

County of Imperial

General Purpose Financial Statements

For The Fiscal Year Ended June 30, 2011



Photo Provided by Shelly Smail

Douglas R. Newland, CPA
County Auditor-Controller

**COUNTY OF IMPERIAL
TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Page <u>No.</u>
Introductory Section	
Letter of Transmittal	1-4
Certificate of Achievement for Excellence in Financial Reporting	5
Organizational Chart	6
Directory of Public Officials	7
Financial Section	
Independent Auditors' Report	8-9
Management's Discussion and Analysis	10-18
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	19
Statement of Activities	20
Fund Financial Statements:	
Balance Sheet – Governmental Funds	21
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	22
Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental	23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund	
Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Assets – Proprietary Funds	25
Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds	26
Statement of Cash Flows – Proprietary Funds	27
Statement of Fiduciary Net Assets – Fiduciary Funds	28
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	29
Notes to the Basic Financial Statements	30-50
Required Supplementary Information – (Other than MD & A)	
Employees' Retirement System – Schedule of Funding Progress	51
Other Postemployment Benefits – Schedule of Funding Progress	52
Budgetary Comparison Schedule – General Fund	53
Notes to Required Supplementary Information-Budget Comparisons	54
Other Supplementary Information:	
Non-major Governmental Funds	55-58
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	59
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -	
Nonmajor Governmental Funds	60
Additional Financial Information:	
Special Revenue Funds:	
Combining Balance Sheet – Nonmajor Special Revenue Funds	61-65

**COUNTY OF IMPERIAL
TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Page No.
Special Revenue Funds:	
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Special Revenue Funds	66-71
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget vs. Actual Special Revenue Funds:	
Library Fund	72
Fire Protection Fund	73
Gateway CSA Admin Water and Sewer	74
Public Works Roads Fund	75
State/Federal Jail Improvements Fund	76
Criminal Justice Facilities Fund	77
Geothermal Administration	78
Substance Abuse/Perinatal	79
Service Authority Freeway Emergency Fund	80
Air Pollution Control	81
Workforce Investment Act	82
Federal Asset Forfeiture	83
Medi-Cal CMSP Fund	84
IHSS Public Authority	85
MHSA Act Prop # 63	86
Public Works Impact Fees	87
Prop 1B APCD	88
Sheriff Dev. Fees	89
MHSA PEI	90
MHSA Innovation	91
Measure D LTA Road Funds	92
Prop 1B State Funds PW	93
LESB Program	94
ICCED Funds	95
Other Special Revenue Funds	96
Internal Service Funds:	
Internal Service Funds	97-98
Combining Statement of Net Assets – Internal Service Funds	99-101
Combining Statement of Revenues, Expenditures and Changes in Fund Net Assets – Internal Service Funds	102-104
Combining Statement of Cash Flows – Internal Service Funds	105-109
Capital Assets Used in the Operation of Governmental Funds:	
Comparative Schedules by Source	110
Schedule by Function and Activity	111
Schedule of Changes by Function and Activity	112

**COUNTY OF IMPERIAL
TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Page No.
Statistical Section (Unaudited)	
Narrative Summary	113
Financial Trends:	
Net Assets by Component	114
Changes in Net Assets	115
Fund Balances of Governmental Funds	116
Changes in Fund Balances of Governmental Funds	117
Expenses by Function	118
Net Expense by Function	119
Revenue Capacity:	
Assessed Value of Taxable Property	120
Property Tax Rates-Direct and Overlapping Governments	121
Principal Revenue Taxpayers	122
Property Tax Levies and Collections	123
Debt Capacity:	
Ratios of Outstanding Debt by Type	124
Legal Debt Margin as Percentage of Debt Limit	125
Economic and Demographic Information:	
Demographics and Economic Statistics	126
Employment by Industry	127
Operating Information:	
Full-time Equivalent County Employees by Function	128
Capital Assets Statistics by Function	129

Single Audit Section

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance With "Governmental Auditing Standards"	130-131
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	132-133
Schedule of Expenditures of Federal Awards	134-141
Schedule of Findings and Questioned Costs	142-143
Status of Prior Year Findings and Questioned Costs	144
Notes to Schedule of Expenditures of Federal Awards	145





INTRODUCTORY SECTION

- Letter of Transmittal
- Certificate of Achievement for Excellence
In Financial Reporting
- Organizational Chart
- Directory of Public Officials



Douglas R. Newland, CPA

Auditor-Controller
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County Administration Center

940 Main Street, Suite 108
El Centro, California 92243
Telephone: 760-482-4535
FAX: 760-482-4557

AUDITOR-CONTROLLER

The Honorable Board of Supervisors
County of Imperial
County Administration Center
940 Main Street
El Centro, CA 92243

Honorable Board Members:

The Annual Financial report of the County of Imperial for the fiscal year ended June 30, 2011, is submitted herewith in accordance with Section 25253 of the Government Code of the State of California.

The accompanying financial statements were prepared in accordance with accounting standards generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board, the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds and account groups, and that all disclosures necessary to enable the reader to gain a full understanding of the County's financial activities have been included.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations".

The Annual Financial report is presented in four sections: introduction, management's discussion and analysis, financial statements and federal schedules. The introductory section includes this transmittal letter, the County's organizational chart and a list of principal County officials. The financial section includes the General Purpose Financial Statements, as well as, the Independent Auditors' Report on the financial statements and schedules. The federal section contains information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and the Independent Auditors' Report on Compliance and Internal Control.

THE REPORTING ENTITY AND ITS SERVICES

The County of Imperial, located in Southern California, on the Mexican border, was established by an act of the State Legislature on August 7, 1907, forming the County from the eastern part of San Diego County. The County is a general law county divided in to five supervisorial districts on the basis of registered population. The County encompasses an area of over 4,597 square miles and includes 7 incorporated cities. The County ranks as one of the top ten agricultural counties in California. It is ranked 31 of 58 counties in terms of population.

The County provides a wide range of services to its residents including law enforcement, medical and health services, education, senior citizen assistance, roads, library services, judicial institutions including support services, airport service, cultural and environmental services, parks and a variety of public assistance programs. Special districts and County service areas provide services to remote geographical areas and communities. These services include fire protection, parks, flood control, water, sewer, street lighting and roads.

The accompanying General Purpose Financial Statements include all organizations, functions and activities of the County for which the County Board of Supervisors is financially accountable. Also included are numerous self-governed school and special districts for which the County acts as depository. The financial reporting for these entities, which are governed and act independently of the County of Imperial, is limited to reporting, as Agency Funds, the total amount of cash and investments and other assets collected for, disbursed by, and held for, these entities.

FINANCIAL INFORMATION

The County's internal accounting control system exists to provide reasonable, but not absolute, assurance that assets are safeguarded against loss or unauthorized disposition and to provide reliable records for preparing financial statements and maintaining accountability for assets. The County's internal audit staff actively participates in evaluating and upgrading the internal accounting control system.

As a recipient of Federal and State financial assistance, the County also is responsible for ensuring that an adequate internal control structure is in place to assure compliance with applicable laws and regulations related to public assistance programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff.

The County uses the modified accrual basis of accounting for its Governmental, Debt Service and Fiduciary Funds. Revenues are recognized when they become measurable and available to finance operations of the year. Expenditures are generally recognized when the related fund liability is incurred except for interest on long-term obligations, which is recognized when payment is due. The accrual basis of accounting is used for all Proprietary Fund types. Revenues are recognized when they are earned and become measurable and expenses are recorded when they are incurred.

The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's Board of Supervisors. Budgets are adopted for the General Fund, certain Special Revenue Funds, the County Service Areas Debt Service Funds and certain Capital Project Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the expenditure object level. Encumbrance accounting is utilized to assure effective budgetary control; purchase orders and contracts are reviewed and a determination is made that valid and sufficient appropriations exist for payment for ordered goods and services. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are reported as reservations of fund balance for subsequent year expenditures.

General Government Functions - The General Fund is used to account for all activities of a general nature including administration, legislation, public protection, health and welfare, parks and recreation.

Proprietary Operations-Proprietary Funds are used to account for internal service and enterprise activities.

Internal Service Funds include the County's motor vehicle fleet, central duplicating and various insurance loss reserves. The intent is for these functions to operate on a cost recovery basis and provide funds for the replacement of assets. Operating deficits will be recovered through increased charges in subsequent years.

Enterprise Funds consist chiefly of Imperial Airport, The State Transit Program and Landfill Closure/Postclosure fund. These are funded by user charges; deficiencies as a result of operations should be recovered through increased charges in subsequent years.

Fiduciary Operations-The County maintains a significant number of funds to carry out its fiduciary responsibilities. These include funds for school districts, autonomous special districts and taxes.

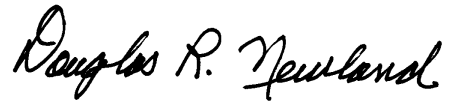
INDEPENDENT AUDIT

State statutes require an annual audit by a Certified Public Accountant. The firm of Hutchinson and Bloodgood LLP has audited the County's financial statements. In addition to meeting the requirements of State law, the audit was also designed to comply with the Federal Single Audit Act of 1996 and OMB Circular A-133. The auditors' reports on these matters are included in these financial statements.

ACKNOWLEDGEMENTS

I wish to express my appreciation to the entire Auditor/Controller staff, the County departments which participated and our independent auditors, Hutchinson and Bloodgood LLP, for their assistance in the report preparation.

Respectfully submitted,

A handwritten signature in black ink that reads "Douglas R. Newland". The signature is written in a cursive style with a large, stylized 'D' and 'N'.

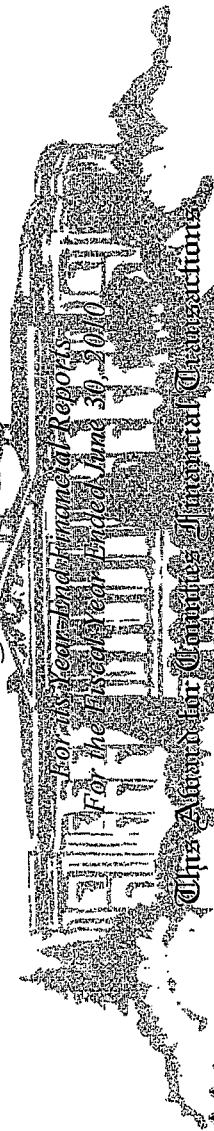
Douglas R. Newland CPA
Auditor-Controller

State of California
Office of the Controller

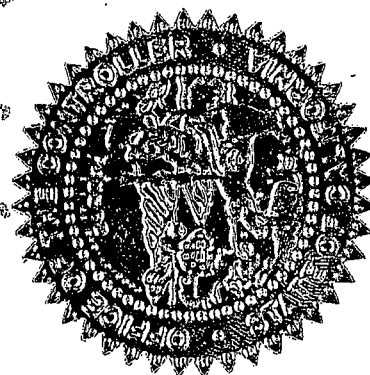
Award for Counties
Financial Transactions Reporting

Presented to

County of Imperial



This Award for Counties Financial Transactions
Reporting is presented by the California
State Controller to your County for meeting the
criteria for timely financial transactions reporting.



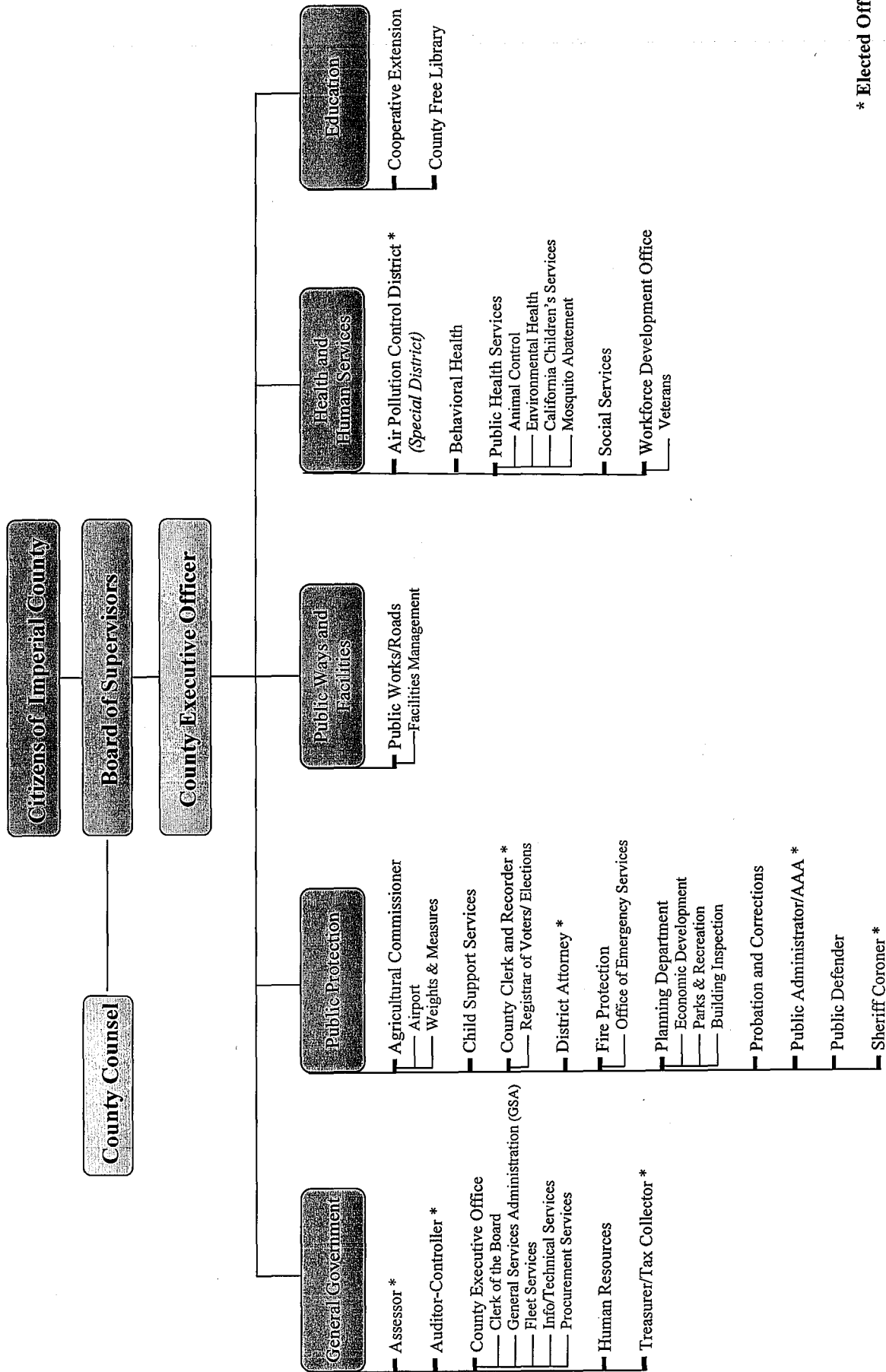
John Chiang
JOHN CHIANG, California State Controller
Dated at Sacramento, California this 25th day of October 2011

COUNTY OF IMPERIAL

ORGANIZATIONAL CHART



FISCAL YEAR 2010-2011



* Elected Official

Directory off Public Officials

(as of 3/19/12)

Elected Officials

Supervisor 1 st District	John Rension	
Supervisor 2 nd District	Jack Terrazas	
Supervisor 3 rd District	Michael Kelley	
Supervisor 4 th District	Gary Wyatt	
Supervisor 5 th District	Ray Castillo	
Judge, Superior Court Dept. 1	William Lehman	
Judge, Superior Court Dept. 2	Christopher J. Plourd	
Judge, Superior Court Dept. 3	Diane B. Altamirano	
Judge, Superior Court Dept. 5	Poli Flores, Jr.	
Judge, Superior Court Dept. 7	Jeffery B. Jones	
Judge, Superior Court Dept. 8	Ruth Montnegro	
Judge, Superior Court Dept. 9	Donal B. Donnelly	
Judge, Superior Court Brawley	Juan Ulloa	
Judge, Superior Court Calexico	Raymond A. Cota	
Commissioner	Jim Jones	
Referee, Traffic	Richard W. Bolander	
Judge, Juvenile Court	Christopher Yeager	
Assessor	Roy Buckner	General Government
Auditor-Controller	Douglas Newland	General Government
Clerk-Recorder	Chuck Storey	General Government
District Attorney	Gilbert Otero	Public Protection
Public Administrator	Norma Saikhon	Public Protection
Sheriff-Coroner	Raymond Loera	Public Protection
Treasurer-Tax Collector	Karen Vogel	General Government

Appointed Officials

Agricultural Commissioner/Airport	Connie L. Valenzuela	Public Protection
Air Pollution Control Officer	Brad Poiriez	Public Protection
Behavioral Health	Michael Horn	Health and Sanitation
Child Support Services	Gustavo Roman	Public Assistance
Clerk of the Board/Registrar of Voters	Sylvia Bermudez	General Government
County Executive Officer	Ralph Cordova, Jr.	General Government
Cooperative Extension	Khaled M. Bali	Education
County Counsel	Michael L. Rood.	General Government
County Free Library	Connie Barrington	Education
Court Executive Officer/Jury Commissioner	Kristi Kussman	Public Protection
Fire Protection/Emergency Services	Tony Rouhotas Jr.	Public Protection
Health Services/Animal Control/EHS/EMS	Robin Hodgkin	Health and Sanitation
Human Resources and Risk Management	Rodolfo Aguayo(Interim)	General Government
Office of Employment Training	Francisco J. Marquez	Public Assistance
Planning/Building/Community & Economic Development	Armando G. Villa	Public Protection
Probation/Receiving Home/Juvenile Hall	Benny Benavidez	Public Protection
Public Defender	Timothy Reilly	Public Protection
Public Works	William Brunet	Public Ways/Facilities
Social Services	Jim Semmes (Interim)	Public Assistance





FINANCIAL SECTION

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to Financial Statements
- Required Supplementary Information





INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Imperial
El Centro, California

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the County of Imperial, California, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. The financial statements are the responsibility of the County of Imperial, California's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 opinion.

