



# Comprehensive Annual Financial Report

**County of Tulare**  
State of California

**For the Fiscal Year  
Ended June 30, 2010**



# **COUNTY OF TULARE STATE OF CALIFORNIA**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**Prepared for the Board of Supervisors By**

**Rita A. Woodard  
County Auditor-Controller**

**Under the Direction of:  
Oscar J. Garcia, CPA, Chief Accountant**

**COUNTY OF TULARE  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**TABLE OF CONTENTS**

	<u>Exhibit</u>	<u>Page</u>
<b><u>INTRODUCTORY SECTION</u></b>		
Letter of Transmittal .....		1
Certificate of Achievement for Excellence in Financial Reporting .....		7
Organizational Chart .....		9
List of Elected and Appointed Officials .....		10
<b><u>FINANCIAL SECTION</u></b>		
Independent Auditor's Report .....		13
Management's Discussion and Analysis (Required Supplementary Information) .....		15
<b>BASIC FINANCIAL STATEMENTS:</b>		
<b>Government-wide Financial Statements:</b>		
Statement of Net Assets .....	1	30
Statement of Activities.....	2	32
<b>Fund Financial Statements:</b>		
Balance Sheet – Governmental Funds.....	3	34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets .....	3.1	36
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	4	37
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	4.1	38
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund.....	5	39

	<u>Exhibit</u>	<u>Page</u>
Statement of Fund Net Assets – Proprietary Funds .....	6	46
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds.....	7	48
Statement of Cash Flows – Proprietary Funds .....	8	49
Statement of Fiduciary Net Assets – Fiduciary Funds.....	9	51
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds .....	10	52
<b>Notes to the Financial Statements</b> .....		54
 <b>REQUIRED SUPPLEMENTARY INFORMATION:</b>		
Tulare County Employees’ Retirement Association – Schedule of Funding Progress.....		111
Tulare County Employees Other Postemployment Benefits (OPEB) Plan – Schedule of Funding Progress .....		112
Notes to the Required Supplementary Information.....		112
 <b>COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:</b>		
Combining Balance Sheet – Nonmajor Governmental Funds.....	A-1	114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	A-2	115
 <b>Nonmajor Governmental Funds – Special Revenues Funds:</b>		
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	B-1	117
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	B-2	120
Indigent Health Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-3	123
Library Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-4	124

	<u>Exhibit</u>	<u>Page</u>
Fish and Game Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-5 .....	125
Aviation Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-6 .....	126
Structural Fire Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-7 .....	127
Roads Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-8 .....	128
Workforce Investment Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-9 .....	129
Child Support Services Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-10 .....	130
Mental Health Realignment Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-11 .....	131
Health Realignment Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-12 .....	132
Social Services Realignment Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-13 .....	133
Tobacco Settlement Revenue Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-14 .....	134
Tulare County In-Home Supportive Services Public Authority		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-15 .....	135
Flood Control Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-16 .....	136
Redevelopment Admin Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-17 .....	137

	<u>Exhibit</u>	<u>Page</u>
CDBG Grants		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-18 .....	138
Home Program Grants		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-19 .....	139
Earlimart Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-20 .....	140
Ivanhoe Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-21 .....	141
Lindsay Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-22 .....	142
Goshen Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-23 .....	143
Orosi Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-24 .....	144
Pixley Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-25 .....	145
Traver Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-26 .....	146
Richgrove Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-27 .....	147
Poplar Redevelopment Funds		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	B-28 .....	148
<b>Nonmajor Governmental Funds – Debt Service Funds:</b>		
Combining Balance Sheet – Nonmajor Debt Service Funds .....	C-1 .....	150
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds.....	C-2 .....	151
Pension Obligation Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	C-3 .....	152

	<u>Exhibit</u>	<u>Page</u>
Equipment Loans Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	C-4 .....	153
Building Loans Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	C-5 .....	154
<b>Nonmajor Governmental Funds – Capital Projects Fund:</b>		
Balance Sheet – Nonmajor Capital Projects Fund.....	D-1 .....	156
Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Capital Projects Fund .....	D-2 .....	157
Capital Projects Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	D-3 .....	158
<b>Nonmajor Enterprise Funds:</b>		
Combining Statement of Fund Net Assets – Nonmajor Enterprise Funds.....	E-1 .....	160
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Nonmajor Enterprise Funds.....	E-2 .....	161
Combining Statement of Cash Flows – Nonmajor Enterprise Funds.....	E-3 .....	162
<b>Internal Service Funds:</b>		
Combining Statement of Fund Net Assets – Internal Service Funds.....	F-1 .....	164
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds.....	F-2 .....	165
Combining Statement of Cash Flows – Internal Service Funds.....	F-3 .....	166
<b>Fiduciary Funds:</b>		
Combining Statement of Fiduciary Net Assets – Fiduciary Funds.....	G-1 .....	168
Combining Statement of Changes in Assets and Liabilities – Fiduciary Funds.....	G-2 .....	169

	<u>Exhibit</u>	<u>Page</u>
<b>Capital Assets Used in the Operation of Governmental Funds:</b>		
Comparative Schedule by Source .....	H-1 .....	174
Schedule by Function and Activity .....	H-2 .....	175
Schedule of Changes by Function and Activity .....	H-3 .....	176

**STATISTICAL SECTION (UNAUDITED)**

Net Assets by Component .....	Table 1 .....	178
Changes in Net Assets.....	Table 2 .....	179
Fund Balances of Governmental Funds .....	Table 3 .....	181
Changes in Fund Balances of Governmental Funds.....	Table 4 .....	182
General Governmental Tax Revenues by Source – Table .....	Table 5 .....	183
Equalized Roll Assessed Value of Taxable Property.....	Table 6 .....	184
Direct Overlapping Property Tax Rates .....	Table 7 .....	185
Principal Property Taxpayers.....	Table 8 .....	187
Property Tax Levies and Collections .....	Table 9 .....	188
Ratios of Outstanding Debt by Type .....	Table 10 .....	189
Computation of Direct and Overlapping Debt .....	Table 11 .....	190
Legal Debt Margin Information.....	Table 12 .....	191
Demographic Statistics .....	Table 13 .....	192
Principal Employers .....	Table 14 .....	193
Employees by Function.....	Table 15 .....	194
Operating Indicators by Function .....	Table 16 .....	195



	<u>Exhibit</u>	<u>Page</u>
Capital Asset Statistics by Function.....	Table 17 .....	198
Summary of Financing Requirements by Fund and Function.....	Table 18 .....	199
Insurance Policies in Force during Fiscal Year Ended June 30, 2010 .....	Table 19 .....	200

## **INTRODUCTORY SECTION**

# AUDITOR-CONTROLLER

221 South Mooney Blvd., Room 101-E □ Visalia, Ca 93291-4593 □ FAX (559) 730-2547



COUNTY OF TULARE

RITA A. WOODARD  
Auditor-Controller/  
Treasurer-Tax Collector  
(559) 636-5200

Deborah Paolinelli  
Assistant Auditor-Controller  
(559) 636-5200

December 28, 2010

The Honorable Board of Supervisors  
The County of Tulare  
Administration Building  
Visalia, California 93291-4582

Dear Board Members:

The comprehensive annual financial report for the County of Tulare ("the County") for the year ended June 30, 2010, is hereby submitted in accordance with Section 25253 of the Government Code of the State of California. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner that presents fairly the financial position and changes in financial position of the various funds and component units of the County of Tulare. All disclosures necessary for an understanding of the County's financial activities have been included. Dollar amounts are expressed in thousands, unless otherwise noted.

This comprehensive annual financial report has been prepared by the Department of the Auditor-Controller in accordance with generally accepted accounting principles (GAAP), as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) through November 30, 1989. Responsibility for the accuracy of the data, including all disclosures, rests with the County. To provide a reasonable basis for making these representations, management of the County of Tulare has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County of Tulare's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County of Tulare's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe that the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of the various funds, and that all disclosures necessary to enable the reader to gain a full understanding of the County's financial affairs have been included.

The financial reporting entity includes all of the funds of the County of Tulare, as well as its component units, including the Tulare County Redevelopment Agency, the Terra Bella Sewer Maintenance District, the Tulare County Flood Control District, the Tulare County Public Facilities Corporation, the Tulare County Public Financing Authority, the Tulare County In-Home Supportive Services Public Authority, and the First 5 Tulare County. Component units are legally separate entities for which the County is financially accountable.

The County provides a full range of services, including police and fire protection; health and sanitation services; social services; construction and maintenance of highways, streets and infrastructures; recreational activities and cultural events.

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

## **GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK**

The County of Tulare is a general law county created by the State Legislature in 1852. The County is located in the San Joaquin Valley. The Sierra Nevada provides its eastern boundary line. The County ranks seventh among California counties in land area. The County has a population of approximately 447,814 and its County seat, the City of Visalia, has a population of approximately 125,971.

The County is the number one producer of dairy products in the United States, and is the nation's second highest-ranking county with regard to total agriculture and livestock production. The County's total crop acreage is over 1.6 million. The climate of the County is such that it produces outstanding citrus crops. Among these crops, oranges are the most prominent; however, the County also ranks 3<sup>rd</sup> in the State in acreage devoted to lemons. Thousands of acres of grapes also generate significant revenue. Table grapes grown here are shipped worldwide, while other grapes are processed for wine making and raisins. The County is also famous for its olives, almonds, pistachio nuts, walnuts, plums, peaches, and nectarines which account for hundreds of millions of dollars in farm income each year. California produces 95% of the nation's olives, 40% of which are grown and packaged in the County. The beef industry is also an important component of the County's economy, as are turkey and hog production. The County's geographical location presents easy access to markets around the world for all commodities produced.

## **MAJOR INITIATIVES**

**For the year.** The Board of Supervisors' commitment to effectively serving the residents of the County of Tulare is demonstrated by the following:

Sponsored 7 Step Up community events in collaboration with the Tulare County Gang Task Force.

Awarded \$40,000 in grants through the Step Up Youth Activities Grant Program.

Completed construction of the History of Farm Labor and Agriculture Museum.

Completed the Strengthening the Bottom Line Action Team meetings and implemented a significant number of the 300-plus suggestions received, resulting in improved operations and more efficient and cost effective practices.

Established a Business License Ordinance for certain businesses to track permitted uses and resolve other code compliance issues.

Enhanced communication through the implementation of a new County information website, [www.aroundtularecounty.com](http://www.aroundtularecounty.com), and two Twitter accounts: [www.twitter.com/CountyofTulare](http://www.twitter.com/CountyofTulare) and [www.twitter.com/stepuptc](http://www.twitter.com/stepuptc).

**For the Future.** The Board of Supervisors continues to prioritize programs to effectively serve the needs of the residents of the County of Tulare, and the following projects are a demonstration of that commitment:

Support the Step Up Service Learning Grant Program for youth groups throughout Tulare County and expand the program to include middle school youth.

Develop a countywide customer service program.

Implement financial policies for Tulare County.

Develop and implement countywide strategy to comply with the San Joaquin Valley Air Pollution Control District's Rule 9410 (Employer Based Trip Reduction).

Develop a five year financial forecast to assist in long-term financial planning.

Work closely and diligently with our delegates in Sacramento and Washington, D.C. to protect the County's interests.

## **FINANCIAL INFORMATION**

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse, and to ensure adequate accounting data are compiled to allow for the preparation of basic financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments of management.

As a recipient of federal, state and local financial assistance, the County is also responsible for maintaining an adequate internal control structure that will ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the County.

As part of the County's Single Audit, tests were made of the County's internal control structure and of its compliance with applicable laws and regulations relating to federal awards. Although this testing was not sufficient to support an opinion on the County's internal control system or its compliance with laws and regulations related to non-major federal awards, the audit for the year ended June 30, 2010, disclosed no material internal control weaknesses or material violations of laws and regulations.

In addition, the County maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors. Activities of the general fund, special revenue funds, debt service funds, and capital projects funds are included in the annual appropriated budget. The legal level of budgetary control (that is, the level which cannot be exceeded without action by the Board of Supervisors) is the fund level, with the exception of the General Fund in which the legal level of control is the department level. The Administrative Officer may approve transfers of appropriations between expenditure appropriation classifications, within the same budget unit.

The County utilizes an automated accounting system (Advantage Financial) maintained on the County's Client Server computers. The system allows the County to restrict each department's expenditures to the amount of the budgeted appropriation. Changes in budget appropriation must be approved by the Board as a transfer from contingency reserve, transfer from another budget unit, or as an appropriation of unanticipated or over realized revenue. Any unencumbered appropriation balances remaining at the end of the fiscal year automatically lapse except by approval of the County Administrative Officer (CAO). The fund balances along with projected revenues become available for appropriation in the following year.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

### **EMPLOYEES' RETIREMENT PLAN**

County employees' retirement is provided by the Tulare County Employees' Retirement Association (TCERA) which was established July 1, 1945, pursuant to the provisions of the County Employee Retirement Law of 1937. Substantially all employees are covered by this contributory plan. The Board of Retirement consists of nine people, four elected by employee members, both working and retired, four appointed by the Board of Supervisors and the County Treasurer. The Retirement Association is not considered a component unit of the County of Tulare because membership includes entities that are not part of the County.

Contributions are made to the Employees' Retirement Association by both the County and members in amounts recommended by the TCERA's actuary. Five years of service is needed for a partial vested interest and ten years of membership and a minimum age of 50 is required for full vesting.

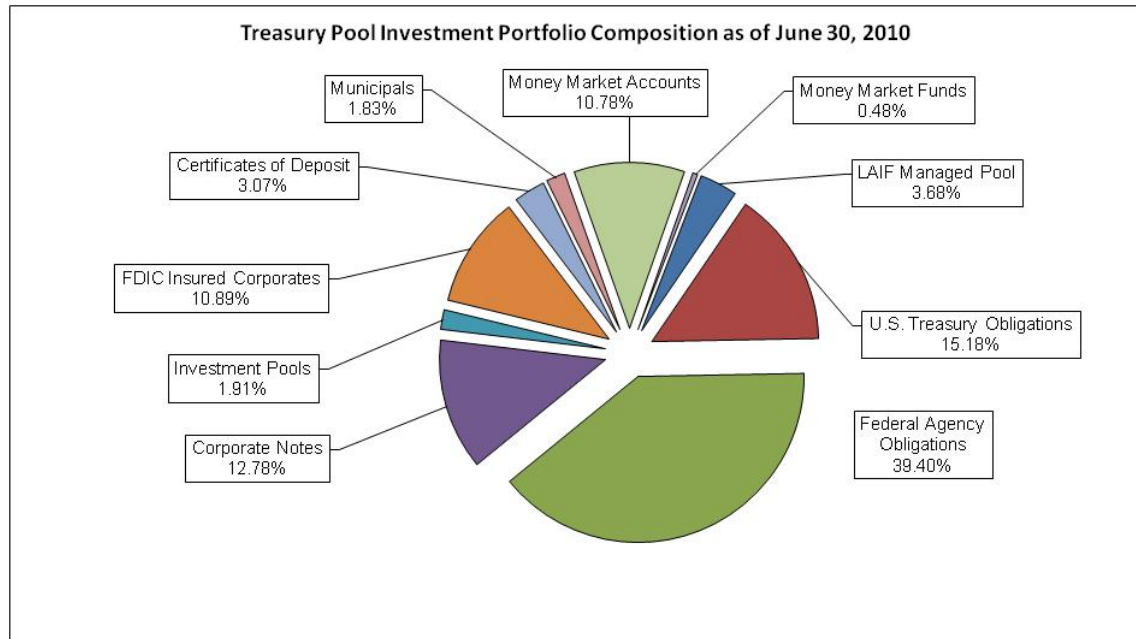
The Board of Supervisors adopted a second tier to the retirement plan in 1980 and added a third tier in January 1990 pursuant to Internal Revenue Code Section 415. Effective July 1, 2005, a benefit formula improvement was approved by the Board of Supervisors for all service earned on and after that date by General Members of the plan. A complete financial report is available from the Retirement Association.

### **TREASURY POOL CASH MANAGEMENT**

The Treasury Pool investment policy's primary goal is the Safety and preservation of capital. The second goal is the continual maintenance of Liquidity (or always having the ability to convert sufficient securities to cash to cover the cash flow needs of the County and all its investing agencies and to meet any contingency needs). The third goal is Yield (or to earn a reasonable rate of return representative of current market conditions and the present phase of the market cycle, while remaining in compliance with all State laws and the Treasurer's formal investment policy).

All of the investments, held by the County during the fiscal year ended June 30, 2010, are classified in the category of lowest custodial credit risk as defined by the Governmental Accounting Standards Board. Remaining investments were held in the County's name either by the counterparty financial institution's trust department or by a Securities and Exchange Commission-registered brokerage firm. The annualized yield (net of treasurer's fees) earned by the Treasury Pool for fiscal year ended June 30, 2010, was 2.58%.

The County's investments as of June 30, 2010 are as follows:



## RISK MANAGEMENT

The County is self-insured for its Workers' Compensation Program and the SIR is currently at \$125. The County purchases excess workers' compensation insurance coverage through CSAC-EIA including optional L.C. 4850 coverage. Rates have been established based on claim cost and IBNR (Incurred but Not Reported). It is estimated that workers' compensation claim costs will increase in the coming years due to the effects of post SB 899 legislative changes that will benefit injured employees and MMSEA (Medicare Medicaid SCHIPP Extension Act). The County maintains full statutory coverage for Workers' Compensation under the Excess Insurance Policy. As of June 30, 2010, the County's workers' compensation fund has set aside \$21,419.

The County remained self-insured for its General Liability Program in the fiscal year ended June 30, 2010, utilizing the \$250 SIR that became effective on July 1, 2003. Excess limits are in place at \$36 Mil. As of June 30, 2010, the County's general liability fund has set aside \$4,569. The Risk Management Division continues to self-administer the liability claim program and this saves the County the cost of claim administration fees when last paid were about \$75.

Aviation liability, including airport operations, and hull coverage (\$1 and \$10 deductible, respectively) is provided on a fully insured basis. Other coverage for property and employee dishonesty is provided under pooled insurance programs. A deductible of \$10 is applicable for Property and \$25 for the Crime Bond. Risk Management continues to evaluate the need for Pollution Liability coverage.

Medical Malpractice is an insured program with a deductible of \$10, and limits of liability of \$10,000 per claim for Hospital Professional Liability per event and annual aggregate per covered party excess of pool layer and covered party's deductible and \$10,000 general liability per event and annual aggregate per covered party excess of the Pool Layer and covered party's deductible and \$25,000 annual program aggregate for all covered parties and coverages combined. Aggregate applies separately to 10/1/07 to 10/1/08 and 10/1/08 to 10/1/09 policy years. Defense costs and expenses included within the limit of liability and deductible.

### **INDEPENDENT AUDIT**

The financial records and transactions of the County and its blended component units for the fiscal year ended June 30, 2010, have been audited by Brown Armstrong, Certified Public Accountants, and their opinion is included in the Financial section of this report.

In addition, the County of Tulare is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996, and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to the single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal control and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

### **AWARDS**

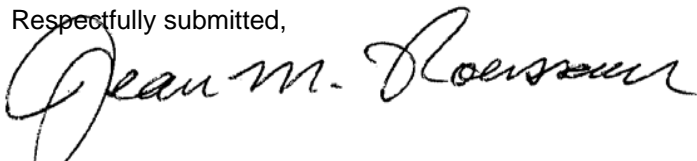
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Tulare for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This was the twelfth consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

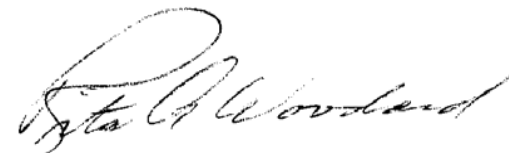
### **ACKNOWLEDGMENT**

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Auditor-Controller's Office, as well as the efforts and input of every department of the County, and to Brown Armstrong, Certified Public Accountants for their professional assistance. Each participating member has our sincere appreciation for the contributions made in the preparation of this report. Finally, we would like to thank the Board for their continued efforts in planning and conducting the County's financial operations in a responsible and progressive manner.

Respectfully submitted,



JEAN M. ROUSSEAU  
County Administrative Officer



RITA A. WOODARD  
Auditor-Controller / Treasurer-Tax Collector



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## County of Tulare California

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

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



President

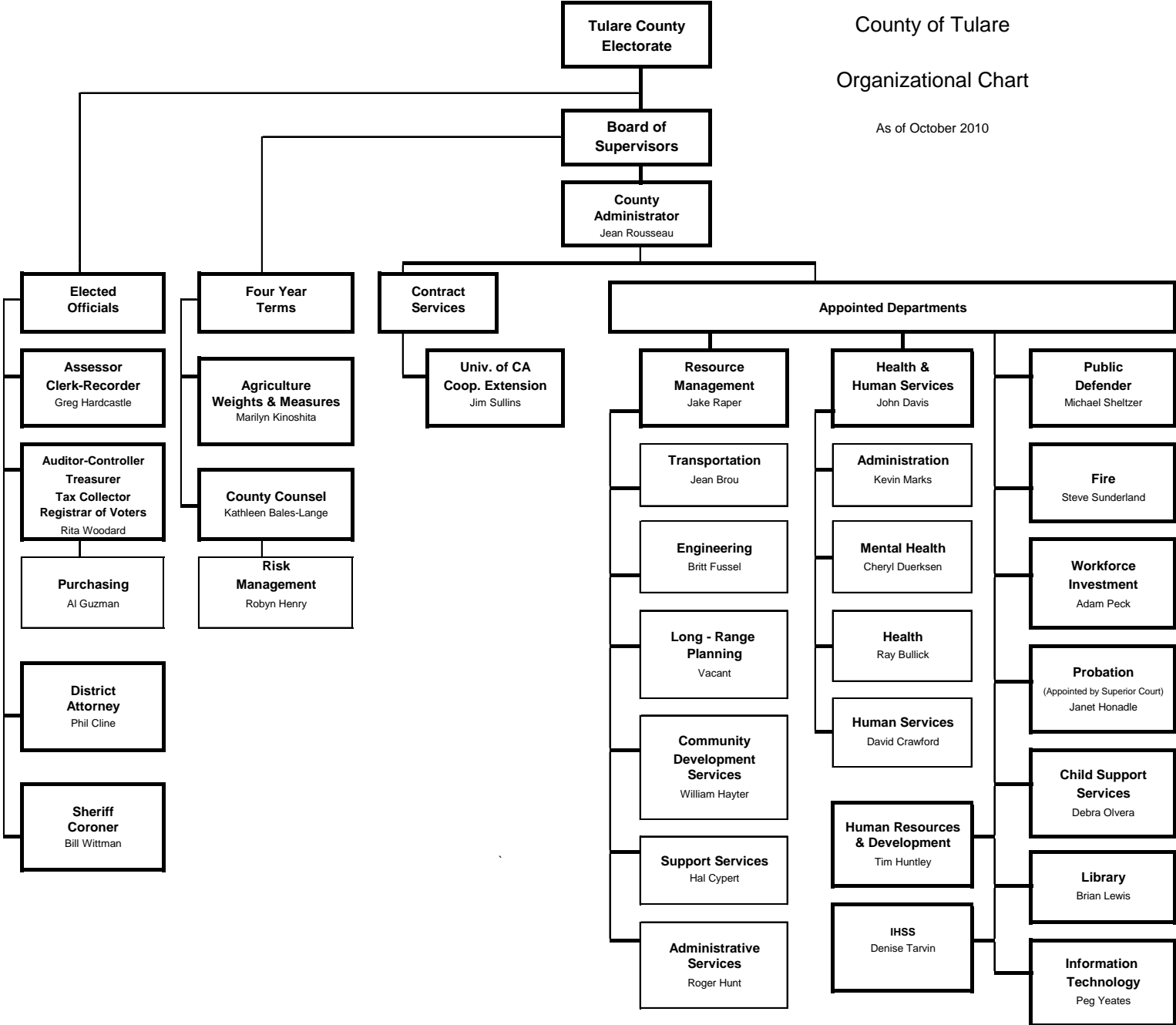
Executive Director



County of Tulare

Organizational Chart

As of October 2010



**COUNTY OF TULARE  
LIST OF ELECTED AND APPOINTED OFFICIALS  
JUNE 30, 2010**

<u>DEPARTMENT</u>	<u>OFFICIALS</u>	<u>POSITION</u>
Agricultural Commissioner	Marilyn Kinoshita	58
* Assessor/Clerk-Recorder	Gregory B. Hardcastle	92
* Auditor-Controller/Treasurer-Tax Collector Registrar of Voters Purchasing	Rita Woodard	65
Board of Supervisors		7
** District No. 1 – Lindsay, Exeter, Farmersville	Allen Ishida	
** District No. 2 – Tulare, Alpaugh, Pixley	Pete Vander Poel	
** District No. 3 – Visalia	Phil Cox	
** District No. 4 – Dinuba, Goshen, Woodlake	J. Steven Worthley, Chairman	
** District No. 5 – Porterville, Tule Reservation	Mike Ennis, Vice Chairman	
Child Support Services	Debra Olvera	226
Cooperative Extension	Jim Sullins	9
County Administrative Office General Services Capital Projects	Jean M. Rousseau	145
County Counsel Risk Management	Kathleen Bales-Lange	51.65
* District Attorney Public Administrator	Phillip J. Cline	215
Fire Protection Services	Steve Sunderland	114
Grand Jury	Louise Whittle	2.48
Health & Human Services Agency	John Davis	1,808.95

Footnote:

- Unmarked – Appointed
- \* Elective – County at Large
- \*\* Elective – By District

**COUNTY OF TULARE  
LIST OF ELECTED AND APPOINTED OFFICIALS  
JUNE 30, 2010**

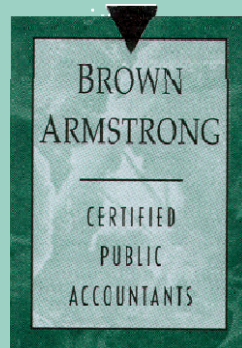
<u>DEPARTMENT</u>	<u>OFFICIALS</u>	<u>POSITION</u>
Human Resources & Development	Tim Huntley	26
Information Technology	Peg Yeates	128
Law Library	Anne Bernardo	
Library	Brian G. Lewis	37.6
Probation	Janet M. Honadle	348
Public Defender	Michael Sheltzer	83
Resource Management Agency Redevelopment Agency	Jake Raper	298
* Sheriff-Coroner	Bill Wittman	733
Workforce Investment Board	Adam Peck	<u>38</u>
	Total Allocations	4,485.68

Footnote:

- Unmarked – Appointed
- \* Elective – County at Large
- \*\* Elective – By District

## **FINANCIAL SECTION**

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

■ 8365 N. Fresno Street, Suite 440  
Fresno, California 93720  
Tel 559.476.3592 Fax 559.476.3593

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Supervisors  
of the County of Tulare, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Tulare, California (the County), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of First 5 Tulare County, which represent 100 percent of the assets and revenues of the discretely presented component unit for the fiscal year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for First 5 Tulare County, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.


As discussed in Note 1 to the financial statements, the County of Tulare has adopted the provisions of Governmental Accounting Standards Board Statements No. 51, *Accounting and Financial Reporting for Intangible Assets*.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of funding progress on pages 15 through 28 and 111 through 112 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 taken as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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 basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
December 28, 2010



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

As management of the County of Tulare ("the County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

**Financial Highlights**

The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$1,706,746 (*net assets*). Of this amount, \$70,329 (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors.

The County's total net assets, which may serve as a useful indicator of financial position, increased by \$25,116.

As of the close of the current fiscal year, the County governmental funds reported combined ending fund balances of \$165,225, an increase of \$10,904 in comparison with the prior year. Approximately \$47,719 is available for spending at the government's discretion (*unreserved fund balance*).

At the end of the current fiscal year, unreserved fund balance for the general fund was \$35,560 or 6.8% of total general fund expenditures.

The County's total debt decreased by \$11,092 during the current fiscal year.

**Overview of Financial Statements**

The Comprehensive Annual Financial Report for the County of Tulare consists of three parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and an optional section that presents *Combining and Individual Fund Statements and Schedules* for nonmajor governmental funds, nonmajor enterprise funds, and internal service funds. 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 financial statements. The two types of financial statements are designed to present two different views of the County.

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

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

*Governmental activities* – most of the County's basic services are included here, such as fire, public works, and general administration, which receive approximately 8.44% of their support from charges for services and operating grants and contributions. Property taxes, sales taxes, and other revenues cover the remaining costs.

*Business-type activities* – charge fees to users which are intended to recover all or a significant portion of their costs for certain services, such as water and sewer services and solid waste disposal. In the year ended June 30, 2010, 57.8% of costs were recovered through fees to users. Sales taxes, operating grants, and investment income covered the remaining costs.

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

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

The government-wide financial statements include not only the County itself (known as the *primary government*), but also seven legally separate organizations for which the elected officials of the County are financially accountable. Financial information for six of these *blended component units* is combined with the financial information presented for the primary government itself. First 5 Tulare County is a *discretely presented component unit*.

The government-wide financial statements can be found in the Basic Financial Statements section following the Management's Discussion and Analysis.

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

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

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

The County maintains 31 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Tulare County Public Facilities Corporation, and the Tulare County Public Financing Authority, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. Similar comparisons for all nonmajor governmental funds are provided in the form of *budget and actual schedules* elsewhere in this report.

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

**Proprietary funds.** The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Solid Waste, Transit, and many sewer and water operations. *Internal service funds* are used to accumulate and allocate costs internally. The County uses internal service funds to account for its central services, such as mailroom, print shop, and motorpool, and for insurance coverage. They have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Solid Waste, which is a major fund of the County. Data for all nonmajor enterprise funds are combined into a single, aggregated presentation. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, as well. Individual fund data for the nonmajor enterprise funds and the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found in the Fund Financial Statements section of this report.

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

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

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

**Other information.** The combining statements and schedules referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and capital assets used in the operation of governmental funds are presented immediately following the notes to the financial statements.

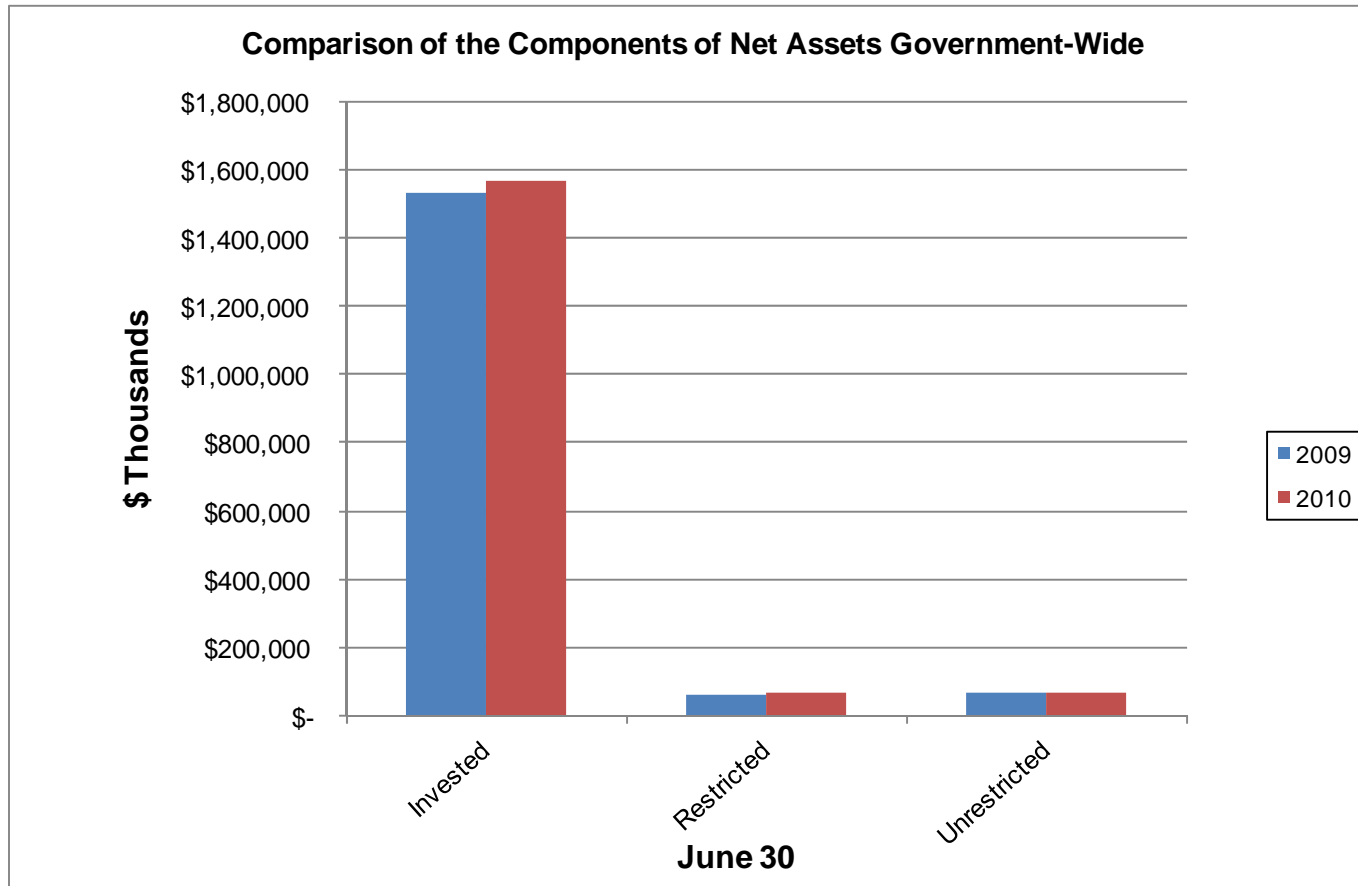
## **Government-wide Financial Analysis**

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 \$1,706,746 at the close of the most recent fiscal year.

A portion (\$1,569,532) of the County's net assets (91.9%) for the current year reflects its investment in capital assets (e.g., land, infrastructure, buildings, equipment, and vehicles), less any related, outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; 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.

An additional portion of the County's net assets (\$66,885) represents resources that are subject to external restrictions on how they may be used (*restricted net assets*). The remaining balance of *unrestricted net assets* (\$70,329) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets for the County as a whole, as well as for its separate governmental and business-type activities.



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

<b>County of Tulare's Net Assets</b> (amounts expressed in thousands)						
As of June 30,	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 392,300	\$ 408,564	\$ 62,008	\$ 63,655	\$ 454,308	\$ 472,219
Capital assets	<u>1,587,272</u>	<u>1,577,320</u>	<u>29,625</u>	<u>30,295</u>	<u>1,616,897</u>	<u>1,607,615</u>
Total assets	<u>1,979,572</u>	<u>1,985,884</u>	<u>91,633</u>	<u>93,950</u>	<u>2,071,205</u>	<u>2,079,834</u>
Long-term liabilities outstanding	161,593	165,921	50,293	49,085	211,886	215,006
Other liabilities	<u>151,202</u>	<u>181,512</u>	<u>1,371</u>	<u>1,686</u>	<u>152,573</u>	<u>183,198</u>
Total liabilities	<u>312,795</u>	<u>347,433</u>	<u>51,664</u>	<u>50,771</u>	<u>364,459</u>	<u>398,204</u>
Invested in capital assets, net of related debt	1,541,360	1,524,380	28,172	28,811	1,569,532	1,553,191
Restricted	61,880	57,079	5,005	5,005	66,885	62,084
Unrestricted	<u>63,537</u>	<u>56,992</u>	<u>6,792</u>	<u>9,363</u>	<u>70,329</u>	<u>66,355</u>
Total net assets	<u>\$ 1,666,777</u>	<u>\$ 1,638,451</u>	<u>\$ 39,969</u>	<u>\$ 43,179</u>	<u>\$ 1,706,746</u>	<u>\$ 1,681,630</u>

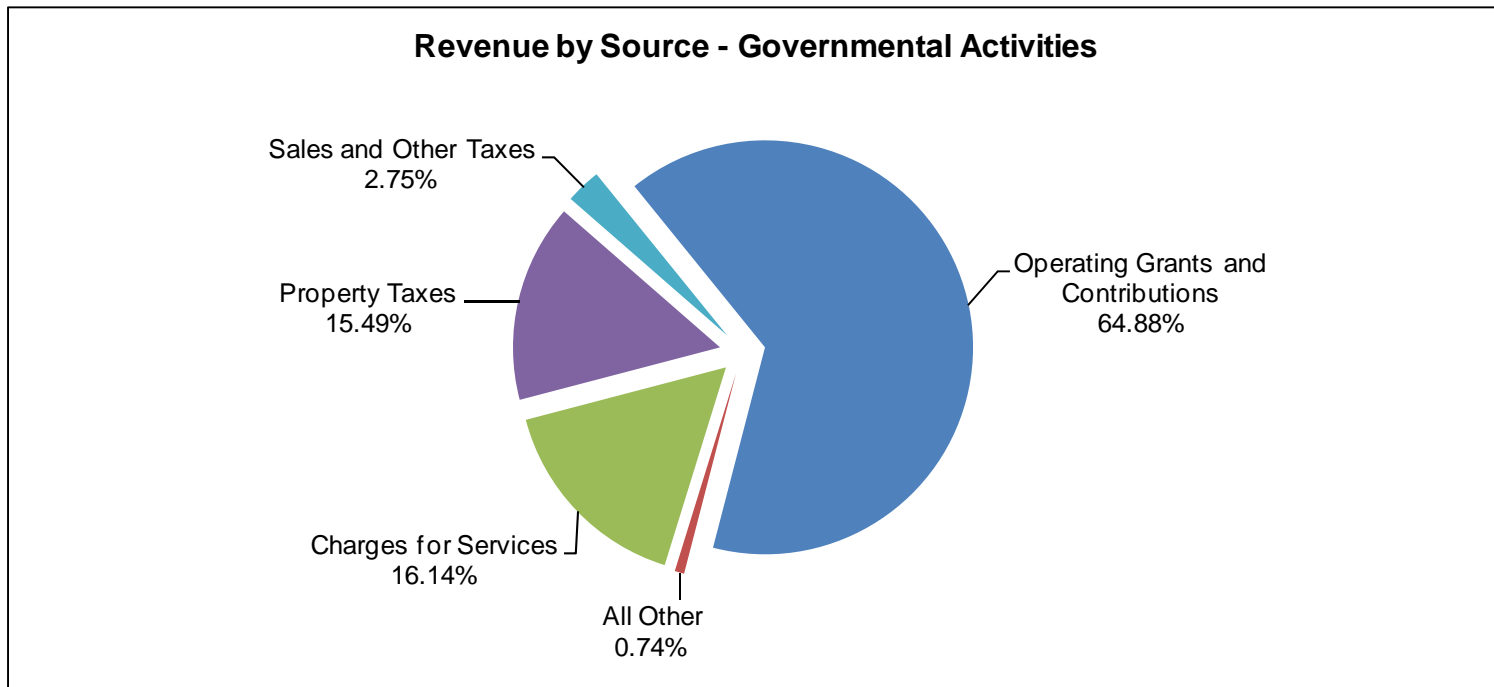
**County of Tulare's Changes in Net Assets**  
(amounts expressed in thousands)

For the fiscal year ended June 30,	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program Revenues:						
Charges for services	\$ 104,171	\$ 112,805	\$ 9,161	\$ 9,209	\$ 113,332	\$ 122,014
Operating grants and contributions	418,780	403,891	844	813	419,624	404,704
General Revenues:						
Property taxes	99,991	105,400	-	-	99,991	105,400
Sales and other taxes	17,783	21,299	943	379	18,726	21,678
Other	4,784	17,474	2,227	3,062	7,011	20,536
Total revenues	<u>645,509</u>	<u>660,869</u>	<u>13,175</u>	<u>13,463</u>	<u>658,684</u>	<u>674,332</u>
Expenses:						
General government	26,587	28,459	-	-	26,587	28,459
Public protection	192,533	197,905	-	-	192,533	197,905
Public ways and facilities	29,120	32,342	-	-	29,120	32,342
Health and sanitation	120,796	122,853	-	-	120,796	122,853
Public assistance	236,861	234,329	-	-	236,861	234,329
Education	5,027	5,033	-	-	5,027	5,033
Culture and recreation	2,095	2,136	-	-	2,095	2,136
Unallocated depreciation	953	791	-	-	953	791
Interest expense	5,806	5,993	-	-	5,806	5,993
Solid waste	-	-	13,144	14,138	13,144	14,138
Water/Sewer services	-	-	958	978	958	978
Transit	-	-	1,749	1,462	1,749	1,462
Other business-type activities	-	-	3	12	3	12
Total expenses	<u>619,778</u>	<u>629,841</u>	<u>15,854</u>	<u>16,590</u>	<u>635,632</u>	<u>646,431</u>
Change in net assets before transfers	<u>25,731</u>	<u>31,028</u>	<u>(2,679)</u>	<u>(3,127)</u>	<u>23,052</u>	<u>27,901</u>
Transfers	<u>531</u>	<u>583</u>	<u>(531)</u>	<u>(583)</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>26,262</u>	<u>31,611</u>	<u>(3,210)</u>	<u>(3,710)</u>	<u>23,052</u>	<u>27,901</u>
Net assets - July 1	1,638,451	1,601,518	43,179	46,889	1,681,630	1,648,407
Prior period adjustment	<u>2,064</u>	<u>5,322</u>	<u>-</u>	<u>-</u>	<u>2,064</u>	<u>5,322</u>
Net assets - June 30	<u>\$ 1,666,777</u>	<u>\$ 1,638,451</u>	<u>\$ 39,969</u>	<u>\$ 43,179</u>	<u>\$ 1,706,746</u>	<u>\$ 1,681,630</u>

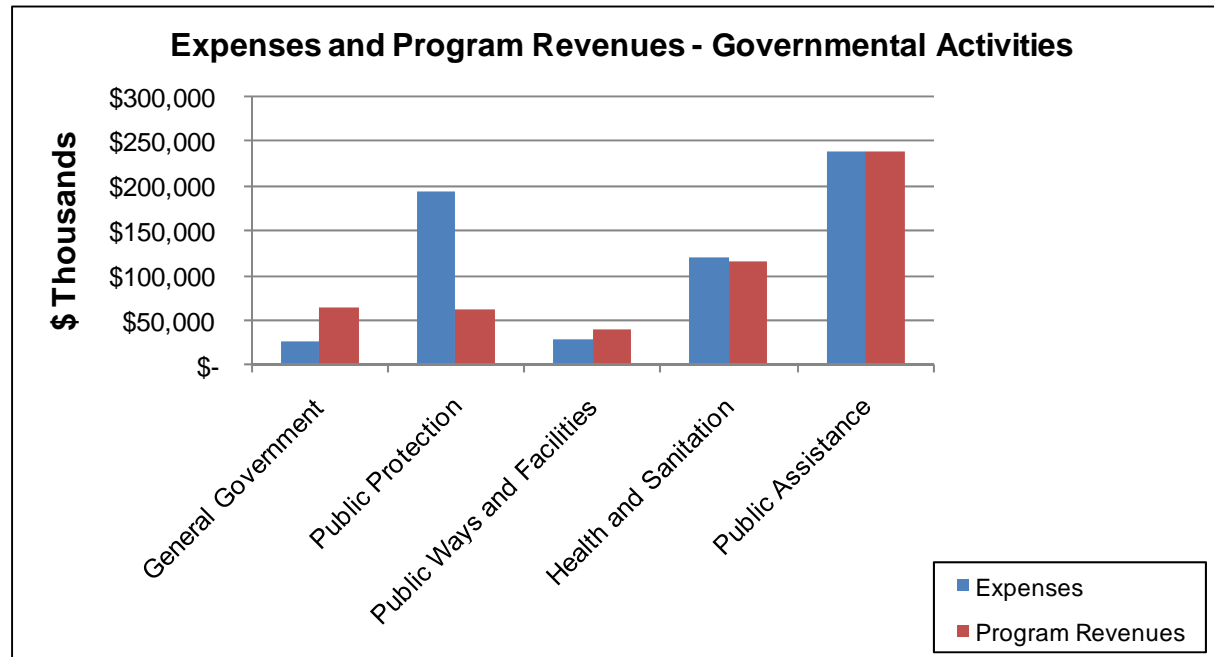
1 Net assets - July 1 has been restated to reflect a change in accounting principle as described in Note 5 J.

