenue	2,492,850	-	-	2,492,850
<b>Total Revenues</b>	<b>138,078,728</b>	<b>329,301</b>	<b>1,610,163</b>	<b>140,018,192</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	547	-	547
Public protection	29,254,282	-	183,018	29,437,300
Public ways and facilities	32,058,891	-	4,966	32,063,857
Health and sanitation	1,131,610	-	-	1,131,610
Public assistance	45,799,698	-	-	45,799,698
Education	5,525,191	-	-	5,525,191
Recreation and cultural services	262,745	-	-	262,745
Capital outlay	13,871,342	-	2,415,366	16,286,708
<b>Debt service:</b>				
Principal	-	2,205,400	-	2,205,400
Interest and debt issuance costs	90,836	6,679,479	-	6,770,315
<b>Total Expenditures</b>	<b>127,994,595</b>	<b>8,885,426</b>	<b>2,603,350</b>	<b>139,483,371</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>10,084,133</b>	<b>(8,556,125)</b>	<b>(993,187)</b>	<b>534,821</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,783,919	8,530,004	293,384	10,607,307
Transfers out	(3,266,761)	(4,553)	(3,191,042)	(6,462,356)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,482,842)</b>	<b>8,525,451</b>	<b>(2,897,658)</b>	<b>4,144,951</b>
<b>Net Change in Fund Balances</b>	<b>8,601,291</b>	<b>(30,674)</b>	<b>(3,890,845)</b>	<b>4,679,772</b>
<b>Fund Balances, Beginning of the Year</b>	<b>106,792,029</b>	<b>18,519,612</b>	<b>28,310,023</b>	<b>153,621,664</b>
<b>Fund Balances, End of Year</b>	<b>\$ 115,393,320</b>	<b>\$ 18,488,938</b>	<b>\$ 24,419,178</b>	<b>\$ 158,301,436</b>

## **Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes.

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Road	Fish and Game	County Facilities Fee Program	Special Districts Settlement Fund
<b>ASSETS</b>				
Cash and investments	\$ 33,211,610	\$ 279,646	\$ 13,588,026	\$ 1,324,682
Imprest cash	125	-	-	-
Interest receivable	29,347	159	21,365	1,926
Accounts receivable	280,227	12,551	237,165	-
Taxes receivable	-	-	-	-
Due from other agencies	2,287,989	-	-	-
Due from other funds	24,599	-	-	-
Inventories	334,632	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	<u>\$ 36,168,529</u>	<u>\$ 292,356</u>	<u>\$ 13,846,556</u>	<u>\$ 1,326,608</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 5,065,791	\$ -	\$ -	\$ -
Accrued payroll	446,802	-	-	-
Due to other funds	401,143	-	-	-
Advances from other funds	-	-	-	-
Deferred revenues	398,763	-	-	-
Total Liabilities	<u>6,312,499</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	7,912,044	-	-	-
Inventory	334,632	-	-	-
Other	125	-	-	-
Unreserved:				
Designated	51,001	429	20,866	2,034
Undesignated	21,558,228	291,927	13,825,690	1,324,574
Total Fund Balances	<u>29,856,030</u>	<u>292,356</u>	<u>13,846,556</u>	<u>1,326,608</u>
Total Liabilities and Fund Balances	<u>\$ 36,168,529</u>	<u>\$ 292,356</u>	<u>\$ 13,846,556</u>	<u>\$ 1,326,608</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Job Training Partnership Act	Rabies Treatment	County Head Start	Road District #1
<b>ASSETS</b>				
Cash and investments	\$ 502,362	\$ 315,749	\$ -	\$ 2,512,288
Imprest cash	250	-	-	-
Interest receivable	-	562	110	3,669
Accounts receivable	101,379	40	-	-
Taxes receivable	-	-	-	20,529
Due from other agencies	2,394,834	-	624	-
Due from other funds	20	-	-	-
Inventories	-	-	-	-
Restricted assets:	-	-	-	-
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 2,998,845</u></b>	<b><u>\$ 316,351</u></b>	<b><u>\$ 734</u></b>	<b><u>\$ 2,536,486</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 324,230	\$ 82,344	\$ 520	\$ 106
Accrued payroll	642,494	12,789	10,689	-
Due to other funds	15,285	8,126	2,855	-
Advances from other funds	-	-	-	-
Deferred revenues	-	-	-	20,496
<b>Total Liabilities</b>	<b><u>982,009</u></b>	<b><u>103,259</u></b>	<b><u>14,064</u></b>	<b><u>20,602</u></b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	365,797	60,580	-	6,099
Inventory	-	-	-	-
Other	250	-	-	-
Unreserved:				
Designated	771	485	(4)	3,858
Undesignated	1,650,018	152,027	(13,326)	2,505,927
<b>Total Fund Balances</b>	<b><u>2,016,836</u></b>	<b><u>213,092</u></b>	<b><u>(13,330)</u></b>	<b><u>2,515,884</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 2,998,845</u></b>	<b><u>\$ 316,351</u></b>	<b><u>\$ 734</u></b>	<b><u>\$ 2,536,486</u></b>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Road District #2	Road District #3	Road District #4	Road District #5
<b>ASSETS</b>				
Cash and investments	\$ 1,864,699	\$ 597,766	\$ 3,887,127	\$ 4,757,288
Imprest cash	-	-	-	-
Interest receivable	2,711	948	5,689	6,974
Accounts receivable	-	-	-	-
Taxes receivable	24,138	14,881	100,783	49,106
Due from other agencies	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 1,891,548</u></b>	<b><u>\$ 613,595</u></b>	<b><u>\$ 3,993,599</u></b>	<b><u>\$ 4,813,368</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 565	\$ 2,913	\$ 11,682	\$ 1,471
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deferred revenues	24,102	14,859	100,637	49,033
<b>Total Liabilities</b>	<b><u>24,667</u></b>	<b><u>17,772</u></b>	<b><u>112,319</u></b>	<b><u>50,504</u></b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	8,108	11,563	23,611	4,005
Inventory	-	-	-	-
Other	-	-	-	-
Unreserved:				
Designated	2,864	918	5,969	7,305
Undesignated	1,855,909	583,342	3,851,700	4,751,554
<b>Total Fund Balances</b>	<b><u>1,866,881</u></b>	<b><u>595,823</u></b>	<b><u>3,881,280</u></b>	<b><u>4,762,864</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 1,891,548</u></b>	<b><u>\$ 613,595</u></b>	<b><u>\$ 3,993,599</u></b>	<b><u>\$ 4,813,368</u></b>



**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	County Library	District Attorney Narcotics Enforcement	Sheriff Narcotics Enforcement	Justice Assistance Grant
<b>ASSETS</b>				
Cash and investments	\$ 873,191	\$ 12,534	\$ 37,536	\$ 154,435
Imprest cash	-	-	7,500	-
Interest receivable	1,329	449	55	829
Accounts receivable	-	-	-	-
Taxes receivable	179,125	-	-	-
Due from other agencies	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	<u>\$ 1,053,645</u>	<u>\$ 12,983</u>	<u>\$ 45,091</u>	<u>\$ 155,264</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 4,895
Accrued payroll	-	-	-	17,980
Due to other funds	-	-	-	773
Advances from other funds	-	-	-	-
Deferred revenues	178,849	-	-	-
Total Liabilities	<u>178,849</u>	<u>-</u>	<u>-</u>	<u>23,648</u>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	-	-	-	255,270
Inventory	-	-	-	-
Other	-	-	7,500	-
Unreserved:				
Designated	1,341	19	58	238
Undesignated	873,455	12,964	37,533	(123,892)
Total Fund Balances	<u>874,796</u>	<u>12,983</u>	<u>45,091</u>	<u>131,616</u>
Total Liabilities and Fund Balances	<u>\$ 1,053,645</u>	<u>\$ 12,983</u>	<u>\$ 45,091</u>	<u>\$ 155,264</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Supplemental Local Law Enforcement Block Grant	Recorder's Equipment Automation	Family Support and Incentive Earnings	Community Infra- Structure
<b>ASSETS</b>				
Cash and investments	\$ 23,434	\$ 5,971,905	\$ 445,384	\$ 26,260,039
Imprest cash	-	-	25,400	-
Interest receivable	512	9,223	1,791	38,001
Accounts receivable	50	5,772	-	61,234
Taxes receivable	-	-	-	-
Due from other agencies	1,043,552	-	-	-
Due from other funds	529	10	-	-
Inventories	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 1,068,077</u></b>	<b><u>\$ 5,986,910</u></b>	<b><u>\$ 472,575</u></b>	<b><u>\$ 26,359,274</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 154,178	\$ 379	\$ 67,635	\$ 49,355
Accrued payroll	21,668	12,366	371,628	-
Due to other funds	43,487	-	22,328	4,375
Advances from other funds	-	-	-	-
Deferred revenues	-	-	(370)	-
<b>Total Liabilities</b>	<b><u>219,333</u></b>	<b><u>12,745</u></b>	<b><u>461,221</u></b>	<b><u>53,730</u></b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	290,120	199,760	39,971	-
Inventory	-	-	-	-
Other	-	-	25,400	-
Unreserved:				
Designated	36	9,171	684	40,326
Undesignated	558,588	5,765,234	(54,701)	26,265,218
<b>Total Fund Balances</b>	<b><u>848,744</u></b>	<b><u>5,974,165</u></b>	<b><u>11,354</u></b>	<b><u>26,305,544</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 1,068,077</u></b>	<b><u>\$ 5,986,910</u></b>	<b><u>\$ 472,575</u></b>	<b><u>\$ 26,359,274</u></b>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Substance Abuse and Crime Prevention	Public Works Special Accounts	Special Districts Under the Board	Total
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 2,940,789	\$ 21,536,912	\$ 121,097,402
Imprest cash	-	-	-	33,275
Interest receivable	3	4,114	38,154	167,920
Accounts receivable	-	24,034	671,282	1,393,734
Taxes receivable	-	-	83,805	472,367
Due from other agencies	-	-	1,172,678	6,899,677
Due from other funds	32	-	15,437	40,627
Inventories	-	-	-	334,632
Restricted assets:				
Cash and investments	-	-	105,542	105,542
<b>Total Assets</b>	<b>\$ 35</b>	<b>\$ 2,968,937</b>	<b>\$ 23,623,810</b>	<b>\$ 130,545,176</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 39,001	\$ -	\$ 641,119	\$ 6,446,184
Accrued payroll	1,614	-	12,898	1,550,928
Due to other funds	370,250	-	798,378	1,667,000
Advances from other funds	-	-	4,585,051	4,585,051
Deferred revenues	-	-	116,324	902,693
<b>Total Liabilities</b>	<b>410,865</b>	<b>-</b>	<b>6,153,770</b>	<b>15,151,856</b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	4,269	-	2,785,426	11,966,623
Inventory	-	-	-	334,632
Other	-	-	-	33,275
Unreserved:				
Designated	(568)	4,516	32,020	184,337
Undesignated	(414,531)	2,964,421	14,652,594	102,874,453
<b>Total Fund Balances</b>	<b>(410,830)</b>	<b>2,968,937</b>	<b>17,470,040</b>	<b>115,393,320</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 35</b>	<b>\$ 2,968,937</b>	<b>\$ 23,623,810</b>	<b>\$ 130,545,176</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Road	Fish and Game	County Facilities Fee Program	Special Districts Settlement Fund
Revenues:				
Taxes	\$ 7,416,636	\$ -	\$ -	\$ -
Licenses and permits	81,407	-	-	-
Aid from other governmental agencies	27,989,454	19,632	-	-
Fines, forfeitures, and penalties	-	21,515	-	-
Use of money and property	120,262	474	82,414	7,650
Charges for services	838,286	-	1,598,203	-
Miscellaneous	189,077	-	-	-
	<u>36,635,122</u>	<u>41,621</u>	<u>1,680,617</u>	<u>7,650</u>
Total Revenues				
Expenditures:				
Current:				
Public protection	-	38,764	-	-
Public ways and facilities	19,680,198	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Capital outlay	12,710,223	-	-	-
Debt service - interest	-	-	-	-
	<u>32,390,421</u>	<u>38,764</u>	<u>-</u>	<u>-</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,244,701</u>	<u>2,857</u>	<u>1,680,617</u>	<u>7,650</u>
Other Financing Sources (Uses):				
Transfers in	129,845	-	-	-
Transfers out	(14,510)	(9,291)	(1,362,156)	-
Transfers between special revenue funds	(378,638)	-	-	-
	<u>(263,303)</u>	<u>(9,291)</u>	<u>(1,362,156)</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	3,981,398	(6,434)	318,461	7,650
Fund Balances, Beginning of Year	<u>25,874,632</u>	<u>298,790</u>	<u>13,528,095</u>	<u>1,318,958</u>
Fund Balances, End of Year	<u>\$ 29,856,030</u>	<u>\$ 292,356</u>	<u>\$ 13,846,556</u>	<u>\$ 1,326,608</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Job Training Partnership Act	Rabies Treatment	County Head Start	Road District #1
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 562,543
Licenses and permits	-	97,618	-	-
Aid from other governmental agencies	19,607,316	-	25,757,925	6,814
Fines, forfeitures, and penalties	-	-	-	-
Use of money and property	(644)	4,224	1,096	13,869
Charges for services	580,513	14,652	-	-
Miscellaneous	46,996	452	33	-
<b>Total Revenues</b>	<b>20,234,181</b>	<b>116,946</b>	<b>25,759,054</b>	<b>583,226</b>
Expenditures:				
Current:				
Public protection	-	1,085,877	-	-
Public ways and facilities	-	-	-	58,986
Health and sanitation	-	-	-	-
Public assistance	19,909,931	-	25,089,961	-
Education	-	-	-	-
Recreation	-	-	-	-
Capital outlay	156,734	-	-	-
Debt service - interest	-	-	-	-
<b>Total Expenditures</b>	<b>20,066,665</b>	<b>1,085,877</b>	<b>25,089,961</b>	<b>58,986</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	167,516	(968,931)	669,093	524,240
Other Financing Sources (Uses):				
Transfers in	-	1,057,880	-	-
Transfers out	(191)	(2,611)	-	-
Transfers between special revenue funds	-	-	-	(51,626)
<b>Total Other Financing Sources (Uses)</b>	<b>(191)</b>	<b>1,055,269</b>	<b>-</b>	<b>(51,626)</b>
Net Change in Fund Balances	167,325	86,338	669,093	472,614
Fund Balances, Beginning of Year	1,849,511	126,754	(682,423)	2,043,270
Fund Balances, End of Year	<u>\$ 2,016,836</u>	<u>\$ 213,092</u>	<u>\$ (13,330)</u>	<u>\$ 2,515,884</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Road District #2	Road District #3	Road District #4	Road District #5
Revenues:				
Taxes	\$ 650,661	\$ 541,000	\$ 2,753,962	\$ 1,358,811
Licenses and permits	-	-	-	-
Aid from other governmental agencies	7,996	5,204	36,008	16,514
Fines, forfeitures, and penalties	-	-	-	-
Use of money and property	9,935	3,159	19,145	25,972
Charges for services	-	-	500	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>668,592</b>	<b>549,363</b>	<b>2,809,615</b>	<b>1,401,297</b>
Expenditures:				
Current:				
Public protection	-	-	-	-
Public ways and facilities	76,929	50,787	508,280	123,238
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - interest	-	-	-	-
<b>Total Expenditures</b>	<b>76,929</b>	<b>50,787</b>	<b>508,280</b>	<b>123,238</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	591,663	498,576	2,301,335	1,278,059
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Transfers between special revenue funds	(36,946)	(146,324)	(239,436)	(155,705)
<b>Total Other Financing Sources (Uses)</b>	<b>(36,946)</b>	<b>(146,324)</b>	<b>(239,436)</b>	<b>(155,705)</b>
Net Change in Fund Balances	554,717	352,252	2,061,899	1,122,354
Fund Balances, Beginning of Year	1,312,164	243,571	1,819,381	3,640,510
Fund Balances, End of Year	<u>\$ 1,866,881</u>	<u>\$ 595,823</u>	<u>\$ 3,881,280</u>	<u>\$ 4,762,864</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	County Library	District Attorney Narcotics Enforcement	Sheriff Narcotics Enforcement	Justice Assistance Grant
Revenues:				
Taxes	\$ 4,957,733	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Aid from other governmental agencies	194,604	-	30	3,341,905
Fines, forfeitures, and penalties	-	-	-	-
Use of money and property	1,072	1,327	219	3,733
Charges for services	297,122	-	-	-
Miscellaneous	-	39,771	3,650	-
<b>Total Revenues</b>	<b>5,450,531</b>	<b>41,098</b>	<b>3,899</b>	<b>3,345,638</b>
Expenditures:				
Current:				
Public protection	-	8,868	8,218	3,284,466
Public ways and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	5,525,191	-	-	-
Recreation	-	-	-	-
Capital outlay	-	-	-	1,248
Debt service - interest	-	-	-	-
<b>Total Expenditures</b>	<b>5,525,191</b>	<b>8,868</b>	<b>8,218</b>	<b>3,285,714</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,660)	32,230	(4,319)	59,924
Other Financing Sources (Uses):				
Transfers in	207,194	-	-	-
Transfers out	-	(297,000)	-	(261)
Transfers between special revenue funds	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>207,194</b>	<b>(297,000)</b>	<b>-</b>	<b>(261)</b>
Net Change in Fund Balances	132,534	(264,770)	(4,319)	59,663
Fund Balances, Beginning of Year	742,262	277,753	49,410	71,953
Fund Balances, End of Year	<u>\$ 874,796</u>	<u>\$ 12,983</u>	<u>\$ 45,091</u>	<u>\$ 131,616</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Supplemental Local Law Enforcement Block Grant	Recorder's Equipment Automation	Family Support and Incentive Earnings	Community Infra- Structure
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Aid from other governmental agencies	3,330,408	-	15,065,056	-
Fines, forfeitures, and penalties	-	-	-	-
Use of money and property	2,069	36,189	6,074	151,002
Charges for services	-	695,298	-	933,701
Miscellaneous	-	-	37	-
	<u>3,332,477</u>	<u>731,487</u>	<u>15,071,167</u>	<u>1,084,703</u>
Total Revenues				
Expenditures:				
Current:				
Public protection	2,428,094	824,520	15,264,429	-
Public ways and facilities	-	-	-	219,793
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Capital outlay	103,418	163	1,199	-
Debt service - interest	-	-	-	-
	<u>2,531,512</u>	<u>824,683</u>	<u>15,265,628</u>	<u>219,793</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>800,965</u>	<u>(93,196)</u>	<u>(194,461)</u>	<u>864,910</u>
Other Financing Sources (Uses):				
Transfers in	-	150,000	-	-
Transfers out	(1,756)	(434,074)	(241,306)	-
Transfers between special revenue funds	-	-	-	(657)
	<u>(1,756)</u>	<u>(284,074)</u>	<u>(241,306)</u>	<u>(657)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	799,209	(377,270)	(435,767)	864,253
Fund Balances, Beginning of Year	<u>49,535</u>	<u>6,351,435</u>	<u>447,121</u>	<u>25,441,291</u>
Fund Balances, End of Year	<u>\$ 848,744</u>	<u>\$ 5,974,165</u>	<u>\$ 11,354</u>	<u>\$ 26,305,544</u>