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, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the County of Imperial, California, as of June 30, 2011, and the respective changes in financial position and, where applicable, the cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2012 on our consideration of the County of Imperial, California's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 important for 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 other required supplementary information on pages 10 through 18 and 49 through 52 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 of Imperial's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The 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.

Hutchinson and Bloodgood LLP

March 28, 2012

County of Imperial
Management's Discussion and Analysis
For the Year Ended June 30, 2011

The discussion and analysis of the financial performance of the County of Imperial (County) provides an overview of the County's financial activities for the year ended June 30, 2011. The intent of this discussion and analysis is to look at the County's financial performance as a whole users of these financial statements should read this discussion and analysis in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section to enhance their understanding of the County's financial performance. 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 2010-2011 fiscal year by \$172,166 (*Net Assets*). \$41,757 is *Unrestricted Net Assets*. Of this amount \$98,082 may be used to meet the County's ongoing obligations to citizens and the creditors, (\$56,325) is the obligation for Pension Bonds and \$36,117 (*Restricted Net Assets*) may be used for the County's ongoing obligations with external restrictions. (See detail at Table 1).
- The County's net assets increased by \$7,340 during the current fiscal year. Governmental activities increased the County's net assets by \$8,490; but, business-type activities net assets decreased by (\$1,150).
- As of June 30, 2011, the County's governmental funds reported total ending fund balances of \$104,258, an increase of 5.18% in comparison with the prior year. Approximately 3.74% or \$3,903 is available for spending (*Unassigned fund balance*). See further discussion in Financial Analysis of the County's Funds on pages 12-16.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$13,517 or 6.74 % of total General Fund expenditures.
- The County's total long-term debt decreased in the amount of (\$2,110) in comparison with the prior year. Compensated absences increased by \$105 and existing long-term debt decreased (\$2,215) in 2010-2011.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. These statements are organized so that readers can understand the County of Imperial as a financial whole or as an entire operating entity. The County's basic financial statements are comprised of three components: 1) Government-wide financial statements; 2) Fund financial statements; and 3) Notes to the financial statements. This report also contains other supplementary information in addition to the financial statements themselves.

1. Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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 and decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event takes place regardless of when cash is received or paid. Thus, some revenues and expenses are reported in this statement for some items that will only result in cash inflows and outflows in future fiscal years.

Management's Discussion and Analysis (Continued)

Both the Statement of Net Assets and the Statement of Activities distinguishes between activities that are primarily financed with taxes and intergovernmental revenues (governmental activities) and those that are intended to recover all or a significant portion of their costs through user fees and charges for services (business-type activities). The County's governmental activities include general government, public protection, public ways and facilities, health and sanitation, public assistance, and education. The business-type activities of the County include the operation of the Imperial Airport, Closure/Postclosure (Landfill) and other County Service Areas (CSAs).

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. An example of the County's blended component unit is the Imperial County Employees' Retirement Association (ICERA). The Children and Families First Commission (the Commission) is reported as a discretely presented component unit because there is some financial accountability by the Commission to the County Board. IV Parks, Inc. (Parks) is reported as a discretely presented component unit because there is some financial accountability by the Parks to the County Board. The Imperial County Transportation Commission (ICTC) is reported as a discretely presented component unit because there is some financial accountability by the Commission to the County Board.

The government-wide financial statements are presented on pages 19-20 of this report.

2. Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the County as a whole. A fund is a fiscal and accounting entity designated to report information about groupings of related accounts which are used to maintain control over resources that have been segregated for specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. All of the County's funds can be divided into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for activities that are similar in nature to the governmental activities in the government-wide financial statements. However, unlike the government wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be used in evaluating Imperial County's near-term financing requirements and available resources.

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. This will allow readers to get a better understanding of the long-term impact of the government'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 reports three major 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 each of the major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in the *Combining and Individual Fund Statements and Schedules*.

The basic governmental fund financial statements are presented on pages 21-24 of this report.

Management's Discussion and Analysis (Continued)

Proprietary funds are reported in two ways: enterprise funds and internal service funds. Enterprise funds are reported as functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Imperial Airport, Landfills and other County Service Areas (CSAs) operations. Internal service funds are used to account for costs internally among the County's various functions. The County uses the following internal service funds: Garage, Central Duplicating, Centralized Mail, Flood Control, Communications Services, Liability Insurance, Workers' Compensation Insurance, Unemployment Insurance, Health and Dental/Vision Benefits, Medical Malpractice, and Auto Liability. Because such functions predominantly benefit governmental rather than business-type activities, 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 Imperial Airport and Closure/Postclosure (Landfills), both of which are considered to be major funds of the County. All other enterprise funds have been combined into a single aggregated column for presentation. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements are presented on pages 25-27 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the county government. Although these funds are presented in the fund set of statements, they do not appear in the government-wide financial statements because the resources of fiduciary 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 are presented on pages 28-29 of this report.

3. Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in both government-wide and fund financial statements.

The notes to the financial statements are presented on pages 30-50 of this report.

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 \$172,166 (see Table 1) at the close of the current fiscal year.

The largest portion of the County's net assets, \$94,292 reflects its investment in capital assets (e.g. land, structures and improvements, infrastructure, vehicles, furniture and equipment, and construction in progress), 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.

Management's Discussion and Analysis (Continued)

An additional portion of the County's net assets, \$36,117, represents resources that are subject to external restrictions on how they may be used. The major portion of the restricted net assets is constrained for debt repayment. The remaining balance of total net assets is \$41,757. Of which \$98,082 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors, and (\$56,325) is obligation for Pension Bonds.

At the end of the current fiscal year, the County as a whole and for its governmental activities reported positive balances in three categories of net assets. In the business-type activities the County reported negative unrestricted net assets of (\$2,355). This is the result of an increase in operating expenses for the Closure/Postclosure (Landfill).

Table 1 – County of Imperial's Net Assets
June 30, 2011 and June 30, 2010 (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Assets:						
Current Assets and Other Assets	\$ 191,677	\$ 176,840	\$ 7,093	\$ 8,744	\$198,770	\$185,584
Capital Assets	<u>95,223</u>	<u>95,831</u>	<u>11,183</u>	<u>10,645</u>	<u>106,406</u>	<u>106,476</u>
Total Assets	<u>286,900</u>	<u>272,671</u>	<u>18,276</u>	<u>19,389</u>	<u>305,176</u>	<u>292,060</u>
Liabilities:						
Current and Other Liabilities	42,302	34,453	68	71	42,370	34,524
Long-Term Liabilities	<u>81,293</u>	<u>83,403</u>	<u>9,347</u>	<u>9,307</u>	<u>90,640</u>	<u>92,710</u>
Total Liabilities	<u>123,595</u>	<u>117,856</u>	<u>9,415</u>	<u>9,378</u>	<u>133,010</u>	<u>127,234</u>
Net Assets:						
Invested in Capital Assets, Related Debt	83,109	83,157	11,183	10,645	94,292	93,802
Restricted	36,084	37,241	33	(6)	36,117	37,235
Unrestricted	<u>44,112</u>	<u>34,417</u>	<u>(2,355)</u>	<u>(628)</u>	<u>41,757</u>	<u>33,789</u>
Total Net Assets	<u>\$ 163,305</u>	<u>\$ 154,815</u>	<u>\$ 8,861</u>	<u>\$ 10,011</u>	<u>\$ 172,166</u>	<u>\$164,826</u>

Management's Discussion and Analysis (Continued)

As shown in Table 2, the County's net assets increased by \$7,340.

Table 2 - County of Imperial's Changes in Net Assets
For the Years Ended June 30, 2011 and June 30, 2010 (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for Services	\$ 83,653	\$ 81,491	\$ 874	\$ 1,432	\$ 84,527	\$ 82,923
Operating Grants and Contributions	184,597	171,476	9	4,504	184,606	175,980
General Revenues:						
Property Taxes	15,682	16,543	-	-	15,682	16,543
Property Tax In-Lieu Taxes	18,245	18,221	-	-	18,245	18,221
Sales Taxes	11,271	10,826	-	-	11,271	10,826
Franchise Taxes	284	245	-	-	284	245
Federal In-Lieu Taxes	3,156	3,164	-	-	3,156	3,164
Unrestricted Investment Earnings	1,938	2,627	70	138	2,008	2,765
Gain on Sales of Fixed Assets	110	248	-	-	110	248
Other	28,458	24,437	-	(66)	28,458	24,371
Total Revenues	<u>347,394</u>	<u>329,278</u>	<u>953</u>	<u>6,008</u>	<u>\$348,347</u>	<u>\$335,286</u>
Expenses:						
General Government	62,708	66,558	-	-	62,708	66,558
Public Protection	83,815	79,071	-	-	83,815	79,071
Health and Sanitation	42,828	41,649	-	-	42,828	41,649
Public Assistance	127,895	114,372	-	-	127,895	114,372
Public Ways and Facilities	18,221	18,524	-	-	18,221	18,524
Interest on Long-Term Liabilities	2,237	1,466	-	-	2,237	1,466
Airport	-	-	1,475	1,481	1,475	1,481
Closure/Postclosure Waste	-	-	36	-	36	-
County Service Areas, other	-	-	1,792	5,611	1,792	5,611
Total Expenses	<u>337,704</u>	<u>321,640</u>	<u>3,303</u>	<u>7,092</u>	<u>341,007</u>	<u>328,732</u>
Increases (Decreases) in Net Assets						
Before Transfers	9,690	7,638	(2,350)	(1,084)	7,340	6,554
Transfers In and Out	(1,200)	(1,229)	1,200	1,229	-	-
Increase (Decrease) in Net Assets	<u>\$ 8,490</u>	<u>\$ 6,409</u>	<u>\$(1,150)</u>	<u>\$ 145</u>	<u>\$ 7,340</u>	<u>\$ 6,554</u>

Management's Discussion and Analysis (Continued)

Governmental Activities

Governmental activities increased the County's net assets by \$8,490 for the year ended June 30, 2011, thereby accounting for 4.70% total increase in the net assets of the County. Key elements of this increase were fueled by an increase in operating grants and in lieu taxes.

- Total revenue for the County's governmental activities increased 4.98%.
- The County's long-term debt decreased by 2.68%.
- As an arm of the state government, operating grants and contributions serve multiple programs, representing 53.26% of the County's total revenue for governmental activities, and are tied to mandated services such as public assistance, health, and mental health. These revenue sources increased 7.11% over the prior year primarily to increased funding related to mandated programs.
- Taxes and investment earnings that are generated locally provide the Board of Supervisors (Board) with most of its discretionary spending power. Property taxes and Property Tax In-Lieu decreased 4.83% due to property tax shift required by State to the school districts and decrease in assessed property values throughout the County.
- Total expenses for governmental activities increased by 4.99% with increases in all major functions with the exception of the general government functions which decreased 5.78%. The County's major cost component is salaries and benefits.
- The County recorded \$28,458 in revenue for the current fiscal year, which is classified as an other item, which includes transit occupancy tax \$1, deed transfer \$304, other taxes \$2,127 and other contributions \$26,026.

Business-type Activities

Business-type activities' net assets decreased the County's net assets by (\$1,150). The main reason for this is an decrease in federal aid for transportation programs in the amount of (\$1,577).

Financial Analysis of the Government'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 financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2011, The County's governmental funds reported total fund balances of \$104,258, a 4.15% increase in comparison with the prior year. Approximately 3.74% or \$3,903 of the total fund balances constitutes unassigned fund balance, which is available to meet the County's current and future needs. The remainder of fund balance is allocated as nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has been committed to 1) to pay debt service \$6,899, 2) to reflect CDBG loans receivable in which the County acts as a conduit for intergovernmental loans to entities within the County \$13,893, 3) to reflect COP monies \$1,527, 4) reserved for monies received from tobacco settlement endowment fund \$21,945, 5) reserved for prior year encumbrances \$6,170 and 6) a variety of other restricted purposes \$49,921.

Management's Discussion and Analysis (Continued)

The County's management may also designate unassigned fund balance to a particular function, project, or activity; however designated fund balance is available for appropriations at any time.

The General Fund is the chief operating fund of the County. At June 30, 2011, unassigned fund balance of the General Fund was \$13,517. As a measure of the General Funds' liquidity, it may be helpful to compare both unassigned fund balance and fund balance to total fund expenditures. Unassigned fund balance represents 6.74% of total General Fund expenditures, while total fund balance represents 22.57% of total General Fund expenditures.

Revenues for governmental functions totaled \$305,261 at June 30, 2011, which represents an increase of 7.52% from fiscal year 2009-2010. The largest increases in revenues were in state aid revenues, which increased 10.67% and was primarily due to increases grants awarded the County by the state government in 2010-11.

Expenditures for government functions totaled \$298,671 at June 30, 2011 which represents an increase of 6.17% from fiscal year 2009-10. The largest increases occurred in public assistance, which increased 11.82% and in addition, public protection, and health and sanitation increased by approximately 4.90%.

Proprietary Funds

The proprietary fund provides similar information to the government-wide financial statements, but in more detail.

The net assets of the enterprise funds decreased by (\$1,150). The main reason for this is an decrease in federal aid for transportation programs in the amount of (\$1,577).

The internal service funds carried \$54,400 in unrestricted net assets as a result of a decrease in claims insurance liabilities. Also, a change in medical insurance design reduced costs. Claims payable were \$12,833 at June 30, 2011.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in a \$4,071 increase in appropriations that is briefly summarized as follows:

- \$2,045 increase in the County's Health and Sanitation appropriations was the result of new federal and state programs.
- \$124 increase in the County's Public Assistance appropriations represents increase program costs for various social services programs.
- \$1,667 increase in the County's Public Protection appropriations was the result of unanticipated grants for initiatives.
- \$235 of the increase in the County's appropriations was the result of unanticipated grants and contributions from other governments. The remaining portion consisted of increases in appropriations for normal operations in the remaining forty-eight budget units that comprise the General Fund.

Management's Discussion and Analysis (Continued)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2011, the County's investment in capital assets for its governmental and business-type activities amounted to \$106,406 (net of accumulated depreciation). The investments in capital assets are comprised of land, infrastructure, structures and improvements, furniture and equipment, vehicles, and construction in progress. The County, according to GASB 34 guidelines, has elected retroactively to include all infrastructure assets dating back to 1980.

Table 3 –County of Imperial's Capital Assets (Net of accumulated depreciation) (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Land	\$ 4,403	\$ 4,403	\$ 685	\$ 685	\$ 5,088	\$ 5,088
Construction in Progress	11,854	6,246	17	-	11,871	6,246
Infrastructure	37,935	40,909	-	-	37,935	40,909
Structures and Improvements	27,902	29,573	10,166	9,580	38,068	39,153
Vehicles	4,081	3,761	-	-	4,081	3,761
Furniture and Equipment	9,048	10,939	315	380	9,363	11,319
Total	\$ 95,223	\$ 95,831	\$11,183	\$ 10,645	\$106,406	\$106,476

The major capital events during the current fiscal year include the following:

- A variety of small construction and rehabilitation projects were started during the current fiscal year: road paving projects, and several others remodeling projects.

Long-Term Debt

At the end of the current fiscal year, the County had total long-term debt outstanding of \$81,314. This amount is comprised of \$11,960 of certificates of participation, \$56,325 represents debt outstanding for the pension obligation bond. \$11,975 in earned compensated absences, \$900 State of California Child Support claim, and \$154 capital lease obligations.