The County's overall net assets increased \$23,052 during the year ended June 30, 2010. The dominant factor was an approximate \$10,799 (17.0%) decrease in total expenses.

**Governmental activities.** Governmental activities increased the County's current year net assets by \$28,326. While the charges for services revenue went down by \$8,634, operating grants and contributions went up by \$14,889. Also, due to contractions in the economy, the County has responded by cutting back on general expenses, which as stated earlier is why the reverse effect is realized on total net assets. Key elements of revenues in governmental activities for the year ended June 30, 2010, are as follows:

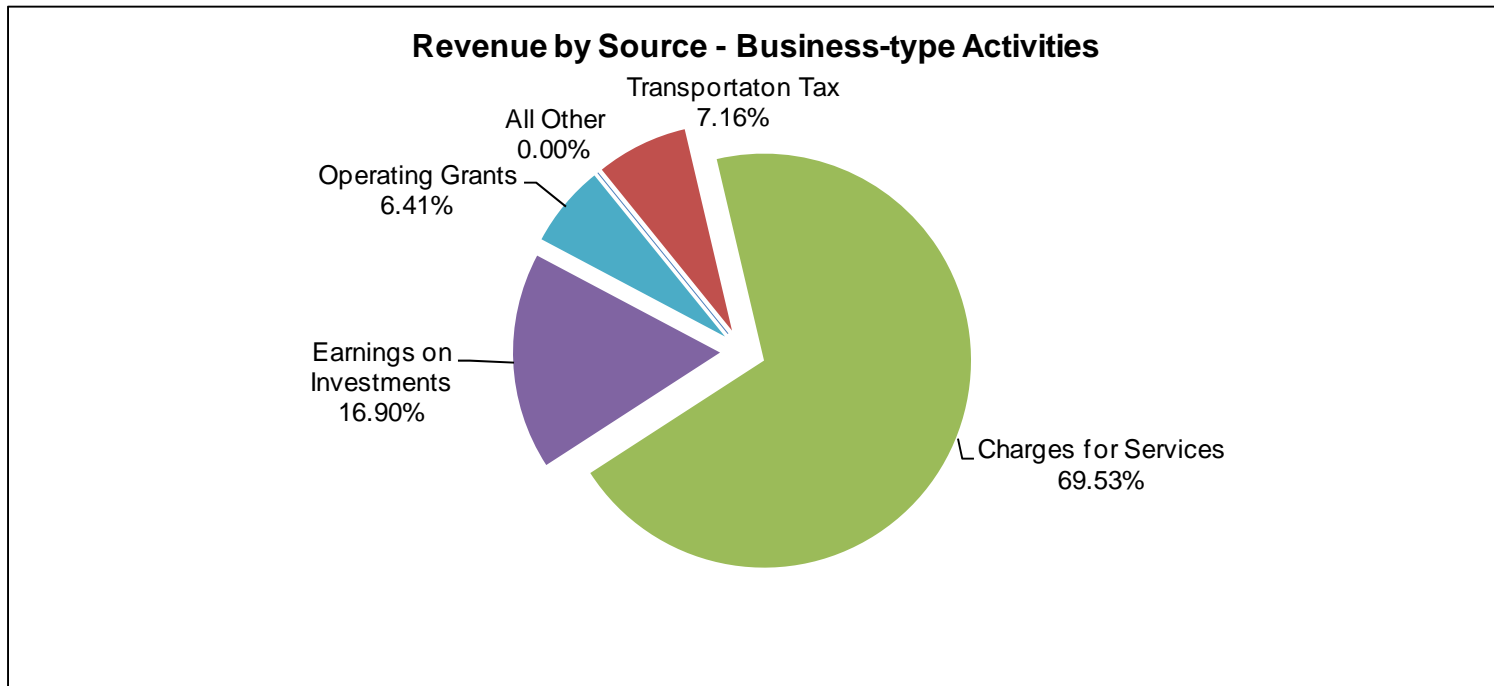


Whereas most governmental activities require some general revenues to cover costs in excess of program revenues, the largest segment of uncovered costs are in the area of public protection. The largest percentage increase in costs (over 50%) are in the Sheriff's and District Attorney's Offices. While the number of misdemeanor cases and juvenile felony cases have changed little over the past 5 year period, the number of adult felony cases has steadily risen. A comparison of expenses and program revenues for governmental activities for the fiscal year ended June 30, 2010, is as follows:

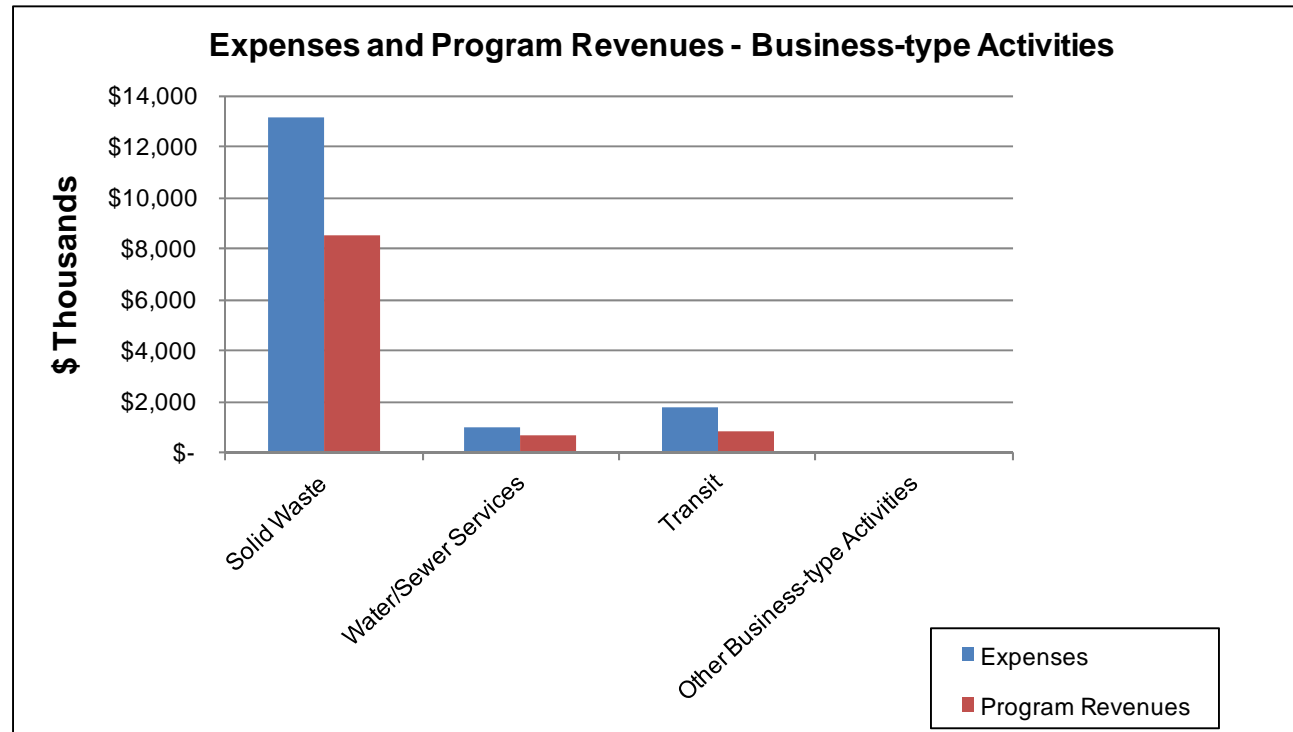




**Business-type activities.** Business-type activities decreased the County's overall net assets by \$3,210. Contributing factors are decreases in Charges for Services and Other General Revenues of \$48 and \$835, respectively. The largest source of business-type revenue continues to be Charges for Services, which represents 69.53% of all business-type activities revenue.



Total fee revenues for Solid Waste, which represents 89.6% of charges for services for business-type activities, represents a smaller percentage of revenues compared with the prior year – continuing a 5-year trend. Solid Waste continues to have a disparity between expenses of \$13,144 and fee revenue of \$8,206, which is primarily due to no change in the fee structure, while expenses steadily rise. A comparison of expenses and program revenues for business-type activities for the fiscal year ended June 30, 2010, is as follows:



## 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 funds.** 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.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$165,225, an increase of \$10,904 over the prior year. Approximately 28.9% of the total fund balances, or \$47,719 constitutes *unreserved fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) for future debt service payments (\$65,964); 2) for toxic cleanup at Harmon Field airstrip per contract with the California Environmental Protection Agency (\$5,000); 3) for future collections on long-term notes receivable (\$22,700); 4) for taxes receivable (\$14,277); or 5) for a variety of other restricted purposes (\$9,615).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$35,560, while total fund balance reached \$58,528. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 6.8% of total General Fund expenditures, while total fund balance represents 11.1% of that same amount.

For a fourth consecutive year, the fund balance of the County's General Fund has increased. The current year increased by \$451 over the prior year and by \$1,025 over two years ago. Key factors of this trend are as follows:

Total revenues of the General Fund decreased by \$11,336 or 2.0%. Property tax revenues decreased by \$5,409, but this is down more than 5.0% when compared to the increase experienced in the prior year. This slow-down is due to the decline in local building and in the real estate market. Intergovernmental support, mostly of Health and Human Service programs, increased a meager 0.07% over the prior year by \$229. This trend is, however, expected to turn around in the next few years due to budget cuts at the State level. Revenues from fees collected for services decreased to \$5,394 over the prior year county-wide. This is a result of very few changes in the fees charged by the County.

Spending from the General Fund increased by \$14,973 or 2.8%. Contributing factors include a 2.4% (\$3,878) increase in spending for public protection spread fairly evenly among the Sheriff's, District Attorney's, Public Defender's and Probation Offices. Public assistance spending decreased by \$3,147 or 1.4% due to a reduction in public assistance funds.

Two major blended component units of the County are the Tulare County Public Facilities Corporation (TCPFC) and the Tulare County Public Financing Authority (TCPFA), which were established to assist with past and future acquisition and maintenance of County structures. Since both of these blended component units are related to capital assets and the financing thereof, the *total fund balances* of both TCPFC (\$5,371) and TCPFA (\$54,429) are restricted for future servicing of debt.

**Proprietary funds.** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. *Total net assets* of all proprietary funds were \$65,278, with \$39,969 of that in enterprise funds and 82.4% (\$32,919) of the enterprise funds net assets in Solid Waste. *Unrestricted net assets* of Solid Waste at the end of the fiscal year amounted to \$5,318, which is a reduction in net assets for Solid Waste of \$3,089 or 8.57% of the prior year net assets. Other factors concerning the finances of this fund have already been addressed in the discussion of the County of Tulare's business-type activities.

### General Fund Budgetary Highlights

The Board of Supervisors of the County made several supplemental budgetary expenditure appropriations totaling \$21,090 (1.26%) in the General Fund appropriations throughout the fiscal year, predominantly in the area of Public Protection, (particularly the Sheriff and Agriculture Commissioner) as a result of unanticipated increased intergovernmental support in those areas.

For the current fiscal year, nothing was budgeted from beginning available fund balance, due to the fact that it was expected that there would be a negative fund balance at the end of the fiscal year. While actual revenues realized fell \$19,696 short of budgetary estimates, the paramount idiosyncrasy was that the ending fund balance for June 30, 2010, was \$78,224 higher than expected.

### Capital Asset and Debt Administration

**Capital assets.** The County's investment in capital assets for its governmental and business-type activities at current year-end amounts to \$1,616,897 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and vehicles, and some construction in progress and infrastructure in progress.

<b>County of Tulare's Capital Assets (net of depreciation)</b>						
As of June 30,	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 907,965	\$ 911,641	\$ 6,728	\$ 6,728	\$ 914,693	\$ 918,369
Infrastructure	467,257	476,931	8,489	-	475,746	476,931
Buildings and improvements	128,371	128,480	5,271	9,263	133,642	137,743
Equipment and vehicles	24,349	21,783	-	5,645	24,349	27,428
Construction in progress	8,868	8,820	9,137	8,659	18,005	17,479
Infrastructure in progress	50,462	29,665	-	-	50,462	29,665
<b>Total</b>	<b><u>\$ 1,587,272</u></b>	<b><u>\$ 1,577,320</u></b>	<b><u>\$ 29,625</u></b>	<b><u>\$ 30,295</u></b>	<b><u>\$ 1,616,897</u></b>	<b><u>\$ 1,607,615</u></b>

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

1. The remodeling of the Visalia Library and the Farm Labor Museum were completed with total costs of \$6,535 and \$3,480, respectively.
2. Infrastructure Equipment such as Tractors / Catepillars were added for a total of \$377.
3. The County purchased buses and vehicles for public safety departments at a cost of \$474.
4. Over the last couple of years \$2,078 was expended in upgrading the County Airport security and reinforcing the runways.

Additional information on the County's capital assets can be found in Note 4.E. of this report.

**Long-term debt.** At the end of the current fiscal year, the County had total outstanding debt of \$103,113. Of this amount, 32.0% (\$32,996) comprises debt for Certificates of Participation (COP's) issued by the Tulare County Public Facilities Corporation for the acquisition or construction of major capital facilities. Approximately 11.6% of the outstanding debt of the County (\$11,955) represents Pension Obligation Bonds used to pay a previously unfunded actuarial accrued liability. Another 39.3% (\$40,442) is the outstanding balance of Variable Rate Demand Bonds issued by the Tulare County Public Financing Authority to provide financing for future acquisition and construction of major capital facilities. The remaining balance is for several capital leases and loans used for new equipment and vehicles used in the general operations of the County.

<b>County of Tulare's Outstanding Debt</b>							
As of June 30,	Governmental Activities		Business-type Activities		Total		
	2010	2009	2010	2009	2010	2009	
Loans	\$ 14,362	\$ 15,730	\$ -	\$ -	\$ 14,362	\$ 15,730	
Variable rate demand bonds	40,435	41,050	7	8	40,442	41,058	
Pension obligation bonds	11,955	16,955	-	-	11,955	16,955	
Tax allocation bond	3,358	1,778	-	-	3,358	1,778	
Certificates of participation	31,550	37,210	1,446	1,474	32,996	38,684	
<b>Totals</b>	<b>\$ 101,660</b>	<b>\$ 112,723</b>	<b>\$ 1,453</b>	<b>\$ 1,482</b>	<b>\$ 103,113</b>	<b>\$ 114,205</b>	

The overall decrease of current fiscal year outstanding debt of the County over the prior fiscal year is \$11,092 (9.7%). The largest reductions occurred with payments of \$5,660 against the COP's and \$5,000 paid on Pension Obligation Bonds. An additional \$1,669 of Tax Allocation Bonds were issued during the fiscal year.

The County maintains a long term credit rating of A1 Issuer (General Obligation equivalent) by Moody's Investors Service.

Constitutional Amendment XIII A, passed by vote of the people and effective July 1, 1978, prohibits the County from raising ad valorem property taxes above 1% of full cash value. Thus, the legal debt margin (\$351,947) is 1.25% of assessed valuation (\$28,155,731). As of June 30, 2010, the County had no tax supported general obligation bonded debt outstanding.

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

## **Economic Factors and Next Year's Budgets**

The County's economy faltered badly in Fiscal Year 2008-2009 due to the continuing decline in the housing market and the closing of additional local retail businesses that resulted in reduced sales taxes and increased unemployment. The County's unemployment rate reached over 15% due to layoffs in virtually all employment sectors, including local governments. The County's assessed valuation decreased 1%, the first reduction since Proposition 13 took effect in 1979.

The Governor signed a Fiscal Year 2009-2010 State budget in February 2009, a record early signing, that addressed the State's then \$42 billion revenue shortfall and included six measures that were placed before voters at a special election on May 19, 2009. The voters rejected the ballot measures. An ever-worsening economy brought the revenue shortfall up to \$60 billion and necessitated a budget revision that was signed by the Governor in late July 2009. The Governor made significant reductions that negatively impact the "safety net" for the County's most vulnerable citizens and the ability of the County to continue to provide and pay for basic services to all citizens. These reductions include:

- Cuts in funding to various "safety net" health and human services programs such as CalWORKS (welfare), Medi-Cal, Healthy Families, mental health and In-Home Supportive Services that result in less services available to citizens needing the most help;

- Continued suspension of the Property Tax Administration Program (PTAP) used to augment county assessors' budgets;

- Continued deferral of prepayment of Fiscal Year 2009-2010 mandates that force the County to provide additional unfunded services;

- Suspension of Williamson Act, under which the State reimburses the County for a portion of the property tax lost to agricultural landowners who reserve their land for agricultural use for at least 10 years, and receive property tax reductions during that period;

- Cash deferrals of State payments to counties including payments for Proposition 42 (transportation), gas taxes and various health and human services programs; and

- Borrowing property tax payments belonging to local governments to supplement State revenues and shifting local redevelopment tax increment to make payments to schools.

In short, the County faces a "perfect storm" for local programs and services: steeply declining revenues due to a deteriorating economy and consequent job losses, previous budgetary reductions by the State, and a new set of State spending cuts that will further decimate local County services.

The County's Fiscal Year 2010-2011 budget addresses these and other concerns. It has a \$11,303 unreserved fund balance in the General Fund that is appropriated for spending.

## **Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Auditor-Controller's Office, 221 S. Mooney Blvd., Suite 101-E, Visalia, CA 93291. The Comprehensive Annual Financial Report of the County of Tulare for the fiscal year ended June 30, 2010, can also be found at the County's website [www.co.tulare.ca.us/government/auditor/finrpt](http://www.co.tulare.ca.us/government/auditor/finrpt).

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

**COUNTY OF TULARE  
STATEMENT OF NET ASSETS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	First 5 Tulare County
Assets				
Current assets:				
Cash in banks	\$ 2,079	\$ 210	\$ 2,289	\$ -
Investment in treasury pool	215,548	7,966	223,514	11,986
Investments	8,452	-	8,452	-
Cash on hand	348	23	371	-
Imprest cash	326	2	328	-
Accounts receivable, net	6,744	1,027	7,771	1,017
Taxes receivable	15,746	-	15,746	-
Deposits with others	80	110	190	4
Due from other governments	41,693	-	41,693	45
Inventories	463	-	463	-
Prepaid items	2,912	-	2,912	11
Lease payments receivable, net of interest	182	-	182	-
Notes receivable	997	-	997	-
Total current assets	295,570	9,338	304,908	13,063
Noncurrent assets:				
Pension assets	13,481	-	13,481	-
Notes receivable	22,700	-	22,700	-
Advances to Agency funds	4,255	-	4,255	-
Restricted assets - noncurrent	56,294	52,670	108,964	-
Capital assets:				
Land and other assets not being depreciated	967,295	15,865	983,160	-
Buildings, equipment, and infrastructure, net	619,977	13,760	633,737	9
Total capital assets, net	1,587,272	29,625	1,616,897	9
Total noncurrent assets	1,684,002	82,295	1,766,297	9
Total assets	1,979,572	91,633	2,071,205	13,072

The notes to the financial statements are an integral part of this statement.



**COUNTY OF TULARE**  
**STATEMENT OF NET ASSETS (Continued)**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

Liabilities				
Current liabilities:				
Accounts payable	38,602	1,133	39,735	1,548
Cash overdraft	759	-	759	-
Due to other governments	32,282	23	32,305	-
Deposits from others	171	61	232	-
Salaries and benefits payable	8,291	140	8,431	6
Interest payable	1,274	14	1,288	-
Unearned revenue	69,823	-	69,823	22
Total current liabilities	<u>151,202</u>	<u>1,371</u>	<u>152,573</u>	<u>1,576</u>
Noncurrent liabilities - Due within one year:				
Liability claims payable	6,771	-	6,771	-
Compensated absences	1,566	28	1,594	-
Loans payable	1,162	-	1,162	-
Contractual obligations	53	-	53	-
Bonds payable	6,490	-	6,490	-
COP's payable	5,235	30	5,265	-
Noncurrent liabilities - Due in more than one year:				
Liability claims payable	20,150	-	20,150	-
Net OPEB obligation	4,954	-	4,954	-
Compensated absences	19,865	402	20,267	-
Advances from Agency funds	204	740	944	-
Closure/postclosure costs payable	-	47,670	47,670	-
Accrued remediation costs	5,000	-	5,000	-
Loans payable	13,200	-	13,200	19
Contractual obligations	1,370	-	1,370	-
Bonds payable	49,258	7	49,265	-
COP's payable	26,315	1,416	27,731	-
Total noncurrent liabilities	<u>161,593</u>	<u>50,293</u>	<u>211,886</u>	<u>19</u>
Total liabilities	<u>312,795</u>	<u>51,664</u>	<u>364,459</u>	<u>1,595</u>
Net assets				
Invested in capital assets, net of related debt	1,541,360	28,172	1,569,532	9
Restricted for:				
Capital projects	7,930	-	7,930	-
Debt service	29,576	-	29,576	-
Roads projects	13,600	-	13,600	-
Redevelopment	3,446	-	3,446	-
Public protection	3,674	-	3,674	-
Education	3,238	-	3,238	11,253
Landfill ground water contingencies	-	5,005	5,005	-
Other purposes	416	-	416	-
Unrestricted	63,537	6,792	70,329	215
Total net assets	<u>\$ 1,666,777</u>	<u>\$ 39,969</u>	<u>\$ 1,706,746</u>	<u>\$ 11,477</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010  
(amounts expressed in thousands)**

Functions / Programs:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit
	Expenses	Charges for Services	Grants and Contributions	Governmental Activities	Business-type Activities	Total	First 5 Tulare County
<b>Governmental activities:</b>							
General government	\$ 26,587	\$ 26,601	\$ 38,414	\$ 38,428	\$ -	\$ 38,428	\$ -
Public protection	192,533	23,883	38,414	(130,236)	-	(130,236)	-
Public ways and facilities	29,120	1,971	37,271	10,122	-	10,122	-
Health and sanitation	120,796	47,938	68,279	(4,579)	-	(4,579)	-
Public assistance	236,861	3,324	235,640	2,103	-	2,103	-
Education	5,027	161	453	(4,413)	-	(4,413)	-
Culture and recreation	2,095	293	309	(1,493)	-	(1,493)	-
Unallocated depreciation	953	-	-	(953)	-	(953)	-
Interest expense	5,806	-	-	(5,806)	-	(5,806)	-
Total governmental activities	<u>619,778</u>	<u>104,171</u>	<u>418,780</u>	<u>(96,827)</u>	<u>-</u>	<u>(96,827)</u>	<u>-</u>
<b>Business-type activities:</b>							
Solid waste	13,144	8,206	286	-	(4,652)	(4,652)	-
Water/Sewer services	958	658	-	-	(300)	(300)	-
Transit	1,749	256	558	-	(935)	(935)	-
Other business-type activities	3	41	-	-	38	38	-
Total business-type activities	<u>15,854</u>	<u>9,161</u>	<u>844</u>	<u>-</u>	<u>(5,849)</u>	<u>(5,849)</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 635,632</u>	<u>\$ 113,332</u>	<u>\$ 419,624</u>	<u>(96,827)</u>	<u>(5,849)</u>	<u>(102,676)</u>	<u>-</u>
<b>Component unit:</b>							
First 5 Tulare County	\$ 10,658	\$ -	\$ 6,698				(3,960)
<b>Total component unit</b>	<u>\$ 10,658</u>	<u>\$ -</u>	<u>\$ 6,698</u>				<u>(3,960)</u>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes, levied for general purposes				86,470	-	86,470	-
Property taxes, levied for flood control				513	-	513	-
Property taxes, levied for redevelopment				3,259	-	3,259	-
Property taxes, levied for fire protection				6,675	-	6,675	-
Property taxes, levied for library				3,074	-	3,074	-
Sales and other taxes				17,783	943	18,726	-
Earnings on investments				7,236	2,104	9,340	353
Tobacco settlement revenues				3,728	-	3,728	-
Gain on sale of capital assets				(6,180)	123	(6,057)	-
Transfers				531	(531)	-	-
Total general revenues and transfers				<u>123,089</u>	<u>2,639</u>	<u>125,728</u>	<u>353</u>
Change in net assets				26,262	(3,210)	23,052	(3,607)
Net assets - July 1				1,638,451	43,179	1,681,630	15,084
Prior period adjustments				2,064	-	2,064	-
Net assets- July 1, as restated				<u>1,640,515</u>	<u>43,179</u>	<u>1,683,694</u>	<u>15,084</u>
Net assets - June 30				<u>\$ 1,666,777</u>	<u>\$ 39,969</u>	<u>\$ 1,706,746</u>	<u>\$ 11,477</u>

The notes to the financial statements are an integral part of this statement.

**BASIC FINANCIAL STATEMENTS**

**Fund Financial Statements**

**COUNTY OF TULARE  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	General Fund	Public Facilities Corporation	Public Financing Authority	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash in banks	\$ 76	\$ -	\$ -	\$ 3	\$ 79
Investment in treasury pool	126,612	84	-	42,064	168,760
Investments	-	5,347	3,105	-	8,452
Cash on hand	15	-	-	333	348
Imprest cash	74	-	-	2	76
Receivables, net					
Accounts	2,719	-	-	3,723	6,442
Taxes	15,746	-	-	-	15,746
Deposits with others	-	-	-	80	80
Due from other County funds	956	-	-	13,471	14,427
Due from other governments	33,664	-	-	8,012	41,676
Inventories	-	-	-	463	463
Prepaid items	1,173	-	-	1,581	2,754
Advances to other County funds	460	-	-	-	460
Advances to other Agency Funds	2,556	-	-	40	2,596
Lease payments receivable, net of interest	-	-	30	967	997
Notes receivable	30	-	-	22,670	22,700
Restricted investments	-	-	51,294	5,000	56,294
<b>Total assets</b>	<b>\$ 184,081</b>	<b>\$ 5,431</b>	<b>\$ 54,429</b>	<b>\$ 98,409</b>	<b>\$ 342,350</b>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
BALANCE SHEET (Continued)  
GOVERNMENTAL FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

Liabilities:					
Accounts payable	\$ 30,561	\$ -	\$ -	\$ 6,402	\$ 36,963
Cash overdraft	-	-	-	759	759
Due to other County funds	4,077	-	-	10,350	14,427
Due to other governments	32,245	2	-	31	32,278
Deposits from others	113	58	-	-	171
Salaries and benefits payable	6,910	-	-	980	7,890
Deferred revenue	50,332	-	-	32,055	82,387
Advances from other County funds	1,315	-	-	935	2,250
Total liabilities	125,553	60	-	51,512	177,125
Fund balances:					
Reserved for:					
Imprest cash	74	-	-	2	76
Inventories	-	-	-	463	463
Prepaid items	1,173	-	-	1,581	2,754
Advances to others	3,016	-	-	40	3,056
Encumbrance	-	-	-	170	170
Taxes receivable	14,227	-	-	-	14,227
Notes receivable	30	-	-	22,670	22,700
Harmon Field cleanup	-	-	-	5,000	5,000
Debt service	1,352	5,371	54,429	4,812	65,964
Property tax delinquencies	3,096	-	-	-	3,096
Unreserved	35,560	-	-	-	35,560
Unreserved, reported in nonmajor:					
Special revenue funds	-	-	-	4,229	4,229
Capital projects funds	-	-	-	7,930	7,930
Total fund balances	58,528	5,371	54,429	46,897	165,225
Total liabilities and fund balances	\$ 184,081	\$ 5,431	\$ 54,429	\$ 98,409	\$ 342,350

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2010  
(amounts expressed in thousands)**

Total fund balances for governmental funds (Exhibit 3)		\$	165,225
Total net assets reported for governmental activities in the statement of net assets is different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets, including those reported in Internal Service Funds, consist of:			
Land	\$	907,965	
Buildings and improvements, net of \$61,960 accumulated depreciation		128,371	
Equipment and vehicles, net of \$42,692 accumulated depreciation		24,349	
Infrastructure, net of \$220,026 accumulated depreciation		467,257	
Construction in progress		8,868	
Infrastructure in progress		50,462	
Total capital assets		1,587,272	1,587,272
The future revenue resulting from a direct financing lease between the County (as lessor) and the City of Dinuba for the Courthouse/Police Station is categorized as deferred for the fund statements, but is recognized for the government-wide statements.			1,988
The future revenue resulting from the delay in reimbursements from the State for mandated programs (SB-90) is categorized as deferred for fund statements because the funds will not be available for more than one year.			6,287
Tobacco Settlement revenue, delinquent property tax penalties, and delinquent code violation fines are categorized as deferred for fund statements because the revenues will not be available to liquidate liabilities of the current period. However, the revenue is recognized for the government-wide statements.			5,895
Farmer fees are categorized as deferred for fund statements because the revenue will not be available to liquidate liabilities of the current period. However, for government-wide statements, the revenue is recognized when earned.			173
Long-term liabilities applicable to the County's governmental funds are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net assets. Balances, including those reported in Internal Service Funds, at June 30 are:			
Accrued interest on debt		(1,274)	
Loans payable		(14,362)	
Bonds payable		(55,748)	
COP's payable		(31,550)	
Claims payable		(26,921)	
Contractual Obligations		(1,423)	
Accrued remediation cost		(5,000)	
Net OPEB obligation		(4,954)	
Compensated absences		(21,431)	
Total long-term liabilities		(162,663)	(162,663)
Issuance costs related to long-term debt are reported as current costs in the fund financial statements. In the government-wide financial statements, issuance costs are deferred and amortized over the life of the debt. The unamortized amount is:			
Original issuance costs		213	
Amount amortized to date		(31)	
		182	182
The pension assets resulting from contributions in excess of the Annual Required Contribution in FYE June 30, 1997, are not financial resources and therefore are not reported in the funds.			13,481
Internal service funds (See Exhibit 6) are used by the County to charge the costs of various central services to individual funds. The assets (except capital assets included above) and liabilities (except long term liabilities included above) of the internal service funds are included in governmental activities in the statement of net assets.			48,937
Total net assets of governmental activities (Exhibit 1)		\$	1,666,777

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	General Fund	Public Facilities Corporation	Public Financing Authority	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes and special assessments	\$ 96,159	\$ -	\$ -	\$ 21,615	\$ 117,774
Licenses and permits	8,330	-	-	25	8,355
Fines, forfeitures, and penalties	10,270	-	-	2,159	12,429
Interest, rents, and concessions	5,306	376	1,346	1,446	8,474
Intergovernmental revenues	314,663	-	-	99,571	414,234
Charges for services	68,338	-	-	1,983	70,321
Other revenues	9,699	-	-	5,506	15,205
Total revenues	<u>512,765</u>	<u>376</u>	<u>1,346</u>	<u>132,305</u>	<u>646,792</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	15,684	-	-	9,841	25,525
Public protection	156,635	-	-	27,842	184,477
Public ways and facilities	-	-	-	12,986	12,986
Health and sanitation	117,689	-	-	1,230	118,919
Public assistance	218,500	-	-	16,142	234,642
Education	1,003	-	-	3,719	4,722
Culture and recreation	1,920	-	-	-	1,920
<b>Debt service:</b>					
Principal retirement	-	5,660	615	5,349	11,624
Interest and fiscal charges	2,270	1,717	271	1,308	5,566
Capital outlay	6,354	-	-	31,280	37,634
Total expenditures	<u>520,055</u>	<u>7,377</u>	<u>886</u>	<u>109,697</u>	<u>638,015</u>
Excess (deficiency) of revenues over (under) expenditures	(7,290)	(7,001)	460	22,608	8,777
<b>Other financing sources (uses):</b>					
Sale of general capital assets	107	-	-	-	107
Issuance of Debt	-	-	-	1,669	1,669
Transfers in	44,999	6,258	3,728	41,810	96,795
Transfers (out)	(38,542)	-	(2,500)	(56,350)	(97,392)
Total other financing sources (uses)	<u>6,564</u>	<u>6,258</u>	<u>1,228</u>	<u>(12,871)</u>	<u>1,179</u>
Net change in fund balances	(726)	(743)	1,688	9,737	9,956
Fund balances, July 1	58,077	6,114	52,741	37,389	154,321
Prior period adjustment	1,177	-	-	(229)	948
Fund balances, July 1, as restated	<u>59,254</u>	<u>6,114</u>	<u>52,741</u>	<u>37,160</u>	<u>155,269</u>
Fund balances, June 30	<u>\$ 58,528</u>	<u>\$ 5,371</u>	<u>\$ 54,429</u>	<u>\$ 46,897</u>	<u>\$ 165,225</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

Net change in fund balances - total governmental funds (Exhibit 4)	\$	9,956
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense differs from capital outlays expenditures in the current period.		
Capital outlay expenditures	\$ 37,634	
Depreciation expense	<u>(23,431)</u>	
Combined adjustment		14,203
Governmental funds report proceeds from the sale of capital assets as revenues when received. However, in the statement of activities, proceeds of the sale must be offset by the book value of the asset sold (or otherwise disposed of) to determine a gain or loss on the disposition. This is the book value of the capital assets sold in the current period.		
		(6,118)
Governmental funds report the future resources as the result of a direct financing lease between the County (as lessor) and the City of Dinuba for the Courthouse/Police Station as deferred revenue until received. However, for the government-wide statements, the revenue was recognized upon the signing of the direct financing lease agreement. Therefore, subsequent receipt of previously recognized revenue is not recognized in the government-wide statements.		
		(77)
Governmental funds report the future resources as the result of delayed collection of reimbursements from the State for mandated programs (SB-90) as deferred revenue because the delay will exceed one year. However, for government-wide statements, the revenue is recognized when earned.		
		4,546
Tobacco Settlement revenue, delinquent property tax penalties, and delinquent code violation fines are categorized as deferred for fund statements because the revenues will not be available to liquidate liabilities of the current period. However, for government-wide statements, the revenue is recognized when earned.		
		(1,286)
Governmental funds report the principal portion of debt service payments as expenditures. However, repayment of principal reduces long-term liabilities on the statement of net assets and has no affect on the statement of activities.		
		11,727
Farmer fees are categorized as deferred for fund statements because the revenue will not be available to liquidate liabilities of the current period. However, for government-wide statements, the revenue is recognized when earned.		
		173
Similarly, loan and capital lease proceeds are reported as other financing sources by governmental funds. However, issuing debt in the statement of net assets increases long-term liabilities and has no affect on the statement of activities.		
		(1,669)
Issuance costs related to long-term debt are reported as current costs in the fund financial statements. In the government-wide financial statements, issuance costs are deferred and amortized over the life of the debt. The current portion of the original costs are expensed for government-wide statements.		
Amortized to date	(31)	
Portion previously expensed	<u>22</u>	
		(9)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported when amounts are due and payable. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of three balances for the current period.		
Compensated absences	(772)	
Amortization of pension assets	(5,094)	
Amortization of net OPEB obligation	(1,678)	
Accrued interest on debt	246	
Combined adjustment	<u>246</u>	
		(7,298)
Internal service funds (See Exhibit 7) are used by the County to charge the costs of various insurance coverages and central services to individual funds. The net cost of internal service funds is reported with the governmental funds.		
		<u>2,114</u>
Changes in net assets (Exhibit 2)	\$	<u>26,262</u>

The notes to the financial statements are an integral part of this statement.



**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
<b>Taxes and special assessments:</b>					
Assessor	\$ 1,000	\$ 1,000	\$ -	\$ 778	\$ (222)
General County Revenues	96,207	96,207	-	95,377	(830)
Cooperative Extension	-	-	-	4	4
Total taxes and special assessments	<u>97,207</u>	<u>97,207</u>	<u>-</u>	<u>96,159</u>	<u>(1,048)</u>
<b>Licenses and permits:</b>					
Agriculture Commissioner	147	147	-	152	5
Assessor	70	70	-	63	(7)
Auditor - Treasurer - Tax Collector	8	8	-	10	2
General County Revenues	4,250	4,250	-	3,710	(540)
Health & Human Services	2,847	2,847	-	2,775	(72)
Miscellaneous Administration	10	10	-	9	(1)
Resource Management	1,708	1,708	-	1,561	(147)
Sheriff - Coroner	40	40	-	50	10
Total licenses and permits	<u>9,080</u>	<u>9,080</u>	<u>-</u>	<u>8,330</u>	<u>(750)</u>
<b>Fines, forfeitures, and penalties:</b>					
Agriculture Commissioner	16	16	-	20	4
Auditor - Treasurer - Tax Collector	260	260	-	77	(183)
District Attorney	292	292	-	5	(287)
General County Revenues	1,153	1,153	-	1,397	244
Health & Human Services	17	17	-	16	(1)
Probation	42	42	-	170	128
Resource Management Agency	111	111	-	87	(24)
Sheriff - Coroner	183	183	-	183	-
Tran/Teeter	-	-	-	3,375	3,375
Trial Courts	4,409	4,409	-	4,940	531
Total fines, forfeitures, and penalties	<u>6,483</u>	<u>6,483</u>	<u>-</u>	<u>10,270</u>	<u>3,787</u>
<b>Interest, rents, and concessions:</b>					
CPA 2000	34	34	-	9	(25)
General County Revenues	1,500	1,500	-	2,011	511
Human Resources & Development	1	1	-	107	106
Miscellaneous Administration	31	31	-	910	879
Resource Management Agency	293	293	-	246	(47)
TRAN / Teeter	-	-	-	2,023	2,023
Total interest, rents, and concessions	<u>1,859</u>	<u>1,859</u>	<u>-</u>	<u>5,306</u>	<u>3,447</u>

(Continued)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Intergovernmental revenues:					
Agriculture Commissioner	4,281	4,461	180	3,654	(807)
Assessor	211	211	-	20	(191)
Auditor - Treasurer - Tax Collector	264	264	-	278	14
Cooperative Extension	22	38	16	30	(8)
CPA 2000	1,100	1,100	-	1,085	(15)
District Attorney	3,742	3,881	139	3,531	(350)
General County Revenues	27,551	27,551	-	29,826	2,275
Health & Human Services	275,000	295,098	20,098	259,069	(36,029)
Local Law Enforcement	648	648	-	284	(364)
Miscellaneous Administration	250	250	-	14	(236)
Multi-Agcy. Gang Violence Program	88	88	-	25	(63)
Probation	8,068	8,300	232	7,293	(1,007)
Public Defender	71	71	-	26	(45)
Purchasing	100	100	-	-	(100)
Resource Management Agency	5,824	5,824	-	2,273	(3,551)
Rural Crime	594	594	-	595	1
Sheriff - Coroner	5,815	7,288	1,473	6,660	(628)
Total intergovernmental revenues	333,629	355,767	22,138	314,663	(41,104)
Charges for services:					
Agriculture Commissioner	1,443	1,443	-	1,460	17
Assessor	2,221	2,221	-	1,411	(810)
Auditor - Treasurer - Tax Collector	2,387	2,387	-	1,714	(673)
Board of Supervisors	-	-	-	66	66
Capital Acquisitions	346	346	-	346	-
Central Telephone	495	495	-	404	(91)
Cooperative Extension	3	3	-	5	2
County Administrative	426	426	-	422	(4)
County Counsel	2,450	2,450	-	2,487	37
District Attorney	1,128	1,128	-	811	(317)
General County Revenues	2,193	2,193	-	2,591	398
Health & Human Services	44,438	44,853	415	41,931	(2,922)
Human Resources & Development	660	660	-	649	(11)
Miscellaneous Administration	32	32	-	31	(1)
Probation	2,003	2,003	-	1,124	(879)
Public Defender	60	60	-	43	(17)
Purchasing	35	35	-	58	23
Resource Management Agency	6,857	7,408	551	4,745	(2,663)
Sheriff - Coroner	8,300	8,753	453	7,447	(1,306)
Trial Courts	543	543	-	593	50
Total charges for services	76,020	77,439	1,419	68,338	(9,101)

(Continued)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Other revenues:					
Agriculture Commissioner	131	131	-	94	(37)
Assessor	280	280	-	196	(84)
Auditor - Treasurer - Tax Collector	154	154	-	336	182
Board of Supervisors	50	50	-	1	(49)
Capital Acquisitions	105	105	-	37	(68)
Cooperative Extension	4	4	-	3	(1)
County Counsel	3	3	-	-	(3)
District Attorney	140	140	-	135	(5)
General County Revenues	700	700	-	666	(34)
Health & Human Services	141	635	494	5,463	4,828
Human Resources & Development	-	-	-	1	1
Miscellaneous Administration	339	339	-	330	(9)
Probation	167	167	-	255	88
Public Defender	-	-	-	4	4
Purchasing	148	148	-	182	34
Resource Management Agency	31	41	10	78	37
Sheriff - Coroner	1,396	1,513	117	1,351	(162)
Trial Courts	861	861	-	567	(294)
Total other revenues	<u>4,650</u>	<u>5,271</u>	<u>621</u>	<u>9,699</u>	<u>4,428</u>
Total revenues	<u>528,928</u>	<u>553,106</u>	<u>24,178</u>	<u>512,765</u>	<u>(40,341)</u>
Expenditures:					
Current:					
General government:					
Assessor	5,965	5,945	20	5,930	15
Auditor - Treasurer - Tax Collector	6,007	5,969	38	5,226	743
Board of Supervisors	1,226	1,240	(14)	1,205	35
Capital Acquisitions	(3,061)	(3,596)	535	(3,596)	-
Central Telephone	495	495	-	420	75
Contingencies	6,000	6,000	-	-	6,000
County Administrative	198	210	(12)	(127)	337
County Counsel	2,010	2,015	(5)	1,911	104
Human Resources & Development	513	522	(9)	83	439
Miscellaneous Administration	4,680	1,963	2,717	1,192	771
Purchasing	392	424	(32)	408	16
Resource Management Agency	3,350	3,334	16	3,032	302
Total general government	<u>27,775</u>	<u>24,521</u>	<u>3,254</u>	<u>15,684</u>	<u>8,837</u>