**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Substance Abuse and Crime Prevention	Public Works Special Accounts	Special Districts Under the Board	Total
Revenues:				
Taxes	\$ -	\$ -	\$ 2,290,512	\$ 20,531,858
Licenses and permits	-	-	-	179,025
Aid from other governmental agencies	308,400	-	387,327	96,074,593
Fines, forfeitures, and penalties	-	-	-	21,515
Use of money and property	(409)	17,424	156,144	662,400
Charges for services	-	8,438	13,149,774	18,116,487
Miscellaneous	-	597,410	1,615,424	2,492,850
	<u>307,991</u>	<u>623,272</u>	<u>17,599,181</u>	<u>138,078,728</u>
Total Revenues				
Expenditures:				
Current:				
Public protection	-	-	6,311,046	29,254,282
Public ways and facilities	-	439,404	10,901,276	32,058,891
Health and sanitation	1,131,610	-	-	1,131,610
Public assistance	-	-	799,806	45,799,698
Education	-	-	-	5,525,191
Recreation	-	-	262,745	262,745
Capital outlay	-	-	898,357	13,871,342
Debt service - interest	-	-	90,836	90,836
	<u>1,131,610</u>	<u>439,404</u>	<u>19,264,066</u>	<u>127,994,595</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(823,619)</u>	<u>183,868</u>	<u>(1,664,885)</u>	<u>10,084,133</u>
Other Financing Sources (Uses):				
Transfers in	164,447	-	74,553	1,783,919
Transfers out	-	-	(903,605)	(3,266,761)
Transfers between special revenue funds	-	1,009,332	-	-
	<u>164,447</u>	<u>1,009,332</u>	<u>(829,052)</u>	<u>(1,482,842)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	(659,172)	1,193,200	(2,493,937)	8,601,291
Fund Balances, Beginning of Year	<u>248,342</u>	<u>1,775,737</u>	<u>19,963,977</u>	<u>106,792,029</u>
Fund Balances, End of Year	<u>\$ (410,830)</u>	<u>\$ 2,968,937</u>	<u>\$ 17,470,040</u>	<u>\$ 115,393,320</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
THE BOARD OF SUPERVISORS – SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Lighting Districts	Service Areas	Maintenance Districts
<b>ASSETS</b>			
Cash and investments	\$ 466,931	\$ 5,888,629	\$ 6,974,385
Interest receivable	968	10,167	12,478
Accounts receivable	-	42,801	37,168
Taxes receivable	7,282	7,045	13,777
Due from other funds/agencies	-	-	-
Restricted assets:			
Cash and investments	-	105,542	-
<b>Total Assets</b>	<b><u>\$ 475,181</u></b>	<b><u>\$ 6,054,184</u></b>	<b><u>\$ 7,037,808</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 223,418	\$ 341,882
Accrued salaries and benefits	-	-	-
Advances from other funds	-	1,201,378	-
Due to other funds	-	24,692	8,331
Deferred revenues	7,270	7,034	24,013
<b>Total Liabilities</b>	<b><u>7,270</u></b>	<b><u>1,456,522</u></b>	<b><u>374,226</u></b>
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	-	871,808	-
Unreserved:			
Designated	717	9,044	10,710
Undesignated	467,194	3,716,810	6,652,872
<b>Total Fund Balances</b>	<b><u>467,911</u></b>	<b><u>4,597,662</u></b>	<b><u>6,663,582</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 475,181</u></b>	<b><u>\$ 6,054,184</u></b>	<b><u>\$ 7,037,808</u></b>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
THE BOARD OF SUPERVISORS – SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Flood Control District	Water District	North Eastern San Joaquin Ground Water Banking Authority
<b>ASSETS</b>			
Cash and investments	\$ 6,190,576	\$ -	\$ 150,097
Interest receivable	11,350	3	93
Accounts receivable	450,458	4,893	-
Taxes receivable	55,620	81	-
Due from other funds/agencies	36,141	-	-
Restricted assets:			
Cash and investments	-	-	-
<b>Total Assets</b>	<b><u>\$ 6,744,145</u></b>	<b><u>\$ 4,977</u></b>	<b><u>\$ 150,190</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$ 10,128	\$ -	\$ 43,375
Accrued salaries and benefits	33	-	-
Advances from other funds	-	-	494,218
Due to other funds	76,214	40,738	-
Deferred revenues	77,926	81	-
<b>Total Liabilities</b>	<b><u>164,301</u></b>	<b><u>40,819</u></b>	<b><u>537,593</u></b>
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	1,513,643	-	66,804
Unreserved:			
Designated	9,508	(62)	230
Undesignated	5,056,693	(35,780)	(454,437)
<b>Total Fund Balances</b>	<b><u>6,579,844</u></b>	<b><u>(35,842)</u></b>	<b><u>(387,403)</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 6,744,145</u></b>	<b><u>\$ 4,977</u></b>	<b><u>\$ 150,190</u></b>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
THE BOARD OF SUPERVISORS – SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Mokelumne Water and Power Authority	Improvement Districts	IHSS Public Authority	Total
<b>ASSETS</b>				
Cash and investments	\$ 1,736,720	\$ 129,574	\$ -	\$ 21,536,912
Interest receivable	2,908	187	-	38,154
Accounts receivable	510	-	135,452	671,282
Taxes receivable	-	-	-	83,805
Due from other funds/agencies	-	-	1,151,974	1,188,115
Restricted assets:				
Cash and investments	-	-	-	105,542
<b>Total Assets</b>	<b><u>\$ 1,740,138</u></b>	<b><u>\$ 129,761</u></b>	<b><u>\$ 1,287,426</u></b>	<b><u>\$ 23,623,810</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 19,371	\$ -	\$ 2,945	\$ 641,119
Accrued salaries and benefits	33	-	12,832	12,898
Advances from other funds	2,889,455	-	-	4,585,051
Due to other funds	2,455	-	645,948	798,378
Deferred revenues	-	-	-	116,324
<b>Total Liabilities</b>	<b><u>2,911,314</u></b>	<b><u>-</u></b>	<b><u>661,725</u></b>	<b><u>6,153,770</u></b>
<b>FUND BALANCES</b>				
Reserved:				
Encumbrances	333,171	-	-	2,785,426
Unreserved:				
Designated	2,667	198	(992)	32,020
Undesignated	(1,507,014)	129,563	626,693	14,652,594
<b>Total Fund Balances</b>	<b><u>(1,171,176)</u></b>	<b><u>129,761</u></b>	<b><u>625,701</u></b>	<b><u>17,470,040</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 1,740,138</u></b>	<b><u>\$ 129,761</u></b>	<b><u>\$ 1,287,426</u></b>	<b><u>\$ 23,623,810</u></b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
THE BOARD OF SUPERVISORS – SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	<u>Lighting Districts</u>	<u>Service Areas</u>	<u>Maintenance Districts</u>
Revenues:			
Taxes	\$ 197,194	\$ 197,287	\$ 383,551
Aid from other governmental agencies	2,417	49,900	4,582
Use of money and property	3,138	49,320	44,098
Charges for services	256,054	4,158,229	4,616,378
Miscellaneous	-	7,154	8,075
	<u>458,803</u>	<u>4,461,890</u>	<u>5,056,684</u>
Expenditures:			
Current:			
Public protection	-	-	-
Public ways and facilities	487,835	4,038,140	5,328,548
Public assistance	-	-	-
Recreation	-	262,745	-
Capital outlay	-	68,194	129,566
Debt service - interest	-	68,820	-
	<u>487,835</u>	<u>4,437,899</u>	<u>5,458,114</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(29,032)</u>	<u>23,991</u>	<u>(401,430)</u>
Other Financing Sources (Uses):			
Transfers in	-	54,553	20,000
Transfers out	(14,300)	(646,427)	(137,400)
Transfers between Special Revenue Funds	-	-	-
	<u>(14,300)</u>	<u>(591,874)</u>	<u>(117,400)</u>
Net Change in Fund Balances	(43,332)	(567,883)	(518,830)
Fund Balances, Beginning of Year	<u>511,243</u>	<u>5,165,545</u>	<u>7,182,412</u>
Fund Balances, End of Year	<u>\$ 467,911</u>	<u>\$ 4,597,662</u>	<u>\$ 6,663,582</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
THE BOARD OF SUPERVISORS – SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Flood Control District	Water District	North Eastern San Joaquin Ground Water Banking Authority
Revenues:			
Taxes	\$ 1,510,223	\$ 2,257	\$ -
Aid from other governmental agencies	42,701	27	287,700
Use of money and property	44,118	(17)	656
Charges for services	4,065,408	53,705	-
Miscellaneous	23,408	-	-
Total Revenues	<u>5,685,858</u>	<u>55,972</u>	<u>288,356</u>
Expenditures:			
Current:			
Public protection	6,311,046	-	-
Public ways and facilities	-	79,824	182,126
Public assistance	-	-	-
Recreation	-	-	-
Capital outlay	695,793	-	-
Debt service - interest	-	-	3,216
Total Expenditures	<u>7,006,839</u>	<u>79,824</u>	<u>185,342</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,320,981)</u>	<u>(23,852)</u>	<u>103,014</u>
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(105,478)	-	-
Transfers between Special Revenue Funds	(150,000)	-	150,000
Total Other Financing Sources (Uses)	<u>(255,478)</u>	<u>-</u>	<u>150,000</u>
Net Change in Fund Balances	(1,576,459)	(23,852)	253,014
Fund Balances, Beginning of Year	<u>8,156,303</u>	<u>(11,990)</u>	<u>(640,417)</u>
Fund Balances, End of Year	<u>\$ 6,579,844</u>	<u>\$ (35,842)</u>	<u>\$ (387,403)</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
THE BOARD OF SUPERVISORS – SPECIAL REVENUE FUNDS  
JUNE 30, 2010**