Table 4 – County of Imperial's Outstanding Debt (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Employee Compensated Absences	\$ 11,954	\$ 11,849	\$ 21	\$ 18	\$ 11,975	\$ 11,867
Capital Lease Obligation	154	464	-	-	154	464
St. of California Child Support Claim	900	990	-	-	900	990
Pension Funding Bonds 1997	23,060	24,625	-	-	23,060	24,625
Pension Funding Bonds 2002	33,265	33,265	-	-	33,265	33,265
1999 Certificates of Participation	2,495	2,745	-	-	2,495	2,745
2010 Certificates of Participation	9,465	9,465	-	-	9,465	9,465
Total	\$ 81,293	\$ 83,403	\$ 21	\$ 18	\$ 81,314	\$ 83,421

Management's Discussion and Analysis (Continued)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County currently faces a less than favorable economic environment. Due to the County being heavily dependent on agriculture, it experiences chronically high unemployment, which puts pressure on the County to provide social and medical services.

The County's general revenues, sometimes referred to as discretionary revenues, continue to experience little to no growth. At the same time, the portion of the County's budget that rely on these revenues continue to experience increased costs due to cost of living and medical insurance increases.

The State's budget cuts for local governments remain the major determining factors in determining the County's budget for fiscal year 2011-12 and beyond, as the County is again required to contribute property tax revenues to the State budget in 2011-12. The State has historically reduced city and county revenues in order to help balance their own budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Mr. Douglas R. Newland, CPA, Imperial County Auditor-Controller, 940 Main Street, Suite 108, El Centro, California, 92243, (760) 482-4556 or visit the website at www.imperialcounty.net



COUNTY OF IMPERIAL
Statement of Net Assets
June 30, 2011
(amounts expressed in thousands)

	Governmental Activities	Business-Type Activities	Total	Component Units
Assets:				
Cash and cash equivalents	\$ 128,936	\$ 7,061	\$ 135,997	\$ 9,169
Cash with Fiscal Agent	22,109	-	22,109	-
Deposits with Others	144	-	144	-
Receivables (net):				
Accounts	10,435	-	10,435	1,303
Interest	324	17	341	19
Taxes	844	-	844	-
Loans	13,750	-	13,750	-
Internal balances	(15)	15	-	-
Due from other governmental funds	14,322	-	14,322	-
Inventories and Prepaid Expenses	828	-	828	-
Capital assets (net of accumulated depreciation):				
Land	4,403	685	5,088	-
Construction in progress	11,854	17	11,871	-
Structures & Improvements-net	27,903	10,166	38,069	-
Vehicles-net	4,080	-	4,080	-
Furniture & Equipment-net	9,048	315	9,363	-
Infrastructure	37,935	-	37,935	-
Total assets	<u>286,900</u>	<u>18,276</u>	<u>305,176</u>	<u>10,491</u>
Liabilities:				
Claims payable	12,833	-	12,833	-
Accounts payable	3,315	50	3,365	31
Loan Payable	65	-	65	-
Accrued payroll	5,929	18	5,947	-
Interest payable	1	-	1	-
Due to other governmental funds	20,159	-	20,159	21
Noncurrent liabilities:				
Due within one year	3,366	-	3,366	-
Due in more than one year	77,927	9,347	87,274	-
Total liabilities	<u>123,595</u>	<u>9,415</u>	<u>133,010</u>	<u>52</u>
Net Assets:				
Invested in capital assets, net of related debt	83,109	11,183	94,292	-
Restricted for:				
General Fund	9,814	-	9,814	-
Special revenue	19,137	-	19,137	-
Capital projects	234	-	234	-
Debt service	6,899	-	6,899	-
Public ways & facilities	-	33	33	-
Unrestricted	44,112	(2,355)	41,757	10,439
Total net assets	<u>\$ 163,305</u>	<u>\$ 8,861</u>	<u>\$ 172,166</u>	<u>\$ 10,439</u>

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

COUNTY OF IMPERIAL
Statement of Activities
Year Ended June 30, 2011
(amounts expressed in thousands)

Functions	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Asset			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities								
General Government	\$ 62,708	\$ 44,795	\$ 3,204	\$ -	\$ (14,709)	\$ -	\$ (14,709)	\$ -
Public Protection	83,815	20,391	21,187	-	(42,237)	-	(42,237)	-
Health & Sanitation	42,828	9,257	37,118	-	3,547	-	3,547	-
Public Assistance	127,895	8,535	102,846	-	(16,514)	-	(16,514)	-
Public Ways & Facilities	18,221	675	20,242	-	2,696	-	2,696	-
Interest on long-term liabilities	2,237	-	-	-	(2,237)	-	(2,237)	-
Total Governmental Activities	337,704	83,653	184,597	-	(69,454)	-	(69,454)	-
Business Activities								
Airport	1,475	629	9	-	-	(837)	(837)	-
Closure/Postclosure	36	-	-	-	-	(36)	(36)	-
Other	1,792	245	-	-	-	(1,547)	(1,547)	2,392
Total Business Type Activities	3,303	874	9	-	-	(2,420)	(2,420)	2,392
Total Primary Government	\$ 341,007	\$ 84,527	\$ 184,606	\$ -	\$ (69,454)	\$ (2,420)	\$ (71,874)	\$ 2,392
Component Units:								
IV Parks, Inc.	\$ 5	\$ -	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ (2)
ICTC-Transit /LTA	\$ 4,668	\$ 721	\$ 7,268	\$ -	\$ -	\$ -	\$ -	\$ 3,321
Children and Families First Commission	\$ 2,644	\$ -	\$ 2,385	\$ -	\$ -	\$ -	\$ -	\$ (259)
Total Component Units	\$ 7,317	\$ 721	\$ 9,656	\$ -	\$ -	\$ -	\$ -	\$ 3,060
General Revenues:								
Property Tax					\$ 15,682	\$ -	\$ 15,682	\$ -
Property Tax In Lieu					18,245	-	18,245	-
Sales Tax					11,271	-	11,271	-
Franchises Tax					284	-	284	-
Federal In-Lieu Taxes					3,156	-	3,156	-
Other					28,458	-	28,458	8
Unrestricted Investment Earnings					1,938	70	2,008	75
Loss on Sales of Fixed Assets					110	-	110	-
Transfers In (Out)					(1,200)	1,200	-	-
Total general revenues					77,944	1,270	79,214	83
Change in net assets					8,490	(1,150)	7,340	3,143
Net assets - beginning					154,815	10,011	164,826	7,296
Net assets - ending					\$ 163,305	\$ 8,861	\$ 172,166	\$ 10,439

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

COUNTY OF IMPERIAL
Balance Sheet
Governmental Funds
June 30, 2011
(amounts expressed in thousands)

	<u>General</u>	<u>Special Revenue Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and cash equivalents	\$ 15,961	\$ 47,371	\$ 7,807	\$ 71,139
Cash with Fiscal Agent	22,109	-	-	22,109
Deposits with Others	-	144	-	144
Receivables (net):				
Accounts	6,478	3,954	3	10,435
Interest	72	105	14	191
Taxes	672	172	-	844
Loan	-	13,750	-	13,750
Due from other funds	9,515	4,197	-	13,712
Inventories and Prepaid Expenses	347	436	-	783
	<u>\$ 55,154</u>	<u>\$ 70,129</u>	<u>\$ 7,824</u>	<u>\$ 133,107</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,487	\$ 1,671	\$ 6	\$ 3,164
Loan payable	-	-	65	65
Accrued payroll	4,791	1,048	-	5,839
Interest payable	-	1	-	1
Due to other funds	3,599	16,181	-	19,780
	<u>9,877</u>	<u>18,901</u>	<u>71</u>	<u>28,849</u>
Fund Balances (Note 13)				
Nonspendable	388	456	-	844
Restricted	10,099	24,084	6,902	41,085
Committed	5,975	16,871	1,189	24,035
Assigned	15,298	18,859	234	34,391
Unassigned	13,517	(9,042)	(572)	3,903
	<u>45,277</u>	<u>51,228</u>	<u>7,753</u>	<u>104,258</u>
Total Fund Balances	<u>45,277</u>	<u>51,228</u>	<u>7,753</u>	<u>104,258</u>
Total Liabilities and Fund Balances	<u>\$ 55,154</u>	<u>\$ 70,129</u>	<u>\$ 7,824</u>	<u>\$ 133,107</u>

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

COUNTY OF IMPERIAL
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2011
(amounts expressed in thousands)

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

Total fund balance - governmental funds	\$ 104,258
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$215,481 and the accumulated depreciation is \$122,501.	92,980
Internal service funds are used by management to charge the costs of motor pool, printing, mail system, communications, and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	47,229
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(81,162)</u>
Total net assets - governmental activities	<u><u>\$ 163,305</u></u>

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

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2011
(amounts expressed in thousands)

	General	Special Revenue Funds	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 23,537	\$ 3,619	\$ -	\$ 27,156
Licenses and permits	2,548	1,993	-	4,541
Fines, Forfeitures & Penalties	5,226	2,541	-	7,767
Use of Money & Property	1,182	377	83	1,642
State aid	82,448	57,976	30	140,454
Federal aid	52,168	19,170	954	72,292
Charges for Services	33,405	8,871	1,187	43,463
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	2,330	5,616	7,946
Total revenues	<u>200,514</u>	<u>96,877</u>	<u>7,870</u>	<u>305,261</u>
Expenditures:				
Current:				
General Government	18,662	126	7,125	25,913
Public Protection	63,742	20,074	-	83,816
Health & Sanitation	32,757	10,070	-	42,827
Public Assistance	84,630	43,264	-	127,894
Public Ways & Facilities	763	17,458	-	18,221
Total expenditures	<u>200,554</u>	<u>90,992</u>	<u>7,125</u>	<u>298,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40)</u>	<u>5,885</u>	<u>745</u>	<u>6,590</u>
Other financing sources (uses):				
Changes in Reserves	-	263	-	263
Transfers	-	(16)	2	(14)
Endowment Funds	(1,701)	-	-	(1,701)
COP Bonds Uses	-	-	-	-
Encumbrances	-	-	-	-
Proceeds of COP bonds	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(1,701)</u>	<u>247</u>	<u>2</u>	<u>(1,452)</u>
Net change in fund balances	<u>(1,741)</u>	<u>6,132</u>	<u>747</u>	<u>5,138</u>
Fund balances - beginning	<u>47,018</u>	<u>45,096</u>	<u>7,006</u>	<u>99,120</u>
Fund balances - ending	<u><u>\$ 45,277</u></u>	<u><u>\$ 51,228</u></u>	<u><u>\$ 7,753</u></u>	<u><u>\$ 104,258</u></u>

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

COUNTY OF IMPERIAL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2011
(amounts expressed in thousands)

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

Net change in fund balances-total governmental funds **\$ 5,138**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$2,500 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$	6,801	
Loss on disposal of capital assets		(4,774)	
Proceeds from sales of capital assets		110	
Depreciation expense		<u>(7,545)</u>	(5,408)

Additional accrued interest calculated on bonds payable 4,345

Long-term liabilities, including bonds payable, increased during the year in the amount of \$127. 2,240

In the statement of activities, certain operating expenses -- compensated absences (vacations, sick leave, and comptime earned) -- are measured by the amounts earned during the year.

In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, compensated absences increased by \$147.

147

Internal service funds are used by the County to charge the costs of industrial insurance, printing, and warehouse services to individual funds. The net revenue of the internal service funds is reported with governmental activities.

2,028

Change in net assets of governmental activities

\$ 8,490

COUNTY OF IMPERIAL
Statement of Net Assets
Proprietary Funds
June 30, 2011
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities
	Imperial Airport	Closure/Postclosure	Other Enterprise Funds	Total	Internal Service Funds
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ (46)	\$ 7,082	\$ 25	\$ 7,061	\$ 57,797
Receivables (net):					
Accounts	-	-	-	-	-
Interest	1	16	-	17	133
Due from Other Funds	7	-	16	23	594
Inventories and Prepaid Expenses	-	-	-	-	45
Total Current Assets	<u>(38)</u>	<u>7,098</u>	<u>41</u>	<u>7,101</u>	<u>58,569</u>
Noncurrent Assets:					
Capital Leases	-	-	-	-	26
Land	662	-	23	685	23
Construction in process	17	-	-	17	-
Structures & Improvements	19,406	-	50	19,456	160
Vehicles	-	-	-	-	6,721
Equipment	694	-	-	694	1,484
Accumulated Depreciation	(9,619)	-	(50)	(9,669)	(6,171)
Total Noncurrent Assets	<u>11,160</u>	<u>-</u>	<u>23</u>	<u>11,183</u>	<u>2,243</u>
Total Assets	<u>11,122</u>	<u>7,098</u>	<u>64</u>	<u>18,284</u>	<u>60,812</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	-	-	-	-	12,833
Accounts Payable	50	-	-	50	151
Interest Payable	-	-	-	-	-
Accrued Payroll	9	-	9	18	90
Due to Other Funds	7	-	-	7	379
Current portion of compensated absences	3	-	-	3	(42)
Capital Lease Obligations-Current Portion	-	-	-	-	-
Total Current Liabilities	<u>69</u>	<u>-</u>	<u>9</u>	<u>78</u>	<u>13,411</u>
Noncurrent Liabilities:					
Compensated Absences	5	-	14	19	173
Accrued Closure/Postclosure	-	9,326	-	9,326	-
Capital Lease Obligations-Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>5</u>	<u>9,326</u>	<u>14</u>	<u>9,345</u>	<u>173</u>
Total Liabilities	<u>74</u>	<u>9,326</u>	<u>23</u>	<u>9,423</u>	<u>13,584</u>
NET ASSETS:					
Invested in Capital Assets, net of related debt	11,160	-	23	11,183	2,639
Restricted	46	-	(13)	33	(9,811)
Unrestricted	(158)	(2,228)	31	(2,355)	54,400
Total Net Assets	<u>\$ 11,048</u>	<u>\$ (2,228)</u>	<u>\$ 41</u>	<u>\$ 8,861</u>	<u>\$ 47,228</u>

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

COUNTY OF IMPERIAL
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities
	Imperial Airport	Closure/Postclosure	Other Enterprise Funds	Total	Internal Service Funds
Operating Revenues:					
Charges for Services	\$ 628	\$ -	\$ 245	\$ 873	\$ 37,283
Other Revenues	-	-	-	-	719
Total Operating Revenues	628	-	245	873	38,002
Operating Expenses:					
Salaries and Benefits	250	-	210	460	2,025
Services and Supplies	511	-	6	517	33,608
Depreciation	663	-	-	663	143
Total Operating Expenses	1,424	-	216	1,640	35,776
Operating Income (Loss)	(796)	-	29	(767)	2,226
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-
Acquisition of Capital	-	-	-	-	(1,019)
State Aid	-	-	-	-	-
Federal Aid	9	-	-	9	-
Changes in Designated Reserve	-	-	-	-	-
Other	(50)	(36)	(1,576)	(1,662)	-
Interest - Income	2	68	-	70	541
Total Non-Operating Rev (Exp)	(39)	32	(1,576)	(1,583)	(478)
Net Income (Loss) before Transfers	(835)	32	(1,547)	(2,350)	1,748
Transfers in (out):					
Transfers In	1,200	-	-	1,200	279
Transfers Out	-	-	-	-	-
Total Transfers In (Out)	1,200	-	-	1,200	279
Change in Net Assets	365	32	(1,547)	(1,150)	2,027
Net Assets - Beginning	10,683	(2,260)	1,588	10,011	45,201
Net Assets - Ending	\$ 11,048	\$ (2,228)	\$ 41	\$ 8,861	\$ 47,228