(Continued)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Public protection:					
Agriculture Commissioner	7,250	7,431	(181)	6,473	958
Assessor	2,106	2,071	35	1,098	973
CPA 2000	1,113	1,113	-	1,074	39
District Attorney	19,062	19,177	(115)	18,209	968
Health & Human Services	7,033	7,033	-	6,394	639
Local Law Enforcement	826	826	-	816	10
Multi-Agcy. Gang Violence Program	1,125	1,126	(1)	1,072	54
Probation	24,787	24,971	(184)	23,056	1,915
Public Defender	8,362	8,418	(56)	8,172	246
Purchasing	100	100	-	(2)	102
Resource Management Agency	7,082	7,632	(550)	5,216	2,416
Rural Crime	584	584	-	582	2
Sheriff - Coroner	77,037	78,471	(1,434)	76,863	1,608
Trial Courts	8,122	7,999	123	7,612	387
Total public protection	<u>164,589</u>	<u>166,952</u>	<u>(2,363)</u>	<u>156,635</u>	<u>10,317</u>
Health and sanitation:					
CPA 2000	(4)	(4)	-	(4)	-
Health & Human Services	121,781	131,987	(10,206)	117,345	14,642
Resource Management Agency	434	434	-	348	86
Total health and sanitation	<u>122,211</u>	<u>132,417</u>	<u>(10,206)</u>	<u>117,689</u>	<u>14,728</u>
Public assistance:					
Health & Human Services	232,931	242,148	(9,217)	216,194	25,954
Probation	423	444	(21)	416	28
Resource Management Agency	3,584	3,584	-	1,890	1,694
Total public assistance	<u>236,938</u>	<u>246,176</u>	<u>(9,238)</u>	<u>218,500</u>	<u>27,676</u>
Education:					
Cooperative Extension	874	877	(3)	860	17
Miscellaneous Administration	146	146	-	143	3
Total education	<u>1,020</u>	<u>1,023</u>	<u>(3)</u>	<u>1,003</u>	<u>20</u>
Culture and recreation:					
Resource Management	2,033	2,044	(11)	1,920	124
Total culture and recreation	<u>2,033</u>	<u>2,044</u>	<u>(11)</u>	<u>1,920</u>	<u>124</u>

(Continued)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Interest and fiscal charges:					
General County Revenues	-	-	-	102	(102)
Miscellaneous Administration	1,500	250	1,250	163	87
TRAN/Teeter	-	-	-	2,005	(2,005)
Total interest and fiscal charges	<u>1,500</u>	<u>250</u>	<u>1,250</u>	<u>2,270</u>	<u>(2,020)</u>
Capital outlay:					
Assessor	170	195	(25)	24	171
Auditor - Treasurer - Tax Collector	57	57	-	-	57
Capital Acquisitions	1,248	1,783	(535)	57	1,726
Cooperative Extension	-	12	(12)	11	1
District Attorney	57	73	(16)	73	-
Health & Human Services	360	2,619	(2,259)	5,483	(2,864)
Multi-Agcy. Gang Violence Program	-	-	-	(2)	2
Probation	-	10	(10)	9	1
Resource Management Agency	1,891	1,891	-	80	1,811
Sheriff - Coroner	147	1,063	(916)	619	444
Total capital outlay	<u>3,930</u>	<u>7,703</u>	<u>(3,773)</u>	<u>6,354</u>	<u>1,349</u>
Total expenditures	<u>559,996</u>	<u>581,086</u>	<u>(21,090)</u>	<u>520,055</u>	<u>61,031</u>
Excess (deficiency) of revenues over (under) expenditures	(31,068)	(27,980)	3,088	(7,290)	20,690 (Continued)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Other financing sources (uses):					
Sale of general capital assets:					
Purchasing	126	126	-	107	(19)
Total sale of general capital assets	126	126	-	107	(19)
Transfers in:					
Auditor - Treasurer - Tax Collector	180	180	-	-	(180)
Board of Supervisors	-	14	14	14	-
Capital Acquisitions	1,678	1,677	(1)	931	(746)
County Administrative	-	13	13	13	-
County Council	-	5	5	5	-
District Attorney	-	30	30	13	(17)
General County Revenues	-	-	-	2,523	2,523
Human Resources & Development	-	9	9	9	-
Health & Human Services	44,845	45,565	720	28,475	(17,090)
Miscellaneous Administration	414	787	373	373	(414)
Public Defender	-	80	80	-	(80)
Probation	846	851	5	621	(230)
Purchasing	-	32	32	32	-
Resource Management Agency	401	401	-	401	-
Sheriff - Coroner	-	401	401	233	(168)
TRAN/Teeter	-	-	-	11,356	11,356
Total transfers in	48,364	50,045	1,681	44,999	(5,046)

(Continued)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Transfers (out):					
Agriculture Commissioner	(121)	(121)	-	(120)	1
Assessor	(203)	(232)	(29)	(228)	4
Auditor - Treasurer - Tax Collector	(115)	(152)	(37)	(754)	(602)
Board of Supervisors	(22)	(22)	-	(23)	(1)
Cooperative Extension	(55)	(55)	-	(55)	-
County Administrative	(38)	(38)	-	(34)	4
County Counsel	(106)	(106)	-	(114)	(8)
CPA 2000	(22)	(22)	-	(19)	3
Capital Acquisitions	(5,020)	(5,020)	-	(5,654)	(634)
District Attorney	(520)	(559)	(39)	(518)	41
General County Revenues	(39)	(39)	-	(931)	(892)
Health & Human Services	(21,302)	(21,346)	(44)	(4,785)	16,561
Human Resources & Development	(45)	(45)	-	(45)	-
Local Law Enforcement	(13)	(13)	-	(13)	-
Miscellaneous Administration	(5,591)	(9,931)	(4,340)	(9,915)	16
Multi-Agency Gang Violence	(25)	(25)	-	(27)	(2)
Probation	(601)	(626)	(25)	(604)	22
Public Defender	(242)	(266)	(24)	(267)	(1)
Purchasing	(14)	(14)	-	(13)	1
Resource Management Agency	(337)	(355)	(18)	(339)	16
Rural Crime Program	(9)	(9)	-	(10)	(1)
Sheriff - Coroner	(2,452)	(2,533)	(81)	(2,441)	92
TRAN/Teeter	-	-	-	(11,357)	(11,357)
Trial Courts	(235)	(358)	(123)	(276)	82
Total transfers (out)	<u>(37,127)</u>	<u>(41,887)</u>	<u>(4,760)</u>	<u>(38,542)</u>	<u>3,345</u>
Total other financing sources (uses)	<u>11,363</u>	<u>8,284</u>	<u>(3,079)</u>	<u>6,564</u>	<u>(1,720)</u>
Change in fund balance	(19,705)	(19,696)	9	(726)	18,970
Fund balance, July 1	-	-	-	58,077	58,077
Prior period adjustments	-	-	-	1,177	1,177
Fund balance, June 30	<u>\$ (19,705)</u>	<u>\$ (19,696)</u>	<u>\$ 9</u>	<u>\$ 58,528</u>	<u>\$ 78,224</u>

(Concluded)

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
STATEMENT OF FUND NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
<b>Assets</b>				
Current assets:				
Cash in banks	\$ 200	\$ 10	\$ 210	\$ 2,000
Investment in treasury pool	5,754	2,212	7,966	46,788
Cash on hand	20	3	23	-
Imprest cash	2	-	2	250
Accounts receivable, net	904	123	1,027	302
Prepaid Items	-	-	-	158
Deposits with TCPFC	-	110	110	-
Due from other governments	-	-	-	17
Total current assets	6,880	2,458	9,338	49,515
Noncurrent assets:				
Advances to other County Funds	-	-	-	1,790
Advances from Agency Funds	-	-	-	1,659
Restricted assets	52,670	-	52,670	-
Capital assets:				
Land	6,116	612	6,728	-
Buildings and improvements, net	3,591	4,898	8,489	9,555
Equipment and vehicles, net	3,757	1,514	5,271	1,456
Construction in progress	9,137	-	9,137	6,509
Total capital assets	22,601	7,024	29,625	17,520
Total noncurrent assets	75,271	7,024	82,295	20,969
Total assets	82,151	9,482	91,633	70,484

The notes to the financial statements are an integral part of this statement.



**COUNTY OF TULARE**  
**STATEMENT OF FUND NET ASSETS (Continued)**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2010**  
(amounts expressed in thousands)

Liabilities				
Current liabilities:				
Accounts payable	992	141	1,133	1,639
Due to other County funds	-	-	-	-
Due to other agency	-	23	23	4
Deposits from others	-	61	61	-
Salaries and benefits payable	140	-	140	401
Interest payable	-	14	14	223
Compensated absences payable	28	-	28	58
Deferred revenue	-	-	-	1,779
Claims payable	-	-	-	6,771
Loans payable	-	-	-	1,114
COP Payable	-	30	30	-
Total current liabilities	<u>1,160</u>	<u>269</u>	<u>1,429</u>	<u>11,989</u>
Noncurrent liabilities:				
Compensated absences payable	402	-	402	1,147
Advances from Agency funds	-	740	740	204
Long-term advances payable	-	-	-	-
Closure/postclosure costs payable	47,670	-	47,670	-
Claims payable	-	-	-	20,150
Loans payable	-	-	-	11,685
Bonds payable	-	7	7	-
COP payable	-	1,416	1,416	-
Total noncurrent liabilities	<u>48,072</u>	<u>2,163</u>	<u>50,235</u>	<u>33,186</u>
Total liabilities	<u>49,232</u>	<u>2,432</u>	<u>51,664</u>	<u>45,175</u>
Net assets				
Invested in capital assets, net of related debt	22,601	5,571	28,172	4,721
Restricted for:				
Landfill ground water contingencies	5,000	5	5,005	-
Unrestricted	5,318	1,474	6,792	20,588
Total net assets	<u>\$ 32,919</u>	<u>\$ 7,050</u>	<u>\$ 39,969</u>	<u>\$ 25,309</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Operating revenues:				
Charges for services	\$ 8,092	\$ 946	\$ 9,038	\$ 54,405
Rents and concessions	108	4	112	9
Other revenues	6	5	11	1,006
Total operating revenues	8,206	955	9,161	55,420
Operating expenses:				
Salaries and benefits	4,220	-	4,220	13,883
Services and supplies	6,590	2,089	8,679	31,525
Insurance premiums paid	-	-	-	4,552
Landfill closure and postclosure costs	1,100	-	1,100	-
Depreciation	1,234	479	1,713	731
Claims incurred	-	-	-	4,829
Total operating expenses	13,144	2,568	15,712	55,520
Operating income (loss)	(4,938)	(1,613)	(6,551)	(100)
Nonoperating revenues (expenses):				
Gain (loss) on sale of capital assets	123	-	123	-
Intergovernmental revenues	286	558	844	303
Taxes and special assessments	-	943	943	-
Investment earnings	1,974	130	2,104	1,541
Interest expense	-	(142)	(142)	(589)
Total nonoperating revenues (expenses)	2,383	1,489	3,872	1,255
Income (loss) before contributions and transfers	(2,555)	(124)	(2,679)	1,155
Capital contributions	-	-	-	(169)
Transfers in	-	3	3	1,698
Transfers (out)	(534)	-	(534)	(570)
Change in net assets	(3,089)	(121)	(3,210)	2,114
Net assets, July 1	36,008	7,171	43,179	23,195
Net assets, June 30	\$ 32,919	\$ 7,050	\$ 39,969	\$ 25,309

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010  
(amounts expressed in thousands)**

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Cash flows from operating activities:				
Receipts from customers and users	\$ 6,772	\$ 937	\$ 7,709	\$ 55,985
Receipts from interfund services provided	1,222	3	1,225	-
Receipts from rents and concessions	108	4	112	9
Other revenues	6	5	11	1,006
Payments (to) employees	(4,105)	-	(4,105)	(13,714)
Payments (to) suppliers	(4,048)	(2,180)	(6,228)	(32,158)
Payments (for) interfund services used	(2,172)	(635)	(2,807)	(4,357)
Payments (for) claims	-	-	-	(2,313)
Net cash provided (used) by operating activities	<u>(2,217)</u>	<u>(1,866)</u>	<u>(4,083)</u>	<u>4,458</u>
Cash flows from noncapital financing activities:				
Subsidy from intergovernmental entities	286	558	844	-
Receipts from taxes and assessments	-	943	943	-
Transfers from other funds	-	26	26	1,793
Transfers (to) other funds	(534)	-	(534)	(5,891)
Subsidy from intergovernmental entities	-	-	-	303
Advance from other funds	-	42	42	(243)
Net cash provided (used) by noncapital financing activities	<u>(248)</u>	<u>1,569</u>	<u>1,321</u>	<u>(4,038)</u>
Cash flows from capital and related financing activities:				
Sales (purchases) of capital assets	(374)	(545)	(919)	(175)
Principal (paid) on capital debt	-	(30)	(30)	(1,058)
Interest (paid) on capital debt	-	(144)	(144)	(589)
Net cash provided (used) by capital and related financing activities	<u>(374)</u>	<u>(719)</u>	<u>(1,093)</u>	<u>(1,822)</u>
Cash flows from investing activities:				
Interest and dividends received	1,974	130	2,104	1,541
Net cash provided by investing activities	<u>1,974</u>	<u>130</u>	<u>2,104</u>	<u>1,541</u>
Net increase (decrease) in cash and cash equivalents	(865)	(886)	(1,751)	139
Cash and cash equivalents, July 1	59,511	3,111	62,622	48,899
Cash and cash equivalents, June 30	<u>\$ 58,646</u>	<u>\$ 2,225</u>	<u>\$ 60,871</u>	<u>\$ 49,038</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE**  
**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

Displayed as:				
Cash in banks	\$ 200	\$ 10	\$ 210	\$ 2,000
Investment in treasury pool	5,754	2,212	7,966	46,788
Cash on hand	20	3	23	-
Imprest cash	2	-	2	250
Restricted assets which are cash equivalents	52,670	-	52,670	-
Total cash displayed	<u>\$ 58,646</u>	<u>\$ 2,225</u>	<u>\$ 60,871</u>	<u>\$ 49,038</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (4,938)	\$ (1,613)	\$ (6,551)	\$ (100)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Landfill closure and postclosure costs	1,101	-	1,101	-
Depreciation	1,234	479	1,713	731
(Increase) decrease in accounts receivable	(98)	(6)	(104)	(200)
(Increase) decrease in prepaid items	-	-	-	(133)
(Increase) decrease in customers deposits	-	-	-	1
Increase (decrease) in accounts payable	369	(726)	(357)	(305)
Increase (decrease) in deferred revenue	-	-	-	1,377
Increase (decrease) in salaries and benefits payable and compensated absences	115	-	115	169
Increase (decrease) in claims payable	-	-	-	2,918
Total adjustments	<u>2,721</u>	<u>(253)</u>	<u>2,468</u>	<u>4,558</u>
Net cash provided (used) by operating activities	<u>\$ (2,217)</u>	<u>\$ (1,866)</u>	<u>\$ (4,083)</u>	<u>\$ 4,458</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Investment Trust Funds	Agency Funds
<b>Assets</b>		
Cash in banks	\$ -	\$ 5,898
Investment in treasury pool	511,887	24,421
Cash on Hand	16	-
Due from other governments	29	44
Advances from County funds	-	944
Total assets	\$ 511,932	\$ 31,307
<b>Liabilities</b>		
Warrants payable	\$ 1,656	\$ 1,626
Due to other governments	179	68
Advances to County funds	-	4,255
Agency obligations	-	25,358
Total liabilities	\$ 1,835	\$ 31,307
<b>Net assets</b>		
Held in trust for treasury pool participants	\$ 510,097	

The notes to the financial statements are an integral part of this statement.

**COUNTY OF TULARE  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010  
(amounts expressed in thousands)**

	Investment Trust Funds
Additions	
Contributions	
To pooled investments	\$ 3,848,423
Total contributions	3,848,423
Investment income	17,235
Total additions	3,865,658
Deductions	
Distributions from pooled investments	3,961,349
Total deductions	3,961,349
Change in net assets held in trust	(95,691)
Net assets, July 1	605,788
Net assets, June 30	\$ 510,097

The notes to the financial statements are an integral part of this statement.

**BASIC FINANCIAL STATEMENTS**

**Notes to the Financial Statements**

**NOTES TO THE FINANCIAL STATEMENTS – INDEX**

		<u>Page</u>
NOTE 1	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	57
	A. The Financial Reporting Entity .....	57
	B. Government-wide and Fund Financial Statements .....	59
	C. Measurement Focus, Basis of Accounting and Financial Presentation .....	59
	1. Measurement Focus and Basis of Accounting .....	59
	2. Financial Statement Presentation .....	61
	D. Implementation of New Accounting Principles .....	62
	1. Governmental Accounting Standards Board Statement No. 51 .....	62
	2. Governmental Accounting Standards Board Statement No. 53 .....	62
	3. Governmental Accounting Standards Board Statement No. 54 .....	62
	4. Governmental Accounting Standards Board Statement No. 57 .....	63
	5. Governmental Accounting Standards Board Statement No. 58 .....	63
	E. Assets, Liabilities, and Equity .....	63
	1. Deposits and Investments.....	63
	2. Receivables and Payables.....	64
	3. Inventories, Prepaid Items, and Deferred Charges .....	64
	4. Restricted Assets .....	65
	5. Capital Assets .....	65
	6. Compensated Absences.....	66
	7. Short-term Borrowing (Tax and Revenue Anticipation Notes Payable).....	67
	8. Long-term Obligations.....	68
	9. Fund Equity .....	68
	10. Use of Estimates .....	68



	<u>Page</u>
NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS .....	68
NOTE 3 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY .....	68
A. Budgetary Information .....	68
B. Excess of Expenditures over Appropriations.....	69
C. Individual Fund Deficits .....	70
NOTE 4 DETAILED NOTES ON ALL FUNDS.....	70
A. Cash and Investments.....	70
B. Receivables .....	76
C. Restricted Assets.....	76
D. Deferred Revenue .....	77
E. Capital Assets.....	77
F. Interfund Receivables and Payables .....	80
1. Advances to / from other County funds.....	80
2. Advances to / from other Agency funds.....	80
3. Due to / from other County funds.....	81
G. Transfers.....	81
H. Arbitrage .....	82
I. Leases .....	82
J. Short-term Debt.....	84
K. Long-term Debt.....	85
L. Special Assessment Debt.....	91
M. Landfills.....	92
N. Remediation Contingencies.....	93
O. Restricted Net Assets .....	93
P. Condensed Financial Statements .....	94

	<u>Page</u>
NOTE 5 OTHER INFORMATION .....	96
A. Risk Management.....	96
B. Risk Pool.....	99
C. Joint Ventures.....	100
D. Subsequent Events .....	102
E. Contingent Liabilities .....	103
F. Deferred Compensation Plan .....	103
G. Employee Retirement System .....	103
H. Other Post Employment Benefits (OPEB).....	105
I. Trial Court Funding.....	107
J. Prior Period Adjustments.....	108
K. Proposition 1A Borrowing by the State of California .....	109

**COUNTY OF TULARE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

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

A. The Financial Reporting Entity

The County of Tulare (“the County”) is a general law political subdivision of the State of California and as such can exercise the powers specified by the Constitution and laws of the State of California. An elected five member Board of Supervisors governs the County. As required by generally accepted accounting principles, the accompanying financial statements present the County and its component units.

Component Units Legally separate organizations for which the elected officials of the County are either financially accountable or for which the nature and significance of their relationship with the County are such that exclusion would cause the County’s financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the County’s operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

In conformity with generally accepted accounting principles, the financial statements of seven component units have been included and combined with financial data of the County. Six component units have an integral relationship with and serve as an extension of the County. Using the criteria of Government Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, management has determined that each entity is presented as a blended component unit due to the composition of each Governing Board and the control of the day-to-day activities through the budget process. One component unit is presented discretely.

Blended Component Units The Tulare County Redevelopment Agency, the Terra Bella Sewer Maintenance District, the Tulare County Flood Control District, the Tulare County Public Facilities Corporation, the Tulare County Public Financing Authority, and the Tulare County In-Home Supportive Services Public Authority are entities legally separate from the County of Tulare. For financial reporting purposes, these entities are considered component units and their individual financial information is presented as part of the County’s operations. The blended component units discussed herein have a June 30 year-end.

1. Tulare County Redevelopment Agency The governing board of the Tulare County Redevelopment Agency (TCRA), an entity legally separate from the County of Tulare, is the County’s Board of Supervisors and has control over day-to-day operations of TCRA through budget approvals. For financial reporting purposes, the TCRA is reported as if it were part of the County’s operations. The scope of activities of this agency includes capital improvement projects for sewer and storm-drainage systems, community improvements such as youth and community facilities, sidewalks, and graffiti abatement. The communities served include Earlimart, Cutler-Orosi, Goshen, Ivanhoe, Pixley, Poplar/Cotton Center, Lindsay, Richgrove, and Traver. This component unit is reported as Special Revenue Funds where Redevelopment Agency Low-Moderate Housing funds are shown as revenues with expenditures related to the low-and moderate-income housing set-aside program as well as tax increment revenues used to pay principal and interest for Redevelopment Agency Tax Allocation Bonds.
2. Terra Bella Sewer Maintenance District Terra Bella Sewer Maintenance District (TBSMD) is an entity legally separate from the County. However, the Tulare County Board of Supervisors serves as the Board of the District and has control over the day-to-day operations of TBSMD through budget approvals. For financial reporting purposes, the TBSMD is reported as if it were part of the County’s operations. The District is operated by the County’s Resource Management Agency and its Engineering Division. The purpose of the District is to develop, expand, and maintain the TBSMD Wastewater Treatment and Disposal facility. This component unit’s financial information is included as an enterprise fund.

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

A. The Financial Reporting Entity (Continued)

3. Tulare County Flood Control District The members of the governing board of the Tulare County Flood Control District (TCFCD), an entity legally separate from the County of Tulare, are the County's Board of Supervisors and have control over the day-to-day operations of TCFCD through budget approvals. For financial reporting purposes, the TCFCD is reported as if it were part of the County's operations. The District's primary responsibility is to provide flood control related services to the residents of Tulare County. The component unit's financial information is included as a special revenue fund accounting for reimbursement for flood control related services and projects within the County.
4. Tulare County Public Facilities Corporation The Board members of the Tulare County Public Facilities Corporation (TCPFC), a nonprofit public benefit corporation, which is legally separate from the County of Tulare, are appointees of the County's Board of Supervisors who can impose their will upon TCPFC by their authority to remove TCPFC Board members. For financial reporting purposes, the TCPFC is reported as if it were part of the County's operations as it serves to assist the County by acquiring equipment and facilities financed by the proceeds of borrowings. The equipment and facilities are then leased to the County. This component unit's financial information is included as a major governmental fund.
5. Tulare County Public Financing Authority The Tulare County Public Financing Authority (TCPFA), which is legally separate from the County of Tulare, was established through a Joint Exercise of Powers Agreement between the County of Tulare and the Tulare County Redevelopment Agency. The Tulare County Board of Supervisors serves as the Board of the TCPFA. For financial reporting purposes, TCPFA is reported as if it were part of the County's operations as it serves to assist the County of Tulare through borrowings, which are used for the acquisition and construction of public capital improvements and the repair and maintenance thereof. Lease payments to TCPFA are payable through the County. This component unit's financial information is included as a major governmental fund.
6. Tulare County In-Home Supportive Services Public Authority The Tulare County In-Home Supportive Services Public Authority (TCIHSSPA), which is legally separate from the County of Tulare, was established according to the provisions of Welfare and Institutions Code Section 12301.6 to serve as the employer of record of Providers of in-home supportive services for purposes of the Meyers-Milias-Brown Act. The Tulare County Board of Supervisors serves as the Board of TCIHSSPA and has control over the day-to-day operations of TCIHSSPA through budget approvals, and the hiring or dismissal of management. For financial reporting purposes, TCIHSSPA is reported as if it were part of the County's operations. The component unit's financial information is included as a special revenue fund.

Complete financial statements for the Tulare County Redevelopment Agency, Tulare County Public Facilities Corporation, and the Tulare County Public Financing Authority are available at the County of Tulare's Administrative Office, 2800 W. Burrell Avenue, Visalia, California. The other blended component units do not issue separate financial statements.

Discretely Presented Component Unit The governing board of the First 5 Tulare County (F5TC), an entity legally separate from the County of Tulare, are appointees of the County's Board of Supervisors, who can impose their will upon F5TC through the approval of the Commission's annual budget, by their authority to remove F5TC Board members, and the hiring or dismissal of management. The Commission was created by Tulare County Ordinance No. 3217 on December 8, 1998. The purpose of the F5TC is to develop, promote, and implement local early childhood development programs administered by the California Children and Families First Commission. For financial reporting purposes, the F5TC is discretely presented because the resources of the Commission are not used to support County operations. Complete audited financial statements for First 5 Tulare County are available at the County of Tulare Auditor-Controller's Office, 221 S. Mooney Boulevard, Room 101-E, Visalia, California.

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

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent, on fees and charges for support.

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

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

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

**1. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. The basis of accounting determines when transactions and economic events are reflected in financial statements. Measurement focus identifies which transactions and events should be recorded.

The County of Tulare legally adopts an annual budget for the General Fund and all of its Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. Component units Tulare County Redevelopment Agency, Tulare County Flood Control District, and the Tulare County In-Home Supportive Services Public Authority each adopt an annual budget. Tulare County Public Facilities Corporation and Tulare County Public Financing Authority do not adopt budgets.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers expenditure-driven grant revenues available if they are collected within one year. All other revenues are considered available if they are collected within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments which are recognized when the obligations are due and payable.

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

1. Measurement Focus and Basis of Accounting (Continued)

Property taxes, franchise taxes, licenses, interest, and special assessments are susceptible to accrual. Property tax revenues recognized are only those levied for the current fiscal year, which have been collected or expect to be collected within sixty days after fiscal year-end. Sales taxes collected and held by the State at year-end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the “susceptible to accrual” criteria are met. Expenditure-driven grant revenues are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and reimbursement is expected within one year.

The County reports the following major individual governmental funds:

The **General Fund** is the County’s primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The **Public Facilities Corporation** accounts for the activities of the TCPFC that assists the County of Tulare by acquiring equipment and facilities financed from the proceeds of borrowing. Such equipment and facilities are leased to the County.

The **Public Financing Authority** accounts for the activities of the TCPFA, which assists the County of Tulare through borrowings, which are used for construction, acquisition, and/or maintenance of capital assets.

Additionally, the County reports the following governmental fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditure for specific purposes (not including private purpose funds or major capital projects).

The **Debt Service Funds** account for the servicing of general long-term debt not being financed by proprietary or permanent funds.

The **Capital Projects Funds** account for all major maintenance, improvements, acquisition or construction of capital assets not being financed by proprietary or permanent funds.

**Proprietary Funds** are accounted for on the economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The County applies all applicable FASB pronouncements in accounting and reporting for its enterprise operations, including FASB Statements and Interpretations issued on or before November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

The County reports the Solid Waste Fund as its only major individual proprietary fund.

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

1. Measurement Focus and Basis of Accounting (Continued)

The **Solid Waste Fund** is an enterprise fund that is used to account for the operation, maintenance, and development of various landfill and disposal sites for solid waste, and to prepare for future closure and postclosure expenses.

Additionally, the County reports the following proprietary fund types:

The **Enterprise Funds** are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The activity is financed with debt secured solely by a pledge of net revenues of the activity, or laws or regulations require that the cost of providing services be recovered through fees and charges.

The **Internal Service Funds** are used to account for operations that provide mailroom, motor pool, print shop, utilities, custodial and maintenance, data processing, telecommunications, and insurance services to other funds, departments, or agencies of the County and its component units, or to other governments, on a cost-reimbursement basis. An Internal Service fund operates in a manner similar to an enterprise fund, but is used when the reporting government itself is the predominant participant in the fund.

**Fiduciary Funds** account for assets held by the County in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the County under the terms of a formal trust agreement.

The County reports the following fiduciary fund types:

The **Investment Trust Funds** are used to account for assets held for external investment pool participants, such as schools and local special districts, and do present changes in financial position. Investment Trust Funds are accounted for on the economic resources measurement focus and use the accrual basis of accounting.

The **Agency Funds** are custodial in nature and do not present changes in financial position or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for individuals, private organizations, or other governments.

2. Financial Statement Presentation

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements in order to remove the “doubling-up” effect of internal service activities, reciprocal interfund activity, and nonreciprocal interfund activity.

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

2. Financial Statement Presentation (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Solid Waste, Transit, Terra Bella Sewer Maintenance District, Assessment Districts, County Service Area #1, County Service Area #2 enterprise funds and the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Implementation of New Accounting Principles

1. *Governmental Accounting Standards Board Statement No. 51*

The Governmental Accounting Standards Board (GASB) has issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement establishes accounting and financial reporting requirements for intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009. The County has implemented GASB Statement No. 51, beginning with the fiscal year ending June 30, 2010.

2. *Governmental Accounting Standards Board Statement No. 53*

GASB has issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This statement establishes accounting and financial reporting requirements for derivative instruments entered into by state and local governments. The requirements of this new statement are effective for financial statements for periods beginning after June 15, 2009. The County has determined it is not applicable to the County's financial statements.

3. *Governmental Accounting Standards Board Statement No. 54*

In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2010. The County has elected not to early implement Statement No. 54 and has not determined its effects on the County financial statements.



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

D. Implementation of New Accounting Principles (Continued)

4. *Governmental Accounting Standards Board Statement No. 57*

In December 2009, GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. This statement is related to the frequency and timing of the measurements that are effective for actuarial valuations first funded to report funded status information in Other Postemployment Benefit (OPEB) plan financial statements. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2011. The County has determined it is not applicable to the County's financial statements.

5. *Governmental Accounting Standards Board Statement No. 58*

In December 2009, GASB issued Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. This statement establishes retroactive application for all prior periods presented during which a government was in bankruptcy. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009. The County has determined it is not applicable to the County's financial statements.

E. Assets, Liabilities, and Equity

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in Treasury pool, and other short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County and the Districts to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool.

The County Treasurer's Office administers a pooled investment program for the County and for certain special purpose authorities including school districts. As of June 30, 2010, the special purpose authorities' cash and pooled investments were approximately 64.7% of the County Treasurer's Office pooled investment portfolio.

Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, require governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet / statement of net assets and recognize the corresponding change in the fair value of investments in the year in which the change occurred. The fair value of pooled investments is determined annually and is based on current market prices received from the County's securities custodian. The Local Agency Investment Fund (LAIF) is required to invest in accordance with State statutes. No investments are reported at amortized cost.

The value of the deposits of the County's pooled investment program is equal to the dollars deposited in the program, plus increases and less decreases (unrealized gains and losses) required to record investments at their fair market value as of June 30, 2010. The dollars deposited in the program have been increased by \$17,534 to reflect the increase in the fair value of the Investment in the Treasury Pool at June 30, 2010.

In addition, investments outside the Investment Pool were adjusted to fair market value as of June 30, 2010, resulting in a increase of \$326.

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

E. Assets, Liabilities, and Equity (Continued)

2. Receivables and Payables

Transactions between funds that are representative of non-current lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “Advances to / from other County funds.” All other outstanding balances between funds are reported as “Due to / from other County funds.” Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property taxes receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible accounts.

The County is responsible for the assessment, collection and apportionment of property taxes for all jurisdictions, including the schools and special districts within the County. The Board of Supervisors levies property taxes as of September 1 for property values assessed on July 1. Secured property tax payments are due in two equal installments.

The first property tax installment is due November 1 and delinquent with penalties after December 10 and the second property tax installment is due on February 1 and delinquent with penalties after April 10. Secured property taxes become a lien on the property on January 1.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid after August 31. Property taxes are accounted for in the Unapportioned Tax Collection Fund, an agency fund, until apportionment and disbursement to taxing jurisdictions. As of fiscal year ended June 30, 1994, the County adopted the alternative method of secured property tax apportionment available under the Revenue and Taxation Code of the State of California (also known as the “Teeter Plan”) whereby secured property taxes are distributed to participating taxing entities (including the County and related Component Units) on the basis of the tax levy, including any uncollected amounts at fiscal year end. The County, as administrator, benefits from future collections of penalties and interest on delinquent taxes. Transactions of the Teeter Plan (including outstanding debt borrowed for the annual Teeter buyout) are accounted for in the General Fund. Taxes receivable are recorded as of the date levied.

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Codes and Revenue and Taxation Codes.

3. Inventories, Prepaid Items, and Deferred Charges

Governmental fund type inventories not held for resale are valued at cost using the first-in / first-out (FIFO) method. The costs of most governmental fund type inventories are recorded as expenditures when purchased rather than when consumed except for the Roads Fund, which uses the consumption method. Inventories held for governmental activities are recorded using the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are regularly recurring costs of operations recorded as prepaid items (e.g., prepaid rent and prepaid employee retirement contributions).

The costs associated with debt issuance are reported as an expenditure of the period in which they are incurred in governmental funds. However, such deferred charges are not reported as an expense of the period in which they are incurred in governmental or business-type activities, but instead are reported as an adjustment to income throughout the period during which the related debt is outstanding.

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

E. Assets, Liabilities, and Equity (Continued)

4. Restricted Assets

Resources that will not be used in current operations, which are restricted for acquisition or construction of non-current assets, or that are restricted for liquidation of long-term debt beyond the next year are restricted assets.

5. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined as assets with an initial, individual cost of more than \$5 and an estimated useful life in excess of one year. Land and buildings are recorded at cost, regardless of the minimum. The County reports infrastructure assets on an individual asset basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. Where historical cost information was unavailable, the County was able to estimate the historical cost for the initial reporting of these assets by estimating the current replacement cost of the infrastructure and using an Engineering News-Record (ENR) construction cost index to deflate the cost to the estimated acquisition year.

As the County constructs or acquires additional capital assets, including infrastructure assets, they are capitalized and reported at historical cost, except for pavement which is an estimated replacement cost using average cost per square foot. The reported value excludes normal maintenance and repairs which are amounts essentially spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

All capital asset additions are reported in the fiscal year in which the asset is acquired, except for infrastructure assets which use a business cycle extending from May to April, with all additions of the business cycle being reported in the fiscal year in which April is included. In the case of donations, capital assets are valued at their estimated fair value at the date of donation.

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

E. Assets, Liabilities, and Equity (Continued)

5. Capital Assets (Continued)

Capital assets of the County, as well as the component units, are depreciated using the straight-line method and the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements	20-50
Infrastructure roadway:	
Pavement	10-40
Bridges	50
Pipe crossings	30
Traffic control devices	25
Signs	10
Sewer/water systems	7-20
Landfill site improvements	15
Vehicles / Heavy equipment	3-20
Office equipment	3-16

Depreciation expense related to infrastructure assets is calculated by applying an annual depreciation rate to the cost of the grouping of subsystems. Depreciation expense in all other categories of capital assets is calculated on an item-by-item basis.

Capital outlay is recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County's capitalization threshold is met. Interest incurred during the construction phase of the capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Amortization of assets acquired under capital leases is included in depreciation and amortization.

6. Compensated Absences

Employees are granted vacations and sick leave and are permitted to accumulate earned but unused vacation and sick leave benefits. The portion relating to the proprietary funds is expensed as salaries in the year earned. The benefit amounts relating to governmental funds, which will be paid from future resources, are recorded in the government-wide financial statements. Benefit amounts due and payable at year-end are recorded in the governmental funds as part of salaries and benefits payable. In the event of separation of employment or death, an employee, or the employee's estate, is compensated for 100% of accumulated vacation at the employee's current payroll rate.

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

E. Assets, Liabilities, and Equity (Continued)

6. Compensated Absences (Continued)

Most covered employees (eligible for overtime compensation) receive either compensatory time off (CTO) in lieu of overtime or paid overtime. An employee earns CTO hours in lieu of paid overtime until a certain CTO balance is reached; thereafter, an employee receives paid overtime for overtime hours worked. In the event of separation of employment or death, an employee, or the employee's estate, is compensated for 100% of their accumulated CTO hours at the employees' current payroll rate.

Employees in units 1, 3, 4, 6, and 7 who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 hours. Employees in these same units leaving County service in good standing, other than by retirement, after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 20 hours.

Employees in units 2, 5, 8, 12, 14, 16, 22, and 23 (40 hour employees) who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 hours. Employees in Bargaining Unit 23 (56 hour employees) who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 350 hours.

Employees in units 9, 10, 11, 19, 20, and 21 who leave County service by retirement after ten years of service, may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 hours. Employees in these same units leaving County service in good standing, other than by retirement, after five years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 40 hours.

Employees in units 13 and 15 who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 176 hours.

The County's sick leave buy back program is suspended for all employees. (The County has a sick leave buy back program that allows employees to be compensated on the first pay date in December for a portion of their unused sick leave based on their years of service and usage in the prior twelve months. Employees with three to five years' service may convert up to 40 hours of sick leave. Employees with over five years may convert up to 60 hours. The amount available for conversion is reduced by the number of sick leave hours used in the twelve month period ending the 1st of October, just prior to the December pay out.)

7. Short-term Borrowing (Tax and Revenue Anticipation Notes Payable)

Each fiscal year, the County issues Tax and Revenue Anticipation Notes to provide money to meet the General Fund's current year expenditures and to discharge its obligations and indebtedness. The principal of the notes and the interest thereon is paid from pledged property taxes and other revenues the County expects to receive during the fiscal year.

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

E. Assets, Liabilities, and Equity (Continued)

8. Long-term Obligations

In the government-wide financial statements and proprietary 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 statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

10. Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

A reconciliation of the total fund balances for governmental funds to the total net assets of governmental activities has been prepared as part of the basic financial statements, including explanations of differences on page 36.

A reconciliation of the total net change in fund balances for governmental funds to the total changes in net assets of governmental activities has been prepared as part of the basic financial statements including explanations of differences on page 38.

**NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

A. Budgetary Information

In accordance with the provision of Sections 29000 through 29132, inclusive, of the Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and adopts a final budget on or before October 2 for each fiscal year. Until the adoption of this final balanced budget, operations are governed by a proposed budget approved by the Board of Supervisors.

**NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY** (Continued)

A. Budgetary Information (Continued)

A balanced operating budget is adopted each fiscal year for the County's General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund. A balanced operating budget is adopted each fiscal year for the Tulare County Redevelopment Agency, the Tulare County Flood Control District, and the Tulare County In-Home Supportive Services Public Authority (blended component units), which are governed by the Board of Supervisors and of which the Auditor-Controller is the ex-officio Finance Officer. The Tulare County Public Financing Authority and the Tulare County Public Facilities Corporation do not adopt a budget.

A spending plan is adopted each fiscal year for the County's Enterprise Funds and Internal Service Funds, as well as the Terra Bella Sewer Maintenance District (blended component unit) which is governed by the Board of Supervisors and of which the Auditor-controller is the ex-officio Finance Officer.

Public hearings are conducted on the proposed adopted budget and spending plans to review all appropriations and the sources of financing. Because the adopted budget for governmental fund types must be balanced, any shortfall in revenue requires an equal reduction in appropriations. All appropriations lapse at year-end.

All governmental fund type budgets and the spending plans for proprietary fund types are adopted on the modified accrual basis of accounting. County department heads, with the approval of the County Administrative Officer, may make transfers of appropriations within a department without the approval of the Board of Supervisors. Amendments or transfers between departments within the General Fund are approved by the Board of Supervisors. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. The legal level of budgetary control is the fund level, with the exception of the General Fund in which the legal level of budgetary control is the department level. Budgeted amounts are reported both as originally adopted and as amended.

The Board of Supervisors made several supplemental budgetary appropriations throughout the fiscal year, including additional appropriations for new programs, additional positions, and unanticipated obligations. For the fiscal year ended June 30, 2010, appropriations in the General Fund were increased by \$21,090.

B. Excess of Expenditures over Appropriations

For the fiscal year, ended June 30, 2010, expenditures exceeded appropriations in the following funds at the legal level of control:

Non-major Special Revenue Funds:		
CDBG Grants	\$	1,278
Non-major Debt Service Funds		
Equipment Loans Fund		2

**NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY** (Continued)

C. Individual Fund Deficits

Deficit Fund Balances – Government Fund Type

Special Revenue – Workforce Investment \$1

The Workforce Investment deficit is because of a timing difference between expenditures and State reimbursement.

Special Revenue – TCIHSS Public Authority \$1

The TCIHSS Public Authority Deficit is because of a timing difference between expenditures and State reimbursement.

Special Revenue – Redevelopment Admin \$13

The Redevelopment Admin deficit is because of a timing difference between expenditures and State reimbursement.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS**

A. Cash and Investments

As provided by Government Code §53600, the cash balances of substantially all county funds and participating county schools and agencies are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities. Interest earned on the pooled funds is apportioned quarterly based on the average daily balance of each participating fund. Certain funds, which have deposits in the County's pooled investment program, do not receive the interest earnings on their deposits. The earnings on the investments related to those funds are assigned to the County's General Fund, as permitted by Government Code. "Investments" in the governmental funds balance sheet (Page 34) represent the investment of assets associated with the Tulare County Public Facilities Corporation (TCPFC) and the Tulare County Public Financing Authority (TCPFA), which are not invested by the County Treasurer but are held by fiscal agents.

Cash Deposits As of June 30, 2010, the County's bank deposits had a carrying amount of \$113,274 and the balance per the financial institutions totaled \$126,665. All pooled cash deposits and non-negotiable Certificates of Deposit are entirely insured (\$25,507) or collateralized (\$101,157). The California Government Code requires California banks and savings and loan associations to secure the County's deposits by pledging government securities or first trust deed mortgage notes. The market value of the pledged government securities and first trust deed mortgage notes must be a least 110% and 150% of the County's deposits, respectively. The collateral is held by the pledging financial institutions trust department or its agent and is considered to be held in the County's name.

Investments The pool's cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer. The objectives of the policy are, in order of priority: preservation of capital, liquidity, and yield. The Treasurer reports on a monthly basis to the Tulare County Board of Supervisors. Additionally, there is an Oversight Committee established under California Code §27130 to §27137 comprised of Tulare County Officials, representatives from various pool participants, and members of the public, whose function is to monitor compliance with the County's Investment Policy. Investments made outside the County Treasury are invested pursuant to governing bond covenants or California Government Code provisions.