	Mokelumne Water and Power Authority	Improvement Districts	IHSS Public Authority	Total
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 2,290,512
Aid from other governmental agencies	-	-	-	387,327
Use of money and property	11,952	743	2,136	156,144
Charges for services	-	-	-	13,149,774
Miscellaneous	-	-	1,576,787	1,615,424
<b>Total Revenues</b>	<b>11,952</b>	<b>743</b>	<b>1,578,923</b>	<b>17,599,181</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public protection	-	-	-	6,311,046
Public ways and facilities	784,803	-	-	10,901,276
Public assistance	-	-	799,806	799,806
Recreation	-	-	-	262,745
Capital outlay	-	-	4,804	898,357
Debt service - interest	18,800	-	-	90,836
<b>Total Expenditures</b>	<b>803,603</b>	<b>-</b>	<b>804,610</b>	<b>19,264,066</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(791,651)</b>	<b>743</b>	<b>774,313</b>	<b>(1,664,885)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	74,553
Transfers out	-	-	-	(903,605)
Transfers between Special Revenue Funds	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(829,052)</b>
<b>Net Change in Fund Balances</b>	<b>(791,651)</b>	<b>743</b>	<b>774,313</b>	<b>(2,493,937)</b>
<b>Fund Balances, Beginning of Year</b>	<b>(379,525)</b>	<b>129,018</b>	<b>(148,612)</b>	<b>19,963,977</b>
<b>Fund Balances, End of Year</b>	<b>\$ (1,171,176)</b>	<b>\$ 129,761</b>	<b>\$ 625,701</b>	<b>\$ 17,470,040</b>

### **Debt Service Funds**

Debt service funds are used to account for financial resources a) that are restricted or legally limited to expenditure for, or b) that a government has publicly expressed its intention to use for principal and interest payments. Debt service funds are therefore used to report the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.



**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
JUNE 30, 2010**

	1993 Capital Facility Project	Special Districts Governed by Board			Total
		Maintenance District Shaded Terrace	Maintenance District Sunnyside	Flag City	
<b>ASSETS</b>					
Cash and investments	\$ 8,012,304	\$ 36,910	\$ 10,092	\$ -	\$ 8,059,306
Interest receivable	-	62	17	-	79
Restricted assets:					
Cash and investments	9,712,742	-	-	642,597	10,355,339
Receivables	63,500	-	-	10,714	74,214
<b>Total Assets</b>	<u>\$ 17,788,546</u>	<u>\$ 36,972</u>	<u>\$ 10,109</u>	<u>\$ 653,311</u>	<u>\$ 18,488,938</u>
<b>FUND BALANCES</b>					
Reserved:					
Debt service	<u>\$ 17,788,546</u>	<u>\$ 36,972</u>	<u>\$ 10,109</u>	<u>\$ 653,311</u>	<u>\$ 18,488,938</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
JUNE 30, 2010**

	1993 Capital Facility Project	Special Districts Governed by Board			Total
		Maintenance District Shaded Terrace	Maintenance District Sunnyside	Flag City	
Revenues:					
Use of money and property	\$ 286,993	\$ 227	\$ 61	\$ 18,437	\$ 305,718
Charges for services	-	18,144	5,439	-	23,583
Total Revenues	<u>286,993</u>	<u>18,371</u>	<u>5,500</u>	<u>18,437</u>	<u>329,301</u>
Expenditures:					
Debt service:					
General government	-	337	210	-	547
Principal retirement	2,075,000	4,000	1,400	125,000	2,205,400
Interest and debt issuance costs	6,181,350	14,043	4,046	480,040	6,679,479
Total Expenditures	<u>8,256,350</u>	<u>18,380</u>	<u>5,656</u>	<u>605,040</u>	<u>8,885,426</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,969,357)</u>	<u>(9)</u>	<u>(156)</u>	<u>(586,603)</u>	<u>(8,556,125)</u>
Other Financing Sources (Uses):					
Transfers in	7,925,416	-	-	604,588	8,530,004
Transfers out	-	-	-	(4,553)	(4,553)
Total Other Financing Sources	<u>7,925,416</u>	<u>-</u>	<u>-</u>	<u>600,035</u>	<u>8,525,451</u>
Net Change in Fund Balances	(43,941)	(9)	(156)	13,432	(30,674)
Fund Balances, Beginning of Year	<u>17,832,487</u>	<u>36,981</u>	<u>10,265</u>	<u>639,879</u>	<u>18,519,612</u>
Fund Balances, End of Year	<u>\$ 17,788,546</u>	<u>\$ 36,972</u>	<u>\$ 10,109</u>	<u>\$ 653,311</u>	<u>\$ 18,488,938</u>

## **Capital Projects Funds**

Capital Projects Funds are used to account for financial resources a) that are restricted or legally limited to expenditure for, or b) that a government has publicly expressed its intention to use for the acquisition construction of major capital facilities. Capital projects funds exclude major capital facilities financed by proprietary funds or in trust funds for individual, private organizations, or other governments.

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2010**

	<u>Courthouse Construction</u>	<u>Criminal Justice Construction</u>	<u>Airport East Construction</u>
<b>ASSETS</b>			
Cash and investments	\$ 286,868	\$ 9,562,924	\$ 8,621,281
Interest receivable	417	17,815	-
Due from other agencies	-	-	-
Accounts receivable	12,418	75,336	-
	<u>299,703</u>	<u>9,656,075</u>	<u>8,621,281</u>
Total Assets	<u>\$ 299,703</u>	<u>\$ 9,656,075</u>	<u>\$ 8,621,281</u>
<b>LIABILITIES</b>			
Current liabilities:			
Advances from other funds	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	-	-	8,608,041
Unreserved:			
Undesignated	299,703	9,656,075	13,240
	<u>299,703</u>	<u>9,656,075</u>	<u>8,621,281</u>
Total Fund Balances	<u>299,703</u>	<u>9,656,075</u>	<u>8,621,281</u>
Total Liabilities and Fund Balances	<u>\$ 299,703</u>	<u>\$ 9,656,075</u>	<u>\$ 8,621,281</u>

**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2010**

	Public Health Construction	Special Districts Governed by the Board	Total
<b>ASSETS</b>			
Cash and investments	\$ 1,106,788	\$ 6,063,943	\$ 25,641,804
Interest receivable	1,609	8,290	28,131
Due from other agencies	-	314,926	314,926
Accounts receivable	-	-	87,754
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u><u>\$ 1,108,397</u></u>	<u><u>\$ 6,387,159</u></u>	<u><u>\$ 26,072,615</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Advances from other funds	\$ -	\$ 1,653,437	\$ 1,653,437
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	-	1,139,183	9,747,224
Unreserved:			
Undesignated	<u>1,108,397</u>	<u>3,594,539</u>	<u>14,671,954</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Fund Balances	<u><u>1,108,397</u></u>	<u><u>4,733,722</u></u>	<u><u>24,419,178</u></u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities and Fund Balances	<u><u>\$ 1,108,397</u></u>	<u><u>\$ 6,387,159</u></u>	<u><u>\$ 26,072,615</u></u>

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

	Courthouse Construction	Criminal Justice Construction	Airport East Construction
<b>Revenues:</b>			
Fines, forfeitures, and penalties	\$ 219,041	\$ 983,267	\$ -
Use of money and property	1,776	66,674	(11,901)
Aid from other governmental agencies	-	-	-
Charges for services	-	-	-
<b>Total Revenues</b>	<b>220,817</b>	<b>1,049,941</b>	<b>(11,901)</b>
<b>Expenditures:</b>			
Public protection	187,459	-	-
Public ways and facilities	-	-	4,949
Capital outlay	-	-	2,057,724
<b>Total Expenditures</b>	<b>187,459</b>	<b>-</b>	<b>2,062,673</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>33,358</b>	<b>1,049,941</b>	<b>(2,074,574)</b>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	-
Transfers out	-	(3,121,042)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(3,121,042)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>33,358</b>	<b>(2,071,101)</b>	<b>(2,074,574)</b>
<b>Fund Balances, Beginning of Year</b>	<b>266,345</b>	<b>11,727,176</b>	<b>10,695,855</b>
<b>Fund Balances, End of Year</b>	<b>\$ 299,703</b>	<b>\$ 9,656,075</b>	<b>\$ 8,621,281</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (Continued)  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Public Health Construction	Special Districts Governed by the Board	Total
<b>Revenues:</b>			
Fines, forfeitures, and penalties	\$ -	\$ -	\$ 1,202,308
Use of money and property	6,392	26,521	89,462
Aid from other governmental agencies	-	314,926	314,926
Charges for services	-	3,467	3,467
<b>Total Revenues</b>	<b>6,392</b>	<b>344,914</b>	<b>1,610,163</b>
<b>Expenditures:</b>			
Public protection	-	(4,441)	183,018
Public ways and facilities	-	17	4,966
Capital outlay	-	357,642	2,415,366
<b>Total Expenditures</b>	<b>-</b>	<b>353,218</b>	<b>2,603,350</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>6,392</b>	<b>(8,304)</b>	<b>(993,187)</b>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	293,384	293,384
Transfers out	-	(70,000)	(3,191,042)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>223,384</b>	<b>(2,897,658)</b>
<b>Net Change in Fund Balances</b>	<b>6,392</b>	<b>215,080</b>	<b>(3,890,845)</b>
<b>Fund Balances, Beginning of Year</b>	<b>1,102,005</b>	<b>4,518,642</b>	<b>28,310,023</b>
<b>Fund Balances, End of Year</b>	<b>\$ 1,108,397</b>	<b>\$ 4,733,722</b>	<b>\$ 24,419,178</b>

**COUNTY OF SAN JOAQUIN  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
 THE BOARD OF SUPERVISORS – CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	Improvement Districts	Lighting Districts	Maintenance Districts
<b>ASSETS</b>			
Cash and investment	\$ 986,011	\$ 130,478	\$ 2,207,841
Interest receivable	1,430	158	2,945
Due from other agencies	-	-	314,926
Total Assets	<u>\$ 987,441</u>	<u>\$ 130,636</u>	<u>\$ 2,525,712</u>
<b>LIABILITIES</b>			
Current liabilities			
Advances from other funds	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	-	-	-
Unreserved:			
Undesignated	987,441	130,636	2,525,712
Total Fund Balances	<u>987,441</u>	<u>130,636</u>	<u>2,525,712</u>
Total Liabilities and Fund Balances	<u>\$ 987,441</u>	<u>\$ 130,636</u>	<u>\$ 2,525,712</u>