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

COUNTY OF IMPERIAL
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities
	Imperial Airport	Closure/Postclosure	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:					
Cash received from users	\$ 628	\$ -	\$ 245	\$ 873	\$ 38,002
Cash received from operating activities	(11)	-	133	122	737
Cash paid to suppliers	(511)	-	(6)	(517)	(33,608)
Cash paid to employees	(250)	-	(209)	(459)	(2,025)
Cash paid for operating activities	-	41	-	41	(143)
Net cash provided by (used) operating activities	(144)	41	163	60	2,963
Cash flows from noncapital financing activities:					
Transfers Out	-	(36)	(1,645)	(1,681)	-
Receipt of federal aid	9	-	-	9	-
Receipt of state aid	-	-	-	-	-
Other	(50)	-	68	18	-
Net cash provided by (used) in non-capital financing activities	(41)	(36)	(1,577)	(1,654)	-
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	-	-	(1,020)
Transfer in to purchase equipment	-	-	-	-	-
Net cash used by capital and related financing activities	-	-	-	-	(1,020)
Cash flows from investing activities:					
Interest received (paid)	1	68	-	69	541
Net increase (decrease) in cash and cash equivalents	(184)	73	(1,414)	(1,525)	2,484
Cash and cash equivalents - beginning	138	7,009	1,439	8,586	55,313
Cash and cash equivalents - ending	<u>\$ (46)</u>	<u>\$ 7,082</u>	<u>\$ 25</u>	<u>\$ 7,061</u>	<u>\$ 57,797</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating Income (Loss)	\$ (796)	\$ -	\$ 30	\$ (766)	\$ 2,226
Adj. to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	663	-	-	663	142
Decrease (Increase) in accounts receivable	9	-	397	406	1
Decrease (Increase) in interest receivable	-	5	4	9	38
Decrease (Increase) in prepaid expenses	-	-	-	-	11
Decrease (Increase) in due from other funds	2	-	(16)	(14)	285
Increase (Decrease) in accounts payable	7	-	(11)	(4)	78
Increase (Decrease) in interest payable	-	-	-	-	-
Increase (Decrease) in accrued liabilities	1	-	1	2	(1)
Increase (Decrease) in due to other funds	(33)	-	(242)	(275)	80
Increase (Decrease) in postclosure costs liability	-	36	-	36	-
Increase (Decrease) in insurance loss expense	-	-	-	-	145
Increase (Decrease) in compensated absences	3	-	-	3	(42)
Total adjustments	652	41	133	826	737
Net cash provided by (used) operating activities	<u>\$ (144)</u>	<u>\$ 41</u>	<u>\$ 163</u>	<u>\$ 60</u>	<u>\$ 2,963</u>

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

COUNTY OF IMPERIAL
Statement of Fiduciary Net Assets
June 30, 2011
(amounts expressed in thousands)

	Trust Funds			Agency Funds	Total
	Pension Trust and other Employee Benefits	Special District and School District	Investment Trust		
Assets:					
Cash and cash equivalents	\$ 5,877	\$ 170,494	\$ 25,727	\$ 38,584	\$ 240,682
Investments	458,600	-	-	-	458,600
Accounts Receivable-Net	-	-	509	53	562
Taxes Receivable-Net	-	-	-	2	2
Interest Receivable	9	457	22	73	561
Prepaid Expenses	-	-	-	-	-
Due From Other Funds	25	-	10,793	1,258	12,076
Deposits with Others	-	2	1,527	27,222	28,751
Total Assets	<u>\$ 464,511</u>	<u>\$ 170,953</u>	<u>\$ 38,578</u>	<u>\$ 67,192</u>	<u>\$ 741,234</u>
Liabilities :					
Accounts Payable	\$ -	\$ 35	\$ 1,048	\$ 6,482	\$ 7,565
Interest Payable	-	1	923	-	924
Due to Other Funds	10	56	575	5,579	6,220
Fiduciary Liability	97	53	-	-	150
Total Liabilities	<u>107</u>	<u>145</u>	<u>2,546</u>	<u>12,061</u>	<u>14,859</u>
Held in Trust for Pension Benefits	458,503	-	-	-	458,503
Held in Trust for Pool Investments	<u>5,901</u>	<u>170,808</u>	<u>36,032</u>	<u>55,131</u>	<u>267,872</u>
Total Liabilities and Fund Balance	<u>\$ 464,511</u>	<u>\$ 170,953</u>	<u>\$ 38,578</u>	<u>\$ 67,192</u>	<u>\$ 741,234</u>

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

COUNTY OF IMPERIAL
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Trust Funds			Total
	Pension Trust and other Employee Benefits	Special District and School District	Investment Trust	
Additions:				
Employee/Employer Contributions	\$ 33,560	\$ -	\$ -	\$ 33,560
Contributions to Pooled Investments	-	-	-	-
Contributions to Special/School District Trust	-	516,670	119,936	636,606
Interest and Investment Income	17,829	1,754	1,264	20,847
Total Additions	51,389	518,424	121,200	691,013
Deductions:				
Distributions from Pooled Investments	-	-	117,455	117,455
Distributions from Pension Trust/Other	29,779	-	-	29,779
Distributions from Special/School District Trust	-	497,202	-	497,202
Total Deductions	29,779	497,202	117,455	644,436
Change in Net Assets	21,610	21,222	3,745	46,577
Net Assets - Beginning	442,794	149,586	32,287	624,667
Net Assets - Ending	\$ 464,404	\$ 170,808	\$ 36,032	\$ 671,244

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



County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 1 – The Financial Reporting Entity

(a) Reporting Entity

The County of Imperial, California (County), is a legal subdivision of the State of California charged with governmental powers. The County's powers are exercised through a Board of Supervisors (Board), which is the governing body of the County. The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice, education, detention, social, health, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

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

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

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual component units may be obtained by writing to the County of Imperial, Controller's Office, 940 Main Street, El Centro, California 92243.

(b) Blended Component Units:

Blended component units are, in substance, part of the County's operations and their financial data are combined with data of the primary government. The following organizations are included in the County's financial statements as blended component units:

Imperial County Employees' Retirement System (ICERS) is reported as a Pension Trust Fund in the financial statements because it is an integral part of the County. A separate financial report can be reviewed at the Imperial County Treasurers/Retirement Office.

Special Districts and Schools are reported as trust funds because they are an integral part of the County. A separate financial report can be reviewed at the Auditor-Controller's Office.

(c) Discretely Presented Component Units:

The Children and Families First Commission (Commission) was established in March 1999 under the authority of the California Children and Families First Act of 1998 and sections 130100, et seq. of the Health and Safety Code. The County Board appointed all members of the Commission. The Board can remove appointed members at will. The Commission accounts for receipts and disbursements of California Children and First Families Trust Fund allocations and

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

appropriations to the Commission. The Commission is a discretely presented component unit as the Commission's governing body is not substantially the same as that of the County and the Commission does not provide services entirely or almost entirely to the County. The Commission issues a stand-alone financial report, which may be obtained by contacting the Commission at 1225 Main Street, Suite B, El Centro, CA 92243.

I.V. Parks, Inc. was established in January, 2008 under the authority of the Imperial County Parks and Recreation Commission. The purpose of this corporation is to provide additional funds for the Imperial County Parks and Recreation Commission to enhance the parks and recreation programs of Imperial County, California, and to carry on other charitable activities associated with this goal as allowed by law. Additional information may be obtained by contacting the Commission at 801 West Main Street, El Centro, CA 92243.

The Imperial County Transportation Commission (ICTC) was established under Senate Bill 607 (SB 607 - Ducheny) which was approved by the California Legislature and Governor Arnold Schwarzenegger in 2009. As a county transportation commission, ICTC provides leadership and oversight in the transportation planning and programming process. The ICTC guides the development of the Regional Transportation Plan for the Imperial region and its Regional, State and Federal transportation improvement programs (TIPs) and their updates, including, but not limited to: the distribution and oversight of Local Transportation Fund monies; the preparation and submittal of grant applications for transportation related funds; approves the allocation and apportionments for various funds including Transportation Development Act funds; the planning, programming and administration of regional transit services; and, encourages active citizen participation in the development and implementation of various transportation-related plans and programs. Additional information may be obtained by contacting the Commission at 1405 N. Imperial Ave. Suite 1, El Centro, CA 92243.

Note 2 – Summary of Significant Accounting Policies

(a) Implementation of Governmental Accounting Standards Board Statements

For the fiscal year ended June 30, 2011, the County implemented Government Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. The requirements of this statement are effective for financial statement periods beginning after June 15, 2010. Refer to Note 12 for impact to the financial statements.

(b) Basis of Presentation

Government-wide Financial Statements

The statement of net assets and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County and between the County and its discretely presented component unit. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees charged to external parties.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net assets are available, restricted resources are used only after the unrestricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

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

The County reports only one major governmental fund:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes activities such as public protection, public ways and facilities, health and sanitation, public assistance, and education.
- Although the *Special Revenue Funds* are not considered major funds, the County has chosen to present them in a separate column for the benefit of the reader.

The County reports the following major enterprise funds:

- The *Imperial Airport* accounts for operations, which include the airport's physical structure, property and leases and to provide the public with adequate, convenient and safe services associated with aviation. This includes providing for all forms of commercial and private transportation (air and repair, flying instruction, aircraft rental, sales, charter, fuel sales, and aircraft storage). The department also provides safety and emergency services, aviation agri-business, Federal Aviation Administration facilities (Flight Service Station), and public interest conveniences such as restaurants, motel and ground transportation.
- The *Solid Waste Closure/Postclosure* accounts for funds pursuant to State Law requiring funds to cover the estimated cost of solid waste closure and post-closure activities. Each County operated site must have a plan to specifically address the physical requirements, as closure becomes necessary and the post-closure ongoing monitoring requirements.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

The County reports the following additional fund types:

Internal Service Funds account for the activities of the fleet maintenance, flood control, centralized printing, centralized mailing, and centralized telecommunications. In addition, the County's Risk Management accounts for self-insurance programs – workers' compensation, liability, unemployment, employee health/dental/vision benefits, medical malpractice and auto on a cost-reimbursement basis.

The *Pension Trust Fund* accumulates contributions from the County, its employees and other participating employers. Disbursements are made from the fund for retirement, disability and death benefits (based on a defined benefit formula) and administrative expenses.

The *Investment Trust Funds* account for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities, and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

The *Agency Funds* account for assets held by the County as an agent for various local governments and for individuals.

c) Basis of Accounting

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

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

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

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

(d) Cash and Cash Equivalents

Cash is considered to be cash on hand, cash in bank and imprest cash. All short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they have an original maturity of three months or less.

(e) Investments

Statutes authorize the County to invest its surplus cash (excluding ICERS) in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, rated P-1 by Standard & Poor's Corporation or A-1 by Moody's Investor Services, bankers acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Gains and losses are recognized based upon the specific identification method. All pooled investments are reported at book value. ICERS investments are made subject to guidelines of the investment plan approved by the Retirement Board.

(f) Inventories

Inventories are valued at cost, which is determined on a first-in, first-out basis. Inventory in the General and Special Revenues Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased.

(g) Property Taxes

The County levies property taxes as of September 1, on property values certified on July 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and delinquent with penalties after December 10, and the second is generally 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 upon receipt of the tax bill and become delinquent if unpaid on August 31.

All jurisdictions within California derive their taxing authority from the State of California and various legislative provisions contained in the State of Government Codes and Revenue Taxation Codes. Pursuant to Article XIII A (known as Proposition 13) of the State of California Constitution, the County is permitted to levy a maximum tax of 1% of full cash value. For fiscal year 2010-11, the County received \$15,682 in property taxes that were used to finance general government services.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

(h) Capital Assets

Capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets, which consist of certain improvements including roads, bridges, pavements in progress, and right of way. The County defines capital assets as assets with initial, individual costs of more than \$8 and an estimated useful life in excess of one year. Capital assets (assets under capital leases) used in operations are depreciated or amortized using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

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

The estimated useful lives are as follows:

Buildings	40 years
Equipment	5 – 15 years
Office Furniture	5 years
Vehicles	70,000 – 100,000 miles
Infrastructure	20 – 50 years

(i) Compensated Absences (Accrued Vacation, Sick Leave and Compensatory Time)

Unused vacation leave may be accumulated up to a specified maximum and is paid at the time of termination from County employment. The County is not obligated to pay for unused sick leave if an employee terminates prior to retirement. However, if the employee, with less than 10 years of service, elects to leave their funds on deposit with the retirement system (deferred retirement), the accumulated sick leave hours will be applied toward their retirement service credit. Upon retirement, employees have the option of 1) being compensated for 15% of the employee's sick leave hours, or 2) applying all the employee's accumulated sick leave hours as retirement service credit.

The County accrues for compensated absences in the government-wide and proprietary fund financial statement for which they are liable to make a payment directly.

(j) Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 3 – Cash and Investments

The County maintains a Cash and Investment Pool (Pool) that is available for use by all funds. The Pension Trust participates in the Pool, but the majority of their cash and investments are held separately from other County funds. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily balance of each fund.

Total County cash and investments are as follows:

<i>Cash:</i>	
Cash on hand	\$ 2
Imprest Cash	80
Checks for deposit	3,617
Outstanding warrants adj	<u>1,459</u>
Total cash	<u>5,158</u>
<i>Investments:</i>	
In Treasurer's pool	378,523
With Fiscal Agent	22,109
With others external to the Treasurer's Pool	<u>31,062</u>
Total investments	<u>431,694</u>
Total cash and investments	<u>\$ 436,852</u>

Total County cash and investments are reported as follows:

Primary government	\$ 158,250
Component unit	9,169
Pension trust	5,877
Special district and Schools trust	170,496
Investment trust funds	27,254
Agency funds	<u>65,806</u>
Total cash and investments	<u>\$ 436,852</u>

Deposits

At June 30, 2011, the carrying amount of the County's cash deposits was \$135,049 and the bank balance for deposits maintained in various financial institutions amounted to \$134,573. Of the bank balance, \$94,592 was covered by federal depository insurance and the balance was collateralized as required by state law.

Under the California Government Code, a financial institution is required to secure deposits in excess of \$100 made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Investments

The County's investments are categorized below to give an indication of the level of custodial credit risk assumed by the County as of June 30, 2011. Category 1 includes investments that are insured or registered, or held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or its trust department or agent but not in the County's name. The County does not have any category 2 or 3 investments at June 30, 2011.

At June 30, 2011, the County's investment balances were as follows:

	Category			Carrying	Fair
	1	2	3	Amount	Value
Categorized investments:					
U.S. Government Securities	<u>\$ 190,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,720</u>	<u>\$ 193,231</u>
Total categorized investments	<u>\$ 190,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,720</u>	<u>\$ 193,231</u>
Uncategorized investments:					
Local Agency Investment Fund				39,500	39,500
Mutual Funds				<u>20,000</u>	<u>20,000</u>
Total investments				<u>\$250,220</u>	<u>\$252,731</u>

Note 4 – Receivables

Accounts, interest, taxes and loan receivable balances of the General, Special Revenue, Proprietary and Trust and Agency Funds. The majority of loans receivable payments are deferred under program requirements. The following is a schedule of receivables applicable to each individual fund at June 30, 2011:

<u>Receivables- Governmental Activities</u>	<u>General Fund</u>	<u>Nonmajor Funds</u>	<u>Internal Service Fund</u>	<u>Total Governmental Activities</u>
Accounts	\$ 6,478	\$ 3,957	\$ -	\$ 10,435
Interest	72	119	133	324
Taxes-Net	672	172	-	844
Loans, greater than one year	<u>-</u>	<u>13,750</u>	<u>-</u>	<u>13,750</u>
Total receivables	<u>\$ 7,222</u>	<u>\$ 17,998</u>	<u>\$ 133</u>	<u>\$ 25,353</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

<u>Receivables- Business-Type Activities</u>	<u>Imperial Airport</u>	<u>Closure/ Postclosure</u>	<u>Other Enterprise Fund</u>	<u>Total Business-type Activities</u>
Accounts Interest	\$ - <u>1</u>	\$ - <u>16</u>	\$ - <u>-</u>	\$ - <u>17</u>
Total receivables	<u>\$ 1</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 17</u>

Note 5 – Inter-fund Transactions

The composition of inter-fund balances as of June 30, 2011 are as follows:

Short-term inter-fund transactions between funds which are not reimbursed by the receiving fund are reported as “due to and due from other funds.”

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General	\$ 9,515	\$ 3,599
Nonmajor Governmental Funds	4,197	16,180
Imperial Airport	7	7
Other Enterprise Funds	16	-
Internal Service Funds	594	379
Component Unit	1	21
Pension/Employee Benefit Trust Funds	25	10
Special District/School Trust Funds	-	56
Investment Trust Funds	10,793	575
Agency Funds	<u>1,258</u>	<u>5,579</u>
Total	<u>\$ 26,406</u>	<u>\$ 26,406</u>

During the course of normal operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations, re-allocations of special revenues, and debt service transfers to pay principal and interest payments on pension obligation bonds. All inter-fund transfers between individual government funds have been eliminated on the government-wide statements.