**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

A. Cash and Investments (Continued)

The County's Investment Policy, in compliance with California Government Code §53601 and §53635, authorizes the Treasurer to invest in the following:

- (A) Obligations issued by the County of Tulare
- (B) Obligations of the U.S. Treasury
- (C) Obligations of the State of California and municipalities
- (D) Obligations of Federal Agencies or U.S. Government-sponsored enterprises
- (E) Bankers Acceptances eligible for purchase by the Federal Reserve System
- (F) Commercial Paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record
- (G) Negotiable Certificates of Deposit
- (H) Medium-Term Corporate Notes rated "A" or better
- (I) Mutual Funds
- (J) Repurchase and Reverse Repurchase Agreements
- (K) Local Agency Investment Fund (LAIF)

Custodial Credit Risk – Investments For an investment, custodial credit risk is the risk that, in the event of 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. The Treasury has limited its custodial credit risk on investments by having all investments in the name of the County. In accordance with the Governmental Accounting Standards Board Statement 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, the County's investments have been classified into the following three categories of custodial credit risk:

- (1) Insured or registered, or securities held by the County or its agent in the County's name.
- (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
- (3) Uninsured and unregistered, with securities held by the counterparty, or by the counterparty's trust department or agent, but not in the County's name.

As of June 30, 2010, the entire portfolio is under category (1) except for Money Market Funds, which do not fall under any of the above categories of credit risk as the investments in these funds are not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk This is the risk that fluctuations in interest rates will adversely affect the fair value of an investment. The Treasury mitigates this risk by investing in longer-term securities only with funds that are not needed for current cash flow purposes and generally holding these securities to maturity.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

A. Cash and Investments (Continued)

Credit Risk and Concentration of Credit Risk Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment with a single issuer. The Treasury mitigates these risks by holding a diversified portfolio of high quality investments and limits the percentage of the total investments to the type of investment and to any one issuer by type of allowable investment instrument. State law also limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The NRSROs used by the County are listed in the County's investment policy and are Standard and Poor's, and Moody's. Securities that are fully guaranteed as to payment by an agency, or government sponsored enterprise of the US Government were rated AAA by a nationally recognized statistical-rating organization. As of June 30, 2010, the County invested in primarily high quality investments as shown below:

<b>Credit Ratings</b>	
U.S. Treasury	14%
AAA	62%
AA+	1%
AA	8%
AA-	1%
A+	1%
A	6%
SP-1+	1%
FDIC Insured	3%
Not Rated**	3%
Total	<u>100%</u>

\*\* The portion of the portfolio that is not rated represent the \$30,000 deposit in LAIF, the State of California Investment Fund.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

A. Cash and Investments (Continued)

The County's investments as of June 30, 2010, are as follows:

	<u>Carrying Value</u>	<u>Reported Amount/ Fair Value</u>	<u>Weighted Average Maturity (days)</u>	<u>Stated Interest Rate</u>	<u>Maturity Range</u>
U.S. Treasury Obligations	\$ 120,145	\$ 123,834	788	0.100% - 4.875%	08/19/2010 - 02/28/2015
Federal Agency Obligations	331,274	340,615	953	0.130% - 6.790%	07/28/2010 - 04/15/2015
Corporate Notes/Bonds	127,104	129,867	988	0.535% - 5.489%	08/15/2010 - 03/30/2015
Corporate Notes (FDIC Insured)	92,343	94,364	503	0.737% - 3.250%	12/16/2010 - 12/26/2012
Municipal Obligations	14,936	14,947	1,172	3.360% - 4.510%	08/15/2010 - 06/29/2014
Commercial Papers	<u>200</u>	<u>200</u>	63	0.340%	09/01/2010
	686,002	703,827			
Other Investments:					
Money Market Funds	7,675	7,675			
Guaranteed Investment Contract	5,325	5,325			
LAIF Managed Pool	30,000	30,049			
Other Managed Pool	<u>15,539</u>	<u>15,542</u>			
Total Other Investments	<u>58,539</u>	<u>58,591</u>			
Total Investments	<u>\$ 744,541</u>	<u>\$ 762,418</u>			

The County held investments in excess of 5% of the total year-end investments for the following issuers:

<u>Issuer</u>	<u>Amount</u>	<u>Percentage</u>
Federal National Mortgage Association	\$ 145,967	19.1%
United States Treasury	123,834	16.2%
Federal Home Loan Mortgage Corporation	77,583	10.2%
Federal Home Loan Bank	65,886	8.6%

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

A. Cash and Investments (Continued)

Investments in the Money Market Funds and LAIF Managed Pool are not categorized, in accordance with GASB No. 3, because they are not evidenced by securities that exist in physical or book entry form.

California Local Agency Investment Fund (LAIF) The State Treasurer's Local Agency Investment Fund (LAIF) is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without penalty or loss of interest. The value of the County's shares in LAIF that may be withdrawn is determined on an amortized cost basis, which may be different from the fair value of the County's position in the pool. As of June 30, 2010, the County's investment in LAIF is \$30,049. The total amount recorded by all public agencies in LAIF at that date is \$23,263,615. Of that amount, 94.58% is invested in non-derivative financial products and 5.42% of the portfolio is invested in Medium-term and Short-term Structured notes and Asset-backed securities.

Repurchase Agreements Repurchase Agreements are contracts in which a broker/dealer sells securities to the Investment Pool with an agreement to repurchase those securities for a fixed price at an agreed-upon date. Government Code requires that California public entities that utilize repurchase agreements collateralize the investments that underlay the repurchase agreements with amounts that exceed cost. The market value of the securities underlying the repurchase agreements must be valued at 102% or greater. The Pool's Investment Policy reflects this requirement.

Treasury Pool Income and Participant Withdrawals Treasury Pool investments are accounted for in accordance with the provisions of GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires governmental entities to report certain investments at fair market value in the balance sheet and the statement of net assets and recognize the corresponding change in value of investments in the year in which the change occurred. The value of the participant's shares in the pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair market value of the participant's position in the Pool. The fair market value fluctuates with interest rates, and increasing rates could cause the value to decline below original cost; however, County management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the County from having to sell investments below original cost for that purpose.

As of June 30, 2010, the investment income is comprised of the following:

Investment Income	
Interest and Dividends	\$ 17,722
Net Increase in the Fair Value	10,596
Less: Investment Expenses	<u>(1,295)</u>
Total Treasury Pool Income	<u>\$ 27,023</u>

The net increase in the fair market value of investments during fiscal year 2009-2010 was \$10,596. This amount takes into account all changes in fair value (including sales resulting in a net gain of \$6,109) that occurred during the year. The fair value gain on investments held as of June 30, 2010, was \$4,487.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

A. Cash and Investments (Continued)

Summary of Cash and Investments Balances Following is a reconciliation of the County's cash and investment balances to the balance sheets/statements of net assets for the Governmental, Enterprise, Internal Service, Fiduciary Funds, and the discretely presented component unit as of June 30, 2010:

	Governmental Funds (Page 34)	Enterprise Funds (Page 46)	Internal Services Funds (Page 46)	Fiduciary Funds (Page 51)	Total	Component Unit - First 5 Tulare County
Cash in Banks	\$ 79	\$ 210	\$ 2,000	\$ 5,898	\$ 8,187	\$ 336
Investment in Treasury Pool	168,760	7,966	46,788	536,308	759,822	11,650
Restricted Investments in Pool	5,000	52,670	-	-	57,670	-
Investments	8,452	-	-	-	8,452	-
Restricted Investments	51,294	-	-	-	51,294	-
Imprest Cash	76	2	250	-	328	-
Deposits with Others	80	110	-	-	190	-
Cash on Hand	348	23	-	16	387	-
Cash Over draft	(759)	-	-	-	(759)	-
	<u>\$ 233,330</u>	<u>\$ 60,981</u>	<u>\$ 49,038</u>	<u>\$ 542,222</u>	<u>\$ 885,571</u>	<u>\$ 11,986</u>

Summary of total cash investments is as follows:

	Investment in Treasury Pool	Other	Total
Cash and Bank Deposits	\$ 8,854	\$ 9,428	\$ 18,282
Interest Receivable	3,918	-	3,918
Investments	815,611	59,746	875,357
Total	<u>\$ 828,383</u>	<u>\$ 69,174</u>	<u>\$ 897,557</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

A. Cash and Investments (Continued)

The following represents a condensed statement of net assets and changes in net assets for the Treasury Pool as of June 30, 2010:

<b>Statement of Net Assets</b>	
Net assets held in trust for all pool participants	<u>\$ 828,383</u>
Equity of internal pool participants	\$ 268,810
Equity of external pool participants	<u>559,573</u>
Total Equity	<u>\$ 828,383</u>

<b>Statement of Changes in Net Assets</b>	
Net assets	\$ 930,664
Net additions/withdrawals by pool participants	(130,599)
Net increase in the investment fair value	-
Realized gains/losses from sales	6,109
Market value loss on investments held at year-end	4,487
Interest and dividends earned	<u>17,722</u>
Net Assets as of June 30, 2010	<u>\$ 828,383</u>

B. Receivables

Receivables as of the fiscal year-end for the County's individual major funds and for non-major and internal service funds are as follows:

	<u>General</u>	<u>Solid Waste</u>	<u>Nonmajor Governmental funds</u>	<u>Nonmajor Enterprise</u>	<u>Internal Service Fund</u>	<u>Total</u>	<u>Noncurrent portion</u>
Receivables:							
Accounts, net	\$ 2,719	\$ 904	\$ 3,723	\$ 302	\$ 123	\$ 7,771	\$ 2,309
Property taxes, net	15,746	-	-	-	-	15,746	15,746
Lease payments	-	-	967	-	-	967	815
Notes	30	-	22,670	-	-	22,700	22,700
Due from other governments	<u>33,664</u>	<u>-</u>	<u>8,012</u>	<u>17</u>	<u>-</u>	<u>41,693</u>	<u>-</u>
Total Receivables	<u>\$ 52,159</u>	<u>\$ 904</u>	<u>\$ 35,372</u>	<u>\$ 319</u>	<u>\$ 123</u>	<u>\$ 88,877</u>	<u>\$ 41,570</u>

C. Restricted Assets

Restricted assets in the governmental funds include \$54,429 in the Tulare County Public Financing Authority for future debt service and \$5,000 in a capital projects fund for the future cleanup of toxic ground at the Harmon Field airstrip. Restricted assets in the business-type funds include \$52,670 in the Solid Waste fund for future closure/postclosure expenses for disposal sites and landfill groundwater contingencies.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

D. Deferred Revenue

Deferred revenue consists of two categories of revenue including 1) resources received before their use is permitted (unearned) or, 2) amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met, in that the amounts are measurable, but not available within the current period or soon enough thereafter to pay liabilities of the current period (unavailable).

	<u>Unearned</u>	<u>Unavailable</u>
General Fund	\$ 41,533	\$ 8,799
Nonmajor Governmental Funds	28,784	3,271
Proprietary Funds	1,779	-
Total Unavailable/Unearned Revenue	<u>\$ 70,317</u>	<u>\$ 12,070</u>

E. Capital Assets

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

<u>Capital Assets - Primary Government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers and Adjustments</u>	<u>Prior Period Adjustment</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>						
<i>Capital assets, not being depreciated:</i>						
Land	\$ 911,641	\$ -	\$ (4,170)	\$ -	\$ 494	\$ 907,965
Construction in Progress	8,820	3,537	(3,489)	-	-	8,868
Infrastructure in Progress	29,665	18,803	(112)	17	2,089	50,462
Total capital assets, not being depreciated	<u>950,126</u>	<u>22,340</u>	<u>(7,771)</u>	<u>17</u>	<u>2,583</u>	<u>967,295</u>
<i>Capital assets, being depreciated:</i>						
Infrastructure	682,607	7,629	(2,928)	(25)	-	687,283
Buildings and Improvements	186,767	3,480	-	75	9	190,331
Equipment/Vehicles	62,087	7,778	(2,874)	50	-	67,041
Total capital assets being depreciated	<u>931,461</u>	<u>18,887</u>	<u>(5,802)</u>	<u>100</u>	<u>9</u>	<u>944,655</u>
<i>Less accumulated depreciation for:</i>						
Infrastructure	(205,676)	(15,344)	1,001	(7)	-	(220,026)
Buildings and Improvements	(58,287)	(3,673)	-	-	-	(61,960)
Equipment/Vehicles	(40,304)	(5,161)	3,099	(326)	-	(42,692)
Total accumulated depreciation	<u>(304,267)</u>	<u>(24,178)</u>	<u>4,100</u>	<u>(333)</u>	<u>-</u>	<u>(324,678)</u>
Total capital assets, being depreciated, net	<u>627,194</u>	<u>(5,291)</u>	<u>(1,702)</u>	<u>(233)</u>	<u>9</u>	<u>619,977</u>
Governmental activities capital assets, net	<u>\$ 1,577,320</u>	<u>\$ 17,049</u>	<u>\$ (9,473)</u>	<u>\$ (216)</u>	<u>\$ 2,592</u>	<u>\$ 1,587,272</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

E. Capital Assets (Continued)

Capital Assets - Primary Government	Beginning Balance	Additions	Retirements	Transfers and Adjustments	Ending Balance
<b>Business-type activities:</b>					
<i>Capital assets, not being depreciated:</i>					
Land	\$ 6,728	\$ -	\$ -	\$ -	\$ 6,728
Construction in Progress	8,659	478	-	-	9,137
Total capital assets, not being depreciated	<u>15,387</u>	<u>478</u>	<u>-</u>	<u>-</u>	<u>15,865</u>
<i>Capital assets, being depreciated:</i>					
Buildings and Improvements	18,275	8	-	(9)	18,274
Equipment/Vehicles	14,391	536	(2,135)	6	12,798
Total capital assets being depreciated	<u>32,666</u>	<u>544</u>	<u>(2,135)</u>	<u>(3)</u>	<u>31,072</u>
<i>Less accumulated depreciation for:</i>					
Buildings and Improvements	(9,012)	(775)	-	2	(9,785)
Equipment/Vehicles	(8,746)	(937)	2,116	40	(7,527)
Total accumulated depreciation	<u>(17,758)</u>	<u>(1,712)</u>	<u>2,116</u>	<u>42</u>	<u>(17,312)</u>
Total capital assets, being depreciated, net	<u>14,908</u>	<u>(1,168)</u>	<u>(19)</u>	<u>39</u>	<u>13,760</u>
Business-type activities capital assets, net	<u>\$ 30,295</u>	<u>\$ (690)</u>	<u>\$ (19)</u>	<u>\$ 39</u>	<u>\$ 29,625</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Depreciation - Governmental activities:		Depreciation - Business-type activities:	
General government	\$ 827	Solid waste	\$ 1,233
Public protection	4,997	Water/sewer services	479
Public ways and facilities	15,999		
Health and sanitation	437		
Public assistance	602		
Education	228		
Culture and recreation	144		
Unallocated depreciation expense	<u>944</u>		
Total depreciation expense - governmental activities	<u>\$ 24,178</u>	Total depreciation expense - business-type activities	<u>\$ 1,712</u>



**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

E. Capital Assets (Continued)

The County has active construction and other projects as of June 30, 2010, including the new Orosi Sheriff's Substation, landfill site improvements, the Oat Mountain radio tower project, upgrading security and facilities, rehabilitation of the airport, energy conservation projects, the relocation of motorpool, improvement to Fire Station #1, and various infrastructure projects.

At fiscal year-end, the County's commitments with contractors are as follows:

<u>Capital Project - Active Construction</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Motorpool Relocation (030)	\$ 618	\$ 244
Fire Station #1 (030)	204	-
Airport - Taxi Way Reconstruction (012)	1,538	-
Landfill Site Improvements (045)	9,137	-
Energy Conservation Measures (081)	6,508	723
Cutler/Orosi Project (RO2)	2,387	-
Roads (014):		
Environmental Review of Existing Roads	37,255	-
Turnouts	205	-
Shoulder Stabilization	777	-
Other Improvements	8,860	-
Bridges (014):		
Repair or Replace Bridge	978	-
Total Construction in Progress	<u>\$ 68,467</u>	<u>\$ 967</u>

The State Transportation Improvement Program is financing the commitment for road and bridge reconstruction and environmental review.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

F. Interfund Receivables and Payables

1. Advances to / from other County funds

Advances to / from other County funds are representative of non-current lending / borrowing arrangements outstanding at the end of the fiscal year.

The composition of advances to / from other County funds balances as of June 30, 2010, is as follows:

<u>Advances - Receivable Fund</u>	<u>Advances - Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental	\$ 460
Internal service	General	1,315
	Nonmajor governmental	475
		<u>1,790</u>
	Total	<u>\$ 2,250</u>

2. Advances to / from Agency funds

Advances to / from Agency funds represent non-current lending / borrowing arrangements for cash flow purposes. Amounts due from Agency funds to governmental funds will not be returned to the County until such time as the program is discontinued or concluded. Amounts due to Agency funds by nonmajor CSA enterprise funds will be paid off by small assessments to utility users over the life of the water / sewer systems.

The composition of advances to / from Agency funds balances as of June 30, 2010, is as follows:

<u>Advances - Receivable Fund</u>	<u>Advances - Payable Fund</u>	<u>Amount</u>
General	Employee Health Benefits Agency	\$ 1,776
	CSA#1 Revolving Agency	780
		<u>2,556</u>
Nonmajor Governmental	Child Support Federal Agency	40
Internal Service Fund	Insurance Agency Fund	1,659
Employee Health Benefits Agency	Internal Service Fund	204
CSA#1 Revolving Agency	Nonmajor Enterprise Fund	740
		<u>944</u>
	Total	<u>\$ 5,199</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

F. Interfund Receivables and Payables (Continued)

3. Due to / from other County funds

Due to / from other County funds represents current outstanding balances between funds at the end of the fiscal reporting period. The County's computerized general ledger only allows for the transfer of cash between funds until mid-July following the end of the fiscal year. Therefore, the recording of interfund activity which occurred during the fiscal year, but which is entered to the system after mid-July, results in an interfund payable / receivable.

The composition of due to / from other County fund balances as of June 30, 2010, is as follows:

Due To / From County Funds		
Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental	\$ 956
Nonmajor governmental	General	4,077
	Nonmajor governmental	9,394
	Sub-total	13,471
	Total	\$ 14,427

G. Transfers

Transfers to / from other County funds for the fiscal year ended June 30, 2010, consist of transfers for normal operations, including the accumulation of debt service payments and support of other funds resources.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

G. Transfers (Continued)

The schedule of transfers to / from other County funds for the fiscal year ended June 30, 2010, is as follows:

<u>Transfers out:</u>	<u>Transfers In:</u>						
	<u>General</u>	<u>PFC</u>	<u>PFA</u>	<u>Nonmajor Governmental</u>	<u>Nonmajor Enterprise</u>	<u>Internal Service</u>	<u>Total Transfers</u>
General	\$ -	\$ -	\$ -	\$ 36,945	\$ 3	\$ 1,594	\$ 38,542
PFA	-	-	-	2,500	-	-	2,500
Nonmajor governmental	44,380	6,258	3,728	1,930	-	54	56,350
Solid waste	442	-	-	88	-	4	534
Internal service	177	-	-	347	-	46	570
Total transfers out	<u>\$ 44,999</u>	<u>\$ 6,258</u>	<u>\$ 3,728</u>	<u>\$ 41,810</u>	<u>\$ 3</u>	<u>\$ 1,698</u>	<u>\$ 98,496</u>

H. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage regulations and restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage rebate requirements stipulate, in general, that the excess of earnings from the investment of tax-exempt bond proceeds over related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The County has evaluated each outstanding debt obligation that is subject to the arbitrage rebate requirements and deferred interest income for future payment on two of the County's Bond issues.

I. Leases

Operating Leases (County as Lessor) The County has entered into long-term operating lease agreements leasing land and buildings to others. Leased assets represent a cost of \$2,007 with \$1,479 of accumulated depreciation for a net carrying amount of \$528. The revenues realized for the fiscal year ended June 30, 2010, were \$848. The minimum future rentals for noncancellable operating leases are as follows:

<u>Future Rentals</u>	
<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2011	\$ 735
2012	529
2013	364
2014	280
2015	96
2016-2019	200
Total	<u>\$ 2,204</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

I. Leases (Continued)

Operating Leases (County as Lessee) The County has commitments under long-term operating lease agreements for facilities used in operations. These lease agreements provide for cancellation in the event the Board of the respective entity does not appropriate funding in subsequent fiscal years. The expenses for the fiscal year ended June 30, 2010, were \$7,116. The future minimum lease payments for these leases are as follows:

Operating Leases	
Fiscal Year Ending June 30,	Amount
2011	\$ 5,953
2012	5,044
2013	4,526
2014	4,379
2015	3,936
2016-2020	5,546
2021-2025	1,790
Total	<u>\$ 31,174</u>

In addition to real property leases, the County has also entered into long-term leases for personal property, the majority of which is leased by Roads, Solid Waste, the District Attorney's Office, and the General Services division of the Resource Management Agency. Most of these leases also provide for cancellation in the event that the Board of Supervisors does not appropriate funding, and are subject to annual adjustments based upon negotiations. Total rent and lease expense for these operating leases for the fiscal year ended June 30, 2010, was approximately \$199.

Capital Leases The County has entered into lease agreements as lessee for financing the acquisition of police communications equipment, printing equipment, and other non-capitalized items. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through capital leases are as follows:

Assets Acquired Through Capital Leases	
Fiscal Year Ending June 30, 2010	Governmental Activities
Equipment	\$ 378
Less: Accumulated depreciation	(332)
Total	<u>\$ 46</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

I. Leases (Continued)

*Direct Financing Lease* The County has entered into a lease agreement as lessor for the lease purchase of the Dinuba Courthouse / Police Station by the City of Dinuba in March 1997. This lease agreement qualifies as a direct financing lease for accounting purposes and, therefore, has been recorded as lease payments receivable with no allowance for uncollectible payments and net of interest. The net investment in this direct financing lease as of June 30, 2010, is \$672. Minimum lease payments receivable for each of the five succeeding fiscal years and thereafter are as follows:

Direct Financing Lease Receivable		
Fiscal Year Ending June 30,	Principal	Interest
2011	\$ 153	\$ 56
2012	163	47
2013	173	37
2014	183	26
2015	194	15
2016	102	3
Total	<u>\$ 968</u>	<u>\$ 184</u>

J. Short-term Debt

*Tax and Revenue Anticipation Notes Payable* In accordance with the Resolution of Issuance, the 2009-2010 Tax and Revenue Anticipation Note (TRAN) of \$65,000 was issued July 1, 2009, at 2.0% with a re-offering yield of 0.53%. This \$65,000 TRAN will mature on June 30, 2010. The purpose of the temporary borrowing is to increase available cash balances which provide operating funds to cover shortfalls. Cash shortfalls arise due to the timing differential of monthly cash receipts and disbursements for the fiscal year ended June 30, 2010. Cash flow deficits are primarily caused by timing of property tax receipts in December and April. The 2008-2009 TRAN of \$55,000 was paid on July 31, 2009. The 2009-2010 TRAN of \$65,000 was paid on June 30, 2010, leaving an ending balance of zero.

	Short-term Debt Activity			
	Beginning Balance	Issued	Redeemed	Ending Balance
Tax and Revenue Anticipation Notes	<u>\$ 55,000</u>	<u>\$ 65,000</u>	<u>\$ (120,000)</u>	<u>\$ -</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt

Certificates of Participation The Tulare County Public Facilities Corporation issues Certificates of Participation (COP's) to provide funds for the acquisition, construction, and repair and maintenance of major capital facilities. COP's have been issued for both governmental and proprietary activities. These COP's are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, COP's have been issued to refund earlier certificates with higher interest rates.

COP's are obligations of the County's component units. However, the County is indirectly obligated under lease agreements it has signed with its component units. The County's obligation is limited to including in its annual budget, lease payments called for in the lease agreements. These COP's generally are issued as 20 to 40-year certificates with increasing amounts of principal maturing each year.

Certificates of Participation currently outstanding are as follows:

Outstanding Certificates of Participation			
<u>Date Issued</u>	<u>Purpose of Debt</u>	<u>Interest Rates</u>	<u>Amount</u>
October 8, 1998	Governmental activities - Refunding	3.35% - 5.00%	\$ 31,550
	Sub-total		<u>31,550</u>
September 2, 1993	Business-type activities	5.00%	468
February 23, 1994	Business-type activities	5.00%	69
August 16, 1994	Business-type activities	4.50%	49
September 14, 1994	Business-type activities	4.50%	40
May 28, 1996	Business-type activities	4.50%	820
	Sub-total		<u>1,446</u>
	Total		<u>\$ 32,996</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt (Continued)

Annual debt service requirements to maturity for COP's are as follows:

Fiscal Year Ending June 30,	Certificates of Participation			
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2011	\$ 5,235	\$ 1,480	\$ 30	\$ 67
2012	5,495	1,212	35	66
2013	4,470	963	36	64
2014	4,825	730	36	63
2015	5,065	483	37	61
2016-2020	6,460	246	217	277
2021-2025	-	-	270	220
2026-2030	-	-	343	149
2031-2035	-	-	392	60
2036	-	-	50	2
Total	<u>\$ 31,550</u>	<u>\$ 5,114</u>	<u>\$ 1,446</u>	<u>\$ 1,029</u>

Variable Rate Demand Bonds On December 17, 1999, the Tulare County Public Financing Authority (TCPFA) issued Variable Rate Demand Bonds of \$45,000 with a variable rate not to exceed 12%. Each fiscal year up to \$3,000 will be transferred to the County to provide financing for the acquisition and construction of public capital assets and repair and maintenance costs related thereto. A lease agreement in which the County is leasing four existing buildings to TCPFA is used as security for the bonds. On December 1, 2006, these bonds were refunded with private placement Tobacco Settlement Asset Backed Bonds of \$42,360, which will mature on August 1, 2034.

The Variable Rate shall be the rate of interest per annum, determined by the Remarketing Agent, to be the lowest rate which in its judgment, on the basis of prevailing financial market conditions, is necessary as of the date such rate becomes effective to remarket the Bonds in secondary market transaction at the price equal to par, but no greater than the Maximum Rate.

These bonds are treated as a long-term liability in accordance with GAAP as the County entered into a take-out agreement before the financial statements were issued. The take-out agreement does not expire within one year of the fiscal period end. Neither the take-out agreement itself nor the obligations issued pursuant to the agreement are cancelable by the lender within one year of the fiscal period end, and the lender is expected to be financially capable of honoring the take-out agreement.

These bonds are the obligation of the County's component unit. However, the County is obligated under the leaseback agreement it has signed with its component unit. The County's obligation is limited to including in its annual budget the lease payments called for in this leaseback agreement payable from a pledge of the County's share of the Tobacco Master Settlement Agreement. These bonds were issued with a final maturity date of August 1, 2034.



**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt (Continued)

Annual debt service requirements to maturity for the bonds are as follows:

TCPFA Variable Rate Demand Bonds		
Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2011	\$ 715	\$ 2,390
2012	715	2,347
2013	815	2,299
2014	815	2,250
2015	915	2,197
2016-2020	5,355	10,068
2021-2025	7,415	8,323
2026-2030	10,050	5,469
2031-2035	13,640	1,872
Total	<u>\$ 40,435</u>	<u>\$ 37,215</u>

Pension Obligation Bonds The County issued Pension Obligation Bonds (POB's) of \$41,460 on May 22, 1997, to pay the unfunded actuarial accrued liability at June 30, 1996. The interest rates on these bonds range from 6.2% to 7.35%.

Annual debt service requirements to maturity for the POB's are as follows:

Pension Obligation Bonds		
Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2011	\$ 5,685	\$ 669
2012	6,270	230
Total	<u>\$ 11,955</u>	<u>\$ 899</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt (Continued)

Tax Allocation Bonds The Tulare County Redevelopment Agency issued Tax Allocation Bonds, 2007 Series A of \$1,627 on January 24, 2007, at 4.125% and mature on January 1, 2032. These bonds were issued to finance the Richgrove Redevelopment project.

On January 20, 2009, the Tulare County Redevelopment Agency issued Tax Allocation Bonds, 2009 A Series of \$231 at 4.35% and mature on August 1, 2033. These bonds were issued to finance the Cutler-Orosi Public Utility District Sewer project. During 2010, the County issued an additional \$1,669 of Tax Allocation Bonds in addition to the original agreement of the 2009 A Series Tax Allocation Bonds.

Annual debt service requirements to maturity for these Tax Allocation Bonds are as follows:

Tax Allocation Bonds		
Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2011	\$ 88	\$ 142
2012	92	138
2013	95	135
2014	99	130
2015	104	126
2016-2020	592	560
2021-2025	731	421
2026-2030	904	249
2031-2032	653	53
Total	<u>\$ 3,358</u>	<u>\$ 1,954</u>

Loans Payable The County has borrowed funds for the acquisition of fire trucks, vehicles, computers and other equipment each year since 1996. The magnitude of these loans varies from \$993 to \$1,778 and the interest rates range from 3.1% to 5.06%. In September 2002, the County borrowed \$10,920 at 4.49% for energy improvement projects. This loan extends to November 2017. In 2006, an additional loan of \$7,084 was taken at 3.9% to fund energy improvement projects. This loan extends to September 2022. A tax allocation loan agreement dated November 1, 2002, was entered into between the California Infrastructure and Economic Development Bank and Goshen Redevelopment. In January 2004, Goshen Redevelopment received this loan of \$1,914 at 3.07%. This loan extends to August 2032.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt (Continued)

The debt payment schedule for the following fiscal years ending June 30 is as follows:

Loans Payable		
Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2011	\$ 1,162	\$ 580
2012	1,211	530
2013	1,263	478
2014	1,317	425
2015	1,373	369
2016-2020	5,701	962
2021-2025	1,666	192
2026-2030	400	73
2031-2033	269	13
Total	<u>\$ 14,362</u>	<u>\$ 3,622</u>

Prior-Year Defeasance of Debt In prior years, the County defeased certain Certificates of Participation (COP) by placing the proceeds of new COP's in an irrevocable trust to provide for all future debt service payments on the old COP's. Accordingly, the trust account assets and the liability for the defeased COP's are not included in the County's financial statements. At June 30, 2010, there are no longer any bonds outstanding considered to be defeased.

Other Payables El Rancho Sewer District, which is part of County Service Area #1, issued revenue bonds during the fiscal year ended June 30, 1988. Farmers Home Administration purchased the bonds. The proceeds of the loan were used for a sewer construction project. The original bonds payable of \$11 have a current principal balance of \$7 and bears interest at 5% per annum. This matures in 2027, a 40-year period. The bonds were issued under Health & Safety Code §49000. The bonds will be redeemed with monies raised from service charges associated with the sewer system operation.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt (Continued)

The annual debt service requirements to maturity for the revenue bonds are as follows:

EI Rancho Sewer Bond		
Fiscal Year Ending June 30,	Business-type Activities	
	Principal	Interest
2011	\$ -	\$ -
2012	1	1
2013	-	-
2014	1	1
2015	-	-
2016-2020	2	1
2021-2025	2	1
2026-2027	1	-
Total	<u>\$ 7</u>	<u>\$ 4</u>

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2010, was as follows:

Long-term Liabilities	Beginning Balance Restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
COP's payable	\$ 37,210	\$ -	\$ (5,660)	\$ 31,550	\$ 5,235
Variable rate demand bonds	41,050	-	(615)	40,435	715
Pension obligation bonds	16,955	-	(5,000)	11,955	5,685
Tax allocation bonds	1,778	1,669	(89)	3,358	90
Loans payable	15,730	-	(1,368)	14,362	1,162
Net OPEB obligation	3,276	2,307	(629)	4,954	-
Compensated absences	20,504	3,952	(1,579)	22,877	1,579
Liability claims payable	24,405	11,613	(9,097)	26,921	6,771
Contractual obligation	1,476	-	(53)	1,423	53
Accrued Remediation Cost	5,000	-	-	5,000	-
Governmental activities Long-term liabilities	<u>\$ 167,384</u>	<u>\$ 19,541</u>	<u>\$ (24,090)</u>	<u>\$ 162,835</u>	<u>\$ 21,290</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

K. Long-term Debt (Continued)

*Changes in Long-term Liabilities* (Continued)

<u>Long-term Liabilities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
COP's payable	\$ 1,476	\$ -	\$ (30)	\$ 1,446	\$ 30
Bonds payable	8	-	(1)	7	-
Closure/postclosure costs payable	46,569	1,101	-	47,670	-
Compensated absences	334	153	(57)	430	28
Business-type activities					
Long-term liabilities	<u>\$ 48,387</u>	<u>\$ 1,254</u>	<u>\$ (88)</u>	<u>\$ 49,553</u>	<u>\$ 58</u>

The liability for compensated absences has typically been liquidated using the primary government's governmental funds and the Solid Waste Fund. The value of accumulated vacation at June 30, 2010, was \$17,791. Of this amount, \$291 is recorded in business-type funds. The value of accumulated sick leave at June 30, 2010, was calculated using a termination payment method and is accrued at \$2,665. Of this amount, \$79 is recorded in business-type funds. The value of accumulated CTO at June 30, 2010, was \$1,405. The value of sick leave buy backs for future years cannot be accurately estimated, but for the fiscal year ended June 30, 2010, the County paid \$0 to employees through this program. The Tulare County Board of Supervisors approved the suspension of the sick leave buy back program for the next two years.

The liabilities for claims and judgments payable include both General Liability and Workers' Compensation Liability and have been liquidated using the General Liability Insurance Internal Service Fund and the Workers' Compensation Insurance Internal Service Fund.

L. Special Assessment Debt

The County of Tulare is not obligated in any manner for special assessment debt for the outstanding bond issues totaling \$373,890 for School Bonds, 1915 Improvement Act Bonds, and Special District General Obligation Bonds at June 30, 2010. The Tulare County Auditor-Controller acts as an agent for the Property Owners / Bond Holders in collecting and forwarding the special assessments, with the exception of the Kaweah Delta Hospital Bond. The School Bonds totaling \$233,924 include bonds for Buena Vista, Burton, Earlimart, Liberty, Kings River, Richgrove, Stone Corral, Sundale, Traver, and Woodlake Elementary Schools, Exeter, Strathmore, Tulare Joint Union, and Woodlake High Schools, Cutler-Orosi, Dinuba, Farmersville, Lindsay, Porterville, and Visalia Unified Schools. The 1915 Improvement Act Bonds totaling \$172 include bonds for Ducor Community Service District, and Ducor CSD Supplemental. The Special Districts GO Bonds totaling \$135,085 are for Kaweah Delta Hospital Bond and Woodville Public Utility District Sewer.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

M. Landfills

State and Federal laws and regulations require that Tulare County Solid Waste Fund place a final cover on its landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. In addition to operating expenses related to current activities of the landfill sites, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfills no longer accept waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfills used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$47,670 as of June 30, 2010, which is based on an average of 35% usage (filled) of all landfill sites (remaining capacity since August 18, 1989). It is estimated that an additional \$50,237 will be recognized as closure and postclosure care expenses between the date of the statement of net assets and the date the landfills are currently expected to be filled to capacity. The estimated remaining life of landfill sites ranges from 1.6 years for Teapot Dome to 181.8 years for the Visalia site. The estimated total current cost of the landfill closure and postclosure care (\$92,912) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of June 30, 2010. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

In addition, the County is required by State and Federal laws and regulations to make annual contributions to finance closure and postclosure care. The County is in compliance with these requirements, and at June 30, 2010, investments of \$52,670 are part of the pooled funds held by the Tulare County Treasurer. It is anticipated that future inflation costs will be financed in part from earnings on investments held by the Treasurer. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill site users, taxpayers, or both.

The State Water Resources Control Board through the Regional Water Quality Control Board under California Code Regulations, title 27, subchapter 2, Article 4, and Sections 22220 through 22222. The funds are the financial assurance mechanism for corrective actions and are there to be used to clean up or otherwise remediate a release (a.k.a. plume of groundwater contamination) from the County's landfills. The California Integrated Waste Management Board (CIWMB) specifies what annual inflation rate should be applied to the amount required for corrective action along with closure and postclosure maintenance at the landfills. The County is in compliance with these requirements and, at June 30, 2010, investments of \$4,994 are part of the pooled funds held by the Tulare County Treasurer.

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

N. Remediation Contingencies

Governmental Funds

The County owns a 40 acre site used as a base for crop duster activities from 1952 to 1994. As a result of a site assessment, pesticides were identified at or near the surface. The County entered into an agreement with the State Department of Toxic Substances Control (DTSC) to perform interim remedial measures to comply with Health and Safety Code Section 25355.5 (a)(1)(c). The County has performed the following: (1) construction and maintenance of a site perimeter fence; (2) maintenance of a surface soil sealant over affected soils; (3) periodic inspections by both the Tulare County and DTSC staff; (4) maintenance of a liner system over the former pond area; and, (5) removal and proper closure of underground storage tanks and concrete sumps. As of June 30, 2010, the Governmental Activities reflects a \$5,000 accrued remediation liability (Note K). The liability has been calculated using the expected cash flow technique. The liability is subject to change over time. Cost may vary due to price fluctuations, changes in technology, results of environmental studies, changes to statute or regulations and other factors that could result in revisions to these estimates. The County continues to work with DTSC staff and provides them with semiannual summary reports of the tests performed at the site. The semiannual testing will continue until the full scale remediation commences or until DTSC authorizes Tulare County in writing to discontinue or modify some or all of the interim remedial measures. The County spent \$91 for the year ended June 30, 2010, and plans to spend approximately \$100 in each subsequent year during the interim remediation phase.

O. Restricted Net Assets

Net assets invested in capital assets, net of related debt is computed as follows:

	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
Total capital assets, net of accumulated depreciation	\$ 1,587,272	\$ 29,625	\$ 1,616,897
Less related debt:			
COP's	(31,550)	(1,446)	(32,996)
Loans	(14,362)	-	(14,362)
Bonds	-	(7)	(7)
Total	<u>\$ 1,541,360</u>	<u>\$ 28,172</u>	<u>\$ 1,569,532</u>

**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

O. Restricted Net Assets (Continued)

Net assets of capital projects funds (\$7,930) are restricted by the State for the future cleanup of toxic ground at the Harmon Field airstrip (\$5,000), and by the Joint Powers Agreement governing the disbursement and use of proceeds of the variable rate demand bonds (\$2,930). Net assets of special revenue funds (\$24,374) are restricted by the funding source, usually State and Federal, for specific functions such as Education (\$3,238), Public Protection (\$3,674), Roads (\$13,600), Redevelopment (\$3,446), and others (\$416).

Net assets of debt service funds (\$29,576) are restricted by lenders COP's (\$5,371), or by contractual agreements with trustees and bond holders (\$19,393), or others (\$4,812).

Net assets of business-type activities are restricted by State landfill postclosure contingency requirements (\$5,000) or by contractual agreements with bondholders (CSA - \$5).

P. Condensed Financial Statements

The Tulare County Public Facilities Corporation issued Certificates of Participation to finance its sewage and water projects. Both the water and sewer projects are accounted for in three single funds. However, investors in the Certificates of Participation rely solely on the revenue generated by the individual activities for repayment. Summary financial information for these funds is presented below:

<b>CONDENSED STATEMENT OF NET ASSETS</b>	Terra Bella Sewer Maintenance	CSA #1	CSA #2
<b>Assets:</b>			
Current assets	\$ 852	\$ 487	\$ 121
Capital assets	1,231	3,909	377
<b>Total assets</b>	<b>2,083</b>	<b>4,396</b>	<b>498</b>
<b>Liabilities:</b>			
Current liabilities	19	56	2
Noncurrent liabilities	805	1,318	40
<b>Total liabilities</b>	<b>824</b>	<b>1,374</b>	<b>42</b>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	411	3,317	336
Unrestricted (deficit)	848	(295)	120
<b>Total net assets</b>	<b>\$ 1,259</b>	<b>\$ 3,022</b>	<b>\$ 456</b>



**NOTE 4 – DETAILED NOTES ON ALL FUNDS** (Continued)

P. Condensed Financial Statements (Continued)

<b>CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS</b>	Terra Bella Sewer Maintenance	CSA #1	CSA #2
Water and sewer charges	\$ 142	\$ 454	\$ 58
Other operating revenues	-	4	-
Depreciation expense	(56)	(199)	(15)
Other operating expenses	(111)	(378)	(57)
Operating income (loss)	(25)	(119)	(14)
Nonoperating revenues (expenses):			
Investment earnings	82	20	6
Special assessments	32	-	-
Interest expense	(90)	(50)	(2)
Change in net assets	(1)	(149)	(10)
Beginning net assets	1,260	3,171	466
Ending net assets	\$ 1,259	\$ 3,022	\$ 456

<b>CONDENSED STATEMENT OF CASH FLOWS</b>	Terra Bella Sewer Maintenance	CSA #1	CSA #2
Net cash provided (used) by:			
Operating activities	\$ 9	\$ 81	\$ 2
Noncapital financing activities	32	42	-
Capital and related financing activities	(105)	(66)	(3)
Investing activities	82	20	6
Net increase (decrease)	18	77	5
Beginning cash and cash equivalents	807	248	104
Ending cash and cash equivalents	\$ 825	\$ 325	\$ 109

The County maintains three non-major enterprise funds that account for the maintenance and operations of a sewer system (Terra Bella Sewer Maintenance District) and clean and safe water systems (County Service Areas 1 & 2).

**NOTE 5 – OTHER INFORMATION**

**A. Risk Management**

The County is exposed to various risks of loss related to tort claims from automobile losses, operations losses, and professional errors and omissions; damage to and destruction of assets from theft, natural disasters, and other occurrences; and job related injuries to County employees. The County uses a combination of self-insurance, commercial insurance, and insurance pools with other counties to provide protection from loss. Premiums are paid into the insurance funds by all other funds and are available to pay claims, build reserves, pay insurance premiums, and pay the administrative costs associated with risk and claim administration.

Losses and incidents of potential loss are reported to Risk Management. After an initial assessment, a claim is established that includes a reasonable estimate of the ultimate cost of the claim to the County Excess liability coverage is maintained for automobile, general liability, and non-medical. The self-insured retention for the Liability Program effective July 1, 2003, is \$250 and continues at this level. The self-insured retention of \$250 applies to general liability, and non-medical errors and omissions claims. Excess Limits of Liability were maintained at \$36 million for the fiscal year 2009/10. The purchased insurance for automobiles, aviation, water craft and medical malpractice claims pays for all claim and expense costs, with deductibles that apply as follows: automobiles-\$10, aviation-\$1; water craft-\$5 and medical malpractice-\$10.

Liability costs/settlements have occasionally exceeded the self-insured retention. For fiscal year ending June 30, 2010, no payments were made that exceeded the self insured retention.

<u>Type of Event</u>	For the fiscal year ended June 30,		
	<u>2010 Total</u>	<u>2009 Total</u>	<u>2008 Total</u>
Harassment Litigation	\$ -	\$ -	\$ -
Total Reimbursements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Liabilities include an amount for estimated claims payable, including expenses and an accrual for claims incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and the amount of payouts as well as economic and social factors affecting claim values. The liability for claims and judgments is reported in the insurance internal service funds

Property coverage is insured with a \$10 deductible applying to real property and contents, including automobiles, and includes replacement cost limits of liability. The Crime Bond deductible is \$25 and the Boiler and Machinery deductible is \$10 with coverage under the basic Property Program coverage. Workers' compensation is a full statutory program and includes the funding for a Safety Officer and safety programs.