**COUNTY OF SAN JOAQUIN  
 COMBINING BALANCE SHEET (Continued)  
 NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
 THE BOARD OF SUPERVISORS – CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	County Service Areas	Flood Control	Total
<b>ASSETS</b>			
Cash and investment	\$ 2,439,152	\$ 300,461	\$ 6,063,943
Interest receivable	3,757	-	8,290
Due from other agencies	-	-	314,926
	<u>\$ 2,442,909</u>	<u>\$ 300,461</u>	<u>\$ 6,387,159</u>
<b>LIABILITIES</b>			
Current liabilities			
Advances from other funds	\$ 1,653,437	\$ -	\$ 1,653,437
<b>FUND BALANCES</b>			
Reserved:			
Encumbrances	1,139,183	-	1,139,183
Unreserved:			
Undesignated	<u>(349,711)</u>	<u>300,461</u>	<u>3,594,539</u>
	<u>789,472</u>	<u>300,461</u>	<u>4,733,722</u>
Total Fund Balances	<u>789,472</u>	<u>300,461</u>	<u>4,733,722</u>
Total Liabilities and Fund Balances	<u>\$ 2,442,909</u>	<u>\$ 300,461</u>	<u>\$ 6,387,159</u>

**COUNTY OF SAN JOAQUIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
 THE BOARD OF SUPERVISORS – CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	Improvement Districts	Lighting Districts	Maintenance Districts
Revenues:			
Use of money and property	\$ 5,676	\$ 654	\$ 11,884
Aid from other agencies	-	-	314,926
Charges for services	3,467	-	-
Total Revenues	<u>9,143</u>	<u>654</u>	<u>326,810</u>
Expenditures:			
Public protection	-	-	-
Public ways and facilities	-	-	17
Capital outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,143</u>	<u>654</u>	<u>326,793</u>
Other Financing Sources (Uses):			
Transfers in	-	14,300	137,400
Transfers out	-	-	(20,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,300</u>	<u>117,400</u>
Net Change in Fund Balances	9,143	14,954	444,193
Fund Balances, Beginning of Year	<u>978,298</u>	<u>115,682</u>	<u>2,081,519</u>
Fund Balances, End of Year	<u><u>\$ 987,441</u></u>	<u><u>\$ 130,636</u></u>	<u><u>\$ 2,525,712</u></u>

**COUNTY OF SAN JOAQUIN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES (Continued)  
 NONMAJOR SPECIAL DISTRICTS GOVERNED BY  
 THE BOARD OF SUPERVISORS – CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	County Service Areas	Flood Control	Total
<b>Revenues:</b>			
Use of money and property	\$ 8,306	\$ 1	\$ 26,521
Aid from other agencies	-	-	314,926
Charges for services	-	-	3,467
<b>Total Revenues</b>	<b>8,306</b>	<b>1</b>	<b>344,914</b>
<b>Expenditures:</b>			
Public protection	(4,441)	-	(4,441)
Public ways and facilities	-	-	17
Capital outlay	357,642	-	357,642
<b>Total Expenditures</b>	<b>353,201</b>	<b>-</b>	<b>353,218</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(344,895)</b>	<b>1</b>	<b>(8,304)</b>
<b>Other Financing Sources (Uses):</b>			
Transfers in	41,684	100,000	293,384
Transfers out	(50,000)	-	(70,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(8,316)</b>	<b>100,000</b>	<b>223,384</b>
<b>Net Change in Fund Balances</b>	<b>(353,211)</b>	<b>100,001</b>	<b>215,080</b>
<b>Fund Balances, Beginning of Year</b>	<b>1,142,683</b>	<b>200,460</b>	<b>4,518,642</b>
<b>Fund Balances, End of Year</b>	<b>\$ 789,472</b>	<b>\$ 300,461</b>	<b>\$ 4,733,722</b>

### **Internal Service Funds**

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

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Fleet Services	Office Automation	Central Telephone	Radio Communi- cations
<u>Assets</u>				
Current Assets:				
Cash and investments	\$ 18,293,359	\$ 537,807	\$ 1,422,866	\$ 3,013,474
Imprest cash	40	-	-	-
Interest receivable	26,904	641	1,340	3,832
Receivable taxes	-	-	-	-
Due from other parties	13,309	-	16,292	633
Due from other funds	864,476	-	305,386	62,934
Due from other governments	-	-	-	-
Other liabilities	-	-	-	-
Prepaid expense	-	19,504	-	-
Inventories	659,845	-	116,590	-
Total Current Assets	<u>19,857,933</u>	<u>557,952</u>	<u>1,862,474</u>	<u>3,080,873</u>
Noncurrent Assets:				
Capital assets:				
Non-depreciable	-	-	-	-
Depreciable	6,836,064	1,626,763	1,508,837	4,500,429
Total Noncurrent Assets	<u>6,836,064</u>	<u>1,626,763</u>	<u>1,508,837</u>	<u>4,500,429</u>
Total Assets	<u>\$ 26,693,997</u>	<u>\$ 2,184,715</u>	<u>\$ 3,371,311</u>	<u>\$ 7,581,302</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	\$ 82,760	\$ 215,959	\$ 393,898	\$ 63,763
Accrued expenses	-	-	-	-
Accrued payroll	73,012	-	26,659	-
Interest expense	143	9,762	-	10,261
Due to other funds	3,081	5,129	80,888	-
Compensated absences	171,165	-	63,657	-
Current portion of capital leases	9,655	780,619	-	466,125
Current portion of notes payable	-	-	-	-
Total Current Liabilities	<u>339,816</u>	<u>1,011,469</u>	<u>565,102</u>	<u>540,149</u>
Long-Term Liabilities:				
Advances from other funds	-	-	-	-
Compensated absences	10,728	-	4,353	-
Capital lease obligations	15,751	666,672	-	1,610,052
Claims liability	-	-	-	-
Notes payable	-	-	-	-
OPEB liability	237,661	-	62,799	-
Total Liabilities	<u>603,956</u>	<u>1,678,141</u>	<u>632,254</u>	<u>2,150,201</u>
<u>Net Assets</u>				
Invested in capital assets, net of related debt	6,810,658	179,472	1,508,837	2,424,252
Unrestricted	19,279,383	327,102	1,230,220	3,006,849
Total Net Assets	<u>26,090,041</u>	<u>506,574</u>	<u>2,739,057</u>	<u>5,431,101</u>
Total Liabilities and Net Assets	<u>\$ 26,693,997</u>	<u>\$ 2,184,715</u>	<u>\$ 3,371,311</u>	<u>\$ 7,581,302</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF FUND NET ASSETS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Southern Water System	Purchasing ISF	Medical Insurance	Dental Insurance
<u>Assets</u>				
Current Assets:				
Cash and investments	\$ 263,012	\$ 944,482	\$ 30,201,282	\$ 2,138,266
Imprest cash	-	-	-	-
Interest receivable	440	1,193	44,976	3,185
Receivable taxes	-	-	-	-
Due from other parties	114,669	13,369	-	-
Due from other funds	-	79,331	-	-
Due from other governments	-	-	1,305,871	147,789
Other liabilities	-	-	-	-
Prepaid expense	-	52,741	-	-
Inventories	-	-	-	-
Total Current Assets	<u>378,121</u>	<u>1,091,116</u>	<u>31,552,129</u>	<u>2,289,240</u>
Noncurrent Assets:				
Capital assets:				
Non-depreciable	17,481	-	-	-
Depreciable	144,170	-	-	-
Total Noncurrent Assets	<u>161,651</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 539,772</u>	<u>\$ 1,091,116</u>	<u>\$ 31,552,129</u>	<u>\$ 2,289,240</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	\$ -	\$ 626,996	\$ 5,610,796	\$ 381,700
Accrued expenses	-	-	-	-
Accrued payroll	-	-	-	-
Interest expense	-	-	-	-
Due to other funds	-	-	16,945	-
Compensated absences	-	-	-	-
Current portion of capital leases	-	-	-	-
Current portion of notes payable	-	-	-	-
Total Current Liabilities	<u>-</u>	<u>626,996</u>	<u>5,627,741</u>	<u>381,700</u>
Long-Term Liabilities:				
Advances from other funds	310,987	-	-	-
Compensated absences	-	-	-	-
Capital lease obligations	-	-	-	-
Claims liability	-	-	7,411,114	315,133
Notes payable	-	-	-	-
OPEB liability	-	-	-	-
Total Liabilities	<u>310,987</u>	<u>626,996</u>	<u>13,038,855</u>	<u>696,833</u>
<u>Net Assets</u>				
Invested in capital assets, net of related debt	161,651	-	-	-
Unrestricted	67,134	464,120	18,513,274	1,592,407
Total Net Assets	<u>228,785</u>	<u>464,120</u>	<u>18,513,274</u>	<u>1,592,407</u>
Total Liabilities and Net Assets	<u>\$ 539,772</u>	<u>\$ 1,091,116</u>	<u>\$ 31,552,129</u>	<u>\$ 2,289,240</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF FUND NET ASSETS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Casualty Insurance	Workers Comp Insurance	Unemployment Insurance	Total
<u>Assets</u>				
Current Assets:				
Cash and investments	\$ 23,647,692	\$ 51,802,904	\$ 3,255,577	\$ 135,520,721
Imprest cash	-	-	-	40
Interest receivable	36,172	79,142	5,036	202,861
Receivable taxes	-	-	-	-
Due from other parties	496	-	-	158,768
Due from other funds	-	-	-	1,312,127
Due from other agencies	-	-	30,336	1,483,996
Other liabilities	-	-	-	-
Prepaid expense	314,889	250,000	(4,462)	632,672
Inventories	-	-	-	776,435
Total Current Assets	<u>23,999,249</u>	<u>52,132,046</u>	<u>3,286,487</u>	<u>140,087,620</u>
Noncurrent Assets:				
Capital assets:				
Non-depreciable	-	-	-	17,481
Depreciable	-	1,169	-	14,617,432
Total Noncurrent Assets	<u>-</u>	<u>1,169</u>	<u>-</u>	<u>14,634,913</u>
Total Assets	<u>\$ 23,999,249</u>	<u>\$ 52,133,215</u>	<u>\$ 3,286,487</u>	<u>\$ 154,722,533</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	\$ 492,087	\$ 296,003	\$ -	\$ 8,163,962
Accrued expenses	-	-	-	-
Accrued payroll	-	-	-	99,671
Interest expense	68,929	-	-	89,095
Due to other funds	779,483	-	-	885,526
Compensated absences	-	-	-	234,822
Current portion of capital leases	-	-	-	1,256,399
Current portion of notes payable	56,920	-	-	56,920
Total Current Liabilities	<u>1,397,419</u>	<u>296,003</u>	<u>-</u>	<u>10,786,395</u>
Long-Term Liabilities:				
Advances from other funds	-	-	-	310,987
Compensated absences	-	-	-	15,081
Capital lease obligations	-	-	-	2,292,475
Claims liability	18,355,000	31,214,000	550,566	57,845,813
Notes payable	1,691,802	-	-	1,691,802
OPEB liability	-	-	-	300,460
Total Liabilities	<u>21,444,221</u>	<u>31,510,003</u>	<u>550,566</u>	<u>73,243,013</u>
<u>Net Assets</u>				
Invested in capital assets, net of related debt	-	1,169	-	11,086,039
Unrestricted	2,555,028	20,622,043	2,735,921	70,393,481
Total Net Assets	<u>2,555,028</u>	<u>20,623,212</u>	<u>2,735,921</u>	<u>81,479,520</u>
Total Liabilities and Net Assets	<u>\$ 23,999,249</u>	<u>\$ 52,133,215</u>	<u>\$ 3,286,487</u>	<u>\$ 154,722,533</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Fleet Services	Office Automation	Central Telephone	Radio Communi- cations
Operating Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Equipment rental	7,138,404	1,085,388	121,427	279,228
User fees	2,406,760	72,650	5,274,643	1,585,932
Interest charges to users	-	96,347	-	-
Other	356,049	-	-	-
<b>Total Operating Revenues</b>	<b>9,901,213</b>	<b>1,254,385</b>	<b>5,396,070</b>	<b>1,865,160</b>
Operating Expenses:				
Liability claims and loss adjustment	-	-	-	-
Salaries and benefits	2,718,341	-	978,608	-
Insurance	-	-	-	-
Services and supplies	4,342,260	358,775	5,351,115	773,258
Depreciation and amortization	1,621,365	817,184	381,910	602,042
Miscellaneous	15,319	-	-	-
<b>Total Operating Expenses</b>	<b>8,697,285</b>	<b>1,175,959</b>	<b>6,711,633</b>	<b>1,375,300</b>
<b>Operating Income (Loss)</b>	<b>1,203,928</b>	<b>78,426</b>	<b>(1,315,563)</b>	<b>489,860</b>
Non-Operating Revenues (Expenses):				
Gain (loss) on sale of equipment	(302,368)	-	-	-
Aid from other government agencies	163,949	-	-	-
Interest income	106,729	1,787	7,210	14,168
Interest expense	(1,117)	(104,821)	-	(104,757)
Insurance recovery	51,686	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>18,879</b>	<b>(103,034)</b>	<b>7,210</b>	<b>(90,589)</b>
<b>Net Income (Loss) Before Transfers and Contributions</b>	<b>1,222,807</b>	<b>(24,608)</b>	<b>(1,308,353)</b>	<b>399,271</b>
Transfers in	227,085	-	369,351	-
Transfers out	-	-	-	-
	<b>227,085</b>	<b>-</b>	<b>369,351</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>1,449,892</b>	<b>(24,608)</b>	<b>(939,002)</b>	<b>399,271</b>
Net Assets - Beginning of Year	24,640,149	531,182	3,678,059	5,031,830
Prior Period Adjustment	-	-	-	-
<b>Net Assets - Beginning of Year, as Restated</b>	<b>24,640,149</b>	<b>531,182</b>	<b>3,678,059</b>	<b>5,031,830</b>
<b>Net Assets - End of Year</b>	<b>\$ 26,090,041</b>	<b>\$ 506,574</b>	<b>\$ 2,739,057</b>	<b>\$ 5,431,101</b>