The following schedule briefly summarizes the County’s transfer activity for the fiscal year ended June 30, 2011:

	<u>Transfers In</u>	<u>Transfers Out</u>
Capital Projects	\$ -	\$ 1,200
Enterprise Funds	<u>1,200</u>	<u>-</u>
Total	<u>\$ 1,200</u>	<u>\$ 1,200</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 6 – Capital Assets

Capital assets activity for the year ended June 30, 2011 was as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,403	\$ -	\$ -	\$ 4,403
Construction in progress	6,246	7,489	(1,881)	11,854
Total capital assets, not being depreciated	<u>10,649</u>	<u>7,489</u>	<u>(1,881)</u>	<u>16,257</u>
Capital assets, being depreciated:				
Infrastructure	92,247	550	-	92,797
Structures & Improvements	64,178	147	(233)	64,092
Vehicles	11,489	1,688	(1,570)	11,607
Furniture and equipment	38,254	1,979	(1,090)	39,143
Total capital assets, being depreciated	<u>206,168</u>	<u>4,364</u>	<u>(2,893)</u>	<u>207,639</u>
Less accumulated depreciation for:				
Infrastructure	51,338	3,524	-	54,862
Structures & Improvements	34,605	1,816	(232)	36,189
Vehicles	7,729	1,332	(1,534)	7,527
Furniture and equipment	27,313	3,839	(1,057)	30,095
Total accumulated depreciation	<u>120,985</u>	<u>10,511</u>	<u>(2,823)</u>	<u>128,63</u>
Total capital assets, being depreciated, net	<u>85,183</u>	<u>(6,147)</u>	<u>(70)</u>	<u>78,966</u>
Governmental activities capital assets, net	<u>\$ 95,832</u>	<u>\$ 1,342</u>	<u>\$ (1,951)</u>	<u>\$ 95,223</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 685	\$ -	\$ -	\$ 685
Construction in progress	-	17	-	17
Total capital assets, not being depreciated	<u>685</u>	<u>-</u>	<u>-</u>	<u>702</u>
Capital assets, being depreciated:				
Structures & Improvements	18,272	1,184	-	19,456
Furniture and equipment	694	-	-	694
Total capital assets, being depreciated	<u>18,966</u>	<u>1,184</u>	<u>-</u>	<u>20,150</u>
Less accumulated depreciation for:				
Structures & Improvements	8,692	598	-	9,290
Furniture and equipment	314	65	-	379
Total accumulated depreciation	<u>9,006</u>	<u>663</u>	<u>-</u>	<u>9,669</u>
Total capital assets, being depreciated, net	<u>9,960</u>	<u>521</u>	<u>-</u>	<u>10,481</u>
Business-type activities capital assets, net	<u>\$ 10,645</u>	<u>\$ 538</u>	<u>\$ -</u>	<u>\$ 11,183</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 4,916
Public Protection	2,791
Health & Sanitation	635
Public Assistance	369
Public Ways & Facilities	875
Depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>926</u>
Total depreciation expense – governmental functions	<u>\$ 10,512</u>

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

Airports	<u>\$ 663</u>
Total depreciation expense – business-type functions	<u>\$ 663</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Construction in Progress

Construction in Progress for governmental activities represents work being performed on the County Services Center - Brawley, roads and bridge infrastructure, and a number of ongoing small projects.

Note 7 – Leases

Operating Leases

The County is committed under various noncancelable operating leases, primarily for office buildings and equipment. Lease payments for the fiscal year ended June 30, 2011 totaled \$96.

Future minimum operating lease commitments are as follows:

<u>Year ending June 30,</u>	
2012	\$ 96
2013	96
2014	96
2015	96
2016	96
Total	<u>\$ 480</u>

Capital Leases

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

	<u>Governmental Activities</u>
Motorola 800 MHZ Radio	\$ 961
Kronos Payroll System	366
Qty 2 DM 1000 Digital Mail Proc.	26
D7 Dozer	<u>264</u>
	\$ 1,617
Less: Accumulated Depreciation	<u>(956)</u>
Net	<u>\$ 661</u>

Future capital lease minimum payments are as follows:

<u>Year ending June 30,</u>	
2012	\$ 154
2013	<u>-</u>
Total	<u>\$ 154</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 8 – Long Term Debt

The County has recognized a long term debt for compensated absences, capital lease obligations, pension obligation bonds, certificates of participation, and pending litigation payable to the State of California. Outstanding long term debt as of June 30, 2011 is recorded within governmental activities and payable from governmental funds.

The following is a schedule of long-term liabilities for Governmental Activities for the year ended June 30, 2011:

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011	Amounts Due within One year
Employee Compensated Absences	\$ 11,849	\$ 127	\$ 22	\$ 11,954	\$ 146
Capital Lease Obligation	464	-	309	154	155
Pension Funding Bonds 1997	24,625	-	1,565	23,060	1,670
Pension Funding Bonds 2002	33,265	-	-	33,265	715
State of California Child Support	990	-	90	900	90
1999 Cert. Of Participation	2,745	-	250	2,495	260
2010 Cert. Of Participation	9,465	-	-	9,465	330
General Long Term Debt Payable	<u>\$ 83,403</u>	<u>\$ 127</u>	<u>\$ 2,236</u>	<u>\$ 81,293</u>	<u>\$ 3,366</u>

1999 Certificates of Participation

On March 1, 1999, the County issued its \$11,860 Certificates of Participation (1999 Capital Projects) dated March 3, 1999.

A portion of the proceeds of the certificates together with other available funds, have been applied to refund all of the outstanding \$14,200 original principal amount of the 1997 Certificates of Participation having any adjustable rate which was approximately 3.70% at the time of refunding. The 1999 Certificates have a stated interest rate of 3.50% to 5.00%, are payable over 20 years and are subject to a prepayment option which was not applicable for the refunding. The balance of the proceeds were placed in certain accounts with the fiscal agent to be drawn on as the various related capital projects progress. The debt service requirements on the certificates to maturity, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2012	\$ 260	\$ 125	\$ 385
2013	275	112	387
2014	285	98	383
2015	305	84	389
2016	320	68	388
2017-2019	<u>1,050</u>	<u>107</u>	<u>1,157</u>
Total	<u>\$ 2,495</u>	<u>\$ 594</u>	<u>\$ 3,089</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

2010 Certificates of Participation

On March 1, 2010, the County issued its \$9,465,000 Certificates of Participation 2010 Series A, for the Landfill Remediation and Closure Funding Program.

The proceeds of the County of Imperial Certificates of Participation, 2010 Series A (Landfill Remediation and Closure Funding Program), together with other lawfully available funds of the County of Imperial, California, will be used (i) to finance a portion of the County's landfill closures and the construction and/or acquisition of certain improvements; (ii) to purchase a surety bond for deposit in the Reserve Fund with respect to the Certificates; and (iii) to pay costs in connection with execution and delivery of the Certificates. The Certificates will represent direct, undivided fractional interest in certain Lease Payments to be made by the County pursuant to a Lease Agreement, dated March 1, 2010, by and between the Imperial County Facilities Corporation and the County.

Interest with respect to the Certificates is payable on each February 15 and August 15, commencing August 15, 2010. The Certificates will be initially registered in the name of Code & Co., as nominee of the Depository Trust Company, New York ("DTC"). DTC will act as securities depository of the Certificates. The Certificates are subject to prepayment prior to their stated maturity. The debt service requirements on the certificates to maturity, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2012	\$ 330	\$ 397	\$ 727
2013	340	387	727
2014	350	377	727
2015	360	366	726
2016	375	356	731
2017-2021	2,055	1,592	3,647
2022-2030	<u>5,655</u>	<u>1,631</u>	<u>7,286</u>
Total	<u>\$ 9,465</u>	<u>\$ 5,106</u>	<u>\$ 14,571</u>

Taxable Pension Funding Bonds 1997

On November 19, 1997, the County issued \$35,175 of taxable pension funding bonds to fund the County's unfunded accrued actuarial liability due the Imperial County Employees' Retirement System ("the System"). The payment of this liability will provide the System additional funds for investment.

The bonds have a stated interest rate from 6.100% to 6.375% and are payable over a period of 24 years maturing in 2021. The bonds are not subject to optional redemption prior to their stated maturity date. The bond's debt service to maturity is as follows:

<u>Year Ending June 30,</u>	<u>Principle</u>	<u>Interest</u>	<u>Total Payment</u>
2012	\$ 1,670	\$ 1,503	\$ 3,173
2013	1,790	1,388	3,178
2014	1,910	1,264	3,174
2015	2,045	1,131	3,176
2016	2,185	989	3,174
2017-2021	<u>13,460</u>	<u>2,314</u>	<u>15,774</u>
Total	<u>\$ 23,060</u>	<u>\$ 8,589</u>	<u>\$ 31,649</u>

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Taxable Pension Funding Bonds 2002

On September 17, 2002, the County issued \$33,265 of taxable pension funding bonds to fund the County's unfunded accrued actuarial liability due the Imperial County Employees' Retirement System ("the System"). The payment of this liability will provide the System additional funds for investment.

The bonds have a stated interest rate from 4.71% to 5.715% and are payable over a period of 29 years maturing in 2031. The bonds are not subject to optional redemption prior to their stated maturity date. The bond's debt service to maturity is as follows:

<u>Year Ending June 30,</u>	<u>Principle</u>	<u>Interest</u>	<u>Total Payment</u>
2012	\$ 715	\$ 1,846	\$ 2,561
2013	990	1,805	2,795
2014	1,045	1,753	2,798
2015	1,105	1,693	2,798
2016	1,165	1,630	2,795
2017-2021	6,920	7,068	13,988
2022-2026	9,155	4,835	13,990
2027-2031	12,170	2,570	14,740
Total	<u>\$ 33,265</u>	<u>\$ 23,200</u>	<u>\$ 56,465</u>

The following is a schedule of long-term liabilities for Business-Type Activities for the year ended June 30, 2011:

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>	<u>Amounts</u> <u>Due within</u> <u>One year</u>
Employee Compensated Absences	\$ 18	\$ 3	\$ -	\$ 22	\$ 3
Total	<u>\$ 18</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 3</u>

Note 9 – Landfill Closure and Postclosure Costs

State and federal laws and regulations require that the County of Imperial place a final cover on its landfills when they are closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, 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 landfills closure and postclosure care costs are 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 \$9,326 as of June 30, 2011 which is based on an average of 9.83% usage (filled) of the ten landfills operated by the County. It is estimated that an additional \$2,339 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date that last landfill is expected to be filled to capacity (2109). The estimated total current cost of the landfill closure and postclosure care (\$11,291) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2011. 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.

The County of Imperial is required by state and federal laws to make annual contributions to finance closure and postclosure care. The County is in compliance with these requirements and at June 30, 2011, \$7,082 was held in an Enterprise Fund for these purposes. Any future inflation costs 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 users, taxpayers, or both.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 10 – Employees’ Retirement System

The County has a contributory defined benefit pension plan (the “Plan”), operating under the California County Employees Retirement Act of 1937, administered by the Imperial County Employees’ Retirement System (the “Retirement System”). Membership in the Retirement System is mandatory for substantially all employees.

Plan Description - The Retirement System provides for retirement, death, disability, and cost-of-living benefits.

Retirement Allowance – An Employee with 10 or more years of service is entitled to an annual retirement allowance beginning at age 50. The retirement allowance is based upon the member’s age at retirement, final compensation, and the total years of service under the Plan. An employee may elect to receive an allowance in the form of a joint survivor annuity.

Employees terminating before rendering five years of service forfeit the right to receive benefits but may withdraw their contributions and accumulated interest. Employees terminating after five years of service may elect to leave accumulated deposits in the Plan and receive benefits at the time of normal retirement.

Death and Disability Benefits – Upon the death of an active employee, a death benefit, equal to the deceased member’s accumulated contributions and interest, plus 1/12th of the deceased’s final year’s salary, multiplied by the number of completed years of service, but limited to 1/2 annual salary, is paid to beneficiaries. Upon the death of a qualified member, the surviving spouse, as an option, may receive an annual allowance of 60 percent of the member’s retirement allowance as of the date of death. The death of a member due to service-connected injury or disease entitles the decedent’s surviving spouse or child under 18 years of age to receive an annual allowance equal to one-half the member’s final compensation. In addition, the beneficiary of a retiree who dies after retirement while receiving an allowance from the Retirement System, is paid a death benefit of \$5.

An active employee becoming totally disabled as a result of a service-connected injury or disease is paid an annual allowance of the larger of 50 percent of the employee’s compensation, or the normal retirement benefits accumulated by the member as of the date of disability. An active employee who is totally disabled because of a non-service connected disease or injury, receives all vested retirement benefits accumulated as of the date of the disability.

The Retirement System issues a stand-alone financial report, which may be obtained by contacting the Board of Retirement at 940 Main Street, Suite 105, El Centro, CA 92243.

Funding Policy - As a condition of participation, employees are required to contribute a percentage of their annual compensation to the Retirement System.

The total covered payroll of employees participating in the Retirement System for the year ended June 30, 2011 was \$101,610. The total County payroll for the year was \$103,497. The total contribution to the Retirement System for 2011 of \$21,443 was made in accordance with actuarial determined requirements computed through an actuarial valuation performed as of June 30, 2009. The County’s contribution was \$12,983. Employee contributions were \$8,460. The amortization period of the unfunded actuarial liability is based on an initial amortization period of 24 years.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

The County's contributions to the Plan, based on actuarial determined percentage of payroll costs, together with employees' contribution, are intended to provide defined benefits when employees retire. This contribution includes amortization of past service costs over 30 years.

The County's annual pension cost and net pension obligation to the Imperial County Employees' Retirement System for the current and four proceeding years is as follows:

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>
6/30/11	13,000	100%
6/30/10	12,000	100%
6/30/09	10,996	100%
6/30/08	8,956	100%
6/30/07	8,358	100%
6/30/06	5,706	100%

Note 11 - Other Postemployment Employment Benefits (OPEB)

Plan Description: Imperial County is a participant in the Imperial County Employees Retirement System (ICERS), a cost sharing multiple-employer defined benefit public employee retirement system. ICERS provides retirement benefits only. However, County retirees who retire directly for the County are eligible for health coverage in the County self-funded health plans if they meet certain age and service eligibility requirements. The County's self-funded medical and dental plans are administered by Blue Shield of California. In addition, the County contracts with Dental Health Service and Vision Service Plan (VSP) for dental and vision benefits. Retirees may elect to cover spouses in their medical, dental, and vision coverage, However, retirees would be charged the full premium of spouses' medical, dental, and vision coverage.

Funding Policy: Currently, the County pays for these benefits on a pay-as-you-go basis. The "annual required contribution" presented below is based on claims experience from July 1, 2010 to June 30, 2011.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Annual OPEB Cost and Net OPEB Obligation: The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	For the Fiscal Year Ending June 30, 2010	For the Fiscal Year Ending June 30, 2011
Determination of Annual Required Contribution		
Normal Cost	\$ 14,437	\$ 15,628
Amortization of UAAL	<u>8,385</u>	<u>9,070</u>
Annual Required Contribution (ARC)	\$ 22,822	\$ 24,698
Determination of Net OPEB Obligation		
Annual Required Contribution	\$ 22,822	\$ 24,698
Interest on prior year Net OPEB Obligation	862	1,596
Adjustment to ARC	<u>(718)</u>	<u>(1,330)</u>
Annual OPEB Cost	\$ 22,966	\$ 24,964
County Contributions made	<u>(4,607)</u>	<u>(5,135)</u>
Increase in Net OPEB Obligation	\$ 18,359	\$ 19,829
Net OPEB Obligation – beginning of year	\$ 21,549	\$ 39,908
Net OPEB Obligation – end of year	<u>\$ 39,908</u>	<u>\$ 59,737</u>

The County's annual OPEB cost, the percentage of annual OPEB cost and the net OPEB obligation for the fiscal years ended June 30, 2010 and 2011 are as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2010	\$ 22,966	20.1%	\$ 39,908
June 30, 2011	\$ 24,964	20.6%	\$ 59,737

Funded Status and Funding Progress: As of June 30, 2011, the most recent actuarial valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$272.1 million, and the actuarial value of assets was \$0.0 million, resulting in an unfunded accrued liability of \$272.1 million.

Note 12 - Commitments and Contingencies

A. Grants

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

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

B. Litigation

The County is a defendant in various lawsuits which arise under the normal course of the operations. In the opinion of County Counsel and management, such claims against the County not covered by insurance would not materially affect the combined financial statements of the County.

C. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established self-insurance programs for liability, workers' compensation, unemployment, medical malpractice and auto liability.

The liability insurance has a self-insured retention per claim of \$200 with excess liability insurance of up to \$25,000 per occurrence being provided by independent carriers. Workers' compensation has a self-insured retention per claim of \$300. Unemployment claims are reimbursed to the State of California for claims paid on behalf of the County. The County has a self-insurance group health program for its employees. The health plan has self-insured retention per claim of \$150. The medical malpractice insurance has a self-insured retention per claim of \$200 with excess liability insurance of up to \$9,800 per occurrence being provided by independent carriers. Auto liability insurance has a self-insured retention per claim of \$200.