**NOTE 5 – OTHER INFORMATION** (Continued)

A. Risk Management (Continued)

Changes in the balances of claims liabilities during the last three fiscal years ended June 30 are as follows:

<b>Claims Liability</b>	For the fiscal year ended June 30,		
	2010 Total	2009 Total	2008 Total
Unpaid claims	\$ 4,769	\$ 4,436	\$ 4,400
Claims incurred	(111)	646	955
Claims paid	(89)	(313)	(919)
<b>Total unpaid claims</b>	<b>\$ 4,569</b>	<b>\$ 4,769</b>	<b>\$ 4,436</b>

The County returned to a Self-Insured Workers' Compensation Program during fiscal year 2004/05. AIG had provided a fully insured Workers' Compensation policy for the previous six years.

Effective July 1, 2007, the County entered into a workers' compensation administration service agreement with Intercare Insurance Services for claim services. Intercare Insurance Services staff handles claims with claim payments from a \$250 revolving fund, which is reconciled at least monthly by the County. The County employs a Safety and Claims Officer and self-administers the Safety and Loss Control Program.

During the year, 512 claims were reported to Intercare Insurance Services. As of June 30, 2010, 128 claims remained open and benefit payments totaled \$2,004. Outstanding reserves for recorded claims are valued at \$8.79 million, while incurred but not recorded (IBNR) is reserved at \$11.66 for future development of accident fiscal year.

Changes in the balances of Workers' Compensation claims liabilities during the last three fiscal years ended June 30 are as follows:

<b>Workers' Compensation Claims Liability</b>	For the fiscal year ended June 30,		
	2010 Total	2009 Total	2008 Total
Unpaid claims	\$ 19,636	\$ 20,770	\$ 17,030
Claims incurred	3,787	353	4,655
Claims paid	(2,004)	(1,487)	(915)
<b>Total unpaid claims</b>	<b>\$ 21,419</b>	<b>\$ 19,636</b>	<b>\$ 20,770</b>

**NOTE 5 – OTHER INFORMATION** (Continued)

A. Risk Management (Continued)

The County returned to a Self-Insured Health Insurance plan after nearly 20 years of using various providers such as Blue Cross and Blue Shield of California.

Effective September 29, 2009, the Counties of Tulare and Fresno entered into a Joint Exercise of Powers Agreement by which they created the San Joaquin Valley Insurance Authority (SJVIA). The SJVIA uses Wellpoint, Inc. to handle claims administration. The staff at Wellpoint pay claims from a \$7,000 revolving fund.

During the year over 7,500 claims were reported to Wellpoint. As of June 30, 2010, the incurred but not recorded (IBNR) claims were valued at \$933. The IBNR projection is not based on a claims count, but enrollment and a claim lag factor.

Changes in the balance of claims liabilities during the last year are as follows:

	For the fiscal year ended June 30,		
	2010 Total	2009 Total	2008 Total
<b>Health Insurance Claims Liability</b>			
Unpaid claims	\$ -	\$ -	\$ -
Claims incurred	7,937	-	-
Claims paid	7,004	-	-
Total unpaid claims	<u>\$ 933</u>	<u>\$ -</u>	<u>\$ -</u>

The combined unpaid claims liability for General Liability and Workers' Compensation are reported in these financial statements as follows:

	For the fiscal year ended June 30,		
	2010 Total	2009 Total	2008 Total
<b>General Liability, Workers' Compensation and Health Insurance Unpaid Claims Liability</b>			
Claims payable - current	\$ 6,771	\$ 5,075	\$ 5,299
Claims payable - noncurrent	20,150	19,330	19,907
Total unpaid claims liability	<u>\$ 26,921</u>	<u>\$ 24,405</u>	<u>\$ 25,206</u>

**NOTE 5 – OTHER INFORMATION** (Continued)

**B. Risk Pool**

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC EIA), a California Joint Powers Authority. The purpose of the Authority is to develop and fund insurance programs for California Counties, Cities and other public agencies. CSAC EIA was formed in October 1979 and has operated without interruption since that time. In 2001, the California Public Entities Insurance Authority was formed to allow other California public entities access to CSAC EIA's programs and services. In 2006, the Joint Powers Agreement was amended to allow public entities to join CSAC EIA directly. Through the restructure, two categories of membership were established; Counties and public entities. CSAC EIA's Board of Directors consists of one representative from each of the 54 County members and seven elected representatives from the other public entities. County and public entity members serve together on the Executive and other committees that support CSAC EIA.

The Authority operates public entity risk pools for Workers' Compensation, Comprehensive Liability, Property, and Medical Malpractice. The Authority also purchases primary and excess insurance, actuarial services, and claims audits; and provides loss prevention and other services and subsidies for its members.

The County participates in the following CSAC Excess Insurance programs. The current County self-insured retention level for each program is as follows:

<u>Excess Insurance Program</u>	<u>Self-Insurance Retention</u>	<u>Coverage Limits</u>
General Liability Program I & II	\$ 125	\$ 15,000
Optional Excess General Liability	250	20,000
Property	10	600,000
Medical Malpractice	10	21,505

**NOTE 5 – OTHER INFORMATION** (Continued)

B. Risk Pool (Continued)

The County's claims did not exceed the self insurance retention in Fiscal Year 2009-2010. No claims have exceeded the County's total insurance coverage. The relationship between the County and the CSAC Excess Insurance Authority is such that the CSAC Excess Insurance Authority is not a component unit of the County for financial reporting purposes.

Condensed financial information for CSAC Excess Insurance Authority as of and for the fiscal year ended June 30, 2010, is as follows:

CSAC Excess Insurance Authority Condensed Statement of Net Assets June 30, 2010 (amounts expressed in thousands)		CSAC Excess Insurance Authority Condensed Statement of Revenues, Expenses, and Changes in Net Assets For Fiscal Year Ended June 30, 2010 (amounts expressed in thousands)	
Total Assets	\$ 546,765	Total Revenue	\$ 416,174
Total Liabilities		Total Expenses	<u>443,609</u>
Claims Liabilities	383,681	Change in Net Assets	(27,435)
All Other Liabilities	<u>44,727</u>	Beginning Net Assets	<u>145,763</u>
Net Assets	<u>\$ 118,357</u>	Ending Net Assets	<u>\$ 118,328</u>

CSAC Excess Insurance Authority owns its office building. The building was purchased with assessments from the member counties. Each county shares in the equity of the building in proportion to the assessment contributed. Tulare County's percentage equity in the CSAC EIA building fund at June 30, 2010, is 1.82% of \$1,810 for a total of \$33.

C. Joint Ventures

A joint venture is defined by Governmental Accounting Standards Board Statement No. 14 *The Financial Reporting Entity* as "a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain either (a) an ongoing financial interest, or (b) an ongoing financial responsibility." Aside from the County's membership in the California State Association of Counties (CSAC) as described in Note 5.B., the County also participates in other joint ventures as follows:

California Statewide Communities Development Authority (CSCDA) The CSCDA is a California joint exercise of powers authority, organized and existing under the California Government Code Section 6500 and following, and is sponsored by the League of California Cities and the California State Association of Counties. The CSCDA is comprised of nearly 500 California cities, counties, and special districts, including the County of Tulare. The CSCDA is authorized to assist in the financing of 501(c)(3) nonprofit projects, however, the CSCDA may only issue debt with the approval of the governing body of the jurisdiction in which the Project is located. There are no financial obligations placed on the County for project financing costs or debt repayment.

**NOTE 5 – OTHER INFORMATION** (Continued)

C. Joint Ventures (Continued)

Central Valley Immunization Information System (CVIIS) On January 1, 2001, the Counties of Fresno, Kern, Kings, Madera, Mono, and Tulare entered into a Joint Exercise of Powers Agreement by which they created and established CVIIS as a separate public Agency. This Agency was created to provide a client-oriented, automated immunization system so that residents of member counties will have access to and receive age appropriate immunizations pursuant to Health and Safety Code Section 120440 (b) (1)1. The County acts as its own fiscal agent with respect to funds provided to it directly from the State. The County's financial interest is based upon joint ownership of money and property owned by CVIIS.

Consolidated Waste Management Authority (CWMA) On December 14, 1999, the cities of Visalia, Porterville, Lindsay, Dinuba, and Tulare entered into a Joint Powers Agreement by which was created and established the CWMA as an independent public Agency to comprehensively plan, develop, operate, and manage the transformation, recycling, processing and disposal of solid waste within the members' jurisdictions per AB939. In November 2002, the cities of Exeter and Farmersville were added as members of the CWMA. In April 2006, the County was added as a member. Aside from annual membership dues, the County has no financial responsibilities. Independently audited financial statements can be obtained from Consolidated Waste Management Authority, 707 W. Acequia, Visalia, California.

Goshen Public Financing Authority (GPFA) On September 17, 1996, the Tulare County Redevelopment Agency (a blended component unit of the County) and the Goshen Community Services District formed the legally-separate GPFA as a result of a joint powers agreement. The County has pledged \$53 each year for 40 years against U.S.D.A. bonds secured by GPFA for a sewer project in Goshen.

Kings/Tulare Area Agency on Aging KTAAA was established in 1980 as a result of a joint powers agreement between Kings and Tulare Counties for the purpose of spending Older Americans Act and Older Californians Act monies in support of seniors. The County is responsible for a minimum of 79% of the required administrative match each year, but all resources would revert to the California Department of Aging. Independently audited financial statements can be obtained from the County Health and Human Services Agency, 5957 South Mooney Boulevard, Visalia, California.

Lake Kaweah Enlargement Project The Project was established in 1999 as a result of a joint powers agreement between the Kaweah Delta Water Conservation District and the County for the purpose of constructing a spillway at Lake Kaweah in order to provide greater flood protection. The County is responsible for 12% of non-federally-supported costs of the Project and retains a 12% interest in the completed Project. Independently audited financial statements can be obtained from the Kaweah Delta Water Conservation District, 2975 Farmersville Boulevard, Farmersville, California.

San Joaquin Valley Library System The entity was established in 1970 as a result of a joint powers agreement among library jurisdictions in the San Joaquin Valley for the purpose of reducing the costs of operations and improving services to the public. The County is responsible for staffing and minor purchases in support of the System. The County's financial interest is based upon its percentage of contributions to the System. Independently audited financial statements can be obtained from the Fresno County Library, 2420 Mariposa Street, Fresno, California.

San Joaquin Valley Power Authority (SJVPA) The entity was established, on November 15, 2006, by the Board of Supervisors, who adopted subsection (s) to Section 105 of the Tulare County Ordinance Code which approved the joint powers agreement to join the Authority. The other members of SJVPA are: the cities of Clovis, Corcoran, Dinuba, Fresno, Hanford, Kerman, Kingsburg, Lemoore, Parlier, Reedley, Sanger, Selma and Kings County. The Authority will set electrical generation rates for customers within its service area and will purchase power from the Kings River Conservation District and seek to offer a 5% reduction in generation charges to its customers. The total cost incurred by the County to date is \$27,655. There is no ongoing cost for membership in the JPA. Independently audited financial statements can be obtained from the Kings River Conservation District, 4886 East Jensen Avenue, Fresno, California.

**NOTE 5 – OTHER INFORMATION** (Continued)

C. Joint Ventures (Continued)

Tulare County Association of Governments TCAG was established in 1971 as a result of a joint powers agreement among incorporated Cities and the County for the purpose of providing a forum for the coordination of transportation and air quality maintenance programs. The County is responsible for staffing and for a pro rata share of operating costs. Independently audited financial statements can be obtained from the County Resource Management Agency, 5961 South Mooney Boulevard, Visalia, California.

Tulare County Service Authority for the Abatement of Abandoned Vehicles The Authority was established in 1991 as a result of a joint powers agreement among incorporated Cities and the County for the purpose of removing and disposing of abandoned vehicles deemed to be public nuisances. The County is responsible for the collection and disbursement of authorized funds and meeting State reporting requirements for which the County receives 1% of the annual funds collected. The Authority has no resources other than cash, which is distributed immediately upon receipt. Independently audited financial statements can be obtained from the State of California Controller's Office, Sacramento, California.

Tule River Improvement Project The Project was established in 1998 as a result of a joint powers agreement between the Lower Tule River Irrigation District and the County for the purpose of acquiring and maintaining entrance facilities and channels in order to provide flood control and water conservation. The Project's support costs are shared equally among participants with specific project costs shared according to separate agreements per project. The County's interest in the Project is calculated based on contributions to individual projects. Independently audited financial statements can be obtained from the Lower Tule River Irrigation District, 357 East Olive Avenue, Tipton, California.

San Joaquin Valley Insurance Authority (SJVIA) On September 29, 2009, the Counties of Tulare and Fresno entered into a Joint Exercise of Powers Agreement by which they created the SJVIA as a separate public Agency charged with the responsibility of providing health and medical benefits for over 10,000 Fresno and Tulare County employees. Independently audited financial statements can be obtained from the Fresno County Auditor-Controller at 2281 Tulare Street #105, Fresno, CA 93721-2134.

Upper Kings Basin Integrated Regional Water Management Authority (UKBIRWMA) On May 18, 2010, the County of Tulare became a full voting member of the Authority at a cost of \$5 per year. The purpose of the Authority is to engage in the management of water resources under the Integrated Regional Water Management Planning Act of 2002. The Authority has brought in over \$11,000 of funding to the region for planning and expanding local groundwater projects.

California Rural Home Mortgage Finance Authority (CRHMFA) On January 27, 2009, the County of Tulare became an associate member of the Authority in order to meet the demand from mortgage consultants expressing interest in utilizing National Homebuyer Fund (NHF) loan programs. There are no annual membership dues, so the County has no financial responsibilities with respect to this organization.

D. Subsequent Events

In August 2010, the County of Tulare signed a Line of Credit agreement with Union Bank of California for \$55,000, with a fee.



**NOTE 5 – OTHER INFORMATION** (Continued)

E. Contingent Liabilities

Litigation The County is a defendant in various lawsuits although the outcome of these lawsuits is not presently determinable, in the opinion of the County Counsel, (other than the claims included in section 5. Other Information, sub-section A. Risk Management), even resolution of these matters would not have a material adverse effect on the financial condition of the County.

In the opinion of the County Counsel, a large majority of tax assessment appeals will be withdrawn by the applicants or settled by a stipulation of value and the County's Tax Assessor will prevail in the majority of appeals.

Termination Fee Presently, the County is not engaged in any contracts containing contingent liability for an early termination.

Program Compliance Requirements The County participates in a number of Federal and State assisted grant programs, principal of which are the Family Support Payments, Child Support Enforcement, Community Development Block Grants, Workforce Investment Act, Justice Subvention programs and Local Public Works programs. These programs are subject to program compliance audits by the grantors and audits conducted under the Single Audit Act Amendments of 1996. The amount, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time, although the County expects amounts, if any, to be immaterial.

F. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available for distribution until termination, retirement, death, or unforeseeable emergency.

The assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Since an outside party in accordance with Governmental Accounting Standards Board Statement No. 32 *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, administers the plan assets, these assets are not included in the financial statements of the County.

G. Employee Retirement System

Plan Description The Tulare County Employees' Retirement Association was established July 1, 1945; under the provisions of the County Employees Retirement Act of 1937, (Government Code sections 31450 et seq.). The Association operates as a cost-sharing multiple-employer defined benefit plan with special funding circumstances and provides retirement, disability and death benefits for qualified employees of Tulare County, the Tulare County Courts, and the Strathmore Public Utility District. The Association was integrated with Social Security in 1956. The Association is administered by a nine-member Board of Retirement. The Association issues a separate Comprehensive Annual Financial Report. Copies of the annual financial report may be obtained from the Tulare County Employees' Retirement Association.

**NOTE 5 – OTHER INFORMATION** (Continued)

G. Employee Retirement System (Continued)

*Funding Policy* Active plan members in the Association are required to contribute a percentage of their annual covered salary based upon age at entry into the plan and plan Tier. Currently, General Tier I members contribute between 3.64% and 7.38% of salary. General members of Tiers II and III contribute between 5.66% and 11.94% of covered salary. Safety Tier I members contribute between 5.47% and 7.86% of salary. Safety Tier II and III members contribute 8.48% and 12.73% of covered salary. Due to a collective bargaining agreement, the County has a legal obligation to contribute 50% of the contributions required for active Tier I plan members. The rates reflected above for Tier I members do not reflect the County “pickup”. The required employer aggregate contribution rate for all members combined in fiscal 2009-10 was 9.43% for General employees and 18.59% for Safety employees of total payroll.

*Annual Pension Cost (APC)* For fiscal year 2009-10, the County’s annual pension cost for the Association was projected to be \$24,259, and the County actually contributed \$24,240. The projected contribution for fiscal year 2009-10 was determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percentage of pay as projected by the County. The actuarial assumption included (a) 7.9% investment rate of return (net of administrative expenses), (b) projected salary increases of 5.5%, and (c) life expectancy – the employee portion of the cost of living provisions is expressed as a percentage of the employee’s contribution rates, ignoring the cost-of-living provisions. Both (a) and (b) include an inflation component of 4%. The actuarial value of the Association’s assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a five-year period. The Association’s unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payrolls on a rolling fifteen-year basis.

The County’s annual pension cost and pension assets for the fiscal year ended June 30, 2010, were as follows:

<b>Annual Pension Costs and Pension Assets</b>	
Annual required contribution	\$ 24,240
Interest on pension assets	11,276
Adjustment to the annual required contribution	<u>(6,182)</u>
Annual pension costs	29,334
Contributions made	<u>24,240</u>
Decrease in pension assets	(5,094)
Pension assets, July 1	<u>18,575</u>
Pension assets, June 30	<u><u>\$ 13,481</u></u>

**NOTE 5 – OTHER INFORMATION** (Continued)

G. Employee Retirement System (Continued)

<b>Schedule of Funding Progress</b> (amounts expressed in thousands)						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age (B)	Unfunded Actuarial Liability/(Surplus) (UAAL/S) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL/S as a % of Covered Payroll (B-A)/C
6/30/05	\$ 681,618	\$ 714,656	\$ 33,038	95.38%	\$ 164,777	20.05%
6/30/06	729,898	792,843	62,945	92.06%	186,949	33.67%
6/30/07	800,967	846,030	45,063	94.67%	204,803	22.00%
6/30/08	879,051	946,414	67,363	92.88%	226,836	29.70%
6/30/09	919,179	996,747	77,568	92.22%	227,306	34.12%
6/30/10	946,640	1,033,211	86,571	91.62%	217,811	39.75%

<b>Three Year Trend Information</b>				
Year Ended June 30,	Annual Pension Cost	Required Annual Contribution	Percentage Contributed	Pension Assets
2008	\$ 25,509	\$ 21,808	85.49%	\$ 22,923
2009	25,863	21,515	83.19%	18,575
2010	29,334	24,240	82.63%	13,481

H. Other Post Employment Benefits (OPEB)

The County's post employment benefit plan is an agent multiple-employer plan. The County allows retirees who participate in the County administered medical plan and retire directly from active service under the Tulare County Employees' Retirement Association to continue to participate in the County administered medical plan at the retirees' expense. The same premiums are charged to both active employees and retirees. Although the County does not explicitly subsidize retirees medical plan premiums, allowing retirees to participate in the same plan at the same premium rate results in an "implied subsidy." Including the "implied subsidy" on the government-wide statements is done solely for purposes of complying with accounting standards and is not an admission by the County of Tulare that the benefit is in any way a vested benefit to which any current or former employee is or will be entitled. Under Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the value if this implied subsidy must be included in the employer's ARC and AAL to the extent that the employers pays at least that amount in active employee premiums.

**NOTE 5 – OTHER INFORMATION** (Continued)

H. Other Post Employment Benefits (OPEB) (Continued)

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

In the County's June 30, 2008, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (net of investment expenses) and an annual healthcare cost trend of 9 percent and declines to 6.25 percent over nine years. Both rates include an inflation assumption of 4 percent. The Actuarial Accrued Liability (AAL) is the cumulative value of the projected benefits. The unfunded AAL is amortized over 29 years as a level percent of payroll on a closed basis.

Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the OPEB Plan and the ARC 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 for the County's Other Post Employment Benefits is presented as required supplementary information following the Notes to the Financial Statements. This schedule will, in the subsequent fiscal year, present multiyear trend information that shows whether the actuarial value of OPEB Plan assets is increasing or decreasing over time relative to the AAL for benefits.

Using a 4.75% discount rate, the actuarial values are as follows:

<u>As of June 30, 2008*</u>	
Present Value of Projected Benefits (PVPB)	\$ 27,099
Actuarial Accrued Liability (AAL)	\$ 12,411
Plan Assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 12,411</u>
* Data provided by most current actuarial valuation as of June 30, 2008. A new valuation will be made during the fiscal year 2010/2011.	

**NOTE 5 – OTHER INFORMATION** (Continued)

H. Other Post Employment Benefits (OPEB) (Continued)

Plan cost for the year ended June 30, 2010, is as follows:

<b>Schedule of Funding Progress</b> (amounts expressed in thousands)							
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Liability (AAL) - Entry Age (B)	Unfunded Actuarial Liability/(Surplus) (UAAL/S) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL/S as a % of Covered Payroll (B-A)/C	
6/30/06	\$ -	\$ 13,744	\$ 13,744	0.00%	\$ 194,399	7.07%	
6/30/08	-	12,411	12,411	0.00%	214,673	5.78%	

Data provided by last actuarial valuation as of June 30, 2008.

I. Trial Court Funding

Assembly Bill 233 (“AB 233”), which was adopted by the State Legislature in 1997 and became effective January 1, 1998, transfers responsibility from the counties to the State for local trial court funding commencing in the 1997-98 fiscal year. Under this legislation, the State assumed a greater degree of responsibility for trial court operations costs from fiscal year 1997-98 forward.

The County will continue to be obligated to provide court facilities for all judicial officers and support positions authorized prior to July 1, 1996. This includes those judicial officers and positions, which replace those officers and positions created prior to July 1, 1996. However, AB 233 does not require that the County finance new capital facility expenditures related to judicial officers and support staff required for any judgeships authorized during the period from January 1, 1998, to June 30, 2003. The County remained obligated to fund capital expenditures with respect to capital needs of existing judicial officers and support positions located in several of its courthouse facilities until an agreement can be reached for each specific facility.

In fiscal year 2006-07, the County began negotiations with the State of California Judicial Council for individual facilities. Per the agreements, the County would be obligated to contribute an ongoing quarterly Court Facilities Payment to the State which will be adjusted annually.

In addition, there would be a Joint Occupancy Agreement between Judicial Council and the County. The primary occupant would be determined for each facility based upon square footage occupied. The responsibilities of each occupant would be outlined in the agreements and the secondary occupant would be required to reimburse the primary occupant a predetermined percentage of such expenses as utilities and repairs. The secondary occupant would be invoiced quarterly.

**NOTE 5 – OTHER INFORMATION** (Continued)

I. Trial Court Funding (Continued)

As of June 30, 2008, agreements have been signed for the Tulare Courthouse (in which the County is a 40% occupant) and the Porterville Courthouse (in which the County is a 70% occupant). Negotiations are under way for the Visalia Courthouse and the Courtroom in the Juvenile Hall.

On January 15, 2009, Visalia Courthouse negotiations were settled (in which the County is a 68% occupant). Negotiations for the Courtroom in Juvenile Hall were settled on February 1, 2009 (in which the County is a 94% occupant).

J. Prior Period Adjustments

The County's beginning fund balances/net assets have been restated to reflect the cumulative effect of prior year adjustments and reclassifications. A summary of the restatements as of June 30, 2009, is as follows (in thousands):

**Government-wide:**

Description	Primary Government	
	Governmental Activities	Business Type
Government-wide net assets, as of June 30, 2009, as previously reported.	\$ 1,638,451	\$ 43,179
Fund Financial Statements		
To defer notes receivables out of Fund Balance for the TCRA	213	-
Error in recording debt service payment in Richgrove RDA	34	-
To defer revenue in General Agency Funds	(309)	-
Write off Accrued Receivable for Pension Obligation Bond	(476)	-
Adjusting Teeter receivable balance to actual	1,486	-
Government-wide Financial Statements		
Capital Assets not previously reported for TCRA	2,592	-
Contractual Obligation not previously reported in Goshen RDA	(1,476)	-
Net Assets as of June 20, 2009, as restated	<u>\$ 1,640,515</u>	<u>\$ 43,179</u>

**NOTE 5 – OTHER INFORMATION** (Continued)

J. Prior Period Adjustments (Continued)

**Fund Financials:**

Description	Governmental Funds		
	Major Fund	Non-Major Funds	
	General Fund	Special Revenue Funds	Debt Service Funds
Fund Balances as of June 30, 2009, as previously reported.	\$ 58,077	\$ 22,796	\$ 3,627
Prior Period Adjustments:			
To defer notes receivables out of Fund Balance for the TCRA	-	213	-
Error in recording debt service payment in TCRA	-	34	-
To defer revenue in General Agency Funds	(309)	-	-
Write off Accrued Receivable for Pension Obligation Bond	-	-	(476)
Adjusting Teeter receivable balance to actual	1,486	-	-
Fund Balances, as of June 30, 2009, as restated	<u>\$ 59,254</u>	<u>\$ 23,043</u>	<u>\$ 3,151</u>

K. Proposition 1A Borrowing by the State of California

Under the provisions of Proposition 1A and as part of the 2009-2010 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 Tulare County was \$8,270.

Authorized with the 2009-2010 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. Tulare County opted to receive the two equal payments and received the entire \$8,270 prior to the year ended June 30, 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 Authority 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.

**REQUIRED SUPPLEMENTARY INFORMATION**



**COUNTY OF TULARE  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2010**

**TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (TCERA)  
SCHEDULE OF FUNDING PROGRESS  
FOR THE FIVE YEARS ENDING JUNE 30, 2009**

<b>Schedule of Funding Progress (amounts expressed in thousands)</b>						
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Liability (AAL) - Entry Age (B)	Unfunded Actuarial Liability/(Surplus) (UAAL/S) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL/S as a % of Covered Payroll (B-A)/C
6/30/05	\$ 681,618	\$ 714,656	\$ 33,038	95.38%	\$ 164,777	20.05%
6/30/06	729,898	792,843	62,945	92.06%	186,949	33.67%
6/30/07	800,967	846,030	45,063	94.67%	204,803	22.00%
6/30/08	879,051	946,414	67,363	92.88%	226,836	29.70%
6/30/09	919,179	996,747	77,568	92.22%	227,306	34.12%
6/30/10	946,640	1,033,211	86,571	91.62%	217,811	39.75%

Data provided by last actuarial valuation as of June 30, 2009.

**TULARE COUNTY EMPLOYEES OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN  
SCHEDULE OF FUNDING PROGRESS**

<b>Schedule of Funding Progress (amounts expressed in thousands)</b>							
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age (B)	Unfunded Actuarial Liability/(Surplus) (UAAL/S) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL/S as a % of Covered Payroll (B-A)/C	
6/30/06	\$ -	\$ 13,744	\$ 13,744	0.00%	\$ 194,399	7.07%	
6/30/08	-	12,411	12,411	0.00%	214,673	5.78%	

Data provided by last actuarial valuation as of June 30, 2008.

Notes to the Required Supplementary Information

The schedule for TCERA, a cost-sharing, multiple employer retirement system, relates to the association as a whole. The County represents a majority of TCERA's covered payroll.

The OPEB schedule presented relates solely to the County.

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

**COUNTY OF TULARE  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Nonmajor Funds
<b>Assets</b>				
Cash in banks	\$ -	\$ 3	\$ -	\$ 3
Investment in treasury pool	31,977	3,853	6,234	42,064
Cash on hand	333	-	-	333
Imprest cash	2	-	-	2
Receivables (net, where applicable, of allowances for uncollectibles):	3,723	-	-	3,723
Deposits with others	80	-	-	80
Due from other County funds	9,471	2,000	2,000	13,471
Due from other governments	7,434	578	-	8,012
Inventories	463	-	-	463
Prepaid items	1,581	-	-	1,581
Advances to Agency funds	40	-	-	40
Lease payments receivable, net of interest	-	967	-	967
Notes receivable	22,670	-	-	22,670
Restricted assets	-	-	5,000	5,000
<b>Total assets</b>	<b><u>\$ 77,774</u></b>	<b><u>\$ 7,401</u></b>	<b><u>\$ 13,234</u></b>	<b><u>\$ 98,409</u></b>
<b>Liabilities and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 6,085	\$ 20	\$ 297	\$ 6,402
Cash Overdraft	759	-	-	759
Due to other County funds	9,789	561	-	10,350
Due to other governments	31	-	-	31
Salaries and benefits payable	973	-	7	980
Deferred revenue	30,047	2,008	-	32,055
Advances from other County funds	935	-	-	935
<b>Total liabilities</b>	<b><u>48,619</u></b>	<b><u>2,589</u></b>	<b><u>304</u></b>	<b><u>51,512</u></b>
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Imprest cash	2	-	-	2
Inventories	463	-	-	463
Prepaid items	1,581	-	-	1,581
Advances to Agency funds	40	-	-	40
Encumbrance	170	-	-	170
Notes receivable	22,670	-	-	22,670
Harmon Field cleanup	-	-	5,000	5,000
Debt service	-	4,812	-	4,812
<b>Unreserved, reported in nonmajor:</b>				
Special revenue funds	4,229	-	-	4,229
Capital projects funds	-	-	7,930	7,930
<b>Total fund balances</b>	<b><u>29,155</u></b>	<b><u>4,812</u></b>	<b><u>12,930</u></b>	<b><u>46,897</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 77,774</u></b>	<b><u>\$ 7,401</u></b>	<b><u>\$ 13,234</u></b>	<b><u>\$ 98,409</u></b>

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Nonmajor Funds
Revenues:				
Taxes and special assessments	\$ 21,615	\$ -	\$ -	\$ 21,615
Licenses and permits	25	-	-	25
Fines, forfeitures and penalties	1,009	1,150	-	2,159
Interest, rents, and concessions	1,042	213	191	1,446
Intergovernmental revenues	97,130	-	2,441	99,571
Charges for services	1,983	-	-	1,983
Other revenues	5,505	-	1	5,506
Total revenues	<u>128,309</u>	<u>1,363</u>	<u>2,633</u>	<u>132,305</u>
Expenditures:				
Current:				
General government	7,429	-	2,412	9,841
Public protection	27,842	-	-	27,842
Public ways and facilities	12,986	-	-	12,986
Health and sanitation	1,230	-	-	1,230
Public assistance	16,142	-	-	16,142
Education	3,719	-	-	3,719
Debt service:				
Principal retirement	87	5,262	-	5,349
Interest and fiscal charges	128	1,180	-	1,308
Capital outlay	29,134	-	2,146	31,280
Total expenditures	<u>98,697</u>	<u>6,442</u>	<u>4,558</u>	<u>109,697</u>
Excess (deficiency) of revenues over (under) expenditures	29,612	(5,079)	(1,925)	22,608
Other financing sources (uses):				
Issuance of Debt	1,669	-	-	1,669
Transfers in	24,107	12,999	4,704	41,810
Transfers (out)	(49,276)	(6,259)	(815)	(56,350)
Total other financing sources (uses)	<u>(23,500)</u>	<u>6,740</u>	<u>3,889</u>	<u>(12,871)</u>
Net change in fund balances	6,112	1,661	1,964	9,737
Fund balances, July 1	22,796	3,627	10,966	37,389
Prior Period Adjustment	247	(476)	-	(229)
Fund balances, July 1, as restated	<u>23,043</u>	<u>3,151</u>	<u>10,966</u>	<u>37,160</u>
Fund balances, June 30	<u>\$ 29,155</u>	<u>\$ 4,812</u>	<u>\$ 12,930</u>	<u>\$ 46,897</u>

## NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

**Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.**

**Indigent Health Fund** - This fund is used to account for monies paid to hospitals and doctors for services rendered to individuals who cannot pay. This fund was established in 1989-90 to receive the County's share of Proposition 99 monies per AB75.

**Library Fund** - This fund is used to account for informational, cultural and recreational services to the public through library outlets. The primary sources of revenue are charges for services, ad valorem property taxes, and State funds.

**Fish and Game Fund** - This fund is used to account for improving the habitat for wildlife propagation and for incidental administrative matters. The primary source of revenue is the County's share of fines levied for violations of fish and game laws within its boundaries.

**Aviation Fund** - This fund is used to account for aviation services to the public and governmental agencies. The primary source of revenue is Aircraft taxes.

**Structural Fire Fund** - This fund is used to account for public structural fire protection. The primary sources of revenue are charges for services, ad valorem property taxes, and State funds.

**Roads Fund** - This fund is used to account for the maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. The primary sources of revenue are the County's share of State highway users taxes, Transportation Development Act and Intermodal Surface Transportation Efficiency Act revenues.

**Workforce Investment Fund** - This fund is used to account for services providing training and employment opportunities for the public. The primary sources of revenue are State/Federal Grants.

**Child Support Services Fund** - This fund is used to account for the costs of administering Child Support services to families in the County.

**Mental Health Realignment Fund** - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain mental health program expenditures.

**Health Realignment Fund** - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain health program expenditures.

**Social Services Realignment Fund** - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain welfare program expenditures.

**Tobacco Settlement Revenue Fund** - This fund was established to receive the County's share of the Tobacco Settlement litigation proceeds.

**Tulare County In-Home Supportive Services Public Authority (TCIHSSPA)** - TCIHSSPA was established according to the provisions of the Welfare and Institutions code Section 12301.6 to serve as employer of record of providers of in-home supportive services for purposes of the Meyers-Milias-Brown Act.

**Flood Control Fund** - This fund is used to account for flood control services provided in the County. The primary sources of revenue are ad valorem property taxes, assessments, and State funds.

**HOME Program Fund** - This fund is used to collect and recycle repayment of home loan funds.

**Community Development Block Grant Fund** - This fund was setup to collect and recycle repayment of CDBG loan funds.

**Redevelopment Funds (Redevelopment Admin, Earlimart, Ivanhoe, Lindsay, Goshen, Orosi, Pixley, Traver, Richgrove, and Poplar)** - These funds were established to account for revenues and expenditures related to the low-and-moderate-income-housing-set-aside program. Twenty percent of the tax increments allocated to the Redevelopment Agency are required to be placed in these funds. Eighty percent of the tax increments are used to build reserves for the future and to match funds to federal and state grant/loan funding programs, which are used for infrastructure and other public service projects within the redevelopment area.

**COUNTY OF TULARE  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Indigent Health	Library	Fish and Game	Aviation	Structural Fire	Roads	Workforce Investment	Child Support Services
<b>Assets</b>								
Investment in treasury pool	\$ 1,064	\$ 2,633	\$ 23	\$ -	\$ 1,614	\$ 11,934	\$ -	\$ 2,148
Cash on hand	-	-	-	329	1	3	-	-
Imprest cash	-	1	-	-	-	-	-	1
Receivables, net								
Accounts	-	-	-	63	28	949	-	-
Deposits with others	-	-	-	-	-	-	-	-
Due from other County funds	-	-	-	12	-	1,354	-	-
Due from other governments	38	-	-	-	-	4,397	539	5
Inventories	-	-	-	-	-	463	-	-
Prepaid items	47	709	-	-	-	-	-	825
Advances to Agency funds	-	-	-	-	-	-	-	40
Notes receivable	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,149</b>	<b>\$ 3,343</b>	<b>\$ 23</b>	<b>\$ 404</b>	<b>\$ 1,643</b>	<b>\$ 19,100</b>	<b>\$ 539</b>	<b>\$ 3,019</b>
<b>Liabilities and fund balances</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 1,063	\$ 31	\$ -	\$ 23	\$ 205	\$ 3,343	\$ 338	\$ 38
Cash overdraft	-	-	-	34	-	-	132	-
Due to other County funds	-	-	-	-	-	1,879	-	-
Due from other governments	-	-	-	-	-	-	-	-
Salaries and benefits payable	7	55	-	-	278	215	70	309
Deferred revenue	8	19	-	-	-	63	-	2,670
Advances from other County funds	-	-	-	-	476	-	-	-
Advances from Agency funds	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>1,078</b>	<b>105</b>	<b>-</b>	<b>57</b>	<b>959</b>	<b>5,500</b>	<b>540</b>	<b>3,017</b>
<b>Fund balances:</b>								
<b>Reserved for:</b>								
Imprest cash	-	1	-	-	-	-	-	1
Inventories	-	-	-	-	-	463	-	-
Prepaid items	47	709	-	-	-	-	-	825
Advances to other funds	-	-	-	-	-	-	-	40
Encumbrance	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-
<b>Unreserved, reported in nonmajor:</b>								
Special revenue funds	24	2,528	23	347	684	13,137	(1)	(864)
<b>Total fund balances</b>	<b>71</b>	<b>3,238</b>	<b>23</b>	<b>347</b>	<b>684</b>	<b>13,600</b>	<b>(1)</b>	<b>2</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,149</b>	<b>\$ 3,343</b>	<b>\$ 23</b>	<b>\$ 404</b>	<b>\$ 1,643</b>	<b>\$ 19,100</b>	<b>\$ 539</b>	<b>\$ 3,019</b>

(Continued)

**COUNTY OF TULARE  
COMBINING BALANCE SHEET (Continued)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Mental Health Realignment	Health Realignment	Social Services Realignment	Tobacco Settlement	TCIHSS Public Authority	Flood Control	CDBG Grants	Home Grants	Redevelopment Admin	Redevelopment Earl Mart
<b>Assets</b>										
Investment in treasury pool	\$ -	\$ -	\$ -	\$ -	\$ 14	\$ 2,979	\$ 2,193	\$ 145	\$ -	\$ 1,027
Cash on hand	-	-	-	-	-	-	-	-	-	-
Imprest cash	-	-	-	-	-	-	-	-	-	-
Receivables, net	-	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	2,303	-	-	-	-	-	-
Deposits with others	-	-	-	-	-	-	-	-	-	-
Due from other County funds	-	-	-	-	-	-	-	1,278	2,839	356
Due from other governments	-	-	-	-	774	-	-	-	1,299	-
Inventories	-	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
Advances to Agency funds	-	-	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	10,487	10,190	-	219
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,303</b>	<b>\$ 788</b>	<b>\$ 2,979</b>	<b>\$ 12,680</b>	<b>\$ 11,613</b>	<b>\$ 4,138</b>	<b>\$ 1,602</b>
<b>Liabilities and fund balances</b>										
<b>Liabilities:</b>										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 14	\$ -	\$ -	\$ 831	\$ 35
Cash overdraft	-	-	-	-	-	-	-	-	593	-
Due to other County funds	-	-	-	-	330	-	25	1,278	2,695	184
Due from other governments	-	-	-	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	7	-	-	-	32	-
Deferred revenue	-	-	-	2,303	-	-	12,655	10,335	-	219
Advances from other County funds	-	-	-	-	450	-	-	-	-	-
Advances from Agency funds	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,303</b>	<b>\$ 789</b>	<b>\$ 14</b>	<b>\$ 12,680</b>	<b>\$ 11,613</b>	<b>\$ 4,151</b>	<b>\$ 438</b>
<b>Fund balances:</b>										
<b>Reserved for:</b>										
Imprest cash	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Encumbrance	-	-	-	-	-	-	-	-	-	40
Notes receivable	-	-	-	-	-	-	10,487	10,190	-	219
<b>Unreserved, reported in nonmajor:</b>										
Special revenue funds	-	-	-	-	(1)	2,965	(10,487)	(10,190)	(13)	905
<b>Total fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ 2,965</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13)</b>	<b>\$ 1,164</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,303</b>	<b>\$ 788</b>	<b>\$ 2,979</b>	<b>\$ 12,680</b>	<b>\$ 11,613</b>	<b>\$ 4,138</b>	<b>\$ 1,602</b>

(Continued)



**COUNTY OF TULARE**  
**COMBINING BALANCE SHEET (Continued)**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Redevelopment Ivanhoe	Redevelopment Lindsay	Redevelopment Goshen	Redevelopment Orosi	Redevelopment Pixley	Redevelopment Traver	Redevelopment Richgrove	Redevelopment Poplar	Total Special Revenue Funds
<b>Assets</b>									
Investment in treasury pool	\$ 381	\$ 40	\$ 1,293	\$ 879	\$ 1,366	\$ 1,587	\$ 407	\$ 250	\$ 31,977
Cash on hand	-	-	-	-	-	-	-	-	333
Imprest cash	-	-	-	-	-	-	-	-	2
Receivables, net									
Accounts	-	-	380	-	-	-	-	-	3,723
Deposits with others	-	-	-	14	-	-	66	-	80
Due from other County funds	116	-	2,418	427	182	118	297	74	9,471
Due from other governments	-	-	3	107	-	-	179	93	7,434
Inventories	-	-	-	-	-	-	-	-	463
Prepaid items	-	-	-	-	-	-	-	-	1,581
Advances to Agency funds	-	-	-	-	-	-	-	-	40
Notes receivable	7	-	497	975	10	174	101	10	22,670
Total assets	<u>\$ 504</u>	<u>\$ 40</u>	<u>\$ 4,591</u>	<u>\$ 2,402</u>	<u>\$ 1,558</u>	<u>\$ 1,879</u>	<u>\$ 1,050</u>	<u>\$ 427</u>	<u>\$ 77,774</u>
<b>Liabilities and fund balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 1	\$ -	\$ 123	\$ 20	\$ 5	\$ 11	\$ -	\$ 2	\$ 6,085
Cash overdraft	-	-	-	-	-	-	-	-	759
Due to other County funds	127	-	1,921	446	192	129	504	79	9,789
Due from other governments	-	-	31	-	-	-	-	-	31
Salaries and benefits payable	-	-	-	-	-	-	-	-	973
Deferred revenue	7	-	497	976	10	174	101	10	30,047
Advances from other County funds	-	-	9	-	-	-	-	-	935
Advances from Agency funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>135</u>	<u>-</u>	<u>2,581</u>	<u>1,442</u>	<u>207</u>	<u>314</u>	<u>605</u>	<u>91</u>	<u>48,619</u>
<b>Fund balances:</b>									
<b>Reserved for:</b>									
Imprest cash	-	-	-	-	-	-	-	-	2
Inventories	-	-	-	-	-	-	-	-	463
Prepaid items	-	-	-	-	-	-	-	-	1,581
Advances to other funds	-	-	-	-	-	-	-	-	40
Encumbrance	75	-	5	45	5	-	-	-	170
Notes receivable	7	-	497	975	10	174	101	10	22,670
<b>Unreserved, reported in nonmajor:</b>									
Special revenue funds	287	40	1,508	(60)	1,336	1,391	344	326	4,229
Total fund balances	<u>369</u>	<u>40</u>	<u>2,010</u>	<u>960</u>	<u>1,351</u>	<u>1,565</u>	<u>445</u>	<u>336</u>	<u>29,155</u>
Total liabilities and fund balances	<u>\$ 504</u>	<u>\$ 40</u>	<u>\$ 4,591</u>	<u>\$ 2,402</u>	<u>\$ 1,558</u>	<u>\$ 1,879</u>	<u>\$ 1,050</u>	<u>\$ 427</u>	<u>\$ 77,774</u>