**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET ASSETS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Southern Water System	Purchasing ISF	Medical Insurance	Dental Insurance
Operating Revenues:				
Charges for services	\$ 57,335	\$ -	\$ 40,701,144	\$ 5,217,176
Equipment rental	-	-	-	-
User fees	-	5,966,631	292,467	-
Interest charges to users	-	-	-	-
Other	-	-	6,751	-
<b>Total Operating Revenues</b>	<b>57,335</b>	<b>5,966,631</b>	<b>41,000,362</b>	<b>5,217,176</b>
Operating Expenses:				
Liability claims and loss adjustment	-	-	49,798,363	4,494,965
Salaries and benefits	-	-	-	-
Insurance	-	-	-	-
Services and supplies	-	5,971,378	2,237,731	71,698
Depreciation and amortization	78,458	-	-	-
Miscellaneous	-	-	-	-
<b>Total Operating Expenses</b>	<b>78,458</b>	<b>5,971,378</b>	<b>52,036,094</b>	<b>4,566,663</b>
Operating Income (Loss)	<b>(21,123)</b>	<b>(4,747)</b>	<b>(11,035,732)</b>	<b>650,513</b>
Non-Operating Revenues (Expenses):				
Gain (loss) on sale of equipment	-	-	-	-
Aid from other government agencies	-	-	-	-
Interest income	1,736	4,747	182,759	12,498
Interest expense	(25,063)	-	-	-
Insurance recovery	-	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(23,327)</b>	<b>4,747</b>	<b>182,759</b>	<b>12,498</b>
Net Income (Loss) Before Transfers and Contributions	<b>(44,450)</b>	<b>-</b>	<b>(10,852,973)</b>	<b>663,011</b>
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	-	-	-	-
Change in Net Assets	<b>(44,450)</b>	<b>-</b>	<b>(10,852,973)</b>	<b>663,011</b>
Net Assets - Beginning of Year	273,235	464,120	29,366,247	929,396
Prior Period Adjustment	-	-	-	-
Net Assets - Beginning of Year, as Restated	<b>273,235</b>	<b>464,120</b>	<b>29,366,247</b>	<b>929,396</b>
Net Assets - End of Year	<b>\$ 228,785</b>	<b>\$ 464,120</b>	<b>\$ 18,513,274</b>	<b>\$ 1,592,407</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET ASSETS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Casualty Insurance	Workers Comp Insurance	Unemployment Insurance	Total
Operating Revenues:				
Charges for services	\$ 11,155,194	\$ 13,398,000	\$ 1,104,078	\$ 71,632,927
Equipment rental	-	-	-	8,624,447
User fees	-	-	-	15,599,083
Interest charges to users	-	-	-	96,347
Other	25,728	-	-	388,528
<b>Total Operating Revenues</b>	<b>11,180,922</b>	<b>13,398,000</b>	<b>1,104,078</b>	<b>96,341,332</b>
Operating Expenses:				
Liability claims and loss adjustment	2,882,359	4,770,254	2,259,751	64,205,692
Salaries and benefits	-	-	-	3,696,949
Insurance	2,592,844	844,743	-	3,437,587
Services and supplies	1,498,455	1,858,484	12,954	22,476,108
Depreciation and amortization	-	2,142	-	3,503,101
Miscellaneous	-	-	-	15,319
<b>Total Operating Expenses</b>	<b>6,973,658</b>	<b>7,475,623</b>	<b>2,272,705</b>	<b>97,334,756</b>
<b>Operating Income (Loss)</b>	<b>4,207,264</b>	<b>5,922,377</b>	<b>(1,168,627)</b>	<b>(993,424)</b>
Non-Operating Revenues (Expenses):				
Gain (loss) on sale of equipment	-	-	-	(302,368)
Aid from other government agencies	-	-	-	163,949
Interest income	125,949	335,328	11,675	804,586
Interest expense	(75,391)	-	-	(311,149)
Insurance recovery	-	-	-	51,686
<b>Total Non-Operating Revenues (Expenses)</b>	<b>50,558</b>	<b>335,328</b>	<b>11,675</b>	<b>406,704</b>
<b>Net Income (Loss) Before Transfers and Contributions</b>	<b>4,257,822</b>	<b>6,257,705</b>	<b>(1,156,952)</b>	<b>(586,720)</b>
Transfers in	-	-	-	596,436
Transfers out	-	-	-	-
	-	-	-	596,436
<b>Change in Net Assets</b>	<b>4,257,822</b>	<b>6,257,705</b>	<b>(1,156,952)</b>	<b>9,716</b>
Net Assets - Beginning of Year	(1,702,794)	13,536,668	3,892,873	80,640,965
Prior Period Adjustment	-	828,839	-	828,839
<b>Net Assets - Beginning of Year, as Restated</b>	<b>(1,702,794)</b>	<b>14,365,507</b>	<b>3,892,873</b>	<b>81,469,804</b>
<b>Net Assets - End of Year</b>	<b>\$ 2,555,028</b>	<b>\$ 20,623,212</b>	<b>\$ 2,735,921</b>	<b>\$ 81,479,520</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Fleet Services	Office Automation	Central Telephone	Radio Communi- cations
<b>Cash Flows from Operating Activities:</b>				
Cash received from user departments	\$ 9,712,467	\$ 1,245,604	\$ 5,498,789	\$ 1,801,593
Cash payments to suppliers for goods and services	(3,793,959)	(313,108)	(4,415,831)	(768,807)
Cash payments to employees for services	(2,696,465)	-	(962,947)	-
Cash paid to County departments for services	(809,204)	(87,921)	(633,509)	(20,581)
Other operating revenues	356,049	96,347	-	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>2,768,888</b>	<b>940,922</b>	<b>(513,498)</b>	<b>1,012,205</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
State and Federal grant receipts	163,949	-	-	-
Prior period adjustment	-	-	-	-
Capital contributions	-	-	-	-
Transfers in (out)	227,085	-	369,351	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>391,034</b>	<b>-</b>	<b>369,351</b>	<b>-</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets	(1,259,325)	(260,139)	(369,567)	(1,092,379)
Debt interest payments	(974)	(107,510)	-	(100,091)
Debt principal payments	25,406	(582,878)	-	570,762
OPEB obligation	66,182	-	18,050	-
Proceeds from sale of capital assets	(302,367)	-	-	-
Receipts from insurance recovery	51,686	-	-	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(1,419,392)</b>	<b>(950,527)</b>	<b>(351,517)</b>	<b>(621,708)</b>
<b>Cash Flows from Investing Activities:</b>				
Interest received	117,683	2,154	12,316	15,386
<b>Net Cash Provided by Investing Activities</b>	<b>117,683</b>	<b>2,154</b>	<b>12,316</b>	<b>15,386</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,858,213</b>	<b>(7,451)</b>	<b>(483,348)</b>	<b>405,883</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>16,435,186</b>	<b>545,258</b>	<b>1,906,214</b>	<b>2,607,591</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 18,293,399</b>	<b>\$ 537,807</b>	<b>\$ 1,422,866</b>	<b>\$ 3,013,474</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CASH FLOWS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Southern Water System	Purchasing ISF	Medical Insurance	Dental Insurance
<b>Cash Flows from Operating Activities:</b>				
Cash received from user departments	\$ 1	\$ 6,016,090	\$ 40,629,245	\$ 5,200,850
Cash payments to suppliers for goods and services	-	(5,911,430)	(46,244,208)	(5,038,358)
Cash payments to employees for services	-	-	-	-
Cash paid to County departments for services	-	(118,741)	(559,900)	(71,698)
Other operating revenues	-	-	825,670	(5,931)
	<u>1</u>	<u>(14,081)</u>	<u>(5,349,193)</u>	<u>84,863</u>
<b>Net Cash Provided (Used) by Operating Activities</b>				
	<u>1</u>	<u>(14,081)</u>	<u>(5,349,193)</u>	<u>84,863</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
State and Federal grant receipts	-	-	-	-
Prior period adjustment	-	-	-	-
Capital contributions	-	-	-	-
Transfers in (out)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets	-	-	-	-
Debt interest payments	(25,064)	-	-	-
Debt principal payments	(32,272)	-	-	-
OPEB obligation	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Receipts from insurance recovery	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>				
	<u>(57,336)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>				
Interest received	<u>2,116</u>	<u>5,386</u>	<u>222,676</u>	<u>14,266</u>
	<u>2,116</u>	<u>5,386</u>	<u>222,676</u>	<u>14,266</u>
<b>Net Cash Provided by Investing Activities</b>				
	<u>2,116</u>	<u>5,386</u>	<u>222,676</u>	<u>14,266</u>
Increase (Decrease) in Cash and Cash Equivalents	(55,219)	(8,695)	(5,126,517)	99,129
Cash and Cash Equivalents, Beginning of Year	<u>318,231</u>	<u>953,177</u>	<u>35,327,799</u>	<u>2,039,137</u>
Cash and Cash Equivalents, End of Year	<u>\$ 263,012</u>	<u>\$ 944,482</u>	<u>\$ 30,201,282</u>	<u>\$ 2,138,266</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CASH FLOWS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	Casualty Insurance	Workers Comp Insurance	Unemployment Insurance	Total
<b>Cash Flows from Operating Activities:</b>				
Cash received from user departments	\$ 11,156,927	\$ 13,412,249	\$ 1,128,389	\$ 95,802,204
Cash payments to suppliers for goods and services	(5,570,314)	(6,935,585)	(2,268,675)	(81,260,275)
Cash payments to employees for services	-	-	-	(3,659,412)
Cash paid to County departments for services	(1,258,184)	(1,694,311)	(4,030)	(5,258,079)
Other operating revenues	(1,144,271)	(1,884,000)	256,242	(1,499,894)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>3,184,158</b>	<b>2,898,353</b>	<b>(888,074)</b>	<b>4,124,544</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
State and Federal grant receipts	-	-	-	163,949
Prior period adjustment	-	828,839	-	828,839
Capital contributions	-	-	-	-
Transfers in (out)	-	-	-	596,436
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>-</b>	<b>828,839</b>	<b>-</b>	<b>1,589,224</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets	-	-	-	(2,981,410)
Debt interest payments	(77,542)	-	-	(311,181)
Debt principal payments	(54,574)	-	-	(73,556)
OPEB obligation	-	-	-	84,232
Proceeds from sale of capital assets	-	-	-	(302,367)
Receipts from insurance recovery	-	-	-	51,686
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(132,116)</b>	<b>-</b>	<b>-</b>	<b>(3,532,596)</b>
<b>Cash Flows from Investing Activities:</b>				
Interest received	137,794	371,786	26,017	927,580
<b>Net Cash Provided by Investing Activities</b>	<b>137,794</b>	<b>371,786</b>	<b>26,017</b>	<b>927,580</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,189,836</b>	<b>4,098,978</b>	<b>(862,057)</b>	<b>3,108,752</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>20,457,856</b>	<b>47,703,926</b>	<b>4,117,634</b>	<b>132,412,009</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 23,647,692</b>	<b>\$ 51,802,904</b>	<b>\$ 3,255,577</b>	<b>\$ 135,520,761</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CASH FLOWS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	<u>Fleet Services</u>	<u>Office Automation</u>	<u>Central Telephone</u>	<u>Radio Communi- cations</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 1,203,928	\$ 78,426	\$ (1,315,563)	\$ 489,860
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,621,365	817,184	381,910	602,042
(Increase) decrease in accounts receivable	167,304	87,566	102,718	(63,566)
(Increase) decrease in inventories	(146,235)	-	(6,862)	-
(Increase) decrease in prepaid expenses	-	(4,316)	-	-
Increase (decrease) in accounts payable	(77,474)	(37,938)	324,299	(16,131)
Increase (decrease) in OPEB liability	-	-	-	-
Increase (decrease) in claims liability	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,768,888</u>	<u>\$ 940,922</u>	<u>\$ (513,498)</u>	<u>\$ 1,012,205</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CASH FLOWS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	<u>Southern Water System</u>	<u>Purchasing ISF</u>	<u>Medical Insurance</u>	<u>Dental Insurance</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (21,123)	\$ (4,747)	\$ (11,035,732)	\$ 650,513
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	78,458	-	-	-
(Increase) decrease in accounts receivable	(57,334)	49,459	(371,117)	(16,325)
(Increase) decrease in inventories	-	-	-	-
(Increase) decrease in prepaid expenses	-	160,789	-	-
Increase (decrease) in accounts payable	-	(219,582)	5,231,986	(543,394)
Increase (decrease) in OPEB liability	-	-	-	-
Increase (decrease) in claims liability	-	-	825,670	(5,931)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1</u>	<u>\$ (14,081)</u>	<u>\$ (5,349,193)</u>	<u>\$ 84,863</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CASH FLOWS (Continued)  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2010**