The activities related to such programs are accounted for in the Loss Reserve Funds (Internal Service Funds). Revenues are primarily provided by other County funds and are intended to cover self-insured claims liabilities, insurance premiums and operating expenses. County officials believe that the assets of the Loss Reserve Funds, together with funds to be provided in the future, will provide adequate resources to meet the County's self-insured claim liabilities as they come true.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent pay-outs and other economic and social factors. Changes in the balances of claims liabilities during the past year are as follows:

Liability at June 30, 2010	\$ 12,688
Current year claims and changes in estimates	18,002
Claim payments	<u>(17,858)</u>
Liability at June 30, 2011	<u>\$ 12,832</u>

D. Child Support Incentive Funds Audit

On August 15, 2002, the State of California Department of Finance issued an audit report on the Imperial County Child Support Incentive Funds. The report addressed four areas: 1) understatement of excess incentive funds in the amount of \$28, 2) excess incentive encumbrances were overstated by \$2,754, 3) interest earned and unexpended in the amount of \$342 and a credit for (\$24) for disallowed EDP expenditures, and 4) overstatement of excess incentive expenditures in the amount of \$218. On February 21, 2006, a settlement was reached by the County of Imperial and the State of California. The County of Imperial is to pay \$1,350 to the State of California. The payments are to be made in 60 quarterly payments in the amount of \$23 per quarter beginning July 1, 2006.

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 13 – Fund Balances

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable Fund Balance** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted Fund Balance** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** – amounts that can only be used for specific purposes determined by formal action of the County's highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned Fund Balance** – amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds.
- **Unassigned Fund Balance** – the residual classification for the County's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Supervisors establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

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

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. A detailed schedule of fund balances at June 30, 2011 is as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>					
Imprest Cash	\$ 41	\$ 20	\$ -	\$ -	\$ 61
Inventories	347	436	-	-	783
Total nonspendable fund balances	388	456	-	-	844
<u>Restricted for:</u>					
Tobacco Monies	10,263	-	-	-	10,263
Grant Funds	-	24,084	3	-	24,087
Debt Service	-	-	-	6,899	6,899
Loan Payable	(164)	-	-	-	(164)
Total restricted fund balances	10,099	24,084	3	6,899	41,085
<u>Committed to:</u>					
General	4,448	377	-	-	4,825
COPS	1,527	-	-	-	1,527
Capital Projects	-	-	1,189	-	1,189
Library Services	-	308	-	-	294
Health Services	-	121	-	-	121
Gateway CSA	-	1,156	-	-	1,156
Juvenile Criminal Justice	-	205	-	-	205
Fish and Game	-	56	-	-	56
Office of Emergency Services	-	1	-	-	1
Law Enforcement Services	-	8,780	-	-	8,780
Geothermal Administration	-	697	-	-	697
Information Systems	-	351	-	-	351
Transportation/Roads	-	1,513	-	-	1,513
Air Pollution Control	-	3,076	-	-	3,076
Solid Waste	-	157	-	-	157
Parks and Recreation	-	73	-	-	73
Total committed fund balances	5,975	16,871	1,189	-	24,035
<u>Assigned to:</u>					
Encumbrances	1,128	4,966	234	-	6,170
Endowment Funds	10,320	-	-	-	10,320
Deposits with Others	-	13,893	-	-	13,893
Revenue Stabilization	2,137	-	-	-	2,137
Capital Outlay	1,713	-	-	-	1,713
Total assigned fund balances	15,298	18,859	234	-	34,391
<u>Unassigned</u>	13,517	(9,042)	(572)	-	3,903
Total fund balances	\$ 45,277	\$ 51,228	\$ 854	\$ 6,899	\$ 104,258

County of Imperial
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011
(Dollars in Thousands)

Note 14 – Deficit Fund Net Assets

Deficits not visible in the basic financial statements are as follows:

- Closure/Postclosure Fund – Deficit net assets of (\$2,228) are the result of revenues being inadequate to cover expenses.
- State Transit Program Asst Fund – Deficit net assets of \$(15) are the result of revenues being inadequate to cover expenses.
- Centralized Mail System Fund – Deficit net assets of (\$34) are the result of revenues being inadequate to cover expenditures. Management intends to fund deficit net assets with adjusted future charges over the next four years.





**Required Supplementary Information
(Other than MD & A)**



COUNTY OF IMPERIAL
Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

Schedule of Funding Progress
(amounts express in millions)

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Plan Assets (b)	Total Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (e)	UAAL As A Percentage of Annual Covered Payroll (c/e)
6-30-11	\$ 613.6	\$ 552.2	\$ 61.4	90.0%	101.6	60.4%
6-30-10	546.3	524.5	21.8	96.0%	98.1	22.2%
6-30-09	507.6	487.4	20.2	96.0%	93.5	21.6%
6-30-08	466.4	449.7	16.7	96.4%	86.0	19.4%
6-30-07	437.2	420.3	16.9	96.1%	77.8	21.7%
6-30-06	402.0	390.3	11.7	97.1%	71.7	16.3%
6-30-05	366.2	361.4	4.8	98.7%	67.9	7.1%
6-30-04	321.2	326.6	(5.4)	101.7%	67.9	(8.0%)
6-30-03	307.3	301.0	6.3	97.9%	67.7	9.3%
6-30-02	281.3	276.7	4.6	98.4%	71.7	6.4%
6-30-01	259.1	286.5	(27.4)	110.6%	62.8	(43.6%)
6-30-00	230.0	306.6	(76.6)	133.3%	52.7	(145.4%)
6-30-99	207.2	262.1	(54.9)	126.5%	44.7	(122.8%)
6-30-98 (a);(b)	189.7	239.9	(50.2)	126.5%	41.0	(122.4%)
6-30-97	166.7	171.7	(5.0)	103.0%	41.7	(12.0%)
6-30-96 (a);(b)	146.2	132.5	13.7	90.6%	39.6	34.6%
6-30-95 (a)	143.2	118.7	24.5	82.9%	40.3	60.8%

(a) Actuarial valuations are performed biennially with updates annually. For the fiscal years indicated, the actuary provided updates.

(b) Assets valuation was converted to Market Value.

COUNTY OF IMPERIAL
Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

Schedule of Funding Progress
Required under GASB 45
(amounts expressed in millions)

Actuarial Valuation Date	Actuarial Value of Assets	AAL Unit Credit	UAAL	Funded Ratio
06-30-2011	\$ -	\$ 272.1	\$ 272.1	0.0%
06-30-2010	\$ -	\$ 251.6	\$ 251.6	0.0%
06-30-2009	\$ -	\$ 180.4	\$ 180.4	0.0%
06-30-2008	\$ -	\$ 168.8	\$ 168.8	0.0%

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 24,199	\$ 24,199	\$ 23,537	\$ (662)
Licenses and permits	2,512	2,588	2,548	(40)
Fines, Forfeitures & Penalties	4,323	4,324	5,226	902
Use of Money & Property	1,564	1,564	1,182	(382)
Intergovernmental Aid	87,350	87,720	82,448	(5,272)
Federal aid	53,855	54,908	52,168	(2,740)
Charges for Services	28,296	29,290	33,405	4,115
Total revenues	202,099	204,593	200,514	(4,079)
Expenditures:				
Current:				
General Government	21,539	21,759	18,662	3,097
Public Protection	65,451	67,118	63,742	3,376
Health & Sanitation	33,791	35,836	32,757	3,079
Public Assistance	93,230	93,354	84,630	8,724
Public Ways & Facilities	921	936	763	173
Total expenditures	214,932	219,003	200,554	18,449
Excess of revenues over expenditures	(12,833)	(14,410)	(40)	14,370
Other financing sources (uses):				
Transfers	-	-	-	-
Changes in Reserves	-	-	-	-
Endowment Funds	-	-	(1,701)	(1,701)
COP Bonds Uses	-	-	-	-
Proceeds of COP Bonds	-	-	-	-
Net change in fund balances	(12,833)	(14,410)	(1,741)	12,669
Fund balances - beginning	47,018	47,018	47,018	-
Fund balances - ending	<u>\$ 34,185</u>	<u>\$ 32,608</u>	<u>\$ 45,277</u>	<u>\$ 12,669</u>

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

County of Imperial
Notes to Required Supplementary Information-
Budget Comparisons

June 30, 2011

Budgetary Information

In accordance with the provisions of Sections 29000-29143 of the Government Code of the State of California, commonly known as the County Budget Act, the County prepares and adopts a budget on or before August 30, for each fiscal year.

Expenditures are controlled on the object level except for fixed assets expenditures which are controlled on the sub-object level.

Encumbrances, which are commitments related to executor contracts for goods or services, are recorded for budgetary control purposes in the governmental and proprietary fund types. Encumbrance accounting is utilized to assure effective budgetary control and accountability. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are liquidated at year-end.

Amendments or transfers of appropriations between objects of expenditure within the same department or between departments within any fund must be approved by the County Executive Office.

Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Any deficiency of budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning fund balances as provided for in the County Budget Act.

The budgetary comparison schedules are presented using the modified accrual basis of accounting. A reconciliation of budgetary information to GAAP information is not needed as there are no differences between the two.



**OTHER SUPPLEMENTAL
INFORMATION**



Non-major Governmental Funds

Special Revenue Funds

Special Revenue Funds account for revenues derived from specific taxes or other designated revenue sources. Primary revenue sources are: taxes, fines, forfeitures and penalties; use of money and property; aid from other governmental agencies; charges for current services; and other revenues. Expenditures are made only for specific activities legally authorized to be financed from the individual funds.

Library - The County Library District, serving a population of approximately 45,300, encompasses all of the unincorporated areas in Imperial County and all cities except Brawley, Calexico, El Centro and Imperial. The Library is located in rural El Centro with branches in Calipatria, Heber, Holtville, Niland, Ocotillo, Desert Shores, Salton City, and Westmorland. The Library collection is supplemented in various ways, including participation with the Serra Cooperative Library System in San Diego and Imperial Counties. Inter-library loan service is available with local libraries and other libraries in California and the California State Library.

Fire Protection - The Fire Department is responsible for fire protection only in certain unincorporated areas of the County. To augment its central core of fire-fighting personnel, the County has entered into contractual agreements with incorporated areas near these jurisdictions.

Public Works Roads Fund - This fund was established to provide for maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. Revenues consist primarily of the County's share of State highway user's tax and are supplemented by Federal funds, vehicle code fines, and fees and reimbursements for engineering services provided.

State/Federal Jail Improvement Funds - The State/Federal Jail Improvement funds were created to account for expenditures to improve jail conditions. These expenditures are reimbursed by the Federal Government and by the State Government.

Criminal Justice Facilities Fund - The monies in this fund together with any interest earned thereon may be used for construction, reconstruction, expansion, improvement, operation, or maintenance of County criminal justice and court facilities, and for improvement of criminal justice automated information systems; provided, that in Imperial County, money deposited each year in this fund may also be used for the maintenance, operation, construction, reconstruction, or expansion of County juvenile justice rehabilitation facilities.

Non-major Governmental Funds

Geothermal Administration - This budget unit funds the geothermal related activities within the County Departments. Geothermal administration encompasses reviewing geothermal applications, coordination of geothermal activities, providing information within the industry and to the general public and updating various policies and procedures as they relate to geothermal.

Service Authority Freeway Emergency - This budget unit was established to identify revenues and expenditures for the installation of emergency call boxes on the Imperial County freeway system.

Public Works Solid Waste - This budget unit reflects the cost of the Solid Waste Disposal Program including operation, acquisition, source reduction recycling program, and Closure/Post-Closure requirements. Revenue from user fees, Joint Powers Agreement and charges will be sufficient to make the program fully self-supporting, without a contribution from the County General Fund. The Board established this Special Revenue fund to more accurately reflect the expenditures and revenues associated with the Solid Waste Disposal Program.

AB443 Local Assistance Law Enforcement Grant – This budget unit was established to account for funds received from the State to enhance law enforcement activities in rural and small counties.

Sheriff's Information Technology System – This budget was established to account for activities related to the expenses regarding the modernization of the Sheriff's Department Information Systems.

Federal Asset Forfeiture - In addition to any other fees required by law, a processing fee of eight dollars (\$8) shall be assessed for each disbursement of money collected under a writ of attachment, execution, possession, or sale,. But excluding any action by the district attorney's office for the establishment or enforcement of a child support obligation. The fee shall be collected from the judgment debtor in addition to, and in the same manner as, the money collected under the writ. All proceeds of this fee shall be deposited in a special fund in the county treasury. A separate accounting of funds deposited shall be maintained to reach depositor, and funds deposited shall be for the exclusive use of the depositor.

Seventy percent of the moneys in the special fund shall be expended to supplement the county's cost for vehicle fleet replacement and equipment for the sheriff and the marshal. Thirty percent of the moneys in the special fund shall be expended to supplement the county's cost of vehicle and equipment maintenance for the sheriff and the marshal, and for the county's expenses in administering the funds.

No fee shall be charged where the only disbursement is the return of the judgment creditor's deposit for costs.

BioTerrorism Preparedness – This account was established to account for funds dedicated to the preparation of a Bio Terrorism Response plan.

Medi-Cal/CMSP - To separate the Medi-Cal and CMSP revenues and expenditures from our general fund. Per CEO request.

Imperial County Economic Development Funds (ICCED) - The ICCED funds account for revenues and expenditures for various activities and programs including USDA Small Business RLF, ICCED Special Expense Fund, Home Biz Micro-Training, ICCED Micro-Lending Program, USDA POE Waste Water, Gossner Foods, USDA RLF ICCED, ICCED Housing Rehab., Census 2000 County Cost, Heber Housing Rehab. 2000, Ocotillo Housing Rehab., Colonia Technical Asst. Prg., CDBG Micro-Enterprise, CDBG Revolving Loan Fund, CDBG General 1984, CDBG 1984 Jobs Bill, CDBG State, CDBG 1985, Heber Housing Rehab., Mesquite Lake CDBG, Geo. Info. Sys. ICCED, Colonia II Planning Grant, CDBG, Scattered Sites Housing, Colonia III & IV Grant, Enterprise Community, POE Colonia Water Svc., Home Funds 2001, Rural Business Enterprise, Econ. Dev. PTA Grant, CITCA E-Commerce, CDBG Business Loans/Infrastructure, Comm. Adj. Inv. Prg. Grant, Complete Planning & Tech., and CDBG Housing Rehab.

Other Special Revenue Funds - Account for revenues received for various activities and programs including Public Health Environmental Serv., Violence Against Women Pros. Unit, Gateway CSA, IV Food Bank, High Risk Youth TR Student, Major Narco Vert. Pros., HIDTA District Attorney, Juvenile Crime Enforce. & ACG II, School to Work, New River Task Force, Partner Public Health, WIA Funds, Youth Opp. Grant-SOS, SOS Grant Probation, Local Law Enforcement Block Grant, Drug Court, Glamis Dune Grant, Sugar Cane Prj. Ag. Ext., Assessor PTA Program, Fish & Game, Statutory Rape Vertical Prosecution Unit, Office of Emergency Service, Geothermal Admin., Substance Abuse/Perinatal, Probation Training, Sheriff Standard Training, City of Imperial Fire Service, HIDTA Grant Sheriff, Child Abuse (AB1733), E.C. Training Center CYA, Victim Witness Asst., IVAG, Park Bond Act Pioneer Park, Substance Abuse, AB 75 Health, Internet Access Info. Syst., Whitefly Mgmt. Comm., Integrated Waste Mgmt., P.W. Solid Waste Disposal, 1980 Park Bond Act, Desert Agri., Inst., Air Pollution Hazardous Material, Air Pollution Control Special, Park Bond Act Red Hill, Park Bond Act Heber Dunes, Special Prosecutions Unit, Area Agency on Aging, Tobacco Education, Park Bond Act 1988, ARID, OET, Volunteer Program, Source Reduction Recy. Elm., Fiber Optic Network, CNG Facility, Federal Asset Forfeiture, State Asset Forfeiture, Prior Fed. Asset Forfeiture, California Witness Prog., Substance Abuse & Crime Prev., AB 1913 Probation, EDA Grant Probation, SARB Probation, EPSDT Probation, Substance Abuse 2000 Prop. 36, EPSDT FRC Brawley Probation, Star Grant OET, 2000 LLEBG Grant, CX Gang Violence Supp., ICCFFC Juv. Hall Rec. Home, Reclamation Grant, 2001-03 LLEBG Prg., Boating Grant Salton Sea, Street Interdiction Team, Inmate Parenting, Bio-Terrorism Preparedness, IVROP Probation, FAA Grant # 14 Sec. Reg., TSA Grant Security, COPPS School Com. Pol, LLEBG 2002 LB-BX, Off-Highway Enforcement, District Attorney IVSIT.