(Concluded)

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Indigent Health	Library	Fish and Game	Aviation	Structural Fire	Roads	Workforce Investment	Child Support Services
<b>Revenues:</b>								
Taxes and special assessments	\$ -	\$ 3,074	\$ -	\$ -	\$ 6,675	\$ 8,094	\$ -	\$ -
Licenses and permits	-	-	-	-	16	5	-	-
Fines, forfeitures and penalties	998	-	11	-	-	-	-	-
Interest, rents, and concessions	33	79	-	107	134	245	-	95
Intergovernmental revenues	173	423	-	1,628	463	35,664	16,199	14,267
Charges for services	-	129	-	28	189	1,637	-	-
Other revenues	24	24	-	2	191	188	-	328
Total revenues	<u>1,228</u>	<u>3,729</u>	<u>11</u>	<u>1,765</u>	<u>7,668</u>	<u>45,833</u>	<u>16,199</u>	<u>14,690</u>
<b>Expenditures:</b>								
Current:								
General government	-	-	-	-	-	1,258	-	-
Public protection	-	-	10	-	11,850	-	-	14,444
Public ways and facilities	-	-	-	-	-	12,986	-	-
Health and sanitation	1,230	-	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-	16,142	-
Education	-	3,719	-	-	-	-	-	-
Debt service:								
Principal retirement	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	5	-
Capital outlay	21	-	-	1,417	1,143	24,296	-	-
Total expenditures	<u>1,251</u>	<u>3,719</u>	<u>10</u>	<u>1,417</u>	<u>12,993</u>	<u>38,540</u>	<u>16,147</u>	<u>14,444</u>
Excess (deficiency) of revenues over (under) expenditures	(23)	10	1	348	(5,325)	7,293	52	246
Other financing sources (uses):								
Issuance of Debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	4,819	-	-	-
Transfers (out)	(5)	(190)	-	(1)	(740)	(160)	(53)	(248)
Total other financing sources (uses)	<u>(5)</u>	<u>(190)</u>	<u>-</u>	<u>(1)</u>	<u>4,079</u>	<u>(160)</u>	<u>(53)</u>	<u>(248)</u>
Net change in fund balances	(28)	(180)	1	347	(1,246)	7,133	(1)	(2)
Fund balances, July 1	99	3,418	22	-	1,930	6,467	-	4
Prior period adjustment	-	-	-	-	-	-	-	-
Fund balances, July 1, as restated	<u>99</u>	<u>3,418</u>	<u>22</u>	<u>-</u>	<u>1,930</u>	<u>6,467</u>	<u>-</u>	<u>4</u>
Fund balances, June 30	<u>\$ 71</u>	<u>\$ 3,238</u>	<u>\$ 23</u>	<u>\$ 347</u>	<u>\$ 684</u>	<u>\$ 13,600</u>	<u>\$ (1)</u>	<u>\$ 2</u>

(Continued)

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Mental Health Realignment	Health Realignment	Social Services Realignment	Tobacco Settlement	TCIHSS Public Authority	Flood Control	CDBG Grants	Home Grants	Redevelopment Admin	Redevelopment Earlimart
<b>Revenues:</b>										
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 513	\$ -	\$ -	\$ -	\$ 343
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-	-
Interest, rents, and concessions	-	-	-	-	-	98	-	-	-	31
Intergovernmental revenues	8,048	3,568	13,291	-	1,202	50	-	1,278	819	7
Charges for services	-	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	3,728	-	-	-	-	-	20
<b>Total revenues</b>	<b>8,048</b>	<b>3,568</b>	<b>13,291</b>	<b>3,728</b>	<b>1,202</b>	<b>661</b>	<b>-</b>	<b>1,278</b>	<b>819</b>	<b>401</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	-	-	-	-	-	-	-	1,278	1,869	375
Public protection	-	-	-	-	1,198	340	-	-	-	-
Public ways and facilities	-	-	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
<b>Debt service:</b>										
Principal retirement	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	11	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,198</b>	<b>340</b>	<b>-</b>	<b>1,278</b>	<b>1,880</b>	<b>375</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>8,048</b>	<b>3,568</b>	<b>13,291</b>	<b>3,728</b>	<b>4</b>	<b>321</b>	<b>-</b>	<b>-</b>	<b>(1,061)</b>	<b>26</b>
<b>Other financing sources (uses):</b>										
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Transfers in	5,796	11,535	879	-	-	1	-	-	1,077	-
Transfers (out)	(13,844)	(15,103)	(14,170)	(3,728)	(5)	-	-	-	(29)	(120)
<b>Total other financing sources (uses)</b>	<b>(8,048)</b>	<b>(3,568)</b>	<b>(13,291)</b>	<b>(3,728)</b>	<b>(5)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1,048</b>	<b>(120)</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>322</b>	<b>-</b>	<b>-</b>	<b>(13)</b>	<b>(94)</b>
<b>Fund balances, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,643</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,227</b>
Prior period adjustment	-	-	-	-	-	-	-	-	-	31
<b>Fund balances, July 1, as restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,643</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,258</b>
<b>Fund balances, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ 2,965</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13)</b>	<b>\$ 1,164</b>

(Continued)

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Redevelopment Ivanhoe	Redevelopment Lindsay	Redevelopment Goshen	Redevelopment Orosi	Redevelopment Pixley	Redevelopment Traver	Redevelopment Richgrove	Redevelopment Poplar	Total Special Revenue Funds
<b>Revenues:</b>									
Taxes and special assessments	\$ 220	\$ 9	\$ 899	\$ 716	\$ 404	\$ 239	\$ 267	\$ 162	\$ 21,615
Licenses and permits	4	-	-	-	-	-	-	-	25
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	1,009
Interest, rents, and concessions	10	2	44	29	45	51	31	8	1,042
Intergovernmental revenues	-	-	16	14	8	4	5	3	97,130
Charges for services	-	-	-	-	-	-	-	-	1,983
Other revenues	-	-	-	842	-	-	158	-	5,505
<b>Total revenues</b>	<b>234</b>	<b>11</b>	<b>959</b>	<b>1,601</b>	<b>457</b>	<b>294</b>	<b>461</b>	<b>173</b>	<b>128,309</b>
<b>Expenditures:</b>									
<b>Current:</b>									
General government	186	-	677	1,014	251	209	193	119	7,429
Public protection	-	-	-	-	-	-	-	-	27,842
Public ways and facilities	-	-	-	-	-	-	-	-	12,986
Health and sanitation	-	-	-	-	-	-	-	-	1,230
Public assistance	-	-	-	-	-	-	-	-	16,142
Education	-	-	-	-	-	-	-	-	3,719
<b>Debt service:</b>									
Principal retirement	-	-	46	-	-	-	41	-	87
Interest and fiscal charges	-	-	49	-	-	-	63	-	128
Capital outlay	-	-	-	2,257	-	-	-	-	29,134
<b>Total expenditures</b>	<b>186</b>	<b>-</b>	<b>772</b>	<b>3,271</b>	<b>251</b>	<b>209</b>	<b>297</b>	<b>119</b>	<b>98,697</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>48</b>	<b>11</b>	<b>187</b>	<b>(1,670)</b>	<b>206</b>	<b>85</b>	<b>164</b>	<b>54</b>	<b>29,612</b>
<b>Other financing sources (uses):</b>									
Issuance of Debt	-	-	-	1,669	-	-	-	-	1,669
Transfers in	-	-	-	-	-	-	-	-	24,107
Transfers (out)	(76)	-	(287)	(245)	(131)	(79)	(14)	(48)	(49,276)
<b>Total other financing sources (uses)</b>	<b>(76)</b>	<b>-</b>	<b>(287)</b>	<b>1,424</b>	<b>(131)</b>	<b>(79)</b>	<b>(14)</b>	<b>(48)</b>	<b>(23,500)</b>
<b>Net change in fund balances</b>	<b>(28)</b>	<b>11</b>	<b>(100)</b>	<b>(246)</b>	<b>75</b>	<b>6</b>	<b>150</b>	<b>6</b>	<b>6,112</b>
<b>Fund balances, July 1</b>	<b>385</b>	<b>29</b>	<b>1,762</b>	<b>1,221</b>	<b>1,254</b>	<b>1,638</b>	<b>472</b>	<b>225</b>	<b>22,796</b>
Prior period adjustment	12	-	348	(15)	22	(79)	(177)	105	247
<b>Fund balances, July 1, as restated</b>	<b>397</b>	<b>29</b>	<b>2,110</b>	<b>1,206</b>	<b>1,276</b>	<b>1,559</b>	<b>295</b>	<b>330</b>	<b>23,043</b>
<b>Fund balances, June 30</b>	<b>\$ 369</b>	<b>\$ 40</b>	<b>\$ 2,010</b>	<b>\$ 960</b>	<b>\$ 1,351</b>	<b>\$ 1,565</b>	<b>\$ 445</b>	<b>\$ 336</b>	<b>\$ 29,155</b>

(Concluded)

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – INDIGENT HEALTH FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Variance with Original Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues:</b>					
Fines, forfeitures and penalties	818	953	135	998	45
Interest, rents, and concessions	37	44	7	33	(11)
Intergovernmental revenues	482	482	-	173	(309)
Other revenues	-	-	-	24	24
Total revenues	<u>1,337</u>	<u>1,479</u>	<u>142</u>	<u>1,228</u>	<u>(251)</u>
<b>Expenditures:</b>					
Current:					
Health and sanitation	1,334	1,474	(140)	1,230	244
Capital outlay	-	-	-	21	(21)
Total expenditures	<u>1,334</u>	<u>1,474</u>	<u>(140)</u>	<u>1,251</u>	<u>223</u>
Excess (deficiency) of revenues over (under) expenditures	3	5	2	(23)	(28)
<b>Other financing sources (uses):</b>					
Transfers (out)	(3)	(5)	(2)	(5)	-
Total other financing sources (uses)	<u>(3)</u>	<u>(5)</u>	<u>(2)</u>	<u>(5)</u>	<u>-</u>
Net change in fund balances	-	-	-	(28)	(28)
Fund balances, July 1	-	-	-	99	99
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ 71</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – LIBRARY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
Taxes and special assessments	\$ 3,015	\$ 3,015	\$ -	\$ 3,074	\$ 59
Interest, rents, and concessions	40	40	-	79	39
Intergovernmental revenues	474	529	55	423	(106)
Charges for services	79	79	-	129	50
Other revenues	101	101	-	24	(77)
Total revenues	<u>3,709</u>	<u>3,764</u>	<u>55</u>	<u>3,729</u>	<u>(35)</u>
<b>Expenditures:</b>					
Current:					
Education	6,160	6,215	(55)	3,719	2,496
Total expenditures	<u>6,160</u>	<u>6,215</u>	<u>(55)</u>	<u>3,719</u>	<u>2,496</u>
Excess (deficiency) of revenues over (under) expenditures	(2,451)	(2,451)	-	10	2,461
<b>Other financing sources (uses):</b>					
Transfers (out)	(189)	(189)	-	(190)	(1)
Total other financing sources (uses)	<u>(189)</u>	<u>(189)</u>	<u>-</u>	<u>(190)</u>	<u>(1)</u>
Net change in fund balances	(2,640)	(2,640)	-	(180)	2,460
Fund balances, July 1	-	-	-	3,418	3,418
Fund balances, June 30	<u>\$ (2,640)</u>	<u>\$ (2,640)</u>	<u>\$ -</u>	<u>\$ 3,238</u>	<u>\$ 5,878</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – FISH AND GAME FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Fines, forfeitures and penalties	\$ -	\$ -	\$ -	\$ 11	\$ 11
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
Expenditures:					
Current:					
Public protection	22	22	-	10	12
Total expenditures	<u>22</u>	<u>22</u>	<u>-</u>	<u>10</u>	<u>12</u>
Net change in fund balances	(22)	(22)	-	1	23
Fund balances, July 1	-	-	-	22	22
Fund balances, June 30	<u>\$ (22)</u>	<u>\$ (22)</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 45</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – AVIATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 71	\$ 71	\$ -	\$ 107	\$ 36
Intergovernmental revenues	2,319	2,571	252	1,628	(943)
Charges for services	10	10	-	28	18
Other revenues	-	-	-	2	2
Total revenues	<u>2,400</u>	<u>2,652</u>	<u>252</u>	<u>1,765</u>	<u>(887)</u>
Expenditures:					
Current:					
General government	15	15	-	-	15
Public ways and facilities	2,386	2,637	(251)	-	2,637
Capital outlay	-	-	-	1,417	(1,417)
Total expenditures	<u>2,401</u>	<u>2,652</u>	<u>(251)</u>	<u>1,417</u>	<u>1,235</u>
Excess (deficiency) of revenues over (under) expenditures	(1)	-	1	348	348
Other financing sources (uses):					
Transfers (out)	(1)	(1)	-	(1)	-
Total other financing sources (uses)	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
Net change in fund balances	(2)	(1)	1	347	348
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ (2)</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ 347</u>	<u>\$ 348</u>



**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – STRUCTURAL FIRE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
Taxes and special assessments	\$ 6,229	\$ 6,229	\$ -	\$ 6,675	\$ 446
Licenses and permits	16	16	-	16	-
Interest, rents, and concessions	105	105	-	134	29
Intergovernmental revenues	246	246	-	463	217
Charges for services	376	376	-	189	(187)
Other revenues	4	4	-	191	187
Total revenues	<u>6,976</u>	<u>6,976</u>	<u>-</u>	<u>7,668</u>	<u>692</u>
<b>Expenditures:</b>					
Current:					
Public protection	12,460	12,460	-	11,850	610
Capital outlay	473	790	(317)	1,143	(353)
Total expenditures	<u>12,933</u>	<u>13,250</u>	<u>(317)</u>	<u>12,993</u>	<u>257</u>
Excess (deficiency) of revenues over (under) expenditures	(5,957)	(6,274)	(317)	(5,325)	949
<b>Other financing sources (uses):</b>					
Transfers in	4,661	4,978	317	4,819	(159)
Transfers (out)	(600)	(600)	-	(740)	(140)
Total other financing sources (uses)	<u>4,061</u>	<u>4,378</u>	<u>317</u>	<u>4,079</u>	<u>(299)</u>
Net change in fund balances	(1,896)	(1,896)	-	(1,246)	650
Fund balances, July 1	-	-	-	1,930	1,930
Fund balances, June 30	<u>\$ (1,896)</u>	<u>\$ (1,896)</u>	<u>\$ -</u>	<u>\$ 684</u>	<u>\$ 2,580</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – ROADS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
Taxes and special assessments	\$ 12,439	\$ 12,439	\$ -	\$ 8,094	\$ (4,345)
Licenses and permits	-	-	-	5	5
Interest, rents, and concessions	-	-	-	245	245
Intergovernmental revenues	36,811	45,523	8,712	35,664	(9,859)
Charges for services	1,742	1,742	-	1,637	(105)
Other revenues	22	22	-	188	166
Total revenues	<u>51,014</u>	<u>59,726</u>	<u>8,712</u>	<u>45,833</u>	<u>(13,893)</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	1,258	(1,258)
Public ways and facilities	55,729	64,279	(8,550)	12,986	51,293
Capital outlay	748	906	(158)	24,296	(23,390)
Total expenditures	<u>56,477</u>	<u>65,185</u>	<u>(8,708)</u>	<u>38,540</u>	<u>26,645</u>
Excess (deficiency) of revenues over (under) expenditures	(5,463)	(5,459)	4	7,293	12,752
<b>Other financing sources (uses):</b>					
Transfers in	52	52	-	-	(52)
Transfers (out)	(177)	(177)	-	(160)	17
Total other financing sources (uses)	<u>(125)</u>	<u>(125)</u>	<u>-</u>	<u>(160)</u>	<u>(35)</u>
Net change in fund balances	(5,588)	(5,584)	4	7,133	12,717
Fund balances, July 1	-	-	-	6,467	6,467
Fund balances, June 30	<u>\$ (5,588)</u>	<u>\$ (5,584)</u>	<u>\$ 4</u>	<u>\$ 13,600</u>	<u>\$ 19,184</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – WORKFORCE INVESTMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 83	\$ 83	\$ -	\$ -	\$ (83)
Intergovernmental revenues	17,095	23,869	6,774	16,199	(7,670)
Charges for services	105	105	-	-	(105)
Other revenues	10	10	-	-	(10)
Total revenues	<u>17,293</u>	<u>24,067</u>	<u>6,774</u>	<u>16,199</u>	<u>(7,868)</u>
Expenditures:					
Current:					
Public assistance	17,343	24,121	(6,778)	16,142	7,979
Debt service:					
Interest and fiscal charges	-	-	-	5	(5)
Total expenditures	<u>17,343</u>	<u>24,121</u>	<u>(6,778)</u>	<u>16,147</u>	<u>7,974</u>
Excess (deficiency) of revenues over (under) expenditures	(50)	(54)	(4)	52	106
Other financing sources (uses):					
Transfers in	100	100	-	-	(100)
Transfers (out)	(52)	(52)	-	(53)	(1)
Total other financing sources (uses)	<u>48</u>	<u>48</u>	<u>-</u>	<u>(53)</u>	<u>(101)</u>
Net change in fund balances	(2)	(6)	(4)	(1)	5
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ (2)</u>	<u>\$ (6)</u>	<u>\$ (4)</u>	<u>\$ (1)</u>	<u>\$ 5</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – CHILD SUPPORT SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 140	\$ 140	\$ -	\$ 95	\$ (45)
Intergovernmental revenues	16,935	16,935	-	14,267	(2,668)
Other revenues	20	20	-	328	308
Total revenues	<u>17,095</u>	<u>17,095</u>	<u>-</u>	<u>14,690</u>	<u>(2,405)</u>
Expenditures:					
Current:					
Public protection	16,815	16,814	1	14,444	2,370
Total expenditures	<u>16,815</u>	<u>16,814</u>	<u>1</u>	<u>14,444</u>	<u>2,370</u>
Excess (deficiency) of revenues over (under) expenditures	280	281	1	246	(35)
Other financing sources (uses):					
Transfers (out)	(281)	(281)	-	(248)	33
Total other financing sources (uses)	<u>(281)</u>	<u>(281)</u>	<u>-</u>	<u>(248)</u>	<u>33</u>
Net change in fund balances	(1)	-	1	(2)	(2)
Fund balances, July 1	-	-	-	4	4
Fund balances, June 30	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 2</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – MENTAL HEALTH REALIGNMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Intergovernmental revenues	\$ 8,567	\$ 8,567	\$ -	\$ 8,048	\$ (519)
Total revenues	<u>8,567</u>	<u>8,567</u>	<u>-</u>	<u>8,048</u>	<u>(519)</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	8,567	8,567	-	8,048	(519)
Other financing sources (uses):					
Transfers in	6,025	6,025	-	5,796	(229)
Transfers (out)	(14,592)	(14,592)	-	(13,844)	748
Total other financing sources (uses)	<u>(8,567)</u>	<u>(8,567)</u>	<u>-</u>	<u>(8,048)</u>	<u>519</u>
Net change in fund balances	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – HEALTH REALIGNMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Intergovernmental revenues	\$ 3,769	\$ 3,769	\$ -	\$ 3,568	\$ (201)
Total revenues	<u>3,769</u>	<u>3,769</u>	<u>-</u>	<u>3,568</u>	<u>(201)</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	3,769	3,769	-	3,568	(201)
Other financing sources (uses):					
Transfers in	11,839	11,839	-	11,535	(304)
Transfers (out)	(15,608)	(15,608)	-	(15,103)	505
Total other financing sources (uses)	<u>(3,769)</u>	<u>(3,769)</u>	<u>-</u>	<u>(3,568)</u>	<u>201</u>
Net change in fund balances	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – SOCIAL SERVICES REALIGNMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Intergovernmental revenues	\$ 14,117	\$ 14,117	\$ -	\$ 13,291	\$ (826)
Total revenues	<u>14,117</u>	<u>14,117</u>	<u>-</u>	<u>13,291</u>	<u>(826)</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	14,117	14,117	-	13,291	(826)
Other financing sources (uses):					
Transfers in	931	931	-	879	(52)
Transfers (out)	(15,048)	(15,048)	-	(14,170)	878
Total other financing sources (uses)	<u>(14,117)</u>	<u>(14,117)</u>	<u>-</u>	<u>(13,291)</u>	<u>826</u>
Net change in fund balances	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – TOBACCO SETTLEMENT REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Other revenues	\$ 5,049	\$ 5,049	\$ -	\$ 3,728	\$ (1,321)
Total revenues	<u>5,049</u>	<u>5,049</u>	<u>-</u>	<u>3,728</u>	<u>(1,321)</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	5,049	5,049	-	3,728	(1,321)
Other financing sources (uses):					
Transfers (out)	(5,049)	(5,049)	-	(3,728)	1,321
Total other financing sources (uses)	<u>(5,049)</u>	<u>(5,049)</u>	<u>-</u>	<u>(3,728)</u>	<u>1,321</u>
Net change in fund balances	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – TULARE COUNTY IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Intergovernmental revenues	\$ 1,302	\$ 1,302	\$ -	\$ 1,202	\$ (100)
Total revenues	<u>1,302</u>	<u>1,302</u>	<u>-</u>	<u>1,202</u>	<u>(100)</u>
Expenditures:					
Current:					
Public protection	1,298	1,298	-	1,198	100
Total expenditures	<u>1,298</u>	<u>1,298</u>	<u>-</u>	<u>1,198</u>	<u>100</u>
Excess (deficiency) of revenues over (under) expenditures	4	4	-	4	-
Other financing sources (uses):					
Transfers (out)	(5)	(5)	-	(5)	-
Total other financing sources (uses)	<u>(5)</u>	<u>(5)</u>	<u>-</u>	<u>(5)</u>	<u>-</u>
Net change in fund balances	(1)	(1)	-	(1)	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – FLOOD CONTROL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 471	\$ 471	\$ -	\$ 513	\$ 42
Interest, rents, and concessions	90	90	-	98	8
Intergovernmental revenues	24	24	-	50	26
Total revenues	<u>585</u>	<u>585</u>	<u>-</u>	<u>661</u>	<u>76</u>
Expenditures:					
Current:					
Public protection	3,197	3,198	(1)	340	2,858
Total expenditures	<u>3,197</u>	<u>3,198</u>	<u>(1)</u>	<u>340</u>	<u>2,858</u>
Excess (deficiency) of revenues over (under) expenditures	(2,612)	(2,613)	(1)	321	2,934
Other financing sources (uses):					
Transfers in	1	1	-	1	-
Total other financing sources (uses)	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Net change in fund balances	(2,611)	(2,612)	(1)	322	2,934
Fund balances, July 1	-	-	-	2,643	2,643
Fund balances, June 30	<u>\$ (2,611)</u>	<u>\$ (2,612)</u>	<u>\$ (1)</u>	<u>\$ 2,965</u>	<u>\$ 5,577</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – REDEVELOPMENT ADMIN FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	6,513	6,513	-	819	(5,694)
Total revenues	<u>6,513</u>	<u>6,513</u>	<u>-</u>	<u>819</u>	<u>(5,694)</u>
Expenditures:					
Current:					
General government	8,561	8,561	-	1,869	6,692
Interest and fiscal charges	-	-	-	11	(11)
Total expenditures	<u>8,561</u>	<u>8,561</u>	<u>-</u>	<u>1,880</u>	<u>6,681</u>
Excess (deficiency) of revenues over (under) expenditures	(2,048)	(2,048)	-	(1,061)	987
Other financing sources (uses):					
Transfers in	2,079	2,079	-	1,077	(1,002)
Transfers (out)	(32)	(32)	-	(29)	3
Total other financing sources (uses)	<u>2,047</u>	<u>2,047</u>	<u>-</u>	<u>1,048</u>	<u>(999)</u>
Net change in fund balances	(1)	(1)	-	(13)	(12)
Fund balances, July 1	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-
Fund balances, June 30	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (13)</u>	<u>\$ (12)</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – CDBG GRANTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, rents, and concessions	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – HOME PROGRAM GRANTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 1,278	\$ 1,278
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,278</u>	<u>1,278</u>
Expenditures:					
Current:					
General government	-	-	-	1,278	(1,278)
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,278</u>	<u>(1,278)</u>
Net change in fund balances	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – EARLIMART REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 365	\$ 365	\$ -	\$ 343	\$ (22)
Interest, rents, and concessions	27	27	-	31	4
Intergovernmental revenues	-	-	-	7	7
Other revenues	-	-	-	20	20
Total revenues	<u>392</u>	<u>392</u>	<u>-</u>	<u>401</u>	<u>9</u>
Expenditures:					
Current:					
General government	1,491	1,491	-	375	1,116
Total expenditures	<u>1,491</u>	<u>1,491</u>	<u>-</u>	<u>375</u>	<u>1,116</u>
Excess (deficiency) of revenues over (under) expenditures	(1,099)	(1,099)	-	26	1,125
Other financing sources (uses):					
Transfers in	271	271	-	-	(271)
Transfers (out)	(510)	(510)	-	(120)	390
Total other financing sources (uses)	<u>(239)</u>	<u>(239)</u>	<u>-</u>	<u>(120)</u>	<u>119</u>
Net change in fund balances	(1,338)	(1,338)	-	(94)	1,244
Fund balances, July 1	-	-	-	1,227	1,227
Prior Period Adjustment	-	-	-	31	31
Fund balances, June 30	<u>\$ (1,338)</u>	<u>\$ (1,338)</u>	<u>\$ -</u>	<u>\$ 1,164</u>	<u>\$ 2,502</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – IVANHOE REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 240	\$ 240	\$ -	\$ 220	\$ (20)
Licenses and permits	-	-	-	4	4
Interest, rents, and concessions	9	9	-	10	1
Total revenues	<u>249</u>	<u>249</u>	<u>-</u>	<u>234</u>	<u>(15)</u>
Expenditures:					
Current:					
General government	489	489	-	186	303
Total expenditures	<u>489</u>	<u>489</u>	<u>-</u>	<u>186</u>	<u>303</u>
Excess (deficiency) of revenues over (under) expenditures	(240)	(240)	-	48	288
Other financing sources (uses):					
Transfers in	180	180	-	-	(180)
Transfers (out)	(332)	(332)	-	(76)	256
Total other financing sources (uses)	<u>(152)</u>	<u>(152)</u>	<u>-</u>	<u>(76)</u>	<u>76</u>
Net change in fund balances	(392)	(392)	-	(28)	364
Fund balances, July 1	-	-	-	385	385
Prior period adjustment	-	-	-	12	12
Fund balances, June 30	<u>\$ (392)</u>	<u>\$ (392)</u>	<u>\$ -</u>	<u>\$ 369</u>	<u>\$ 761</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – LINDSAY REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ -	\$ -	\$ -	\$ 9	\$ 9
Interest, rents, and concessions	-	-	-	2	2
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	11	11
Fund balances, July 1	-	-	-	29	29
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40</u>	<u>\$ 40</u>



**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – GOSHEN REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 641	\$ 641	\$ -	\$ 899	\$ 258
Interest, rents, and concessions	28	28	-	44	16
Intergovernmental revenues	4,700	5,084	384	16	(5,068)
Total revenues	<u>5,369</u>	<u>5,753</u>	<u>384</u>	<u>959</u>	<u>(4,794)</u>
Expenditures:					
Current:					
General government	6,429	6,815	(386)	677	6,138
Debt service:					
Principal retirement	95	95	-	46	49
Interest and fiscal charges	53	53	-	49	4
Total expenditures	<u>6,577</u>	<u>6,963</u>	<u>(386)</u>	<u>772</u>	<u>6,191</u>
Excess (deficiency) of revenues over (under) expenditures	(1,208)	(1,210)	(2)	187	1,397
Other financing sources (uses):					
Transfers in	209	209	-	-	(209)
Transfers (out)	(772)	(768)	4	(287)	481
Total other financing sources (uses)	<u>(563)</u>	<u>(559)</u>	<u>4</u>	<u>(287)</u>	<u>272</u>
Net change in fund balances	(1,771)	(1,769)	2	(100)	1,669
Fund balances, July 1	-	-	-	1,762	1,762
Prior period adjustment	-	-	-	348	348
Fund balances, June 30	<u>\$ (1,771)</u>	<u>\$ (1,769)</u>	<u>\$ 2</u>	<u>\$ 2,010</u>	<u>\$ 3,779</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – OROSI REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
Taxes and special assessments	\$ 736	\$ 736	\$ -	\$ 716	\$ (20)
Interest, rents, and concessions	33	33	-	29	(4)
Intergovernmental revenues	50	50	-	14	(36)
Other revenues	3,217	3,217	-	842	(2,375)
Total revenues	<u>4,036</u>	<u>4,036</u>	<u>-</u>	<u>1,601</u>	<u>(2,435)</u>
<b>Expenditures:</b>					
Current:					
General government	6,754	6,755	(1)	1,014	5,741
Capital outlay	-	-	-	2,257	(2,257)
Total expenditures	<u>6,754</u>	<u>6,755</u>	<u>(1)</u>	<u>3,271</u>	<u>3,484</u>
Excess (deficiency) of revenues over (under) expenditures	(2,718)	(2,719)	(1)	(1,670)	1,049
<b>Other financing sources (uses):</b>					
Bond proceeds	-	-	-	1,669	1,669
Transfers in	420	420	-	-	(420)
Transfers (out)	(911)	(911)	-	(245)	666
Total other financing sources (uses)	<u>(491)</u>	<u>(491)</u>	<u>-</u>	<u>1,424</u>	<u>1,915</u>
Net change in fund balances	(3,209)	(3,210)	(1)	(246)	2,964
Fund balances, July 1	-	-	-	1,221	1,221
Prior period adjustment	-	-	-	(15)	(15)
Fund balances, June 30	<u>\$ (3,209)</u>	<u>\$ (3,210)</u>	<u>\$ (1)</u>	<u>\$ 960</u>	<u>\$ 4,170</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – PIXLEY REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 417	\$ 417	\$ -	\$ 404	\$ (13)
Interest, rents, and concessions	26	26	-	45	19
Intergovernmental revenues	-	-	-	8	8
Total revenues	<u>443</u>	<u>443</u>	<u>-</u>	<u>457</u>	<u>14</u>
Expenditures:					
Current:					
General government	1,443	1,443	-	251	1,192
Total expenditures	<u>1,443</u>	<u>1,443</u>	<u>-</u>	<u>251</u>	<u>1,192</u>
Excess (deficiency) of revenues over (under) expenditures	(1,000)	(1,000)	-	206	1,206
Other financing sources (uses):					
Transfers in	312	312	-	-	(312)
Transfers (out)	(572)	(572)	-	(131)	441
Total other financing sources (uses)	<u>(260)</u>	<u>(260)</u>	<u>-</u>	<u>(131)</u>	<u>129</u>
Net change in fund balances	(1,260)	(1,260)	-	75	1,335
Fund balances, July 1	-	-	-	1,254	1,254
Prior period adjustment	-	-	-	22	22
Fund balances, June 30	<u>\$ (1,260)</u>	<u>\$ (1,260)</u>	<u>\$ -</u>	<u>\$ 1,351</u>	<u>\$ 2,611</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – TRAVER REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 274	\$ 274	\$ -	\$ 239	\$ (35)
Interest, rents, and concessions	45	45	-	51	6
Intergovernmental revenues	1	1	-	4	3
Total revenues	<u>320</u>	<u>320</u>	<u>-</u>	<u>294</u>	<u>(26)</u>
Expenditures:					
Current:					
General government	1,774	1,773	1	209	1,564
Total expenditures	<u>1,774</u>	<u>1,773</u>	<u>1</u>	<u>209</u>	<u>1,564</u>
Excess (deficiency) of revenues over (under) expenditures	(1,454)	(1,453)	1	85	1,538
Other financing sources (uses):					
Transfers in	213	213	-	-	(213)
Transfers (out)	(371)	(371)	-	(79)	292
Total other financing sources (uses)	<u>(158)</u>	<u>(158)</u>	<u>-</u>	<u>(79)</u>	<u>79</u>
Net change in fund balances	(1,612)	(1,611)	1	6	1,617
Fund balances, July 1	-	-	-	1,638	1,638
Prior period adjustment	-	-	-	(79)	(79)
Fund balances, June 30	<u>\$ (1,612)</u>	<u>\$ (1,611)</u>	<u>\$ 1</u>	<u>\$ 1,565</u>	<u>\$ 3,176</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – RICHGROVE REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
Taxes and special assessments	\$ 187	\$ 187	\$ -	\$ 267	\$ 80
Interest, rents, and concessions	1	1	-	31	30
Intergovernmental revenues	-	-	-	5	5
Other revenues	-	155	155	158	3
Total revenues	<u>188</u>	<u>343</u>	<u>155</u>	<u>461</u>	<u>118</u>
<b>Expenditures:</b>					
Current:					
General government	451	609	(158)	193	416
Debt service:					
Principal retirement	39	41	(2)	41	-
Interest and fiscal charges	67	63	4	63	-
Total expenditures	<u>557</u>	<u>713</u>	<u>(156)</u>	<u>297</u>	<u>416</u>
Excess (deficiency) of revenues over (under) expenditures	(369)	(370)	(1)	164	534
<b>Other financing sources (uses):</b>					
Transfers in	19	19	-	-	(19)
Transfers (out)	(50)	(50)	-	(14)	36
Total other financing sources (uses)	<u>(31)</u>	<u>(31)</u>	<u>-</u>	<u>(14)</u>	<u>17</u>
Net change in fund balances	(400)	(401)	(1)	150	551
Fund balances, July 1	-	-	-	472	472
Prior period adjustment	-	-	-	(177)	(177)
Fund balances, June 30	<u>\$ (400)</u>	<u>\$ (401)</u>	<u>\$ (1)</u>	<u>\$ 445</u>	<u>\$ 846</u>

**COUNTY OF TULARE**  
**NONMAJOR SPECIAL REVENUE FUND – POPLAR REDEVELOPMENT FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 177	\$ 177	\$ -	\$ 162	\$ (15)
Interest, rents, and concessions	1	1	-	8	7
Intergovernmental revenues	-	-	-	3	3
Total revenues	<u>178</u>	<u>178</u>	<u>-</u>	<u>173</u>	<u>(5)</u>
Expenditures:					
Current:					
General government	320	318	2	119	199
Total expenditures	<u>320</u>	<u>318</u>	<u>2</u>	<u>119</u>	<u>199</u>
Excess (deficiency) of revenues over (under) expenditures	(142)	(140)	2	54	194
Other financing sources (uses):					
Transfers in	116	116	-	-	(116)
Transfers (out)	(215)	(215)	-	(48)	167
Total other financing sources (uses)	<u>(99)</u>	<u>(99)</u>	<u>-</u>	<u>(48)</u>	<u>51</u>
Net change in fund balances	(241)	(239)	2	6	245
Fund balances, July 1	-	-	-	225	225
Prior period adjustment				105	105
Fund balances, June 30	<u>\$ (241)</u>	<u>\$ (239)</u>	<u>\$ 2</u>	<u>\$ 336</u>	<u>\$ 575</u>

**NONMAJOR GOVERNMENTAL FUNDS  
DEBT SERVICE FUNDS**

**Debt Service Funds** are used to account for the accumulation of resources and payment of principal and interest from governmental sources when the government is obligated in some manner for the payment.

**Pension Obligation Fund** - This fund accumulates resources from other County funds for the payment of principal and interest on Pension Obligation Bonds; the proceeds of which were used to pay an unfunded actuarially accrued liability for the fiscal year ended June 30, 1996.

**Equipment Loans Fund** - This fund receives transfers of resources from other County funds for principal and interest payments on various loans which financed the acquisition of vehicles and equipment used in daily operations.

**Building Loans Fund** - This fund receives transfers of resources from County building occupants for the payment of the County's lease obligations to TCPFC.

**COUNTY OF TULARE  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Pension Obligation	Equipment Loans	Building Loans	Total Debt Service Funds
<b>Assets</b>				
Cash in Bank	\$ 3	\$ -	\$ -	\$ 3
Investment in treasury pool	268	-	3,585	3,853
Due from other County funds	-	-	2,000	2,000
Due from other governments	578	-	-	578
Lease payments receivable, net of interest	-	-	967	967
Total assets	<u>\$ 849</u>	<u>\$ -</u>	<u>\$ 6,552</u>	<u>\$ 7,401</u>
<b>Liabilities and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 20	\$ 20
Due to other County funds	561	-	-	561
Deferred revenue	-	-	2,008	2,008
Total liabilities	<u>561</u>	<u>-</u>	<u>2,028</u>	<u>2,589</u>
<b>Fund balances:</b>				
Reserved, reported in nonmajor				
Debt service funds	288	-	4,524	4,812
Total fund balances	<u>288</u>	<u>-</u>	<u>4,524</u>	<u>4,812</u>
Total liabilities and fund balances	<u>\$ 849</u>	<u>\$ -</u>	<u>\$ 6,552</u>	<u>\$ 7,401</u>



**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Pension Obligation	Equipment Loans	Building Loans	Total Debt Service Funds
Revenues:				
Fines, forfeitures and penalties	\$ -	\$ -	\$ 1,150	\$ 1,150
Interest, rents, and concessions	3	-	210	213
Total revenues	<u>3</u>	<u>-</u>	<u>1,360</u>	<u>1,363</u>
Expenditures:				
Debt service:				
Principal retirement	5,000	262	-	5,262
Interest and fiscal charges	1,060	10	110	1,180
Total expenditures	<u>6,060</u>	<u>272</u>	<u>110</u>	<u>6,442</u>
Excess (deficiency) of revenues over (under) expenditures	(6,057)	(272)	1,250	(5,079)
Other financing sources (uses):				
Transfers in	5,739	240	7,020	12,999
Transfers (out)	-	-	(6,259)	(6,259)
Total other financing sources (uses)	<u>5,739</u>	<u>240</u>	<u>761</u>	<u>6,740</u>
Net change in fund balance	(318)	(32)	2,011	1,661
Fund balance, July 1	1,082	32	2,513	3,627
Prior period adjustment	(476)	-	-	(476)
Fund balance, June 30	<u>\$ 288</u>	<u>\$ -</u>	<u>\$ 4,524</u>	<u>\$ 4,812</u>

**COUNTY OF TULARE  
NONMAJOR DEBT SERVICE FUND – PENSION OBLIGATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
<b>Revenues:</b>					
Interest, rents, and concessions	\$ -	\$ -	\$ -	\$ 3	\$ 3
Intergovernmental revenues	377	377	-	-	(377)
Total revenues	<u>377</u>	<u>377</u>	<u>-</u>	<u>3</u>	<u>(374)</u>
<b>Expenditures:</b>					
<b>Debt service:</b>					
Principal retirement	5,000	5,613	(613)	5,000	613
Interest and fiscal charges	<u>1,161</u>	<u>1,161</u>	<u>-</u>	<u>1,060</u>	<u>101</u>
Total expenditures	<u>6,161</u>	<u>6,774</u>	<u>(613)</u>	<u>6,060</u>	<u>714</u>
Excess (deficiency) of revenues over (under) expenditures	(5,784)	(6,397)	(613)	(6,057)	340
<b>Other financing sources (uses):</b>					
Transfers in	<u>5,784</u>	<u>6,397</u>	<u>613</u>	<u>5,739</u>	<u>(658)</u>
Total other financing sources (uses)	<u>5,784</u>	<u>6,397</u>	<u>613</u>	<u>5,739</u>	<u>(658)</u>
Net change in fund balance	-	-	-	(318)	(318)
Fund balance, July 1	-	-	-	1,082	1,082
Prior period adjustment	-	-	-	(476)	(476)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 288</u>	<u>\$ 288</u>

**COUNTY OF TULARE  
NONMAJOR DEBT SERVICE FUND – EQUIPMENT LOANS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Debt service:					
Principal retirement	255	255	-	262	(7)
Interest and fiscal charges	<u>15</u>	<u>15</u>	<u>-</u>	<u>10</u>	<u>5</u>
Total expenditures	<u>270</u>	<u>270</u>	<u>-</u>	<u>272</u>	<u>(2)</u>
Excess (deficiency) of revenues over (under) expenditures	(270)	(270)	-	(272)	(2)
Other financing sources (uses):					
Transfers in	<u>239</u>	<u>239</u>	<u>-</u>	<u>240</u>	<u>1</u>
Total other financing sources (uses)	<u>239</u>	<u>239</u>	<u>-</u>	<u>240</u>	<u>1</u>
Net change in fund balance	(31)	(31)	-	(32)	(1)
Fund balance, July 1	-	-	-	32	32
Fund balance, June 30	<u>\$ (31)</u>	<u>\$ (31)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31</u>

**COUNTY OF TULARE  
NONMAJOR DEBT SERVICE FUND – BUILDING LOANS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010**

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Fines, forfeitures, and penalties	\$ 1,375	\$ 1,375	\$ -	\$ 1,150	\$ (225)
Interest, rents, and concessions	209	307	98	210	(97)
Total revenues	<u>1,584</u>	<u>1,682</u>	<u>98</u>	<u>1,360</u>	<u>(322)</u>
Expenditures:					
Debt service:					
Interest and fiscal charges	14	112	(98)	110	2
Total expenditures	<u>14</u>	<u>112</u>	<u>(98)</u>	<u>110</u>	<u>2</u>
Excess (deficiency) of revenues over (under) expenditures	1,570	1,570	-	1,250	(320)
Other financing sources (uses):					
Transfers in	5,020	5,020	-	7,020	2,000
Transfers (out)	(7,754)	(7,754)	-	(6,259)	1,495
Total other financing sources (uses)	<u>(2,734)</u>	<u>(2,734)</u>	<u>-</u>	<u>761</u>	<u>3,495</u>
Net change in fund balance	(1,164)	(1,164)	-	2,011	3,175
Fund balance, July 1	-	-	-	2,513	2,513
Fund balance, June 30	<u>\$ (1,164)</u>	<u>\$ (1,164)</u>	<u>\$ -</u>	<u>\$ 4,524</u>	<u>\$ 5,688</u>

**NONMAJOR GOVERNMENTAL FUNDS  
CAPITAL PROJECTS FUNDS**

**Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.**

**Capital Projects Fund** - This fund is used to finance the acquisition and construction of public buildings, including major maintenance and improvements. Revenues are obtained from State funding and from other funds when allocated by the Board of Supervisors.