	<u>Casualty Insurance</u>	<u>Workers Comp Insurance</u>	<u>Unemployment Insurance</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 4,207,264	\$ 5,922,377	\$ (1,168,627)	\$ (993,424)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	2,142	-	3,503,101
(Increase) decrease in accounts receivable	1,735	14,249	24,311	(61,000)
(Increase) decrease in inventories	-	-	-	(153,097)
(Increase) decrease in prepaid expenses	(25,417)	-	-	131,056
Increase (decrease) in accounts payable	170,576	(1,156,415)	-	3,675,927
Increase (decrease) in OPEB liability	-	-	-	-
Increase (decrease) in claims liability	(1,170,000)	(1,884,000)	256,242	(1,978,019)
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 3,184,158</u>	 <u>\$ 2,898,353</u>	 <u>\$ (888,074)</u>	 <u>\$ 4,124,544</u>



### **Private Purpose Trust Funds**

Private Purpose Trust Funds are used to report various Federal-sponsored community development loan programs and other private trust agreements. None of the resources of these funds are used to support governmental programs.

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
PRIVATE PURPOSE TRUST FUNDS  
JUNE 30, 2010**

	Sammie Hay	Industrial Revolving Loan Fund	Home Investment Trust Local Account	Rehabilitation Loan Program	Disaster Recovery Initiative Program	NSP Revolving Loan Fund	Total
<b>Assets</b>							
Cash and investments	\$ 865,891	\$ -	\$ 550,530	\$ 4,062,071	\$ 118,311	\$ -	\$ 5,596,803
Cash and Investments held by others	-	3,914,718	-	-	-	-	3,914,718
Investment income receivables	1,336	3,623	814	6,159	171	-	12,103
Due from other governments	-	-	51,137	-	-	-	51,137
Loans receivable	-	4,941,018	19,121,521	9,674,395	1,056,271	-	34,793,205
<b>Total Assets</b>	<b>\$ 867,227</b>	<b>\$ 8,859,359</b>	<b>\$ 19,724,002</b>	<b>\$ 13,742,625</b>	<b>\$ 1,174,753</b>	<b>\$ -</b>	<b>\$ 44,367,966</b>
<b>Liabilities</b>							
Accounts payable	\$ -	\$ 825	\$ 339,879	\$ -	\$ -	\$ -	\$ 340,704
Due to other governments	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>825</b>	<b>339,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>340,704</b>
<b>Net Assets</b>							
Held in trust for:							
Revolving loans	-	8,790,996	19,383,278	13,736,387	1,174,571	-	43,085,232
Unrealized market value appreciation	1,330	67,538	845	6,238	182	-	76,133
Other purposes	865,897	-	-	-	-	-	865,897
<b>Total Net Assets</b>	<b>867,227</b>	<b>8,858,534</b>	<b>19,384,123</b>	<b>13,742,625</b>	<b>1,174,753</b>	<b>-</b>	<b>44,027,262</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 867,227</b>	<b>\$ 8,859,359</b>	<b>\$ 19,724,002</b>	<b>\$ 13,742,625</b>	<b>\$ 1,174,753</b>	<b>\$ -</b>	<b>\$ 44,367,966</b>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Sammie Hay	Industrial Revolving Loan Fund	Home Investment Trust Local Account	Rehabilitation Loan Program	Disaster Recovery Initiative Program	NSP Revolving Loan Fund	Total
<b>Additions:</b>							
Contributions from other governments	\$ -	\$ -	\$ 1,079,443	\$ 715,154	\$ -	\$ -	\$ 1,794,597
Investment income	5,146	130,920	4,333	23,289	679	-	164,367
Miscellaneous income	-	213,590	55,345	75,372	-	-	344,307
<b>Total Additions</b>	<b>5,146</b>	<b>344,510</b>	<b>1,139,121</b>	<b>813,815</b>	<b>679</b>	<b>-</b>	<b>2,303,271</b>
<b>Deductions:</b>							
Benefit payments	44,457	-	-	-	-	-	44,457
Program expenses	-	25,093	(464,690)	(48,837)	104,854	-	(383,580)
Allowance for loan adjustments	-	9,071	-	-	-	-	9,071
Loan servicing fees	-	13,775	1,485	-	-	-	15,260
Administrative expenses	-	469,194	175,125	186,974	-	-	831,293
<b>Total Deductions</b>	<b>44,457</b>	<b>517,133</b>	<b>(288,080)</b>	<b>138,137</b>	<b>104,854</b>	<b>-</b>	<b>516,501</b>
<b>Change in Net Assets</b>	<b>(39,311)</b>	<b>(172,623)</b>	<b>1,427,201</b>	<b>675,678</b>	<b>(104,175)</b>	<b>-</b>	<b>1,786,770</b>
<b>Net Assets, Beginning</b>	<b>906,538</b>	<b>9,031,157</b>	<b>17,956,922</b>	<b>13,066,947</b>	<b>1,278,928</b>	<b>-</b>	<b>42,240,492</b>
<b>Net Assets, Ending</b>	<b>\$ 867,227</b>	<b>\$ 8,858,534</b>	<b>\$ 19,384,123</b>	<b>\$ 13,742,625</b>	<b>\$ 1,174,753</b>	<b>\$ -</b>	<b>\$ 44,027,262</b>

## **Agency Funds**

Agency Funds are used to account for the assets and liabilities of various clearing accounts for which the County's role is purely custodial.

**COUNTY OF SAN JOAQUIN  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ARISING FROM CASH TRANSACTIONS  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2010</u>
<u>Assets</u>				
Cash and investments - pooled	\$ 30,096,730	\$ 569,314,799	\$ 566,104,261	\$ 33,307,268
Cash and investments held by others	4,615,045	16,294,032	15,489,427	5,419,650
Receivables	27,192,768	25,559,539	27,192,768	25,559,539
Loans receivable	54,000,000	40,500,000	54,000,000	40,500,000
Other assets	325,299	-	68,463	256,836
	<u>\$ 116,229,842</u>	<u>\$ 651,668,370</u>	<u>\$ 662,854,919</u>	<u>\$ 105,043,293</u>
<u>Liabilities</u>				
Accounts payable	\$ 23,532,858	\$ 8,005,074	\$ -	\$ 31,537,932
Due to other agencies	92,676,984	673,515,300	692,706,923	73,485,361
Loan payable	20,000	-	-	20,000
	<u>\$ 116,229,842</u>	<u>\$ 681,520,374</u>	<u>\$ 692,706,923</u>	<u>\$ 105,043,293</u>

## **COMPONENT UNIT FINANCIAL STATEMENTS**

### **County Service Area No. 31 Flag City**

County Service Area No. 31 – Flag City financial statements (part of the governmental funds) provide an overall financial picture of the Service Area as a whole. It presents the general operating fund, the sewer service fund, and the capital outlay fund at the basic fund level and the district-wide level. The general operating fund and the sewer service fund are reported as special revenue funds and the capital outlay fund is reported as a capital outlay fund. Both the special revenue fund and the capital outlay fund are part of the nonmajor governmental funds. The reconciliation from the governmental funds on the basic fund level to the district-wide level is presented in the face of the following financial statements.

**COUNTY OF SAN JOAQUIN  
STATEMENT OF NET ASSETS  
COUNTY SERVICE AREA NO. 31 – FLAG CITY  
JUNE 30, 2010**

	Governmental Activities
<b>ASSETS</b>	
Pooled cash and investments	\$ 775,984
Accounts receivable	14,976
Interest receivable	1,468
Restricted assets:	
Cash and investments	748,139
Interest receivable	10,714
Capital assets:	
Depreciable, net	7,174,334
Total Assets	\$ 8,725,615
<b>LIABILITIES</b>	
Accounts payable	\$ 665
Advances from other County funds	
Long-term liabilities:	
Certificates of participation:	8,325,000
Discounts on COP's	(110,250)
Advance from other funds	1,179,378
Payable from restricted assets:	
Accrued interest	227,346
Total Liabilities	9,622,139
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	(387,105)
Restricted for encumbrances	164,526
Restricted for debt service	(339,005)
Unrestricted	(334,940)
Total Net Assets	(896,524)
Total Liabilities and Net Assets	\$ 8,725,615

**COUNTY OF SAN JOAQUIN  
STATEMENT OF ACTIVITIES  
COUNTY SERVICE AREA NO. 31 – FLAG CITY  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Governmental Activities</u>
<b>Program Expenses:</b>	
Public Ways and Facilities:	
Professional services	\$ 246,433
Utilities	315,314
Communication	233
Office expenses	1,223
Special expenses	2,410
Maintenance	7,735
Insurance	34,549
Miscellaneous	4,092
Depreciation	310,397
Interest	<u>550,445</u>
 Total Program Expenses	 1,472,831
 <b>Program Revenues:</b>	
Charges for Services	<u>1,064,162</u>
 <b>Net Program Revenues (Expenses)</b>	 (408,669)
 General Revenues:	
Unrestricted interest and investment earnings	<u>22,920</u>
 <b>Change in Net Assets</b>	 (385,749)
 Net Assets, Beginning of Year	 <u>(510,775)</u>
 <b>Net Assets, End of Year</b>	 <u><u>\$ (896,524)</u></u>



**COUNTY OF SAN JOAQUIN  
COMBINING BALANCE SHEET  
COUNTY SERVICE AREA NO. 31 – FLAG CITY  
ALL GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2010**

	Special Revenue Funds					Totals
	Operating Fund	Sewer Service Fund	All Special Revenue Funds	Debt Service	Capital Projects	
<b>ASSETS</b>						
Cash and investments	\$ 277,658	\$ 496,928	\$ 774,586	\$ -	\$ 1,398	\$ 775,984
Interest receivable	462	1,004	1,466	-	2	1,468
Accounts receivable	14,976	-	14,976	-	-	14,976
Restricted assets:						
Cash and investments	-	105,542	105,542	642,597	-	748,139
Interest receivable	-	-	-	10,714	-	10,714
<b>Total Assets</b>	<b>\$ 293,096</b>	<b>\$ 603,474</b>	<b>\$ 896,570</b>	<b>\$ 653,311</b>	<b>\$ 1,400</b>	<b>\$ 1,551,281</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 239	\$ 426	\$ 665	\$ -	\$ -	\$ 665
Advances from other funds	-	1,179,378	1,179,378	-	-	1,179,378
<b>Total Liabilities</b>	<b>239</b>	<b>1,179,804</b>	<b>1,180,043</b>	<b>-</b>	<b>-</b>	<b>1,180,043</b>
<b>FUND BALANCES</b>						
Reserved for encumbrances	-	164,526	164,526	-	-	164,526
Unreserved	-	-	-	639,879	-	639,879
Designated	426	763	1,189	-	2	1,191
Undesignated	292,431	(741,619)	(449,188)	13,432	1,398	(434,358)
<b>Total Fund Balances</b>	<b>292,857</b>	<b>(576,330)</b>	<b>(283,473)</b>	<b>653,311</b>	<b>1,400</b>	<b>371,238</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 293,096</b>	<b>\$ 603,474</b>	<b>\$ 896,570</b>	<b>\$ 653,311</b>	<b>\$ 1,400</b>	<b>\$ 1,551,281</b>

**RECONCILIATION OF THE BALANCE SHEET -  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS:**

Fund Balances from above	\$ 371,238
Amounts reported for governmental activities in the statement of net assets are difference because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	7,174,334
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds:	
Certificates of participation	(8,214,750)
Accrued interest payable	(227,346)
Net assets of governmental activities	<u>\$ (896,524)</u>