Non-major Governmental Funds

Capital Projects Funds

The purpose of these funds are to separately account for major acquisition, construction and additions to County buildings and land other than those financed by Enterprise Funds and Internal Service Funds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for the payment of principal and interest on the county's pension obligation bonds. There are no combining statements because the County has one Debt Service fund which is reported on the non-major combined financial statements.

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011
(amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets:				
Cash and cash equivalents	\$ 47,371	\$ 922	\$ 6,885	\$ 55,178
Cash with Fiscal Agent	-	-	-	-
Deposits with Others	144	-	-	144
Receivables (net):				
Accounts	3,954	3	-	3,957
Interest	105	-	14	119
Taxes	172	-	-	172
Loan	13,750	-	-	13,750
Due from other funds	4,197	-	-	4,197
Inventories and Prepaid Expenses	436	-	-	436
	<u>\$ 70,129</u>	<u>\$ 925</u>	<u>\$ 6,899</u>	<u>\$ 77,953</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,671	\$ 6	\$ -	\$ 1,677
Loan payable	-	65	-	65
Accrued Payroll	1,048	-	-	1,048
Interest Payable	1	-	-	1
Due to other funds	16,181	-	-	16,181
	<u>18,901</u>	<u>71</u>	<u>-</u>	<u>18,972</u>
Fund balances:				
Nonspendable	456	-	-	456
Restricted	24,084	3	6,899	30,986
Committed	16,871	1,189	-	18,060
Assigned	18,859	234	-	19,093
Unassigned	(9,042)	(572)	-	(9,614)
	<u>51,228</u>	<u>854</u>	<u>6,899</u>	<u>58,981</u>
Total fund balances	<u>51,228</u>	<u>854</u>	<u>6,899</u>	<u>58,981</u>
Total liabilities and fund balances	<u>\$ 70,129</u>	<u>\$ 925</u>	<u>\$ 6,899</u>	<u>\$ 77,953</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues:				
Taxes	\$ 3,619	\$ -	\$ -	\$ 3,619
Licenses & Permits	1,993	-	-	1,993
Fines, Forfeitures & Penalties	2,541	-	-	2,541
Use of Money & Property	377	40	43	460
State Aid	57,976	30	-	58,006
Federal Aid	19,170	954	-	20,124
Charges for Services	8,871	1,187	-	10,058
Sale of Fixed Assets	-	-	-	-
Other Revenues	2,330	52	5,564	7,946
Total Revenues	<u>96,877</u>	<u>2,263</u>	<u>5,607</u>	<u>104,747</u>
Expenditures:				
Current:				
General Government	126	2,081	5,044	7,251
Public Protection	20,074	-	-	20,074
Health & Sanitation	10,070	-	-	10,070
Public Assistance	43,264	-	-	43,264
Public Ways & Facilities	17,458	-	-	17,458
Education	-	-	-	-
Total expenditures	<u>90,992</u>	<u>2,081</u>	<u>5,044</u>	<u>98,117</u>
Other Financing Sources (Uses):				
Changes in Reserves	263	-	-	263
Transfers In (Out)	<u>(16)</u>	<u>2</u>	<u>-</u>	<u>(14)</u>
Total Other Financing Sources (Uses)	<u>247</u>	<u>2</u>	<u>-</u>	<u>249</u>
Net change in fund balances	6,132	184	563	6,879
Fund balances - beginning	<u>45,096</u>	<u>670</u>	<u>6,336</u>	<u>52,102</u>
Fund balances - ending	<u><u>\$ 51,228</u></u>	<u><u>\$ 854</u></u>	<u><u>\$ 6,899</u></u>	<u><u>\$ 58,981</u></u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	<u>Library</u>	<u>Fire Protection</u>	<u>Gateway CSA CAO</u>	<u>Public Works Roads</u>	<u>State/ Federal Jail Improvements</u>
Assets:					
Cash and cash equivalents	\$ 248	\$ 185	\$ 1,408	\$ 10,683	\$ 425
Cash with Fiscal Agent	-	-	-	-	-
Deposits with Others	-	-	-	-	-
Receivables (net):					
Accounts	-	-	1	2	8
Interest	1	-	3	26	1
Taxes	14	158	-	-	-
Loan	-	-	-	-	-
Due from other funds	-	5	-	-	-
Inventories and Prepaid Expenses	-	-	-	436	-
Total assets	<u>\$ 263</u>	<u>\$ 348</u>	<u>\$ 1,412</u>	<u>\$ 11,147</u>	<u>\$ 434</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 2	\$ 55	\$ -	\$ 215	\$ 1
Accrued Payroll	14	144	-	221	-
Interest Payable	-	-	-	-	-
Due to other funds	2	26	1	12	5
Total Liabilities	<u>18</u>	<u>225</u>	<u>1</u>	<u>448</u>	<u>6</u>
Fund balances:					
Nonspendable	-	-	-	436	-
Restricted	-	-	-	8,177	-
Committed	245	-	1,156	-	378
Assigned	-	382	255	2,086	50
Unassigned	-	(259)	-	-	-
Total fund balances	<u>245</u>	<u>123</u>	<u>1,411</u>	<u>10,699</u>	<u>428</u>
Total liabilities and fund balances	<u>\$ 263</u>	<u>\$ 348</u>	<u>\$ 1,412</u>	<u>\$ 11,147</u>	<u>\$ 434</u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Criminal Justice Facilities	Geothermal Admin.	Substance Abuse Perinatal	Serv. Authority Freeway Emerg.	Air Pollution Control Special	Workforce Investment Act
Assets:						
Cash and cash equivalents	\$ 5,068	\$ 740	\$ 720	\$ 1,123	\$ 2,006	\$ 478
Cash with Fiscal Agent	-	-	-	-	-	-
Deposits with Others	-	-	-	-	-	85
Receivables (net):						
Accounts	57	-	-	-	-	-
Interest	12	2	1	2	5	-
Taxes	-	-	-	-	-	-
Loan	-	-	-	-	-	-
Due from other funds	-	-	6	-	-	-
Inventories and Prepaid Expenses	-	-	-	-	-	-
Total assets	\$ 5,137	\$ 742	\$ 727	\$ 1,125	\$ 2,011	\$ 563
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 154	\$ 8	\$ 134
Accrued Payroll	-	-	6	-	97	-
Interest Payable	-	-	-	-	-	-
Due to other funds	152	45	521	-	15	1
Total Liabilities	152	45	527	154	120	135
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	200	-	1,890	333
Committed	4,890	697	-	970	-	-
Assigned	95	-	-	1	1	95
Unassigned	-	-	-	-	-	-
Total fund balances	4,985	697	200	971	1,891	428
Total liabilities and fund balances	\$ 5,137	\$ 742	\$ 727	\$ 1,125	\$ 2,011	\$ 563

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Federal Asset Forfeiture	Medi-Cal/ CMSP Fund	IHSS Public Authority	MHSA Act Prop # 63	Public Works Impact Fees
Assets:					
Cash and cash equivalents	\$ 1,291	\$ 2,828	\$ 684	\$ 3,728	\$ 542
Cash with Fiscal Agent	-	-		-	-
Deposits with Others	-	-		-	-
Receivables (net):					
Accounts	-	-		1,414	-
Interest	3	7		-	1
Taxes	-	-		-	-
Loan	-	-		-	-
Due from other funds	-	1,783	1,837	37	-
Inventories and Prepaid Expenses	-	-		-	-
Total assets	<u>\$ 1,294</u>	<u>\$ 4,618</u>	<u>\$ 2,521</u>	<u>\$ 5,179</u>	<u>\$ 543</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 17	\$ -	\$ 107	\$ 95	\$ -
Accrued Payroll	-	-	7	50	-
Interest Payable	-	-		-	-
Due to other funds	102	1,902	1,783	5,034	-
Total Liabilities	<u>119</u>	<u>1,902</u>	<u>1,897</u>	<u>5,179</u>	<u>-</u>
Fund balances:					
Nonspendable	-	-		-	-
Restricted	-	2,716		-	-
Committed	1,139	-		-	543
Assigned	36	-	1,421	24	-
Unassigned	-	-	(797)	(24)	-
Total fund balances	<u>1,175</u>	<u>2,716</u>	<u>624</u>	<u>-</u>	<u>543</u>
Total liabilities and fund balances	<u>\$ 1,294</u>	<u>\$ 4,618</u>	<u>\$ 2,521</u>	<u>\$ 5,179</u>	<u>\$ 543</u>

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Prop 1 B APCD	Sheriff's Dev Fees Unic	MHSA PEI	MHSA Innovation	Measure D LTA Road Funds
Assets:					
Cash and cash equivalents	\$ 743	\$ 927	\$ 1,508	\$ 4,184	\$ 3,252
Cash with Fiscal Agent	-	-	-	-	-
Deposits with Others	-	-	-	-	-
Receivables (net):					
Accounts	-	-	-	-	-
Interest	4	2	3	1	6
Taxes	-	-	-	-	-
Loan	-	-	-	-	-
Due from other funds	-	-	11	-	-
Inventories and Prepaid Expenses	-	-	-	-	-
Total assets	\$ 747	\$ 929	\$ 1,522	\$ 4,185	\$ 3,258
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 294	\$ -	\$ 143	\$ -	\$ -
Accrued Payroll	-	-	13	-	-
Interest Payable	-	-	-	-	-
Due to other funds	-	-	1,366	4,185	-
Total Liabilities	294	-	1,522	4,185	-
Fund balances:					
Nonspendable	-	-	-	-	-
Restricted	453	-	-	-	3,258
Committed	-	929	-	-	-
Assigned	-	-	4	-	-
Unassigned	-	-	(4)	-	-
Total fund balances	453	929	-	-	3,258
Total liabilities and fund balances	\$ 747	\$ 929	\$ 1,522	\$ 4,185	\$ 3,258

COUNTY OF IMPERIAL
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Prop 1B State Funds PW	LESB Program	ICCED Funds	Other Special Revenue Funds	Total
Assets:					
Cash and cash equivalents	\$ 5,816	\$ 2,541	\$ 93	\$ (3,850)	\$ 47,371
Cash with Fiscal Agent	-	-	-	-	-
Deposits with Others	-	-	59	-	144
Receivables (net):					
Accounts	-	-	313	2,159	3,954
Interest	12	4	1	8	105
Taxes	-	-	-	-	172
Loan	-	-	13,750	-	13,750
Due from other funds	-	-	(8)	526	4,197
Inventories and Prepaid Expenses	-	-	-	-	436
Total assets	\$ 5,828	\$ 2,545	\$ 14,208	\$ (1,157)	\$ 70,129
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 22	\$ 424	\$ 1,671
Accrued Payroll	-	-	-	496	1,048
Interest Payable	-	-	1	-	1
Due to other funds	-	-	17	1,012	16,181
Total Liabilities	-	-	40	1,932	18,901
Fund balances:					
Nonspendable	-	-	-	20	456
Restricted	5,828	-	610	619	24,084
Committed	-	2,545	-	3,379	16,871
Assigned	-	-	13,809	600	18,859
Unassigned	-	-	(251)	(7,707)	(9,042)
Total fund balances	5,828	2,545	14,168	(3,089)	51,228
Total liabilities and fund balances	\$ 5,828	\$ 2,545	\$ 14,208	\$ (1,157)	\$ 70,129

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	<u>Library</u>	<u>Fire Protection</u>	<u>Gateway CSA CAO</u>	<u>Public Works Roads</u>	<u>State/ Federal Jail Improvements</u>
Revenues:					
Taxes	\$ 292	\$ 3,145	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	208	-
Fines, Forfeitures & Penalties	-	-	-	-	-
Use of Money & Property	2	-	14	112	8
Intergovernmental	44	78	-	12,274	26
Federal Aid	-	-	-	26	(43)
Charges for Services	10	1,593	362	688	-
Sale of Fixed Assets	-	-	-	-	-
Other Revenues	-	-	-	2	-
Total Revenues	<u>348</u>	<u>4,816</u>	<u>376</u>	<u>13,310</u>	<u>(9)</u>
Expenditures:					
Current:					
General Government	-	-	-	-	-
Public Protection	-	5,323	-	-	1,404
Health & Sanitation	-	-	-	-	-
Public Assistance	482	-	-	-	-
Public Ways & Facilities	-	-	451	14,761	-
Total expenditures	<u>482</u>	<u>5,323</u>	<u>451</u>	<u>14,761</u>	<u>1,404</u>
Other Financing Sources (Uses):					
Changes in Reserves	-	-	-	41	-
Transfers In (Out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>41</u>	<u>-</u>
Net change in fund balances	(134)	(507)	(75)	(1,410)	(1,413)
Fund balances - beginning	<u>379</u>	<u>630</u>	<u>1,486</u>	<u>12,109</u>	<u>1,841</u>
Fund balances - ending	<u>\$ 245</u>	<u>\$ 123</u>	<u>\$ 1,411</u>	<u>\$ 10,699</u>	<u>\$ 428</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Criminal Justice Facilities	Geothermal Admin.	Substance Abuse Perinatal	Serv. Authority Freeway Emerg.	Air Pollution Control Special
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ 10	\$ -
Licenses & Permits	-	-	-	-	1,123
Fines, Forfeitures & Penalties	763	-	-	-	71
Use of Money & Property	44	9	-	-	17
Intergovernmental	-	31	-	153	447
Federal Aid	-	39	-	-	196
Charges for Services	-	-	-	-	401
Sale of Fixed Assets	-	-	-	-	-
Other Revenues	-	-	-	-	300
Total Revenues	<u>807</u>	<u>79</u>	<u>-</u>	<u>163</u>	<u>2,555</u>
Expenditures:					
Current:					
General Government	-	-	-	-	-
Public Protection	168	-	-	-	-
Health & Sanitation	-	-	-	-	2,518
Public Assistance	-	356	-	-	-
Public Ways & Facilities	-	-	-	234	-
Total expenditures	<u>168</u>	<u>356</u>	<u>-</u>	<u>234</u>	<u>2,518</u>
Other Financing Sources (Uses):					
Changes in Reserves	-	-	-	-	-
Transfers In (Out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	639	(277)	-	(71)	37
Fund balances - beginning	<u>4,346</u>	<u>974</u>	<u>200</u>	<u>1,042</u>	<u>1,854</u>
Fund balances - ending	<u>\$ 4,985</u>	<u>\$ 697</u>	<u>\$ 200</u>	<u>\$ 971</u>	<u>\$ 1,891</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Workforce Investment Act	Federal Asset Forefeiture	Medi-Cal CMSP Fund	IHSS Public Authority
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	1,642	-	-
Use of Money & Property	-	10	26	-
Intergovernmental	-	-	7,408	9,980
Federal Aid	7,001	-	-	-
Charges for Services	5	-	-	-
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	<u>7,006</u>	<u>1,652</u>	<u>7,434</u>	<u>9,980</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Protection	-	1,174	-	-
Health & Sanitation	-	-	-	-
Public Assistance	6,925	-	6,793	8,877
Public Ways & Facilities	-	-	-	-
Total expenditures	<u>6,925</u>	<u>1,174</u>	<u>6,793</u>	<u>8,877</u>
Other Financing Sources (Uses):				
Changes in Reserves	77	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>77</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	158	478	641	1,103
Fund balances - beginning	<u>270</u>	<u>697</u>	<u>2,075</u>	<u>(479)</u>
Fund balances - ending	<u>\$ 428</u>	<u>\$ 1,175</u>	<u>\$ 2,716</u>	<u>\$ 624</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	MHSA Act Prop # 63	Public Works Impact Fees	Prop 1 B APCD	Sheriff's Dev Fees Unic
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	-	-	-
Use of Money & Property	-	4	21	9
Intergovernmental	5,770	-	-	-
Federal Aid	2,426	-	-	-
Charges for Services	260	137	-	25
Sale of Fixed Assets	-	-	-	-
Other Revenues	1	-	-	-
Total Revenues	<u>8,457</u>	<u>141</u>	<u>21</u>	<u>34</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Protection	-	-	-	-
Health & Sanitation	-	-	-	-
Public Assistance	8,457	-	3,141	-
Public Ways & Facilities	-	-	-	-
Total expenditures	<u>8,457</u>	<u>-</u>	<u>3,141</u>	<u>-</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	141	(3,120)	34
Fund balances - beginning	<u>-</u>	<u>402</u>	<u>3,573</u>	<u>895</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 543</u>	<u>\$ 453</u>	<u>\$ 929</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	MHSA PEI	MHSA Innovation	Measure D LTD Road Funds	Prop 1 B State Funds PW
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-
Fines, Forfeitures & Penalties	-	-	-	-
Use of Money & Property	13	2	12	12
Intergovernmental	1,468	48	3,247	5,816
Federal Aid	-	-	-	-
Charges for Services	221	-	-	-
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	<u>1,702</u>	<u>50</u>	<u>3,259</u>	<u>5,828</u>
Expenditures:				
Current:				
General Government	-	-	1	-
Public Protection	-	-	-	-
Health & Sanitation	1,702	50	-	-
Public Assistance	-	-	-	-
Public Ways & Facilities	-	-	-	-
Total expenditures	<u>1,702</u>	<u>50</u>	<u>1</u>	<u>-</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	3,258	5,828
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,258</u>	<u>\$ 5,828</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	LESB Program	ICCED Funds	Other Special Revenue Funds	Total
Revenues:				
Taxes	\$ -	\$ -	\$ 172	\$ 3,619
Licenses & Permits	-	-	662	1,993
Fines, Forfeitures & Penalties	-	-	65	2,541
Use of Money & Property	16	2	44	377
Intergovernmental	2,529	367	8,290	57,976
Federal Aid	-	70	9,455	19,170
Charges for Services	-	90	5,079	8,871
Sale of Fixed Assets	-	-	-	-
Other Revenues	-	-	2,027	2,330
Total Revenues	<u>2,545</u>	<u>529</u>	<u>25,794</u>	<u>96,877</u>
Expenditures:				
Current:				
General Government	-	-	125	126
Public Protection	-	88	11,917	20,074
Health & Sanitation	-	-	5,800	10,070
Public Assistance	-	431	7,802	43,264
Public Ways & Facilities	-	-	2,012	17,458
Total expenditures	<u>-</u>	<u>519</u>	<u>27,656</u>	<u>90,992</u>
Other Financing Sources (Uses):				
Changes in Reserves	-	145	-	263
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>(16)</u>	<u>(16)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>145</u>	<u>(16)</u>	<u>247</u>
Net change in fund balances	2,545	155	(1,878)	6,132
Fund balances - beginning	<u>-</u>	<u>14,013</u>	<u>(1,211)</u>	<u>45,096</u>
Fund balances - ending	<u>\$ 2,545</u>	<u>\$ 14,168</u>	<u>\$ (3,089)</u>	<u>\$ 51,228</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Library
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 290	\$ 290	\$ 292	\$ 2
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	2	2	2	-
Intergovernmental Revenue	18	40	44	4
Charges for Services	3	3	10	7
Other Revenues	-	-	-	-
Total revenues	313	335	348	13
Expenditures:				
Education:				
Salaries and Benefits	378	390	337	53
Services and Supplies	149	163	147	16
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	(2)	(2)	-
Intra Fund Transfers	-	-	-	-
Contribution Non-County	-	-	-	-
Total expenditures	527	551	482	69
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(214)	(216)	(134)	(56)
Fund balances - beginning	379	379	379	-
Fund balances - ending	\$ 165	\$ 163	\$ 245	\$ (56)