**COUNTY OF TULARE  
BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUND  
JUNE 30, 2010  
(amounts expressed in thousands)**

	Capital Projects
Assets	
Investment in treasury pool	\$ 6,234
Due from other County funds	2,000
Restricted assets	5,000
Total assets	\$ 13,234
Liabilities and fund balance	
Liabilities:	
Accounts payable	\$ 297
Salaries and benefits payable	7
Total liabilities	304
Fund balance:	
Reserved for:	
Harmon Field cleanup	5,000
Unreserved, reported in nonmajor:	
Capital projects fund	7,930
Total fund balance	12,930
Total liabilities and fund balance	\$ 13,234

**COUNTY OF TULARE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Capital Projects
Revenues:	
Interest, rents, and concessions	\$ 191
Intergovernmental revenues	2,441
Other revenues	1
Total revenues	2,633
Expenditures:	
Current:	
General government	2,412
Capital outlay	2,146
Total expenditures	4,558
Excess (deficiency) of revenues over (under) expenditures	(1,925)
Other financing sources (uses):	
Transfers in	4,704
Transfers (out)	(815)
Total other financing sources (uses)	3,889
Net change in fund balance	1,964
Fund balance, July 1	10,966
Fund balance, June 30	\$ 12,930

**COUNTY OF TULARE**  
**NONMAJOR CAPITAL PROJECTS FUND – CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ -	\$ -	\$ -	\$ 191	\$ 191
Intergovernmental revenues	2,924	3,034	110	2,441	(593)
Other revenues	300	324	24	1	(323)
Total revenues	<u>3,224</u>	<u>3,358</u>	<u>134</u>	<u>2,633</u>	<u>(725)</u>
Expenditures:					
Current:					
General government	8,791	8,255	536	2,412	5,843
Capital outlay	<u>2,315</u>	<u>2,315</u>	-	<u>2,146</u>	<u>169</u>
Total expenditures	<u>11,106</u>	<u>10,570</u>	<u>536</u>	<u>4,558</u>	<u>6,012</u>
Excess (deficiency) of revenues over (under) expenditures	(7,882)	(7,212)	670	(1,925)	5,287
Other financing sources (uses):					
Transfers in	2,739	2,789	50	4,704	1,915
Transfers (out)	<u>(4)</u>	<u>(724)</u>	<u>(720)</u>	<u>(815)</u>	<u>(91)</u>
Total other financing sources (uses)	<u>2,735</u>	<u>2,065</u>	<u>(670)</u>	<u>3,889</u>	<u>1,824</u>
Net change in fund balance	(5,147)	(5,147)	-	1,964	7,111
Fund balance, July 1	-	-	-	10,966	10,966
Fund balance, June 30	<u>\$ (5,147)</u>	<u>\$ (5,147)</u>	<u>\$ -</u>	<u>\$ 12,930</u>	<u>\$ 18,077</u>



## NONMAJOR ENTERPRISE FUNDS

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

**Transit Fund** - This fund is used to account for the operation, maintenance, and development of a rural transit system and transit related projects.

**Terra Bella Sewer Maintenance Fund** - This fund is used to account for the operation, maintenance, and development of the Terra Bella Sanitation District governed by the County Board of Supervisors.

**Assessment Districts Funds** - These funds are used to account for the costs of maintenance and improvement of the Landscaping Assessment Districts.

**County Service Area Funds (#1 and #2)** - These funds are used to account for the development, operation, and maintenance of clean and safe drinking water systems in rural communities of the County.

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF FUND NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Service Area #2	Total Nonmajor Enterprise Funds
<b>Assets</b>						
<b>Current assets:</b>						
Cash in banks	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ 10
Investment in treasury pool	622	815	320	346	109	2,212
Cash on hand	1	-	-	2	-	3
Accounts receivable	2	27	-	86	8	123
Deposits with others	-	53	-	53	4	110
Total current assets	<u>625</u>	<u>905</u>	<u>320</u>	<u>487</u>	<u>121</u>	<u>2,458</u>
<b>Noncurrent assets:</b>						
<b>Capital assets:</b>						
Land	-	68	-	503	41	612
Buildings and improvements, net	-	1,163	-	3,399	336	4,898
Equipment and vehicles, net	1,507	-	-	7	-	1,514
Total capital assets (net of accumulated depreciation)	<u>1,507</u>	<u>1,231</u>	<u>-</u>	<u>3,909</u>	<u>377</u>	<u>7,024</u>
Total noncurrent assets	<u>1,507</u>	<u>1,231</u>	<u>-</u>	<u>3,909</u>	<u>377</u>	<u>7,024</u>
Total assets	<u>2,132</u>	<u>2,136</u>	<u>320</u>	<u>4,396</u>	<u>498</u>	<u>9,482</u>
<b>Liabilities</b>						
<b>Current liabilities:</b>						
Accounts payable	131	4	-	6	-	141
Due to other governments	-	-	-	23	-	23
Deposits from others	-	53	8	-	-	61
Interest payable	-	-	-	13	1	14
COP's payable	-	15	-	14	1	30
	<u>131</u>	<u>72</u>	<u>8</u>	<u>56</u>	<u>2</u>	<u>269</u>
<b>Noncurrent liabilities:</b>						
Advances due to Agency funds	-	-	-	740	-	740
Long-term advances payable	-	-	-	-	-	-
Bonds payable	-	-	-	7	-	7
COP's payable	-	805	-	571	40	1,416
Total noncurrent liabilities	<u>-</u>	<u>805</u>	<u>-</u>	<u>1,318</u>	<u>40</u>	<u>2,163</u>
Total liabilities	<u>131</u>	<u>877</u>	<u>8</u>	<u>1,374</u>	<u>42</u>	<u>2,432</u>
<b>Net assets</b>						
Invested in capital assets, net of related debt	1,507	411	-	3,317	336	5,571
Restricted for other purposes	-	-	-	-	5	5
Unrestricted	494	848	312	(295)	115	1,474
Total net assets	<u>\$ 2,001</u>	<u>\$ 1,259</u>	<u>\$ 312</u>	<u>\$ 3,022</u>	<u>\$ 456</u>	<u>\$ 7,050</u>

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Service Area #2	Total Nonmajor Enterprise Funds
Operating revenues:						
Charges for services	\$ 251	\$ 142	\$ 41	\$ 454	\$ 58	\$ 946
Rents and concessions	-	-	-	4	-	4
Other revenues	5	-	-	-	-	5
Total operating revenues	<u>256</u>	<u>142</u>	<u>41</u>	<u>458</u>	<u>58</u>	<u>955</u>
Operating expenses:						
Services and supplies	1,540	111	3	378	57	2,089
Depreciation	209	56	-	199	15	479
Total operating expenses	<u>1,749</u>	<u>167</u>	<u>3</u>	<u>577</u>	<u>72</u>	<u>2,568</u>
Operating income (loss)	<u>(1,493)</u>	<u>(25)</u>	<u>38</u>	<u>(119)</u>	<u>(14)</u>	<u>(1,613)</u>
Nonoperating revenues (expenses):						
Intergovernmental revenues	558	-	-	-	-	558
Taxes and special assessments	911	32	-	-	-	943
Investment earnings	8	82	14	20	6	130
Interest expense	-	(90)	-	(50)	(2)	(142)
Total nonoperating revenues (expenses)	<u>1,477</u>	<u>24</u>	<u>14</u>	<u>(30)</u>	<u>4</u>	<u>1,489</u>
Net income (loss) before contributions and transfers	<u>(16)</u>	<u>(1)</u>	<u>52</u>	<u>(149)</u>	<u>(10)</u>	<u>(124)</u>
Transfers in	3	-	-	-	-	3
	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
Change in net assets	(13)	(1)	52	(149)	(10)	(121)
Net assets, July 1	2,014	1,260	260	3,171	466	7,171
Net assets, June 30	<u>\$ 2,001</u>	<u>\$ 1,259</u>	<u>\$ 312</u>	<u>\$ 3,022</u>	<u>\$ 456</u>	<u>\$ 7,050</u>

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Service Area #2	Nonmajor Enterprise Funds
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 256	\$ 135	\$ 41	\$ 446	\$ 59	\$ 937
Receipts from interfund services provided	-	-	-	3	-	3
Receipts from rents and concessions	-	-	-	4	-	4
Other revenues	5	-	-	-	-	5
Payments (to) suppliers	(2,063)	(57)	-	(57)	(3)	(2,180)
Payments (for) interfund services used	(194)	(69)	(3)	(315)	(54)	(635)
Net cash provided (used) by operating activities	<u>(1,996)</u>	<u>9</u>	<u>38</u>	<u>81</u>	<u>2</u>	<u>(1,866)</u>
<b>Cash flows from noncapital financing activities:</b>						
Subsidy from intergovernmental entities	558	-	-	-	-	558
Receipts from taxes and assessments	911	32	-	-	-	943
Transfers from other funds	3	-	-	23	-	26
Advance from other funds	-	-	-	42	-	42
Net cash provided (used) by noncapital financing activities	<u>1,472</u>	<u>32</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>1,569</u>
<b>Cash flows from capital and related financing activities:</b>						
Acquisition of fixed assets	(545)	-	-	-	-	(545)
Principal (paid) on capital debt	-	(15)	-	(14)	(1)	(30)
Interest (paid) on capital debt	-	(90)	-	(52)	(2)	(144)
Net cash provided (used) by capital and related financing activities	<u>(545)</u>	<u>(105)</u>	<u>-</u>	<u>(66)</u>	<u>(3)</u>	<u>(719)</u>
<b>Cash flows from investing activities:</b>						
Interest and dividends received	8	82	14	20	6	130
Net cash provided (used) by investing activities	<u>8</u>	<u>82</u>	<u>14</u>	<u>20</u>	<u>6</u>	<u>130</u>
Net increase (decrease) in cash and cash equivalents	(1,061)	18	52	100	5	(886)
Cash and cash equivalents, July 1	1,684	807	268	248	104	3,111
Cash and cash equivalents, June 30	<u>\$ 623</u>	<u>\$ 825</u>	<u>\$ 320</u>	<u>\$ 348</u>	<u>\$ 109</u>	<u>\$ 2,225</u>
<b>Displayed as:</b>						
Cash in banks	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ 10
Investment in treasury pool	622	815	320	346	109	2,212
Cash on hand	1	-	-	2	-	3
Total cash as displayed	<u>\$ 623</u>	<u>\$ 825</u>	<u>\$ 320</u>	<u>\$ 348</u>	<u>\$ 109</u>	<u>\$ 2,225</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ (1,493)	\$ (25)	\$ 38	\$ (119)	\$ (14)	\$ (1,613)
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>						
Depreciation	209	56	-	199	15	479
(Increase) decrease in accounts receivable	5	(7)	-	(5)	1	(6)
(Increase) decrease in prepaid items	-	-	-	-	-	-
Increase (decrease) in accounts payable	(717)	(15)	-	6	-	(726)
Total adjustments	<u>(503)</u>	<u>34</u>	<u>-</u>	<u>200</u>	<u>16</u>	<u>(253)</u>
Net cash provided (used) by operating activities	<u>\$ (1,996)</u>	<u>\$ 9</u>	<u>\$ 38</u>	<u>\$ 81</u>	<u>\$ 2</u>	<u>\$ (1,866)</u>

## INTERNAL SERVICE FUNDS

**Internal Service Funds** are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County and to other governmental units on a cost reimbursement basis.

**Insurance Funds** - These funds account for the financing of workers' compensation to applicable bargaining units, general liability, property casualty liability, and malpractice insurances. All other insurance functions are accounted for in the General Fund.

**Central Services Funds** - These funds account for central services, such as mailroom, motor pool, print shop, utilities, custodial and maintenance services, data processing, and telecommunications, which are primarily provided to other departments of the County.

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Insurance	Central Services	Total
<b>Assets</b>			
Current assets:			
Cash in banks	\$ 2,000	\$ -	\$ 2,000
Investment in treasury pool	41,452	5,336	46,788
Imprest cash	250	-	250
Accounts receivable, net	89	213	302
Due from other governments	-	17	17
Prepaid items	158	-	158
Total current assets	<u>43,949</u>	<u>5,566</u>	<u>49,515</u>
Noncurrent assets:			
Advances to other County Funds	1,790	-	1,790
Advances from Agency Funds	1,659	-	1,659
Capital assets:			
Buildings and improvements, net	-	9,555	9,555
Equipment and vehicles, net	19	1,437	1,456
Construction in progress	-	6,509	6,509
Total capital assets (net of accumulated depreciation)	<u>19</u>	<u>17,501</u>	<u>17,520</u>
Total noncurrent assets	<u>3,468</u>	<u>17,501</u>	<u>20,969</u>
Total assets	<u>47,417</u>	<u>23,067</u>	<u>70,484</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	281	1,358	1,639
Due to other governments	-	4	4
Salaries and benefits payable	-	401	401
Interest payable	-	223	223
Compensated absences payable	-	58	58
Claims payable	6,771	-	6,771
Loans payable	-	1,114	1,114
Deferred Revenue	1,377	402	1,779
Total current liabilities	<u>8,429</u>	<u>3,560</u>	<u>11,989</u>
Noncurrent liabilities:			
Compensated absences payable	-	1,147	1,147
Advances to Agency Funds	204	-	204
Claims payable	20,150	-	20,150
Loans payable	-	11,685	11,685
Total noncurrent liabilities	<u>20,354</u>	<u>12,832</u>	<u>33,186</u>
Total liabilities	<u>28,783</u>	<u>16,392</u>	<u>45,175</u>
<b>Net assets</b>			
Invested in capital assets, net of related debt	19	4,702	4,721
Unrestricted	18,615	1,973	20,588
Total net assets	<u>\$ 18,634</u>	<u>\$ 6,675</u>	<u>\$ 25,309</u>

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Insurance	Central Services	Total
Operating revenues:			
Charges for services	\$ 23,110	\$ 31,295	\$ 54,405
Rents and concessions	-	9	9
Other revenues	801	205	1,006
Total operating revenues	<u>23,911</u>	<u>31,509</u>	<u>55,420</u>
Operating expenses:			
Salaries and benefits	-	13,883	13,883
Services and supplies	14,659	16,866	31,525
Insurance premiums paid	4,552	-	4,552
Depreciation	6	725	731
Claims incurred	4,829	-	4,829
Total operating expenses	<u>24,046</u>	<u>31,474</u>	<u>55,520</u>
Operating income (loss)	<u>(135)</u>	<u>35</u>	<u>(100)</u>
Nonoperating revenues (expenses):			
Intergovernmental revenues	8	295	303
Investment earnings	1,504	37	1,541
Interest expense	-	(589)	(589)
Total nonoperating revenues (expenses)	<u>1,512</u>	<u>(257)</u>	<u>1,255</u>
Income (loss) before contributions and transfers	<u>1,377</u>	<u>(222)</u>	<u>1,155</u>
Capital contributions	-	(169)	(169)
Transfers in	-	1,698	1,698
Transfers (out)	-	(570)	(570)
Change in net assets	1,377	737	2,114
Net assets, July 1	17,257	5,938	23,195
Net assets, June 30	<u>\$ 18,634</u>	<u>\$ 6,675</u>	<u>\$ 25,309</u>

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Insurance	Central Services	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 24,398	\$ 31,587	\$ 55,985
Receipts from rents and concessions	-	9	9
Other revenues	801	205	1,006
Payments (to) employees	-	(13,714)	(13,714)
Payments (to) suppliers	(17,987)	(14,171)	(32,158)
Payments (for) interfund services used	(1,570)	(2,787)	(4,357)
Payments (for) claims	(2,313)	-	(2,313)
Net cash provided (used) by operating activities	<u>3,329</u>	<u>1,129</u>	<u>4,458</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	-	1,793	1,793
Transfers (to) other funds	-	(5,891)	(5,891)
Subsidy from intergovernmental entities	8	295	303
Advance to (from) other agency	(243)	-	(243)
Net cash provided (used) by noncapital financing activities	<u>(235)</u>	<u>(3,803)</u>	<u>(4,038)</u>
Cash flows from capital and related financing activities:			
Capital Contributions	-	(175)	(175)
Principal (paid) on capital debt	-	(1,058)	(1,058)
Interest (paid) on capital debt	-	(589)	(589)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(1,822)</u>	<u>(1,822)</u>
Cash flows from investing activities:			
Interest and dividends received	1,504	37	1,541
Net cash provided by investing activities	<u>1,504</u>	<u>37</u>	<u>1,541</u>
Net increase (decrease) in cash and cash equivalents	4,598	(4,459)	139
Cash and cash equivalents, July 1	39,104	9,795	48,899
Cash and cash equivalents, June 30	<u>\$ 43,702</u>	<u>\$ 5,336</u>	<u>\$ 49,038</u>
Displayed as:			
Cash in Bank	2,000	-	\$ 2,000
Investment in treasury pool	41,452	5,336	46,788
Imprest cash	250	-	250
Total cash displayed	<u>\$ 43,702</u>	<u>\$ 5,336</u>	<u>\$ 49,038</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (135)	\$ 35	\$ (100)
Adjustments to reconcile operating income (loss) to			
Depreciation expense	6	725	731
(Increase) decrease in accounts receivable	(89)	(111)	(200)
(Increase) decrease in Deposits with Others	-	1	1
(Increase) decrease in prepaid items	(133)	-	(133)
Increase (decrease) in accounts payable	(213)	(92)	(305)
Increase (decrease) in Deferred Revenue	1,377	-	1,377
Increase (decrease) in salaries and benefits payable and compensated absences	-	169	169
Increase (decrease) in Deferred Revenue	2,516	402	2,918
Total adjustments	<u>3,464</u>	<u>1,094</u>	<u>4,558</u>
Net cash provided (used) by operating activities	<u>\$ 3,329</u>	<u>\$ 1,129</u>	<u>\$ 4,458</u>



## FIDUCIARY FUNDS

**Fiduciary Funds include all Investment Trust and Agency Funds.**

**Investment Trust Funds are used to account for assets held by the County in a trustee capacity. External pool participants include local School Districts, Special Districts not included as component units of the County, and the Tulare County Employee Retirement Agency which maintains a check-clearing account in the Treasury Pool.**

**Agency funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments.**

**Property Tax Collection and Apportionment Funds** - These funds account for property taxes collected and for the apportionment of taxes to the State and others.

**State Fines Agency Funds** - These funds are used as a clearing fund for penalties, fines, and assessments collected and payable to the State.

**Transportation Tax Funds** - These funds account for the one-quarter of one percent sales tax collected by the State Board of Equalization and deposited with the County of origin for local transportation support.

**Employee Health Benefits Fund** - This fund is used to accumulate premium payments for health, dental, vision, life, long term disability, and voluntary products collected from employees, retired employees, and Special District employees for distribution to providers.

**Education Revenue Augmentation Fund (ERAF)** - This fund is used to collect tax revenues shifted from counties, cities, special districts, and redevelopment agencies to augment loss of State funding to local schools.

**Other Agency Funds** - These funds account for monies held as agent for a variety of purposes.

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS – AGENCY FUNDS**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Property Tax Collection and Apportionment Funds	State Fines Agency Fund	Transportation Tax Funds	Employee Health Benefits Fund	Education Revenue Augmentation Fund	Other Agency Funds	Total
<b>Assets</b>							
Cash in banks	\$ 1,271	\$ -	\$ -	\$ -	\$ -	\$ 4,627	\$ 5,898
Investment in treasury pool	8,551	75	823	1,546	14	13,412	24,421
Due from other governments	-	-	-	-	-	44	44
Advances to County funds	-	-	-	204	-	740	944
	<u>9,822</u>	<u>75</u>	<u>823</u>	<u>1,750</u>	<u>14</u>	<u>18,823</u>	<u>31,307</u>
<b>Total assets</b>	<b>\$ 9,822</b>	<b>\$ 75</b>	<b>\$ 823</b>	<b>\$ 1,750</b>	<b>\$ 14</b>	<b>\$ 18,823</b>	<b>\$ 31,307</b>
<b>Liabilities</b>							
Warrants payable	\$ 886	\$ -	\$ -	\$ 402	\$ -	\$ 338	\$ 1,626
Due to other governments	-	-	-	-	-	68	68
Advances to County funds	-	-	-	3,435	-	820	4,255
Agency obligations	8,936	75	823	(2,087)	14	17,597	25,358
	<u>8,936</u>	<u>75</u>	<u>823</u>	<u>(2,087)</u>	<u>14</u>	<u>17,597</u>	<u>25,358</u>
<b>Total liabilities</b>	<b>\$ 8,936</b>	<b>\$ 75</b>	<b>\$ 823</b>	<b>\$ (2,087)</b>	<b>\$ 14</b>	<b>\$ 17,597</b>	<b>\$ 25,358</b>

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2010**

(amounts expressed in thousands)

	Balance July 1	Additions	Deductions	Balance June 30
Property Tax Collection and Apportionment Funds				
Assets				
Cash in banks	\$ 2,890	\$ 1,271	\$ (2,890)	\$ 1,271
Investment in treasury pool	3,951	519,934	(515,334)	8,551
Due from County funds	85	54	(139)	-
Total assets	<u>\$ 6,926</u>	<u>\$ 521,259</u>	<u>\$ (518,363)</u>	<u>\$ 9,822</u>
Liabilities				
Warrants payable	\$ 620	\$ 106,543	\$ (106,277)	\$ 886
Agency obligations	6,306	414,716	(412,086)	8,936
Total liabilities	<u>\$ 6,926</u>	<u>\$ 521,259</u>	<u>\$ (518,363)</u>	<u>\$ 9,822</u>
State Fines Agency Fund				
Assets				
Investment in treasury pool	\$ 94	\$ 524	\$ (543)	\$ 75
Total assets	<u>\$ 94</u>	<u>\$ 524</u>	<u>\$ (543)</u>	<u>\$ 75</u>
Liabilities				
Agency obligations	\$ 94	\$ 524	\$ (543)	\$ 75
Total liabilities	<u>\$ 94</u>	<u>\$ 524</u>	<u>\$ (543)</u>	<u>\$ 75</u>

(Continued)

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS (Continued)**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Balance July 1	Additions	Deductions	Balance June 30
Transportation Tax Funds				
Assets				
Investment in treasury pool	\$ 2,600	\$ 10,804	\$ (12,581)	\$ 823
Total assets	\$ 2,600	\$ 10,804	\$ (12,581)	\$ 823
Liabilities				
Agency obligations	\$ 2,600	\$ 10,804	\$ (12,581)	\$ 823
Total liabilities	\$ 2,600	\$ 10,804	\$ (12,581)	\$ 823
Employee Health Benefits Fund				
Assets				
Investment in treasury pool	\$ 68	\$ 38,603	\$ (37,125)	\$ 1,546
Advances to County funds	-	204	-	204
Total assets	\$ 68	\$ 38,807	\$ (37,125)	\$ 1,750
Liabilities				
Warrants payable	\$ 69	\$ 7,065	\$ (6,732)	\$ 402
Advances from County funds	1,777	1,659	(1)	3,435
Agency obligations	(1,778)	30,084	(30,393)	(2,087)
Total liabilities	\$ 68	\$ 38,808	\$ (37,126)	\$ 1,750

(Continued)

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS (Continued)**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

	Balance July 1	Additions	Deductions	Balance June 30
Education Revenue Augmentation Fund				
Assets				
Investment in treasury pool	\$ 1	\$ 83,904	\$ (83,891)	\$ 14
Total assets	\$ 1	\$ 83,904	\$ (83,891)	\$ 14
Liabilities				
Agency obligations	\$ 1	\$ 83,904	\$ (83,891)	\$ 14
Total liabilities	\$ 1	\$ 83,904	\$ (83,891)	\$ 14
Other Agency Funds				
Assets				
Cash in banks	\$ 3,080	\$ 4,143	\$ (2,596)	\$ 4,627
Investment in treasury pool	17,476	48,939	(53,003)	13,412
Due to other governments	-	68	(24)	44
Advances to County funds	711	124	(95)	740
Total assets	\$ 21,267	\$ 53,274	\$ (55,718)	\$ 18,823
Liabilities				
Warrants payable	\$ 1,332	\$ 12,689	\$ (13,683)	\$ 338
Due from Other Governments	-	713	(645)	68
Advances from County funds	1,489	2	(671)	820
Agency obligations	18,446	39,870	(40,719)	17,597
Total liabilities	\$ 21,267	\$ 53,274	\$ (55,718)	\$ 18,823

(Continued)

**COUNTY OF TULARE**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS (Continued)**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2010**  
(amounts expressed in thousands)

	Balance July 1	Additions	Deductions	Balance June 30
Total Agency Funds				
Assets				
Cash in banks	\$ 5,970	\$ 5,414	\$ (5,486)	\$ 5,898
Investment in treasury pool	24,190	702,708	(702,477)	24,421
Due from Other Governments	85	122	(163)	44
Advances to County funds	711	328	(95)	944
Total assets	<u>\$ 30,956</u>	<u>\$ 708,572</u>	<u>\$ (708,221)</u>	<u>\$ 31,307</u>
Liabilities				
Warrants payable	\$ 2,021	\$ 126,297	\$ (126,692)	\$ 1,626
Due to Other Governments	-	713	(645)	68
Advances from County funds	3,266	1,661	(672)	4,255
Agency obligations	25,669	579,902	(580,213)	25,358
Total liabilities	<u>\$ 30,956</u>	<u>\$ 708,573</u>	<u>\$ (708,222)</u>	<u>\$ 31,307</u>

(Concluded)

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

These schedules report capital assets acquired for general government operations. These capital assets are tangible and of significant value having a utility which extends beyond the current year. They are broadly classified as land, infrastructure, buildings and improvements, machinery and equipment, vehicles, infrastructure in progress, and construction in progress.

**COUNTY OF TULARE  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
COMPARATIVE SCHEDULE BY SOURCE  
JUNE 30, 2010 AND 2009  
(amounts expressed in thousands)**

	2010	2009
Governmental funds capital assets:		
Land	\$ 907,965	\$ 911,641
Infrastructure	687,283	682,607
Structures and improvements	179,411	175,847
Machinery and equipment	19,849	13,772
Vehicles	42,601	43,855
Construction in progress	2,360	2,311
Infrastructure in progress	50,462	29,665
Total governmental funds capital assets	\$ 1,889,931	\$ 1,859,698
 Investment in governmental funds capital assets by source:		
General fund	\$ 220,786	\$ 213,971
Federal revenue sharing fund	5,369	6,080
Special revenue funds	1,662,270	1,638,954
Capital projects funds	822	9
Donations	684	684
Total governmental funds capital assets	\$ 1,889,931	\$ 1,859,698



**COUNTY OF TULARE**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**JUNE 30, 2010**  
**(amounts expressed in thousands)**

Function and Activity	Land	Infrastructure	Structures and Improvements	Machinery and Equipment	Vehicles	Total
General government:						
Administrative	\$ -	\$ -	\$ 25	\$ 130	\$ -	\$ 155
Finance	-	-	-	230	305	535
County Counsel	-	-	1,663	38	-	1,701
Personnel	-	-	25	-	-	25
Elections	-	-	-	1,059	-	1,059
Property management	-	-	2,762	173	15	2,950
Other general	3,136	-	924	234	53	4,347
Total general government	<u>3,136</u>	<u>-</u>	<u>5,399</u>	<u>1,864</u>	<u>373</u>	<u>10,772</u>
Public protection:						
Judicial	-	-	38,395	952	1,851	41,198
Sheriff	639	-	4,296	1,370	7,886	14,191
Other protection	-	-	90	499	845	1,434
Total public protection	<u>639</u>	<u>-</u>	<u>42,781</u>	<u>2,821</u>	<u>10,582</u>	<u>56,823</u>
Detention and correction:						
Detention	-	-	71,278	872	2,289	74,439
Fire	146	-	3,149	1,922	9,043	14,260
Inspection	210	-	4,685	104	1,604	6,603
Total detention and correction	<u>356</u>	<u>-</u>	<u>79,112</u>	<u>2,898</u>	<u>12,936</u>	<u>95,302</u>
Public ways and facilities	899,880	687,283	4,245	3,275	12,390	1,607,073
Public health	2,640	-	26,575	6,612	2,816	38,643
Public assistance	226	-	3,505	1,816	2,437	7,984
Education	122	-	10,062	97	636	10,917
Recreation and cultural services	966	-	7,732	466	431	9,595
	<u>903,834</u>	<u>687,283</u>	<u>52,119</u>	<u>12,266</u>	<u>18,710</u>	<u>1,674,212</u>
Total governmental funds capital assets	<u>\$ 907,965</u>	<u>\$ 687,283</u>	<u>\$ 179,411</u>	<u>\$ 19,849</u>	<u>\$ 42,601</u>	<u>1,837,109</u>
Construction projects in progress	\$ -	\$ -	\$ 2,360	\$ -	\$ -	\$ 2,360
Infrastructure projects in progress	-	50,462	-	-	-	50,462
						<u>\$ 1,889,931</u>

**COUNTY OF TULARE**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED JUNE 30, 2010**  
**(amounts expressed in thousands)**

Function and Activity	Governmental Fund Capital Assets July 1	Additions	Deletions	Adjustments	Governmental Fund Capital Assets June 30
<b>General government:</b>					
Administrative	\$ 152	\$ -	\$ -	\$ 3	\$ 155
Finance	578	-	-	(43)	535
County Counsel	1,701	-	-	-	1,701
Personnel	25	-	-	-	25
Elections	1,506	58	(505)	-	1,059
Property management	2,791	159	-	-	2,950
Other general	4,292	117	-	(62)	4,347
Total general government	<u>11,045</u>	<u>334</u>	<u>(505)</u>	<u>(102)</u>	<u>10,772</u>
<b>Public protection:</b>					
Judicial	41,078	217	(60)	(37)	41,198
Sheriff	14,586	338	(712)	(21)	14,191
Other protection	1,366	68	(12)	12	1,434
Total public protection	<u>57,030</u>	<u>623</u>	<u>(784)</u>	<u>(46)</u>	<u>56,823</u>
<b>Detention and correction:</b>					
Detention	74,544	30	(111)	(24)	74,439
Fire	13,488	1,143	(371)	-	14,260
Inspection	6,579	36	(21)	9	6,603
Total detention and correction	<u>94,611</u>	<u>1,209</u>	<u>(503)</u>	<u>(15)</u>	<u>95,302</u>
Public ways and facilities	1,606,283	7,776	(7,722)	736	1,607,073
Public health	34,010	4,914	(250)	(31)	38,643
Public assistance	7,762	330	(65)	(43)	7,984
Education	10,945	29	(57)	-	10,917
Recreation and cultural services	6,036	3,560	-	(1)	9,595
Total	<u>1,665,036</u>	<u>16,609</u>	<u>(8,094)</u>	<u>661</u>	<u>1,674,212</u>
Construction projects in progress	2,311	3,537	(3,488)	-	2,360
Infrastructure projects in progress	29,665	18,803	(112)	2,106	50,462
Total	<u>32,976</u>	<u>22,340</u>	<u>(3,600)</u>	<u>2,106</u>	<u>52,822</u>
<b>Total governmental funds capital assets</b>	<u><u>\$ 1,859,698</u></u>	<u><u>\$ 41,115</u></u>	<u><u>\$ (13,486)</u></u>	<u><u>\$ 2,604</u></u>	<u><u>\$ 1,889,931</u></u>

**STATISTICAL SECTION  
(UNAUDITED)**

The statistical section of the Comprehensive Annual Financial Report is the chief source of information regarding a government's economic condition. All of the information presented is organized around five specific objectives:

**Provide Information on Financial Trends** - Information needed to understand and assess how the County's financial position has changed over time.

**Provide Information on Revenue Capacity** - Information needed to understand and assess the County's ability to generate own-source revenues.

**Provide Information on Debt Capacity** - Information needed to understand and assess the County's debt burden and its ability to issue new debt.

**Provide Demographic and Economic Information** - Information needed to understand the County's socio-economic environment and to facilitate comparisons of financial statement information over time and among governments.

**Provide Operating Information** - Information needed to understand the County's operations and resources as well as to assess its economic condition.

Table 1

**COUNTY OF TULARE  
NET ASSETS BY COMPONENT  
LAST SEVEN FISCAL YEARS  
(accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year						
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Governmental activities							
Invested in capital assets, net of related debt	\$ 1,461,647 **	\$ 1,450,065	\$ 1,425,580	\$ 1,417,765	\$ 1,491,566	\$ 1,524,380	\$ 1,541,360
Restricted	41,803	40,051	44,553	45,403	54,086	57,079	61,880
Unrestricted	31,685	35,459	43,721	57,303	55,866	56,992	63,537
Total governmental activities net assets	<u>\$ 1,535,135 **</u>	<u>\$ 1,525,575</u>	<u>\$ 1,513,854</u>	<u>\$ 1,520,471</u>	<u>\$ 1,601,518</u>	<u>\$ 1,638,451</u>	<u>\$ 1,666,777</u>
Business-type activities							
Invested in capital assets, net of related debt	\$ 19,396	\$ 20,010	\$ 20,322	\$ 19,860	\$ 19,090	\$ 28,811	\$ 28,172
Restricted	5,005	5,005	5,005	5,005	5,005	5,005	5,005
Unrestricted	25,613	24,886	22,914	22,200	22,794	9,363	6,792
Total business-type activities net assets	<u>\$ 50,014</u>	<u>\$ 49,901</u>	<u>\$ 48,241</u>	<u>\$ 47,065</u>	<u>\$ 46,889</u>	<u>\$ 43,179</u>	<u>\$ 39,969</u>
Primary government							
Invested in capital assets, net of related debt	\$ 1,481,043 **	\$ 1,470,075	\$ 1,445,902	\$ 1,437,625	\$ 1,510,656	\$ 1,553,191	\$ 1,569,532
Restricted	46,808	45,056	49,558	50,408	59,091	62,084	66,885
Unrestricted	57,298	60,345	66,635	79,503	78,660	66,355	70,329
Total primary government net assets	<u>\$ 1,585,149 **</u>	<u>\$ 1,575,476</u>	<u>\$ 1,562,095</u>	<u>\$ 1,567,536</u>	<u>\$ 1,648,407</u>	<u>\$ 1,681,630</u>	<u>\$ 1,706,746</u>

\* Prior periods are restated for subsequent Prior Period Adjustments.

Discretely presented Component Unit is not included.

\*\* Beginning balances of capital assets restated to include infrastructure assets.

\*\*\* Tables begin with the implementation of GASB-34 and, therefore, display less than 10 years.

Table 2

**COUNTY OF TULARE  
CHANGES IN NET ASSETS  
LAST SEVEN FISCAL YEARS  
(accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year						
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Expenses</b>							
Governmental activities:							
General government	\$ 32,816	\$ 25,312	\$ 44,550	\$ 93,680	\$ 71,430	\$ 28,459	\$ 26,587
Public protection	145,513	148,459	155,626	162,837	187,299	197,905	192,533
Public ways and facilities	19,411	35,404	26,701	15,100	28,346	32,342	29,120
Health and sanitation	86,955	99,669	104,035	120,520	120,195	122,853	120,796
Public assistance	202,481	215,275	225,735	220,019	227,086	234,329	236,861
Education	3,356	3,384	3,241	3,722	4,287	5,033	5,027
Culture and recreation	1,949	1,631	1,468	1,842	3,552	2,136	2,095
Unallocated depreciation	589	589	589	588	510	791	953
Unallocated interest expense	8,220	8,642	9,713	11,038	11,244	5,993	5,806
Total governmental activities expenses	<u>501,290</u>	<u>538,365</u>	<u>571,658</u>	<u>629,346</u>	<u>653,949</u>	<u>629,841</u>	<u>619,778</u>
Business-type activities:							
Solid Waste	12,967	10,249	12,004	13,981	14,426	14,138	13,144
Other business-type activities	1,839	1,708	1,872	2,120	2,259	2,452	2,710
Total business-type activities expenses	<u>14,806</u>	<u>11,957</u>	<u>13,876</u>	<u>16,101</u>	<u>16,685</u>	<u>16,590</u>	<u>15,854</u>
Total primary government expenses	<u>\$ 516,096</u>	<u>\$ 550,322</u>	<u>\$ 585,534</u>	<u>\$ 645,447</u>	<u>\$ 670,634</u>	<u>\$ 646,431</u>	<u>\$ 635,632</u>
<b>Program Revenues</b>							
Governmental activities:							
Charges for services:							
General government	\$ 31,895	\$ 28,181	\$ 21,838	\$ 50,015	\$ 62,391	\$ 28,860	\$ 26,601
Public protection	19,635	22,015	22,179	25,846	28,291	29,368	23,883
Public ways and facilities	1,109	1,468	2,783	2,209	2,028	1,782	1,971
Health and sanitation	11,365	12,430	11,653	16,103	45,659	46,523	47,938
Public assistance	25,499	29,244	26,348	30,161	7,496	5,823	3,324
Education	112	245	289	334	188	162	161
Culture and recreation	1,012	1,101	848	1,004	332	287	293
Operating grants and contributions	355,940	349,248	371,869	389,177	389,524	403,891	418,780
Total governmental activities program revenues	<u>446,567</u>	<u>443,932</u>	<u>457,807</u>	<u>514,849</u>	<u>535,909</u>	<u>516,696</u>	<u>522,951</u>
Business-type activities:							
Charges for services:							
Solid Waste	8,878	9,053	9,705	10,247	9,244	8,284	8,206
Other business-type activities	631	670	696	738	792	925	955
Operating grants and contributions	40	373	42	276	1,475	813	844
Total business-type activities program revenues	<u>9,549</u>	<u>10,096</u>	<u>10,443</u>	<u>11,261</u>	<u>11,511</u>	<u>10,022</u>	<u>10,005</u>
Total primary government program revenues	<u>\$ 456,116</u>	<u>\$ 454,028</u>	<u>\$ 468,250</u>	<u>\$ 526,110</u>	<u>\$ 547,420</u>	<u>\$ 526,718</u>	<u>\$ 532,956</u>

Table 2 (Continued)

	Fiscal Year						
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Net (expense)/revenue							
Governmental activities	\$ (54,723)	\$ (94,433)	\$ (113,851)	\$ (114,497)	\$ (118,040)	\$ (113,145)	\$ (96,827)
Business-type activities	(5,257)	(1,861)	(3,433)	(4,840)	(5,174)	(6,568)	(5,849)
Total primary government net expense	<u>\$ (59,980)</u>	<u>\$ (96,294)</u>	<u>\$ (117,284)</u>	<u>\$ (119,337)</u>	<u>\$ (123,214)</u>	<u>\$ (119,713)</u>	<u>\$ (102,676)</u>
<b>General Revenues and Other Changes in Net Assets</b>							
Governmental activities:							
Taxes							
Property taxes	\$ 40,342	\$ 66,738	\$ 78,583	\$ 91,367	\$ 102,198	\$ 105,400	\$ 99,991
Sales and other taxes	7,632	8,032	12,311	13,262	19,188	21,299	17,783
Earnings on investments	2,880	5,402	7,034	11,950	11,439	13,003	7,236
Miscellaneous	5,321	-	-	-	-	-	-
Tobacco settlement revenues	5,929	4,010	3,651	3,822	4,068	4,471	3,728
Gain on sale of fixed assets	63	29	-	-	-	-	(6,180)
Transfers	892	662	551	713	556	583	531
Total governmental activities	<u>63,059</u>	<u>84,873</u>	<u>102,130</u>	<u>121,114</u>	<u>137,449</u>	<u>144,756</u>	<u>123,089</u>
Business-type activities:							
Sales and other taxes	658	855	512	1,033	1,628	379	943
Earnings on investments	503	1,555	1,651	3,342	3,864	3,062	2,104
Gain on sale of fixed assets	31	-	161	2	62	-	123
Transfers	(892)	(662)	(551)	(713)	(556)	(583)	(531)
Total business-type activities	<u>300</u>	<u>1,748</u>	<u>1,773</u>	<u>3,664</u>	<u>4,998</u>	<u>2,858</u>	<u>2,639</u>
Total primary government	<u>\$ 63,359</u>	<u>\$ 86,621</u>	<u>\$ 103,903</u>	<u>\$ 124,778</u>	<u>\$ 142,447</u>	<u>\$ 147,614</u>	<u>\$ 125,728</u>
<b>Change in Net Assets</b>							
Governmental activities	\$ 8,336	\$ (9,560)	\$ (11,721)	\$ 6,617	\$ 19,409	\$ 31,611	\$ 26,262
Business-type activities	(4,957)	(113)	(1,660)	(1,176)	(176)	(3,710)	(3,210)
Total primary government	<u>\$ 3,379</u>	<u>\$ (9,673)</u>	<u>\$ (13,381)</u>	<u>\$ 5,441</u>	<u>\$ 19,233</u>	<u>\$ 27,901</u>	<u>\$ 23,052</u>

\* Tables begin with the implementation of GASB-34 and, therefore, display less than 10 years.

Table 3

**COUNTY OF TULARE**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
General Fund										
Reserved	\$ 1,704	\$ 2,995	\$ 4,247	\$ 19,030	\$ 27,300	\$ 16,899	\$ 36,756	\$ 48,452	\$ 54,526	\$ 22,968
Unreserved	30,198	27,800	32,932	17,124	15,147	31,653	20,582	9,051	3,551	35,560
<b>Total General Fund</b>	<b><u>\$ 31,902</u></b>	<b><u>\$ 30,795</u></b>	<b><u>\$ 37,179</u></b>	<b><u>\$ 36,154</u></b>	<b><u>\$ 42,447</u></b>	<b><u>\$ 48,552</u></b>	<b><u>\$ 57,338</u></b>	<b><u>\$ 57,503</u></b>	<b><u>\$ 58,077</u></b>	<b><u>\$ 58,528</u></b>
All other governmental funds *										
Reserved	\$ 61,855	\$ 64,772	\$ 64,257	\$ 67,015	\$ 68,720	\$ 66,913	\$ 66,173	\$ 67,454	\$ 71,747	\$ 94,538
Unreserved, reported in:										
Special revenue funds	12,972	13,550	13,328	11,678	7,891	12,220	14,787	17,864	18,531	4,229
Capital projects funds	2,723	3,377	4,919	3,926	4,696	6,143	6,274	9,579	5,966	7,930
<b>Total all other governmental funds</b>	<b><u>\$ 77,550</u></b>	<b><u>\$ 81,699</u></b>	<b><u>\$ 82,504</u></b>	<b><u>\$ 82,619</u></b>	<b><u>\$ 81,307</u></b>	<b><u>\$ 85,276</u></b>	<b><u>\$ 87,234</u></b>	<b><u>\$ 94,897</u></b>	<b><u>\$ 96,244</u></b>	<b><u>\$ 106,697</u></b>
All governmental funds										
Reserved	\$ 63,559	\$ 67,767	\$ 68,504	\$ 86,045	\$ 96,020	\$ 83,812	\$102,929	\$ 115,906	\$ 126,273	\$ 117,506
Unreserved, reported in:										
General fund	30,198	27,800	32,932	17,124	15,147	31,653	20,582	9,051	3,551	35,560
Special revenue funds	12,972	13,550	13,328	11,678	7,891	12,220	14,787	17,864	18,531	4,229
Capital projects funds	2,723	3,377	4,919	3,926	4,696	6,143	6,274	9,579	5,966	7,930
<b>Total all governmental funds</b>	<b><u>\$109,452</u></b>	<b><u>\$112,494</u></b>	<b><u>\$119,683</u></b>	<b><u>\$118,773</u></b>	<b><u>\$123,754</u></b>	<b><u>\$133,828</u></b>	<b><u>\$144,572</u></b>	<b><u>\$152,400</u></b>	<b><u>\$154,321</u></b>	<b><u>\$165,225</u></b>

\* Includes all special revenue, debt service, and capital projects funds, including blended component units.