**COUNTY OF SAN JOAQUIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
COUNTY SERVICE AREA NO. 31 – FLAG CITY  
FOR THE YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds			Debt Service	Capital Projects	Totals
	Operating Fund	Sewer Service Fund	All Special Revenue Funds			
Revenues:						
Use of money and property	\$ 1,841	\$ 2,637	\$ 4,478	\$ 18,436	\$ 6	\$ 22,920
Charges for services	165,168	898,994	1,064,162	-	-	1,064,162
Total Revenues	<u>167,009</u>	<u>901,631</u>	<u>1,068,640</u>	<u>18,436</u>	<u>6</u>	<u>1,087,082</u>
Expenditures:						
Current:						
Public ways and facilities:						
Professional services	83,914	162,519	246,433	-	-	246,433
Utilities	14,684	300,630	315,314	-	-	315,314
Communication	-	233	233	-	-	233
Office expenses	797	426	1,223	-	-	1,223
Special expenses	327	2,083	2,410	-	-	2,410
Maintenance	3,483	4,252	7,735	-	-	7,735
Insurance	34,549	-	34,549	-	-	34,549
Miscellaneous	1,092	3,000	4,092	-	-	4,092
Capital outlay	-	-	-	-	-	-
Interest	-	68,604	68,604	605,040	-	673,644
Total Expenditures	<u>138,846</u>	<u>541,747</u>	<u>680,593</u>	<u>605,040</u>	<u>-</u>	<u>1,285,633</u>
Excess of Revenues Over (Under) Expenditures	<u>28,163</u>	<u>359,884</u>	<u>388,047</u>	<u>(586,604)</u>	<u>6</u>	<u>(198,551)</u>
Other Financing Sources and Uses:						
Transfers in	-	4,553	4,553	604,589	-	609,142
Transfers out	-	(604,589)	(604,589)	(4,553)	-	(609,142)
Total Other Financing Sources and Uses	<u>-</u>	<u>(600,036)</u>	<u>(600,036)</u>	<u>600,036</u>	<u>-</u>	<u>-</u>
Change in Fund Balances	28,163	(240,152)	(211,989)	13,432	6	(198,551)
Fund Balances, Beginning of Year	<u>264,694</u>	<u>(336,178)</u>	<u>(71,484)</u>	<u>639,879</u>	<u>1,394</u>	<u>569,789</u>
Fund Balances, End of Year	<u>\$ 292,857</u>	<u>\$ (576,330)</u>	<u>\$ (283,473)</u>	<u>\$ 653,311</u>	<u>\$ 1,400</u>	<u>\$ 371,238</u>

**COUNTY OF SAN JOAQUIN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES –  
GOVERNMENTAL ACTIVITIES  
COUNTY SERVICE AREA NO. 31 – FLAG CITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Net change in fund balances - total governmental funds \$ (198,551)

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

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

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	\$ 123,199	
Less current year depreciation	<u>(310,397)</u>	<u>(187,198)</u>
Change in net assets of governmental activities		<u><u>\$ (385,749)</u></u>

**STATISTICAL SECTION –  
FINANCIAL ONLY**

**COUNTY OF SAN JOAQUIN  
CHANGES IN NET ASSETS  
LAST EIGHT FISCAL YEARS  
FOR THE YEAR ENDED JUNE 30, 2010**

	2009-10	2008-09	2007-08
<b>Expenses:</b>			
Governmental activities:			
General government	\$ 26,098,049	\$ 38,743,985	\$ 31,655,441
Public protection	297,597,268	303,010,545	277,183,027
Public ways and facilities	46,579,136	41,407,882	49,711,444
Health and sanitation	127,103,901	135,808,377	133,879,694
Public assistance	355,777,105	344,216,452	332,367,831
Education	5,921,627	6,724,552	7,010,323
Culture and recreation	9,956,704	9,069,181	7,377,767
Interest on long-term debt	7,311,782	8,424,991	11,684,229
Total governmental activities expenses	<u>876,345,572</u>	<u>887,405,965</u>	<u>850,869,756</u>
Business-type activities:			
Solid Waste	19,748,649	20,980,240	19,682,725
Hospital	204,730,696	203,675,658	204,207,568
Airport	4,024,516	3,813,218	3,915,507
Total business-type activities expenses	<u>228,503,861</u>	<u>228,469,116</u>	<u>227,805,800</u>
Total primary governmental expenses	<u>1,104,849,433</u>	<u>1,115,875,081</u>	<u>1,078,675,556</u>
<b>Program Revenues:</b>			
Governmental activities:			
Charges for services:			
General government	16,002,101	20,891,343	20,878,702
Public protection	44,575,946	46,309,079	46,128,760
Public ways and facilities	10,876,151	10,333,240	10,970,609
Community infrastructure program	933,701	1,344,892	3,564,809
Health and sanitation	38,321,000	34,934,714	33,600,035
Children and families act program	750	574	1,000
Public assistance	2,775,286	2,166,674	1,329,035
Education	297,122	274,717	157,664
Recreation	2,293,085	1,885,727	1,588,227
Operating grants and contribution	524,926,700	481,756,701	517,574,981
Capital grants and contribution (3)	17,920,366	21,311,899	15,098,553
Total governmental activities revenues	<u>658,922,208</u>	<u>621,209,560</u>	<u>650,892,375</u>
Business-type activities:			
Charges for services:			
Solid Waste	17,316,220	16,274,245	17,678,924
Hospital	171,131,971	169,748,603	166,670,823
Airport	1,715,024	1,576,065	1,664,750
Operating grants and contribution	791,175	974,955	1,715,573
Capital grants and contribution (3)	-	-	-
Total business-type activities revenues	<u>190,954,390</u>	<u>188,573,868</u>	<u>187,730,070</u>
Total primary government revenues	<u>849,876,598</u>	<u>809,783,428</u>	<u>838,622,445</u>
<b>Net (expense)/revenue</b>			
Governmental activities	(217,423,364)	(266,196,405)	(199,977,381)
Business-type activities	(37,549,471)	(39,895,248)	(40,075,730)
Total primary government net expense	<u>\$ (254,972,835)</u>	<u>\$ (306,091,653)</u>	<u>\$ (240,053,111)</u>

2006-07	2005-06	2004-05	2003-04	2002-03
\$ 20,374,318	\$ 25,732,859	\$ 27,912,118	\$ 30,779,313	\$ 38,795,621
248,844,996	230,090,340	209,655,788	202,926,413	190,662,044
37,531,443	37,605,714	33,381,324	39,656,503	34,232,728
124,328,143	119,566,506	113,805,931	114,164,687	108,020,461
324,549,286	307,459,822	286,344,969	262,306,099	259,868,711
6,266,998	5,865,222	5,670,639	4,141,557	4,224,248
6,108,149	5,580,859	5,151,479	4,851,047	4,892,440
5,188,180	4,040,221	3,301,400	3,602,597	3,767,117
<u>773,191,513</u>	<u>735,941,543</u>	<u>685,223,648</u>	<u>662,428,216</u>	<u>644,463,370</u>
21,022,270	17,685,787	19,128,619	18,258,876	14,761,783
194,540,564	189,776,046	171,184,362	158,342,874	160,106,702
4,592,686	3,663,416	3,492,808	2,877,679	2,567,318
<u>220,155,520</u>	<u>211,125,249</u>	<u>193,805,789</u>	<u>179,479,429</u>	<u>177,435,803</u>
<u>993,347,033</u>	<u>947,066,792</u>	<u>879,029,437</u>	<u>841,907,645</u>	<u>821,899,173</u>
25,644,079	20,161,576	13,147,165	12,902,374	8,038,035
43,895,054	50,135,663	47,004,966	45,568,340	40,848,887
10,750,679	9,713,552	8,084,373	14,917,746	11,129,767
5,424,835	3,922,438	2,744,572	-	-
32,909,784	29,049,369	32,172,418	33,432,777	35,571,727
3,507	-	-	-	-
1,004,460	1,162,124	882,179	770,841	458,498
137,306	146,925	165,664	146,494	123,384
1,504,986	1,580,398	1,429,929	1,468,930	1,448,001
506,957,550	476,195,426	445,160,436	401,581,907	411,746,972
6,167,215	14,389,355	6,523,968	10,343,663	75,199,646
<u>634,399,455</u>	<u>606,456,826</u>	<u>557,315,670</u>	<u>521,133,072</u>	<u>584,564,917</u>
19,171,854	19,699,066	16,397,404	14,421,249	14,189,244
151,052,423	158,935,264	151,749,835	139,106,939	126,726,781
1,364,367	1,456,000	2,505,795	1,764,248	1,337,875
1,357,945	219,750	443,470	402,321	730,141
-	57,372,734	-	6,199,257	1,784,775
<u>172,946,589</u>	<u>237,682,814</u>	<u>171,096,504</u>	<u>161,894,014</u>	<u>144,768,816</u>
<u>807,346,044</u>	<u>844,139,640</u>	<u>728,412,174</u>	<u>683,027,086</u>	<u>729,333,733</u>
(138,792,058)	(129,484,717)	(127,907,978)	(141,295,144)	(59,898,453)
(47,208,931)	26,557,565	(22,709,285)	(17,585,415)	(32,666,987)
<u>\$ (186,000,989)</u>	<u>\$ (102,927,152)</u>	<u>\$ (150,617,263)</u>	<u>\$ (158,880,559)</u>	<u>\$ (92,565,440)</u>

**COUNTY OF SAN JOAQUIN  
CHANGES IN NET ASSETS (Continued)  
LAST EIGHT FISCAL YEARS  
FOR THE YEAR ENDED JUNE 30, 2010**

	2009-10	2008-09	2007-08
<b>General revenues and other changes in net assets</b>			
Governmental activities:			
Property taxes	\$ 194,019,051	\$ 228,875,556	\$ 234,895,057
Sales taxes	21,314,504	22,034,677	26,759,854
Motor vehicle and other in-lieu taxes	2,742,578	4,383,463	4,804,452
Tobacco settlement proceeds	5,708,772	6,849,537	6,230,445
Other	4,950,211	5,440,246	6,258,720
Investment earnings	4,632,198	15,167,101	27,198,618
Miscellaneous	78,437	(116,862)	83,414
Transfers	(31,215,630)	(26,006,773)	(47,806,151)
Extraordinary item (1)	-	-	-
Prior period adjustments (2)	3,615,017	(78,007,878)	-
Total governmental activities	<u>205,845,138</u>	<u>178,619,067</u>	<u>258,424,409</u>
Business-type activities			
Property taxes	495,249	624,866	486,589
Investment earnings	590,015	1,407,937	1,701,493
Other	-	-	2,444,975
Transfers	31,215,630	26,006,773	47,806,151
Prior period adjustment (3)	(575,937)	23,575,078	-
Total business-type activities	<u>31,724,957</u>	<u>51,614,654</u>	<u>52,439,208</u>
Total primary government	<u>\$ 237,570,095</u>	<u>\$ 230,233,721</u>	<u>\$ 310,863,617</u>
<b>Changes in net assets</b>			
Governmental activities	\$ (15,193,243)	\$ (87,577,338)	\$ 58,447,028
Business-type activities	(5,248,577)	11,719,406	12,363,478
Total primary government	<u>\$ (20,441,820)</u>	<u>\$ (75,857,932)</u>	<u>\$ 70,810,506</u>

(1) = The County's share of the State of California's penalty assessment by the federal government for its failure to establish a State-wide automated child support collection system.

(2) = 2002-03 - Funds classified as "agency fund group" previously are reclassified as an integral part of the County's governmental fund group.

(2) = 2004-05 - Reflect the capitalization of the financial and personnel computer system and the right-of-way acquisitions expended in prior years.

(2) & (3) = 2006-07 - Reflect deduction of the infrastructure transferred by the developers to the Mountain House Service District in prior years as a result of the Final Deduction accepted in August 2007. It also reflects the reduction of the revenue liability as the development fees were collected by the developers without being recorded in the pledged utility funds.

(2) & (3) = 2008-09 - Reflect the removal of Mountain House Services District as an independent district from the County.

(2) & (3) = 2009-10 - See prior period adjustments at Note 19.