Table 4

**COUNTY OF TULARE**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Revenues</b>										
Taxes and special assessments	\$ 42,599	\$ 45,113	\$ 46,500	\$ 50,450	\$ 78,982	\$ 94,401	\$ 108,216	\$ 121,397	\$ 126,699	\$ 117,774
Licenses and permits	6,096	6,843	6,920	7,214	8,550	8,480	9,060	9,010	9,939	8,355
Fines, forfeitures, and penalties	5,234	6,528	14,029	7,968	8,124	8,764	4,219	10,218	13,031	12,429
Interest, rents, and concessions	9,235	7,109	6,163	2,979	5,294	7,146	11,389	12,093	12,177	8,474
Intergovernmental revenues	335,763	355,617	349,650	350,762	346,736	368,768	385,590	389,524	404,262	414,234
Charges for services	59,415	52,025	53,662	57,450	64,196	61,772	71,922	80,188	77,496	70,321
Other revenues	9,547	9,890	10,970	10,484	12,034	11,492	10,965	11,442	14,685	15,205
<b>Total revenues</b>	<b>467,889</b>	<b>483,125</b>	<b>487,894</b>	<b>487,307</b>	<b>523,916</b>	<b>560,823</b>	<b>601,361</b>	<b>633,872</b>	<b>658,289</b>	<b>646,792</b>
<b>Expenditures</b>										
General government	12,257	22,224	23,609	23,164	17,575	17,549	24,318	25,621	29,713	25,525
Public protection	136,160	127,337	123,937	139,512	144,136	153,259	162,811	184,009	189,989	184,477
Public ways and facilities	19,617	20,229	17,958	18,764	14,086	9,890	7,920	12,498	15,489	12,986
Health and sanitation	76,596	80,812	86,567	86,165	98,477	103,075	120,723	119,569	121,340	118,919
Public assistance	191,993	200,765	201,211	201,839	213,979	224,438	219,376	226,227	232,527	234,642
Education	3,439	3,129	3,200	3,370	3,462	3,289	3,831	4,329	4,855	4,722
Culture and recreation	1,507	1,578	1,759	1,831	1,524	1,323	1,740	3,361	1,968	1,920
Capital outlay	3,687	4,604	6,419	4,018	7,630	14,611	29,581	28,979	36,704	37,634
Debt service										
Principal	12,388	11,427	11,101	11,259	11,443	11,936	51,711	9,737	10,103	11,624
Interest and fiscal charges	10,524	10,040	8,413	7,926	8,388	9,421	10,763	10,778	8,954	5,566
<b>Total expenditures</b>	<b>468,168</b>	<b>482,145</b>	<b>484,174</b>	<b>497,848</b>	<b>520,700</b>	<b>548,791</b>	<b>632,774</b>	<b>625,108</b>	<b>651,642</b>	<b>638,015</b>
Excess of revenues over (under) expenditures	(279)	980	3,720	(10,541)	3,216	12,032	(31,413)	8,764	6,647	8,777
<b>Other financing sources (uses)</b>										
Sale of general capital assets	1,082	367	251	177	148	497	1,468	297	169	107
Sale of note receivable	-	-	-	5,321	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	43,987	-	231	1,669
Capital lease proceeds	-	-	394	30	-	44	-	-	-	-
Contribution to Retirement Association	-	-	-	-	-	-	-	-	-	-
Payment to Escrow Agent	-	-	-	-	-	-	-	-	-	-
Payment of defeance costs	-	-	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-	-	-
Direct financing lease	-	-	-	101	105	114	121	128	-	-
Loan proceeds	1,530	1,053	2,147	2,906	1,775	-	-	-	-	-
Transfers in	92,258	98,306	97,791	101,557	102,141	116,185	114,577	100,925	102,189	96,795
Transfers (out)	(91,609)	(97,664)	(97,114)	(100,461)	(102,404)	(118,798)	(117,996)	(102,286)	(103,720)	(97,392)
<b>Total other financing sources (uses)</b>	<b>3,261</b>	<b>2,062</b>	<b>3,469</b>	<b>9,631</b>	<b>1,765</b>	<b>(1,958)</b>	<b>42,157</b>	<b>(936)</b>	<b>(1,131)</b>	<b>1,179</b>
<b>Net change in fund balances</b>	<b>\$ 2,982</b>	<b>\$ 3,042</b>	<b>\$ 7,189</b>	<b>\$ (910)</b>	<b>\$ 4,981</b>	<b>\$ 10,074</b>	<b>\$ 10,744</b>	<b>\$ 7,828</b>	<b>\$ 5,516</b>	<b>\$ 9,956</b>
Debt service as a percentage of noncapital expenditures	4.93%	4.50%	4.08%	3.88%	3.87%	4.00%	10.36%	3.44%	3.10%	2.86%



Table 5

**COUNTY OF TULARE**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE – TABLE**  
**LAST TEN FISCAL YEARS**  
 (modified accrual basis of accounting)  
 (amounts expressed in thousands)

<b>Fiscal Year</b>	<b>Property</b>	<b>Sales and Use</b>	<b>Transient Occupancy</b>	<b>Property Transfer</b>	<b>Timber</b>	<b>Aircraft</b>	<b>Other</b>	<b>Total</b>
2000 - 01	\$ 32,894	\$ 8,016	\$ 743	\$ 747	\$ 34	\$ 165	\$ -	\$ 42,599
2001 - 02	34,162	9,179	819	777	15	161	-	45,113
2002 - 03	35,380	8,973	877	1,075	29	166	-	46,500
2003 - 04	37,802	10,108	986	1,349	39	166	-	50,450
2004 - 05	64,879	10,804	986	2,113	49	131	-	78,962
2005 - 06	78,579	12,122	1,069	2,407	42	182	-	94,401
2006 - 07	91,361	13,518	1,125	1,933	86	193	-	108,216
2007 - 08	102,205	16,718	899	1,270	90	215	-	121,397
2008 - 09	100,889	12,077	1,185	1,026	-	179	-	115,356
2009 - 10	96,218	7,742	1,138	778	2	177	-	106,055
Percentage Growth Earliest to Current	192.5%	-3.4%	53.2%	4.1%	-94.1%	7.3%	0.0%	149.0%

Table 6

**COUNTY OF TULARE  
EQUALIZED ROLL ASSESSED VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Real Property Assessed Value</b>	<b>Personal Property Assessed Value</b>	<b>Total Assessed Value</b>
2000-01	\$ 14,731,050	\$ 1,065,525	\$ 15,796,575
2001-02	15,232,365	1,064,889	16,297,254
2002-03	16,004,259	1,150,562	17,154,821
2003-04	16,984,360	1,051,432	18,035,792
2004-05	17,971,651	1,087,362	19,059,013
2005-06	19,714,530	1,174,747	20,889,277
2006-07	22,463,149	1,142,461	23,605,610
2007-08	25,190,040	1,522,742	26,712,782
2008-09	26,632,559	1,616,099	28,248,658
2009-10	26,317,008	1,692,118	28,009,126

Due to Constitutional Amendment, Section 13A, property is assessed at Full Cash Value as of 1975-76 with a maximum increase of 2% permitted each year. New construction and property sold are reassessed at Full Cash Value in the year the transaction occurs.

Table 7

**COUNTY OF TULARE  
DIRECT OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS (PER \$100 OF ASSESSED VALUES)**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>County Wide Rates</b>										
General	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>School District Rates</b>										
Allensworth Elementary	0.051	0.050	0.043	0.041	0.044	0.044	0.044	0.018	-	-
Alta Vista Elementary	0.072	0.072	0.075	0.066	0.048	-	-	-	-	-
Buena Vista Elementary	0.049	0.048	0.033	0.035	0.031	0.026	0.031	0.027	0.027	0.025
Burton Elementary *	-	-	-	0.030	0.022	0.023	0.021	0.018	0.019	0.023
COS - Hanford SFID	-	-	-	-	-	-	-	0.025	0.020	0.012
COS - Tulare SFID	-	-	-	-	-	-	-	-	-	0.012
COS - Visalia SFID	-	-	-	-	-	-	-	-	-	0.005
Cutler-Orosi Unified *	-	-	-	-	0.060	0.060	0.060	0.050	0.040	0.011
Delano Joint High	0.053	0.053	0.159	0.090	0.097	0.097	0.163	0.117	0.100	0.119
Dinuba Unified	-	-	-	0.051	0.055	0.074	0.057	0.060	0.151	0.107
Earlimart Elementary	0.051	0.041	0.045	0.050	0.048	0.039	0.035	0.031	0.032	0.034
Exeter Elementary	-	-	-	-	-	-	-	-	0.029	0.028
Exeter High	-	0.028	0.031	0.037	0.038	0.034	0.030	0.049	0.040	0.037
Farmersville Elementary	-	-	-	-	-	-	-	-	-	-
Farmersville Unified *	0.100	0.160	0.162	0.170	0.148	0.133	0.095	0.074	0.072	0.098
Hanford Joint High *	0.023	0.027	0.032	0.030	0.033	0.039	0.058	0.049	0.054	0.053
Kern Community College SFID *	-	-	-	0.012	0.009	0.010	0.005	0.008	0.009	0.009
Kings Canyon Joint Unified *	-	-	0.043	0.051	0.058	0.035	0.045	0.082	0.064	0.091
Kings River Elementary	-	-	-	-	-	-	-	0.030	0.052	0.053
Kingsburg Joint Elementary	0.020	0.012	0.014	0.018	0.065	0.013	0.054	0.072	-	0.022
Kingsburg Joint High	0.052	0.065	0.054	0.050	0.050	0.059	0.089	0.625	0.009	0.074
Liberty Elementary	-	0.083	0.074	0.090	0.084	0.057	0.054	0.044	0.041	0.054
Lindsay Unified	-	-	0.044	0.052	0.060	0.060	0.060	0.055	0.055	0.092
Linns Valley Poso-Flat Joint Elementary	-	-	-	0.019	0.026	0.025	0.016	0.015	-	0.015
Porterville SFID *	-	-	-	0.055	0.056	0.060	0.052	0.055	0.050	0.005
Richgrove Elementary	0.042	0.046	0.045	0.036	0.051	0.043	0.038	0.004	0.038	0.041
State Center Comm College SFID *	-	-	-	0.016	0.014	0.006	0.005	0.016	-	0.010
Stone Corral	-	-	-	-	-	-	-	-	0.030	0.022
Strathmore High	-	-	0.085	0.078	0.086	0.070	0.062	0.052	0.053	0.055
Sundale Elementary	0.062	0.041	0.046	0.043	0.040	0.039	0.034	0.027	0.031	0.026
Terra Bella	-	-	-	-	-	-	-	-	-	0.034
Three Rivers Elementary	-	-	-	-	-	-	-	-	-	-
Traver Elementary *	-	-	-	-	0.028	0.057	0.053	0.060	0.051	0.049
Tulare High *	-	-	-	-	0.053	0.060	0.047	0.043	0.020	0.039
Visalia Unified *	0.068	0.062	0.070	0.063	0.050	0.042	0.034	0.028	0.030	0.036
Woodlake Elementary	0.079	0.053	0.054	0.051	0.049	0.046	0.040	0.036	0.035	0.043
Woodlake High	0.057	0.044	0.038	0.037	0.037	0.034	0.030	0.027	0.056	0.066

**Table 7 (Continued)**

**Special District Rates**

Kaweah Delta Healthcare District	-	-	-	-	0.040	0.040	0.035	0.031	-	0.028
Kaweah Delta Water Conservation	0.001	0.001	0.000	0.001	0.001	0.001	0.001	0.000	-	-
Lindsay Hospital	-	-	-	-	-	-	-	-	-	-
Kings Joint Mosquito Abatement	-	-	-	-	-	-	-	-	(0.005)	-
Patterson Tract CSD	0.024	0.024	-	-	-	-	-	-	-	-
Tulare County Pest Control	-	-	-	-	1.250	1.250	1.250	1.250	5.000	5.000 **
Tulare Healthcare District	-	-	-	-	-	-	-	0.019	0.039	0.083
South Tulare County Citrus Pest	12.680	12.680	12.320	11.423	11.423	11.423	11.423	11.423	11.423	11.423 **
Woodville Public Utility	0.031	0.036	0.038	0.036	0.029	0.025	0.025	-	-	-

\* School rates have been combined with educational facilities.

\*\* Trees Per Acres

Note 1: All tax rates are levied and collected upon each \$100.00 valuation of net assessed valuation of taxable property, as assessed by the County Assessor, except for Kaweah Delta Water Conservation District (KDWC) and Citrus Pest Control District tax rates. KDWC tax rates are levied and collected upon each \$100.00 valuation of land and improvement assessed valuation of taxable property. Citrus Pest Control District tax rates are levied and collected upon each 100 trees per acre valuation as assigned by the County Assessor.

Note 2: The County Wide tax rate is distributed to tax revenue districts according to California State law, specifically AB8. This includes the County of Tulare, Library Fund, Fire Fund, all cities, all schools, and special districts that set tax rates prior to Proposition 13.

Table 8

**COUNTY OF TULARE  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO  
(amounts expressed in thousands)**

Fiscal Year 2009-10				Fiscal Year 2001-02			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern California Edison Company	\$ 369,411	1	1.32%	Southern California Edison	\$ 222,176	1	1.41%
Saputo Cheese USA Inc	300,134	2	1.09%	Pacific Bell Telephone	122,234	2	0.77%
California Dairies/Milk Producers	192,871	3	0.69%	Oscar Mayer Food Corporation/ Kraft	107,691	3	0.68%
Wal-Mart Stores Inc	191,039	4	0.68%	Land O'Lakes	100,197	4	0.63%
Land O'Lakes, Inc/Cheese & Protein Int'l, LLC	139,598	5	0.50%	Wal-Mart Stores Inc	84,894	5	0.54%
VF Outdoor (Cottonwood Fresno Holding)	133,639	6	0.48%	Southern California Gas Company	67,324	6	0.43%
Oscar Mayer Foods Corp	88,954	7	0.32%	Recot, Inc/Frito-Lay	57,161	7	0.36%
Southern California Gas Company	85,932	8	0.31%	California Milk Producers	56,041	8	0.35%
Pacific Bell (SBC California)	83,093	9	0.30%	Ice Cream Partners USA LLC	46,764	9	0.30%
Ruiz Foods Products Inc	82,884	10	0.30%	Stella Foods Inc	43,020	10	0.27%
Totals	\$ 1,667,555		5.99%	Totals	\$ 907,502		5.74%

Table 9

**COUNTY OF TULARE  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years*	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000-01	\$ 149,307	\$ 144,161	96.55%		\$ 144,161	96.55%
2001-02	154,682	149,897	96.91%		149,897	96.91%
2002-03	162,726	157,372	96.71%		157,372	96.71%
2003-04	173,386	168,089	96.94%	\$ 5,221	173,310	99.96%
2004-05	183,896	178,233	96.92%	4,905	183,138	99.59%
2005-06	202,601	195,336	96.41%	5,666	201,002	99.21%
2006-07	231,424	221,428	95.68%	5,616	227,044	98.11%
2007-08	261,193	245,387	93.95%	7,022	252,409	96.64%
2008-09	279,176	260,262	93.23%	11,208	271,470	97.24%
2009-10	276,919	259,724	93.79%	12,440	272,164	98.28%

\*Collections in Subsequent Years represents monies collected for all previous years excluding the current fiscal year.

Table 10

**COUNTY OF TULARE  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands, except per capita amount)**

Fiscal Year	Governmental Activities							Business-Type Activities		Total Primary Government	Percentage of Personal Income *	Per Capita *
	Certificates of Participation	Variable Rate Demand Bonds	Pension Obligation Bonds	Health Insurance Revenue Bond	Tax Allocation Bonds	Loans and Notes	Leases	Certificates of Participation	Bonds			
2000-01	\$ 80,377	\$ 45,000	\$ 39,025	\$ -	\$ -	\$ 10,716	\$ -	\$ 1,676	\$ 9	\$ 176,803	2.39%	471
2001-02	74,880	44,600	37,600	-	-	7,664	-	1,656	9	166,409	2.15%	434
2002-03	63,131	44,200	35,870	-	-	17,555	359	1,637	9	162,761	2.03%	414
2003-04	63,133	43,800	33,800	-	-	17,281	287	1,610	8	159,919	1.91%	400
2004-05	56,870	43,300	31,355	-	-	16,352	133	1,584	8	149,602	1.72%	365
2005-06	50,300	42,800	28,495	-	-	20,954	68	1,558	8	144,183	1.59%	343
2006-07	46,165	42,360	25,175	-	1,627	18,927	38	1,531	8	135,831	1.44%	317
2007-08	41,790	41,665	21,345	-	1,586	17,219	6	1,503	8	125,122	1.28%	286
2008-09	37,210	41,050	16,955	-	1,778	15,730	-	1,476	8	114,207	1.00%	259
2009-10	32,290	40,435	11,955	-	1,689	14,351	-	1,474	7	102,201	0.86%	228

\* Personal income and populations used for these calculations appear in Table 13.

**COUNTY OF TULARE  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2010  
(amounts expressed in thousands)**

Jurisdiction	Outstanding Debt	Percentage Applicable to the County of Tulare <sup>(a)</sup>	Amount Applicable to the County of Tulare
<b>Overlapping Debt (repaid with property taxes):</b>			
Special Districts	\$ 139,966	100%	\$ 139,966
School Districts	233,924	100%	233,924
Subtotal:	373,890		373,890
<b>Direct Debt:</b>			
County of Tulare	102,202	100%	102,202
Subtotal:	\$ 102,202		\$ 102,202
<b>Total Overlapping and Direct Debt:</b>			<b>476,092</b>

Outstanding debt for the County of Tulare includes all Certificates of Participation, Leases, Loans, and Bonds outstanding for both governmental and business-type activities for the County and blended component units.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Tulare County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident - and therefore responsible for repaying the debt - of each overlapping government.

<sup>(a)</sup> For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value which is within the County's boundaries and dividing it by each unit's total taxable assessed value.



**COUNTY OF TULARE  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

Legal Debt Margin Calculation for Fiscal Year 2009-10	
Net Assessed Value	\$ 26,995,341
Debt Limit - 1.25 Percent of Taxable Property (1)	337,442
Amount of Debt Applicable to Debt Limit (2)	<u>                    </u>
Legal Debt Margin (3)	<u><u>\$ 337,442</u></u>

	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Debt limit	\$ 196,849	\$ 203,716	\$ 214,435	\$ 237,711	\$ 260,486	\$ 296,389	\$ 333,044	\$ 352,369	\$ 340,733	\$ 337,442
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u><u>\$ 196,849</u></u>	<u><u>\$ 203,716</u></u>	<u><u>\$ 214,435</u></u>	<u><u>\$ 237,711</u></u>	<u><u>\$ 260,486</u></u>	<u><u>\$ 296,389</u></u>	<u><u>\$ 333,044</u></u>	<u><u>\$ 352,369</u></u>	<u><u>\$ 340,733</u></u>	<u><u>\$ 337,442</u></u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

- (1) Constitutional Amendment XIII A, passed by vote of the people and effective July 1, 1978, prohibits the County from raising ad valorem property taxes above 1% of full cash value. Thus, the legal debt is 1.25% of assessed valuation.
- (2) As of 6/30/10, the County had no tax supported general obligation bonded debt outstanding.
- (3) Legal debt margin is computed by subtracting the County legal general obligation bonded debt from the legal debt limit.

Table 13

**COUNTY OF TULARE  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Per Capita Personal Income (Calculated)</b>	<b>Personal Income (amounts expressed in millions) (1)(5)</b>	<b>Median Age (1)(3)</b>	<b>School Enrollment (4)</b>	<b>Unemployment Rate (2)</b>
2000-01	375,200	\$ 19,712.15	\$ 7,396.00	29	85,664	14.0%
2001-02	383,100	20,159.23	7,723.00	29	86,952	14.0%
2002-03	392,900	20,386.87	8,010.00	29	88,341	13.6%
2003-04	400,123	20,906.07	8,365.00	29	90,230	14.5%
2004-05	409,871	21,274.99 (5)	8,720.00 (5)	29	92,126	9.0%
2005-06	420,131	21,595.65 (5)	9,073.00 (5)	29	93,424	7.9%
2006-07	429,006	21,995.03 (5)	9,436.00 (5)	29	94,407	8.6%
2007-08	436,839	22,463.66 (5)	9,813.00 (5)	29	95,344	9.8%
2008-09	441,481	25,920.00 (5)	10,865.00	29	96,811 (5)	14.7%
2009-10	447,814	26,545.00 (5)	11,887.00	29	97,321 (5)	15.8%

(1) Source: California Department of Finance, Demographic Research Unit; Census every 10 years.

(2) Source: State Department of Employment Development

(3) Median age is the age at which there are as many residents older as there are younger.

(4) California Department of Education, Educational Demographics Unit

(5) Amounts are estimated based on historical percentages

Table 14

**COUNTY OF TULARE  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

2007-2008**				1999-2000			
Employer	Employees	Rank	Percentage of Total County Employment	Employer	Employees	Rank	Percentage of Total County Employment
County of Tulare	4,320	1	2.70%	County of Tulare	1,064	1	0.67%
Porterville Development Center	2,014	2	1.26%	Wal-Mart Distribution Center	1,350	2	0.84%
Kaweah Delta Healthcare District	2,000	3	1.25%	Ruiz Food Products	1,100	3	0.69%
Wal-Mart Distribution Center	1,692	4	1.06%	Jostens	980	4	0.61%
Ruiz Food Products	1,800	5	1.13%	Nash De Camp	800	5	0.50%
College of the Sequoias	1,160	6	0.73%	Land O'lakes	650	6	0.41%
CIGNA HealthCare	900	7	0.56%	CIGNA HealthCare	600	7	0.38%
Jostens	720	8	0.45%	Monrovia Nursery	500	8	0.31%
Dairyman's/Land O' Lakes	600	9	0.38%	Kraft Foods	400	9	0.25%
Monrovia Nursery	600	10	0.38%	Waterman Industries	366	10	0.23%

Source: Tulare County Economic Development Corporation

\*\* At the time this report was made, the amounts for the current year were not yet available.

Table 15

**COUNTY OF TULARE  
EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
General Government										
Administration	38	42	40	42	45	48	50	53	52	49
Retirement	7	-	-	-	-	-	-	-	-	-
County Counsel	40	40	37	37	38	39	41	45	48	48
Risk Management	4	4	4	5	8	8	9	9	6	4
Elections	8	7	7	7	7	7	8	7	7	7
Finance	122	127	122	123	126	130	133	144	144	143
Purchasing	7	7	6	5	5	5	6	6	6	7
Planning and Development	60	50	50	58	61	64	61	78	77	67
Other General	153	170	166	160	163	165	204	322	297	257
Public Protection										
Child Support Services	315	311	316	316	269	269	269	269	269	226
District Attorney	176	175	188	169	178	165	175	196	201	215
Fire Protection	21	23	23	23	24	20	27	111	114	114
Probation	354	304	313	300	302	309	315	327	335	348
Public Defender	62	66	66	66	69	71	75	83	83	83
Sheriff / Coroner	773	839	654	650	662	710	748	772	751	733
Trial Courts	199	-	-	-	-	-	-	-	-	-
Other Protection	58	57	53	57	57	57	57	58	58	60
Public Ways and Facilities	133	133	133	132	133	133	133	134	134	149
Health and Sanitation	630	624	618	544	581	625	650	575	475	443
Public Assistance	1,559	1,621	1,454	1,538	1,618	1,623	1,687	1,721	1,366	1,404
Education	52	52	37	38	38	38	41	45	45	47
Culture and Recreation	15	19	19	15	15	15	15	16	15	18
Solid Waste Management	72	72	72	72	72	72	75	76	75	64
Total Number of Employees by Function	4,858	4,743	4,378	4,357	4,471	4,573	4,779	5,047	4,558	4,486
Total Gross Salaries *	\$138,547	\$142,713	\$150,544	\$152,349	\$156,554	\$162,093	\$172,488	\$192,779	\$205,703	\$188,693

\*Gross Salaries Rounded to Thousands

Table 16

**COUNTY OF TULARE  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>PUBLIC PROTECTION</b>										
<b>Child Support Services</b>										
Number of Caseloads	-	-	38,800	37,298	36,712	35,687	35,678	34,960	37,498	36,109
Number of Orders Established	-	-	2,516	1,951	2,009	2,085	1,810	2,211	2,347	3,972
Distributed Collections	\$ 36,136,482	\$ 37,608,967	\$ 39,459,603	\$ 40,480,568	\$ 39,825,831	\$ 40,639,624	\$ 39,001,365	\$ 40,832,921	38,876,640	38,084,538
<b>District Attorney</b>										
Number of Adult Felony Cases Processed (Reviewed and Evaluated)	-	5,795	4,770	6,195	6,444	7,131	9,160	8,419	7,835	7,477
Number of Adult Felony Cases Filed	-	3,772	4,341	4,282	4,474	4,960	5,702	5,547	4,742	4,074
Number of Adult Misdemeanors Cases Processed (Reviewed and Evaluated)	-	13,357	11,388	13,815	15,309	15,571	15,727	18,058	16,765	14,982
Number of Adult Misdemeanors Cases Filed	-	10,438	10,768	12,828	12,437	12,747	12,943	14,192	14,028	11,606
Total Juvenile Felony & Misdemeanors Cases Processed	-	2,715	2,766	3,079	3,556	14,893	2,954	2,771	2,729	2,701
Number of Juvenile Misdemeanors Cases Filed	-	1,303	1,823	1,355	1,390	1,196	886	877	640	526
Number of Juvenile Felony Cases Filed	-	752	943	866	1,268	754	829	733	719	674
Total Cases Tried (Excluded Juvenile Trials)	-	222	170	216	186	196	207	173	217	175
Total Number of Estates Opened	45	27	31	9	28	28	24	15	52	49
Total Number of Estates Closed	50	29	15	22	7	7	21	18	30	53
Total Amount of Fees Collected	\$ 42,808	\$ 45,533	\$ 12,021	\$ 36,307	\$ 89,447	\$ 89,447	\$ 111,449	\$ 117,659	93,591	74,881
Total Amount of Bond Fees	\$ 1,634	\$ 2,957	\$ 708	\$ 1,635	\$ 2,040	\$ 2,041	\$ 10,238	\$ 11,647	6,678	4,584
<b>Fire Protection</b>										
Number of Fires	2,066	2,138	2,227	2,285	2,492	2,383	3,156	3,227	1,890	4,429
Medical Aids	6,616	6,965	7,353	7,673	8,298	8,330	8,997	7,408	7,395	6,949
Assist Other Agencies	741	802	1,025	1,413	1,534	1,622	1,204	1,383	597	861
<b>Public Defender</b>										
Felony New Cases Opened	3,785	4,204	4,763	4,957	5,066	6,074	6,274	5,526	5,549	4,767
Misdemeanor New Cases Opened	5,284	6,113	6,276	6,340	6,055	6,457	9,251	8,620	7,638	6,911
Juvenile Delinquency New Cases Opened	2,451	2,425	2,526	2,304	2,629	2,451	2,170	1,879	1,904	1,443
Other New Cases	-	-	-	-	-	-	-	-	585	990
<b>Sheriff/Coroner</b>										
Homicide	10	12	12	11	9	-	20	13	28	12
Rape	37	29	36	33	28	30	38	29	31	26
Robbery	73	68	75	68	68	86	92	78	92	90
Aggravated Assault	-	308	450	518	470	-	854	388	369	415
Burglary	975	999	1,141	1,045	1,219	1,328	1,017	906	1,076	1,186
Larceny Theft	1,924	1,686	1,668	2,066	2,071	2,117	2,173	2,247	2,106	2,041
Warrants Processed	13,642	14,761	18,054	19,336	19,916	22,743	19,813	21,195	22,761	19,079
Jail Population-Admissions	19,868	19,561	20,689	20,394	20,943	22,675	29,241	26,183	25,376	24,348
<b>Other Protection - Auto Theft</b>										
Number of Vehicles Recovered	-	76	81	32	92	73	68	96	116	133
Total Value of Recovered Vehicles	\$ -	\$ 1,014,915	\$ 1,003,500	\$ 300,000	\$ 960,500	\$ 508,000	\$ 609,885	\$ 1,216,500	\$ 1,350,500	\$ 745,201

(Continued)

Table 16 (Continued)

**COUNTY OF TULARE  
OPERATING INDICATORS BY FUNCTION (Continued)  
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Other Protection - Environmental Health</b>										
Small Water System Inspections	329	237	336	221	280	240	59	18	50	94
Food Facility Inspections	1,975	1,822	1,175	1,402	1,647	1,620	2,337	1,403	2,415	2,916
Swimming Pool Inspections	366	321	61	108	113	134	114	126	345	485
Dairy Inspections	956	906	971	996	999	1,014	952	952	1,043	1,027
Hazardous Materials Inspections	-	203	94	272	247	308	379	414	427	386
Hazardous Waste Inspections	-	102	53	133	139	156	225	214	201	212
Underground Tank Inspections	-	273	249	270	255	277	316	269	274	263
Animal Control Field Calls	-	3,356	4,919	5,258	5,246	4,899	4,239	4,022	4,199	3,876
Rabies Investigations	155	134	124	123	143	105	148	112	156	238
Animal Control Intake	-	6,967	8,245	8,031	8,453	8,829	9,172	9,151	9,221	8,787
Solid Waste Inspections	-	262	296	282	275	277	293	237	263	282
Liquid Waste Inspections	-	37	68	44	51	54	47	60	63	74
Tire Facility Inspections	-	123	128	172	265	181	222	-	-	-
Illegal Tire Pile Inspections	-	31	76	48	29	23	24	-	-	-
Medical Waste Inspections	-	24	24	24	25	25	25	25	25	44
<b>PUBLIC WAYS AND FACILITIES</b>										
<b>Roads</b>										
Total Maintained Mileage	3,077	3,078	3,072	3,065	3,057	3,048	3,008	3,006	3,046	3,046
Miles of Road Re-oiled	55	55	55	55	55	45	52	68	74	91
Miles of Chip Seals	100	100	125	100	94	75	113	105	105	94
Miles of Surface Seals	60	70	70	70	70	70	62	57	-	-
Miles of Shoulders	400	200	200	200	200	200	120	250	250	250
Bridges over 20 feet	-	-	-	366	362	360	360	360	360	360
Bridges less than 20 feet	32	32	32	32	32	32	34	34	34	34
Numbers of Installed Traffic Signs	-	-	-	-	-	17,282	17,300	17,475	17,817	17,938
Miles of Road Striped	-	-	-	-	-	1,276	1,758	1,758	1,650	500
Number of Traffic Signal Locations	-	-	-	-	-	8	8	8	9	11
Number of Streetlights	-	-	-	-	-	1,384	1,459	1,468	1,468	1,473
Number of Traffic Collisions	1,781	1,734	1,884	1,846	1,915	1,879	1,720	1,468	1,731	1,504
<b>HEALTH AND SANITATION</b>										
<b>Childhood Dental Disease Prevention Program</b>										
Number of Children Receiving Oral Health Education	-	-	7,561	7,487	7,564	7,789	11,752	6,899	6,209	-
Number of Children Receiving Dental Screening	-	-	2,615	2,370	2,761	3,571	1,500	1,712	3,045	-
Number of Children Receiving Sealants	-	-	5,615	2,370	1,851	3,571	305	218	371	-
<b>TeenSMART</b>										
Number of Presentations	-	-	-	33	75	105	150	84	-	-
Number of Participants Reached	-	-	-	1,895	1,126	1,415	1,910	9,831	-	-
<b>Teen Pregnancy Prevention Program Clients Served</b>										
Adolescence Family Life Program (AFLP)	603	567	607	633	613	652	641	659	715	588
Adolescence Siblings Preventive Parenting Program	703	657	633	597	611	507	-	-	-	4
Cal-Learn Program	114	110	164	151	153	127	550	544	552	409

(Continued)

Table 16 (Continued)

**COUNTY OF TULARE  
OPERATING INDICATORS BY FUNCTION (Continued)  
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Unduplicated Number of Mental Health Clients Served</b>										
Outpatient	7,782	7,798	7,455	8,021	8,511	8,870	9,343	9,530	9,568	9,757
Impatient	619	706	566	540	675	613	558	579	365	671
Conserved	291	311	322	266	277	278	264	229	180	186
Day Treatment	264	267	135	13	4	5	8	8	2	1
Tulare County Clinic Encounters	97,210	108,719	101,233	102,930	104,080	115,285	105,667	-	-	-
<b>HIV Annual Statistics</b>										
Monthly Caseloads	95	132	182	215	318	352	62	66	62	65
Number of New Clients	26	28	25	32	11	15	13	34	24	15
<b>PUBLIC ASSISTANCE</b>										
<b>Indigent Patient Count</b>										
Total Inpatient Services Unduplicated Count	4,190	6,447	5,369	3,904	-	-	370	-	-	-
Total Outpatient Services Unduplicated Count	3,701	5,805	4,253	4,052	-	-	2,864	-	-	-
Total Emergency Services Patients Unduplicated Count	1,483	3,782	3,101	2,994	-	-	1,855	-	-	-
<b>Welfare Fraud</b>										
Major Fraud Cases Completed	-	2,015	2,464	2,095	1,363	1,072	752	1,968	2,325	3,132
Persons Convicted	-	218	158	136	87	104	76	99	131	105
Court Ordered Restitution	\$ -	\$ -	\$ 499,987	\$ 424,443	\$ 424,443	\$ 300,422	\$397,627	\$446,587	539,344	519,590
<b>Community Based Programs</b>										
Congregate Meals Served	-	113,419	138,486	127,347	121,932	125,007	125,167	107,509	82,240	69,851
Home Delivered Meals	-	62,998	90,798	83,333	94,026	108,794	121,672	99,140	47,953	51,692
Information & Assistance Contacts	-	23,850	56,152	64,983	49,692	52,346	49,607	72,148	61,389	9,182
Health Insurance Counseling and Advocacy Program (HICAP)	-	1,280	607	410	359	297	363	259	318	348
Number of People Served through Area Agency on Aging Funds	-	201,547	286,043	276,073	266,009	286,444	296,809	217,876	182,252	184,815
Number of Adult Protective Services Cases Opened	-	811	843	828	930	976	784	942	916	893
Number of Enrolled Participants in Cal Works	8,381	7,996	7,511	7,341	7,198	-	5,243	6,274	6,452	6,519
<b>CULTURE AND RECREATION</b>										
<b>Parks and Recreation</b>										
Total Number of Cars Entered Parks	-	-	-	32,680	29,066	22,266	20,393	20,351	19,511	17,639
Total Amount of Park Reservations	-	-	-	2,070	1,529	1,697	1,902	1,735	1,636	1,036
<b>SOLID WASTE MANAGEMENT</b>										
<b>Sanitation-Land Fills</b>										
Landfill Tonnage Gross Total	278,437	245,877	252,039	269,401	250,254	281,830	310,099	271,245	235,162	225,337
Landfill Tonnage Recycled Total	17,370	17,461	20,653	19,457	20,680	26,408	36,181	48,892	50,117	49,207
<b>OTHER ENTERPRISES</b>										
<b>Transit</b>										
Total Route Miles	418,071	363,067	382,787	409,323	410,767	444,855	441,358	517,947	631,960	676,359
Number of Passengers	75,392	75,334	74,615	90,128	86,828	89,952	105,715	130,266	155,151	188,999

(Concluded)

Table 17

**COUNTY OF TULARE  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Public Protection										
Sheriff/Coroner										
Stations	4	4	4	4	4	4	4	4	4	4
Sworn Deputies & Officers	555	578	578	448	467	448	504	523	513	527
Non-sworn Personnel	211	223	223	184	191	181	195	198	199	203
Fire Protection										
Stations	35	36	29	27	28	29	28	28	29	26
Firefighters & Officers	71	71	70	71	57	69	58	70	83	83
Volunteer Firefighters	440	440	440	425	440	440	440	440	440	440
Building Permits Issued	2,172	3,194	3,790	2,163	3,643	6,428	5,847	5,118	3,925	3,353
Public Ways and Facilities										
Roads (miles)	3,077	3,077	3,072	3,072	3,072	3,048	3,008	3,006	3,046	3,540
Streetlights	1,384	1,384	1,295	1,295	1,454	1,384	1,459	1,468	1,384	1,472
Culture and Recreation										
Libraries	16	15	15	15	15	15	15	15	15	15
DVD Books	-	-	-	-	-	-	-	1,502	-	1,100
Bookmobiles	2	2	2	2	2	2	2	2	2	2
Volumes	389,348	388,909	364,325	366,018	352,184	372,000	317,532	288,035	-	341,774
Available Computers	-	-	-	-	-	-	-	123	-	123
Park acreage	464	592	685	685	604	688	688	688	688	688
Parks	10	10	10	10	10	11	11	11	11	11
Museum (square feet)	25,919	25,919	25,919	25,919	25,919	25,919	25,919	25,919	25,919	42,919
Lake Success Capacity (acre feet)	82,000	82,000	82,000	82,000	82,300	29,000*	29,000*	29,000	29,000	2,900
Lake Kaweah Capacity (acre feet)	143,000	143,000	143,000	143,000	185,600	185,600	185,600	185,600	165,600	185,600
Solid Waste Management										
Landfill Sites	7	7	7	7	7	7	7	7	7	7
Transfer Stations	7	7	7	7	7	7	7	7	7	7

\*Reflects a new lower maximum capacity due to dam deficiencies.



Table 18

**COUNTY OF TULARE  
SUMMARY OF FINANCING REQUIREMENTS  
BY FUND AND FUNCTION  
FOR FISCAL YEARS 2008-09, 2009-10, 2010-11  
(amounts expressed in thousands)**

<b>Summary by fund</b>	Actual Expenditures and Transfers 2008-2009 (1)	Actual Expenditures and Transfers 2009-2010 (1)	Budgeted Expenditures and Transfers 2010-2011 (2)	<b>Summary by function</b>	Actual Expenditures and Transfers 2008-2009 (1)	Actual Expenditures and Transfers 2009-2010 (1)	Budgeted Expenditures and Transfers 2010-2011 (2)
General	\$ 568,552	\$ 597,240	\$ 591,068	General government	\$ 22,888	\$ 44,070	\$ 37,201
Indigent Health	1,452	1,337	1,123	Public protection	188,261	196,323	191,912
Children & Health	243	-	-	Public ways and facilities	15,489	58,299	80,892
Library	4,047	6,350	6,343	Health and sanitation	121,340	123,281	124,133
Fish and Game	22	22	22	Public assistance	232,527	256,794	243,765
Aviation	1,881	2,400	428	Education	4,855	7,228	7,043
Structural Fire	13,712	13,530	12,998	Culture and recreation	1,968	3,812	11,710
Roads	43,214	56,651	83,214	Debt service	10,675	10,654	7,216
Workforce Investment Act	10,923	17,392	17,026	Capital outlay	34,820	3,959	5,199
Child Support Services	15,468	17,095	17,095	Transfers out	99,256	83,203	94,792
Realignment	47,260	45,248	45,248				
Tobacco Settlement Revenue	4,471	5,049	4,105				
Debt service	12,844	14,200	13,148				
Capital Projects	7,990	11,109	12,045				
<b>Total by fund</b>	<u>\$ 732,079</u>	<u>\$ 787,623</u>	<u>\$ 803,863</u>	<b>Total by function</b>	<u>\$ 732,079</u>	<u>\$ 787,623</u>	<u>\$ 803,863</u>

- (1) Actual amounts from CAFR basic financial statements for governmental fund types not including component units.
- (2) Adopted budget amounts from the BOS Adopted Budget for governmental fund types not including component units.

Table 19

**COUNTY OF TULARE**  
**INSURANCE POLICIES IN FORCE DURING FISCAL YEAR ENDED JUNE 30, 2010**  
(amounts in whole dollars)

Company	Policy #	Policy Period From	Policy Period To	Self Insured Retention/ Deductible (SIR)	Limits	Premium Costs	Coverage	Fund
CSAC/ EIA AIG	EIA 09 EWC-48	7/1/2009	7/1/2010	\$125,000	Statutory, including defense for Serious and Willful Actions	\$1,460,373	Worker's Compensation	061
GL-I CSAC/EIA	EIA 09 EL-50	7/1/2009	7/1/2010	\$250,000 per occurrence	\$1,000,000 per occurrence	\$1,100,951	First Layer Liability - Excess liability coverage - applies above SIR for liability claims by third parties	062
GL-II CSAC/EIA	EIA 09 GL2-12	7/1/2009	7/1/2010	\$1,000,000	\$15,000,000 excess of first layer above	\$987,103	Second Layer Liability - Excess liability coverage - applies above first layer	062
Optional Excess Liability CSAC/EIA	24502009	7/1/2009	7/1/2010	Underlying Coverage in GL I and GL II	\$20,000,000 excess \$15,000,000	\$97,824	Optional Excess Liability Excess Limits of Liability	062
Brown & Associates Aviation	NAC 3049603	7/1/2009	7/1/2010	\$1,000 each aircraft	\$10,000,000 per occurrence plus \$1,000,000 for hanger keeper liability	\$5,075	Aviation Liability and Aviation Commercial Liability for County owned Airports	062
Brown & Associates Aviation Hull	NAC 3049604	7/1/2009	7/1/2010	\$1,000 Liability, \$100 Hull Damage, \$250 Non-motion Damage	\$1,000,000 Liability and \$83,000 Hull Damage	\$11,850	Aircraft Property Hull	063
Property CSAC/EIA	EIA PPR07-10	3/31/2007	3/31/2010	\$10,000	Replacement costs including Vehicles	\$300,671	Real and Personal Property Including Vehicles	063
Crime Bond CSAC/EIA	6299364	6/30/2008	6/30/2011	\$25,000	\$10,000,000	\$12,442 per year \$37,328 for 3 year program	Crime Bond covers losses as a result of employee dishonesty, theft, robbery, and burglary	063
Fireman's Fund - Water Craft Liability	OHL98120317	7/1/2008	7/1/2010	\$5,000	\$2,000,000 CLS	\$7,352	Water Craft Primary and Excess Liability	63
Fireman's Fund - Water Craft Hull	OHL98120317	7/1/2008	7/1/2010	\$500 - \$5,000 Variable	\$175,500 TIV	\$2,800	Hull Coverage per boat Values	063
CSAC/ EIA	EIA 07 M2-12	10/1/2008	10/1/2010	\$10,000 per claim	\$10,000,000 per claim	\$404,468	Medical Malpractice	064