2006-07	2005-06	2004-05	2003-04	2002-03
\$ 219,157,813	\$ 185,372,303	\$ 151,882,750	\$ 86,669,108	\$ 85,827,506
28,596,414	32,125,346	28,403,230	27,140,610	13,462,083
4,952,713	5,159,327	17,446,086	37,340,881	50,010,443
5,936,350	5,591,287	6,025,258	6,067,708	7,099,275
6,948,456	8,938,958	9,140,545	7,144,766	5,722,455
27,259,242	17,501,863	7,916,246	3,535,745	4,899,391
-	-	-	151,610	-
(21,743,326)	(39,971,492)	(24,124,551)	(20,180,124)	(20,702,077)
-	-	-	(1,010,334)	-
25,881,120	-	9,091,468	-	4,053,340
<u>296,988,782</u>	<u>214,717,592</u>	<u>205,781,032</u>	<u>146,859,970</u>	<u>150,372,416</u>
497,427	447,221	-	-	-
1,922,346	1,474,136	2,097,150	1,352,743	2,579,915
3,214,888	-	-	-	-
21,743,326	39,971,492	24,124,551	20,180,124	20,702,077
(57,749,160)	-	-	-	-
<u>(30,371,173)</u>	<u>41,892,849</u>	<u>26,221,701</u>	<u>21,532,867</u>	<u>23,281,992</u>
<u>\$ 266,617,609</u>	<u>\$ 256,610,441</u>	<u>\$ 232,002,733</u>	<u>\$ 168,392,837</u>	<u>\$ 173,654,408</u>
\$ 158,196,724	\$ 85,232,875	\$ 77,873,054	\$ 5,564,826	\$ 90,473,963
(77,580,104)	68,450,414	3,512,416	3,947,452	(9,384,995)
<u>\$ 80,616,620</u>	<u>\$ 153,683,289</u>	<u>\$ 81,385,470</u>	<u>\$ 9,512,278</u>	<u>\$ 81,088,968</u>



**COUNTY OF SAN JOAQUIN  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST EIGHT FISCAL YEARS  
AS OF JUNE 30, 2010**

	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
General Fund:			
Reserved	\$ 17,422,015	\$ 21,134,010	\$ 21,001,803
Unreserved	71,115,787	71,447,235	47,908,310
Total general fund	<u>88,537,802</u>	<u>92,581,245</u>	<u>68,910,113</u>
All Other Governmental Funds			
Reserved	93,677,487	121,178,489	207,438,037
Unreserved, reported in:			
Special Revenue Funds	136,683,212	103,502,191	106,034,209
Capital Projects Funds	<u>23,212,463</u>	<u>12,060,452</u>	<u>14,278,900</u>
Total all other governmental funds	<u>253,573,162</u>	<u>236,741,132</u>	<u>327,751,146</u>
Total - all governmental funds	<u>\$ 342,110,964</u>	<u>\$ 329,322,377</u>	<u>\$ 396,661,259</u>

<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
\$ 14,546,165	\$ 15,070,347	\$ 15,059,550	\$ 16,282,303	\$ 18,071,737
83,156,996	102,807,800	54,302,437	14,809,035	26,612,224
<u>97,703,161</u>	<u>117,878,147</u>	<u>69,361,987</u>	<u>31,091,338</u>	<u>44,683,961</u>
251,338,071	82,359,538	67,074,862	85,343,195	89,295,726
107,507,012	84,887,806	86,357,996	58,703,829	70,284,471
18,843,149	15,319,173	7,616,277	1,118,684	(10,340,773)
<u>377,688,232</u>	<u>182,566,517</u>	<u>161,049,135</u>	<u>145,165,708</u>	<u>149,239,424</u>
<u>\$ 475,391,393</u>	<u>\$ 300,444,664</u>	<u>\$ 230,411,122</u>	<u>\$ 176,257,046</u>	<u>\$ 193,923,385</u>

**COUNTY OF SAN JOAQUIN  
LEGAL DEBT MARGIN INFORMATION  
LAST EIGHT FISCAL YEARS  
AS OF JUNE 30, 2010**

	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
Debt limit	\$ 647,943,721	\$ 730,992,679	\$ 746,277,606
Total net debt applicable to limit	-	-	-
Legal debt margin	647,943,721	730,992,679	746,277,606
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%

Government Code Section 25371 limits the County's ability to raise resources through the issuance of debt to finance acquisitions or construction of County facilities. The debt limit is 1 1/4% of the total assessed value.

<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
\$ 681,583,871	\$ 576,919,493	\$ 497,461,589	\$ 440,925,627	\$ 398,527,288
-	-	-	-	-
681,583,871	576,919,493	497,461,589	440,925,627	398,527,288
0.00%	0.00%	0.00%	0.00%	0.00%

**COUNTY OF SAN JOAQUIN  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST EIGHT FISCAL YEARS  
AS OF JUNE 30, 2010**

Fiscal Year	Governmental Activities			
	Certificates of Participation	Capital Leases	Loans	Unpaid Compensated Absence
2010	\$ 134,282,591	\$ 3,628,394	\$ 119,862,270	\$ 31,396,212
2009	136,235,333	3,664,009	127,256,167	29,887,868
2008	141,983,075	2,776,957	106,054,901	28,292,596
2007	139,092,879	2,722,657	91,355,772	27,069,951
2006	43,029,172	1,578,874	122,005,002	28,759,456
2005	47,436,140	743,953	4,929,183	23,038,782
2004	51,523,204	929,104	4,320,462	22,134,256
2003	55,314,773	1,989,558	2,580,100	21,853,309

**COUNTY OF SAN JOAQUIN  
RATIOS OF OUTSTANDING DEBT BY TYPE (Continued)  
LAST EIGHT FISCAL YEARS  
AS OF JUNE 30, 2010**

Fiscal Year	Business-Type Activities				
	Certificates of Participation	Capital Leases	Loans	Unpaid Compensated Absence	Landfill Closure and Postclosure
2010	\$ 83,449,303	\$ 1,221,660	\$ 7,619,442	\$ 6,409,974	\$ 14,186,541
2009	90,639,277	1,735,271	5,954,580	5,985,578	12,971,673
2008	121,731,924	2,290,525	134,007,676	5,880,632	10,628,021
2007	103,679,165	2,731,896	116,921,026	5,353,769	9,949,652
2006	109,239,109	151,638	118,864,360	5,257,321	8,685,737
2005	114,254,053	233,382	90,134	4,802,333	10,021,598
2004	118,788,998	311,742	92,792	5,133,855	6,908,034
2003	122,798,940	394,191	95,151	5,165,988	4,765,986

**COUNTY OF SAN JOAQUIN  
RATIOS OF OUTSTANDING DEBT BY TYPE (Continued)  
LAST EIGHT FISCAL YEARS  
AS OF JUNE 30, 2010**

Fiscal Year	Total Primary Government	Per Capita	Population
2010	\$ 402,056,387	\$ 579	694,293
2009	414,329,756	601	689,480
2008	553,646,307	807	685,660
2007	498,876,767	734	679,687
2006	437,570,669	655	668,265
2005	205,549,558	317	648,422
2004	210,142,447	333	630,577
2003	214,957,996	350	613,490

**COUNTY OF SAN JOAQUIN  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
LAST EIGHT YEARS  
AS OF JUNE 30, 2010**

	2009-10	2008-09	2007-08	2006-07
<b>REVENUES</b>				
Taxes	\$ 233,592,658	\$ 262,120,999	\$ 227,076,417	\$ 218,146,216
Licenses and permits	4,521,601	4,909,610	6,659,886	8,486,276
Fines, forfeits, and penalties	14,505,266	17,169,243	17,348,913	13,722,623
Use of money and property	4,078,513	12,190,863	22,631,106	22,192,339
Aid from other governmental agencies	548,283,284	511,206,416	540,440,978	523,657,229
Charges for services	91,896,037	91,461,555	101,260,527	108,213,886
Miscellaneous	14,084,177	13,211,719	14,508,125	12,019,797
Total Revenues	<u>910,961,536</u>	<u>912,270,405</u>	<u>929,925,952</u>	<u>906,438,366</u>
<b>EXPENDITURES</b>				
Current:				
General government	41,684,459	48,006,592	51,768,284	44,561,751
Public safety	273,972,542	276,607,702	263,415,264	237,999,875
Public ways and facilities	32,346,727	28,236,546	35,818,333	36,445,617
Health and sanitation	122,569,723	130,599,944	131,038,122	121,594,955
Public assistance	349,552,643	337,562,155	328,313,700	320,973,887
Education	5,848,898	6,646,636	6,927,513	6,182,337
Recreation	6,222,469	6,369,288	5,468,614	4,706,578
Capital outlay	27,521,442	99,541,241	122,920,479	43,451,406
Debt service:				
Principal	2,593,667	6,397,785	13,690,137	12,879,337
Interest	7,152,094	7,936,181	10,593,228	4,304,826
Refunding escrow	-	-	-	18,398,858
Total expenditures	<u>869,464,664</u>	<u>947,904,070</u>	<u>969,953,674</u>	<u>851,499,427</u>
Excess (deficiency) of revenues over (under) expenditures	<u>41,496,872</u>	<u>(35,633,665)</u>	<u>(40,027,722)</u>	<u>54,938,939</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	27,517,174	57,611,137	61,170,226	224,284,684
Transfers out	(59,329,240)	(84,143,865)	(109,397,997)	(247,086,701)
Interfund interest	-	-	-	-
Loan proceeds	317,604	790,682	9,525,359	119,431,952
Capital grants	-	-	-	-
Extraordinary and special item - Fed Govt Penalty	-	-	-	-
Prior period adjustments	-	-	-	-
Total Other Financing Sources (Uses)	<u>(31,494,462)</u>	<u>(25,742,046)</u>	<u>(38,702,412)</u>	<u>96,629,935</u>
Net change in fund balances	<u>\$ 10,002,410</u>	<u>\$ (61,375,711)</u>	<u>\$ (78,730,134)</u>	<u>\$ 151,568,874</u>



2005-06	2004-05	2003-04	2002-03
\$ 216,269,438	\$ 169,201,969	\$ 112,347,258	\$ 106,749,269
9,844,592	7,407,564	7,430,313	5,388,267
18,067,404	14,080,149	11,656,083	10,752,441
14,275,552	6,611,373	3,133,097	4,668,323
498,014,555	475,119,794	448,488,147	454,815,250
91,903,011	85,555,433	83,232,358	78,970,076
15,186,059	15,277,219	14,665,287	14,016,900
<u>863,560,611</u>	<u>773,253,501</u>	<u>680,952,543</u>	<u>675,360,526</u>
38,369,942	31,018,117	31,296,316	36,277,964
215,520,350	199,948,767	194,602,048	181,895,446
34,935,720	31,528,734	29,781,894	27,254,974
116,869,120	112,053,011	112,618,258	106,415,747
304,048,779	285,095,525	260,876,919	258,408,303
5,803,595	5,586,424	4,018,930	4,125,295
4,131,171	3,554,593	3,368,867	3,622,470
31,683,615	25,711,923	35,030,831	46,987,741
5,486,955	5,216,438	5,484,743	4,825,020
3,208,775	3,266,278	3,237,657	3,542,306
-	-	-	-
<u>760,058,022</u>	<u>702,979,810</u>	<u>680,316,463</u>	<u>673,355,266</u>
<u>103,502,589</u>	<u>70,273,691</u>	<u>636,080</u>	<u>2,005,260</u>
47,101,771	35,711,734	24,458,294	33,598,997
(82,599,029)	(52,034,944)	(45,047,748)	(55,389,327)
33,615	-	-	-
425,981	203,597	3,297,369	-
1,568,615	-	-	-
-	-	(1,010,334)	-
-	-	-	1,263,161
<u>(33,469,047)</u>	<u>(16,119,613)</u>	<u>(18,302,419)</u>	<u>(20,527,169)</u>
<u>\$ 70,033,542</u>	<u>\$ 54,154,078</u>	<u>\$ (17,666,339)</u>	<u>\$ (18,521,909)</u>

**COUNTY OF SAN JOAQUIN  
NET ASSETS BY COMPONENT  
LAST EIGHT FISCAL YEARS  
AS OF JUNE 30, 2010**

	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>
<b>Governmental activities</b>				
Invested in capital assets, net of related debt	\$ 442,095,234	\$ 441,546,314	\$ 485,015,056	\$ 430,608,245
Restricted net assets	366,388,735	357,928,522	373,275,682	392,180,625
Unrestricted net assets	<u>61,347,876</u>	<u>81,935,235</u>	<u>118,084,147</u>	<u>102,397,924</u>
Total governmental activities net assets	<u>869,831,845</u>	<u>881,410,071</u>	<u>976,374,885</u>	<u>925,186,794</u>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	40,321,738	40,581,470	18,627,614	33,306,890
Restricted net assets	1,785,070	2,133,763	11,528,014	6,420,931
Unrestricted net assets	<u>9,570,879</u>	<u>14,786,968</u>	<u>18,372,385</u>	<u>13,385,486</u>
Total business-type activities net assets	<u>51,677,687</u>	<u>57,502,201</u>	<u>48,528,013</u>	<u>53,113,307</u>
<b>Primary government</b>				
Invested in capital assets, net of related debt	482,416,972	482,127,784	503,642,670	463,915,135
Restricted net assets	368,173,805	360,062,285	384,803,696	398,601,556
Unrestricted net assets	<u>70,918,755</u>	<u>96,722,203</u>	<u>136,456,532</u>	<u>115,783,410</u>
Total primary government net assets	<u>\$ 921,509,532</u>	<u>\$ 938,912,272</u>	<u>\$ 1,024,902,898</u>	<u>\$ 978,300,101</u>

2005-06	2004-05	2003-04	2002-03
\$ 351,981,529	\$ 374,392,279	\$ 368,137,777	\$ 293,067,118
250,392,162	213,625,664	152,047,237	157,613,542
139,875,959	100,898,953	91,807,063	155,746,621
<u>742,249,650</u>	<u>688,916,896</u>	<u>611,992,077</u>	<u>606,427,281</u>
28,558,534	26,284,166	13,900,024	15,719,581
14,403,192	6,131,099	12,797,787	19,035,786
35,221,568	42,054,455	44,259,493	32,254,485
<u>78,183,294</u>	<u>74,469,720</u>	<u>70,957,304</u>	<u>67,009,852</u>
380,540,063	400,676,445	382,037,801	308,786,699
264,795,354	219,756,763	164,845,024	176,649,328
175,097,527	142,953,408	136,066,556	188,001,106
<u>\$ 820,432,944</u>	<u>\$ 763,386,616</u>	<u>\$ 682,949,381</u>	<u>\$ 673,437,133</u>