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Fire Protecton
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 2,691	\$ 2,691	\$ 3,145	\$ 454
Fines, Forfeitures and Penalties	-	-	-	-
Use of Money & Property	-	-	-	-
Intergovernmental Revenues	-	11	78	67
Federal Revenues	-	47	-	(47)
Charges for Services	2,034	2,087	1,593	(494)
Other Revenues	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total revenues	4,725	4,836	4,816	(20)
Expenditures:				
Public Protection:				
Salaries and Benefits	3,822	3,822	3,935	(113)
Services and Supplies	1,472	1,646	1,549	97
Other Charges	38	39	32	7
Capital Outlay	-	164	55	109
Other Financing	(127)	(234)	(250)	16
Intra Fund Transfers	1	1	-	1
Inter Fund Transfers	-	-	-	-
Contingenecies	2	2	2	-
Total expenditures	5,208	5,440	5,323	117
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(483)	(604)	(507)	(97)
Fund balances - beginning	630	630	630	-
Fund balances - ending	\$ 147	\$ 26	\$ 123	\$ (97)

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Gateway CSA Admin. Water & Sewer
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 25	\$ 25	\$ 14	\$ (11)
Federal Revenues	-	-	-	-
Charges for Services	326	326	362	36
Total revenues	351	351	376	25
Expenditures:				
Public Ways & Facilities:				
Salaries & Benefits	-	-	-	-
Services and Supplies	231	221	187	34
Other Charges	-	-	-	-
Capital Outlay	284	791	257	534
Other Financing	-	-	-	-
Intra-Fund Transfers	-	12	7	5
Contingencies	-	-	-	-
Total expenditures	515	1,024	451	573
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(164)	(673)	(75)	(598)
Fund balances - beginning	1,486	1,486	1,486	-
Fund balances - ending	<u>\$ 1,322</u>	<u>\$ 813</u>	<u>\$ 1,411</u>	<u>\$ (598)</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Public Works Roads
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Licenses & Permits	\$ 116	\$ 116	\$ 208	\$ 92
Use of Money & Property	215	215	112	(103)
Intergovernmental Revenue	11,934	11,934	12,274	340
Federal Revenues	6,472	6,472	26	(6,446)
Charges for Current Services	552	552	688	136
Other Revenues	-	-	2	2
Sale of Fixed Assets	-	-	-	-
Total revenues	19,289	19,289	13,310	(5,979)
Expenditures:				
Public Ways & Facilities:				
Salaries and Benefits	5,701	5,701	5,290	411
Services and Supplies	11,617	16,210	9,268	6,942
Other Charges	-	-	-	-
Capital Outlay	1,240	2,865	570	2,295
Other Financing	-	-	-	-
Intra Fund Transfers	656	(3,811)	(298)	(3,513)
Inter Fund Transfers	100	125	(69)	194
Contingenecies	50	50	-	50
Total expenditures	19,364	21,140	14,761	6,379
Other Financing Sources:				
Changes in Reserves	-	-	41	(41)
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	41	(41)
Excess of revenues over expenditures	(75)	(1,851)	(1,410)	(441)
Fund balances - beginning	12,109	12,109	12,109	-
Fund balances - ending	\$ 12,034	\$ 10,258	\$ 10,699	\$ (441)

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
State/Federal Jail Improvements
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 8	\$ 8	\$ 8	\$ -
Fines, Forfeitures and Penalties	-	-	-	-
Intergovernmental Revenue	21	21	26	5
Federal aid	-	-	(43)	(43)
Charges for Services	-	-	-	-
Total revenues	29	29	(9)	(38)
Expenditures:				
Public Protection:				
Services and Supplies	1,360	1,437	1,366	71
Capital Outlay	-	38	38	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	(42)	-	(42)
Inter Fund Transfers	-	-	-	-
Total expenditures	1,360	1,433	1,404	29
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(1,331)	(1,404)	(1,413)	9
Fund balances - beginning	1,841	1,841	1,841	-
Fund balances - ending	\$ 510	\$ 437	\$ 428	\$ 9

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Criminal Justice Facilities
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Fines, Forfeitures & Penalties	\$ 700	\$ 700	\$ 763	\$ 63
Use of Money & Property	75	75	44	(31)
Intergovernmental Revenues	-	-	-	-
Charges for Services	-	-	-	-
Total revenues	775	775	807	32
Expenditures:				
Public Protection:				
Services and Supplies	239	239	145	94
Other Charges	-	-	-	-
Capital Assets	-	-	-	-
Other Financing	-	23	23	-
Intrafund Transfers	240	216	-	216
Interfund Transfers	-	-	-	-
Total expenditures	479	478	168	310
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	296	297	639	(342)
Fund balances - beginning	4,346	4,346	4,346	-
Fund balances - ending	\$ 4,642	\$ 4,643	\$ 4,985	\$ (342)

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Geothermal Administration
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 20	\$ 20	\$ 9	\$ (11)
Intergovernmental Revenue	-	-	31	31
Federal Revenues	125	125	39	(86)
Charges for Services	-	-	-	-
Total revenues	145	145	79	(66)
Expenditures:				
Public Assistance:				
Salaries & Benefits	-	-	-	-
Services and Supplies	243	243	221	22
Other Charges	50	50	35	15
Other Financing	-	100	100	-
Intra-Fund Transfers	-	(100)	-	(100)
Total expenditures	293	293	356	(63)
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(148)	(148)	(277)	129
Fund balances - beginning	974	974	974	-
Fund balances - ending	\$ 826	\$ 826	\$ 697	\$ 129

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Substance Abuse/Perinatal
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	262	323	-	(323)
Federal Revenue	85	85	-	(85)
Charges for Services	-	-	-	-
Total revenues	347	408	-	(408)
Expenditures:				
Health & Sanitation:				
Salaries & Benefits	124	185	84	101
Services and Supplies	287	288	-	288
Intra Fund Transfers	(69)	(69)	(84)	15
Total expenditures	342	404	-	404
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	5	4	-	4
Fund balances - beginning	200	200	200	-
Fund balances - ending	<u>\$ 205</u>	<u>\$ 204</u>	<u>\$ 200</u>	<u>\$ 4</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Service Authority Freeway Emergency
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 18	\$ 18	\$ 10	\$ (8)
Intergovernmental Revenue	146	147	153	6
Charges for Services	-	-	-	-
Total revenues	164	165	163	(2)
Expenditures:				
Public Ways & Facilities:				
Services and Supplies	80	263	228	35
Intra Fund Transfers	-	(179)	6	(185)
Total expenditures	80	84	234	(150)
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	84	81	(71)	152
Fund balances - beginning	1,042	1,042	1,042	-
Fund balances - ending	<u>\$ 1,126</u>	<u>\$ 1,123</u>	<u>\$ 971</u>	<u>\$ 152</u>

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Air Pollution Control
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Licenses & Permits	\$ 1,120	\$ 1,120	\$ 1,123	\$ 3
Fines, Forfeitures & Penalties	40	40	71	31
Use of Money & Property	20	20	17	(3)
Intergovernmental Revenue	96	96	447	351
Federal Revenues	115	115	196	81
Charges for Current Services	409	409	401	(8)
Other Revenues	-	300	300	-
Sale of Fixed Assets	-	-	-	-
Total revenues	1,800	2,100	2,555	455
Expenditures:				
Health & Sanitation:				
Salaries and Benefits	1,704	1,794	1,733	61
Services and Supplies	1,176	1,503	1,435	68
Other Charges	-	-	-	-
Capital Outlay	25	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	(1,376)	(1,466)	(650)	(816)
Inter Fund Transfers	-	-	-	-
Contingenecies	-	-	-	-
Total expenditures	1,529	1,831	2,518	(687)
Other Financing Sources:				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	271	269	37	232
Fund balances - beginning	1,854	1,854	1,854	-
Fund balances - ending	\$ 2,125	\$ 2,123	\$ 1,891	\$ 232

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Workforce Investment Act
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures & Penalties	-	-	-	-
Federal Revenues	5,604	5,604	7,001	1,397
Charges for Services	-	-	5	5
Other Revenues	-	-	-	-
Total revenues	5,604	5,604	7,006	1,402
Expenditures:				
Public Assistance:				
Services and Supplies	5,604	5,604	6,925	(1,321)
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Total expenditures	5,604	5,604	6,925	(1,321)
Other Financing Sources:				
Changes in Reserves	-	-	77	(77)
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	77	(77)
Excess of revenues over expenditures	-	-	158	(158)
Fund balances - beginning	270	270	270	-
Fund balances - ending	\$ 270	\$ 270	\$ 428	\$ (158)

COUNTY OF IMPERIAL
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
Federal Asset Forfeiture
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 19	\$ 19	\$ 10	\$ (9)
Fines, Forfeitures & Penalties	750	750	1,642	892
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	769	769	1,652	883
Expenditures:				
Public Protection:				
Services and Supplies	986	999	938	61
Capital Outlay	-	35	142	(107)
Other Financing	-	94	94	-
Intra Fund Transfers	95	(47)	-	(47)
			-	
Total expenditures	1,081	1,081	1,174	(93)
Other Financing Sources:				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of revenues over expenditures	(312)	(312)	478	(790)
Fund balances - beginning	697	697	697	-
Fund balances - ending	\$ 385	\$ 385	\$ 1,175	\$ (790)

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Medi-Cal CMSP Fund
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 26	\$ 26
Intergovernmental Revenue	7,690	7,690	7,408	(282)
Charges for Services	-	-	-	-
Total revenues	7,690	7,690	7,434	(256)
Expenditures:				
Public Assistance:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	7,690	7,690	6,793	897
Capital Outlay	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	7,690	7,690	6,793	897
Excess of revenues over expenditures	-	-	641	641
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	641	641
Fund balances - beginning	2,075	2,075	2,075	-
Fund balances - ending	\$ 2,075	\$ 2,075	\$ 2,716	\$ 641

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
IHSS Public Authority
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	10,911	10,911	9,980	(931)
Federal Revenues	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	10,911	10,911	9,980	(931)
Expenditures:				
Public Assistance:				
Salaries and Benefits	185	184	165	19
Services and Supplies	93	93	39	54
Other Charges	10,633	10,634	8,673	1,961
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	10,911	10,911	8,877	2,034
Excess of revenues over expenditures	-	-	1,103	1,103
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	1,103	1,103
Fund balances - beginning	(479)	(479)	(479)	-
Fund balances - ending	<u>\$ (479)</u>	<u>\$ (479)</u>	<u>\$ 624</u>	<u>\$ 1,103</u>

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
MHSA ACT PROP #63
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	9,472	9,472	5,770	(3,702)
Federal Revenues	1,510	2,229	2,426	197
Charges for Services	40	40	260	220
Other Revenues	-	-	1	1
Total revenues	11,022	11,741	8,457	(3,284)
Expenditures:				
Public Assistance:				
Salaries and Benefits	820	1,539	1,223	316
Services and Supplies	8,928	9,377	6,699	2,678
Other Charges	1,059	913	32	881
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	352	331	503	(172)
Inter Fund Transfers	-	-	-	-
Total expenditures	11,159	12,160	8,457	3,703
Excess of revenues over expenditures	(137)	(419)	-	419
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	(137)	(419)	-	419
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ (137)</u>	<u>\$ (419)</u>	<u>\$ -</u>	<u>\$ 419</u>

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Public Works Impact Fees
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 6	\$ 6	\$ 4	\$ (2)
Intergovernmental Revenue	-	-	-	-
Federal Revenues	-	-	-	-
Charges for Services	35	35	137	102
Other Revenues	-	-	-	-
Total revenues	41	41	141	100
Expenditures:				
Public Assistance:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	41	41	141	100
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	41	41	141	100
Fund balances - beginning	402	402	402	-
Fund balances - ending	<u>\$ 443</u>	<u>\$ 443</u>	<u>\$ 543</u>	<u>\$ 100</u>

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
PROP 1 B APCD
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 21	\$ 21
Intergovernmental Revenue	4,180	4,180	-	(4,180)
Federal Revenues	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	4,180	4,180	21	(4,159)
Expenditures:				
Public Assistance:				
Salaries and Benefits	-	-	-	-
Services and Supplies	4,180	4,180	3,141	1,039
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	4,180	4,180	3,141	1,039
Excess of revenues over expenditures	-	-	(3,120)	(3,120)
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	(3,120)	(3,120)
Fund balances - beginning	3,573	3,573	3,573	-
Fund balances - ending	\$ 3,573	\$ 3,573	\$ 453	\$ (3,120)

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Sheriff's Dev. Fees
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 9	\$ 9
Intergovernmental Revenue	-	-	-	-
Federal Revenues	-	-	-	-
Charges for Services	-	-	25	25
Other Revenues	-	-	-	-
Total revenues	-	-	34	34
Expenditures:				
Public Protection:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	34	34
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	34	34
Fund balances - beginning	895	895	895	-
Fund balances - ending	<u>\$ 895</u>	<u>\$ 895</u>	<u>\$ 929</u>	<u>\$ 34</u>

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
MHSA PEI
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 13	\$ 13
Intergovernmental Revenue	1,839	1,839	1,468	(371)
Federal Revenues	-	-	-	-
Charges for Services	292	292	221	(71)
Other Revenues	-	-	-	-
Total revenues	2,131	2,131	1,702	(429)
Expenditures:				
Health & Sanitation:				
Salaries and Benefits	367	367	274	93
Services and Supplies	1,764	1,776	1,471	305
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	(43)	43
Inter Fund Transfers	-	-	-	-
Total expenditures	2,131	2,143	1,702	441
Excess of revenues over expenditures	-	(12)	-	12
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	(12)	-	12
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ (12)	\$ -	\$ 12

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
MHSA Innovation
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 2	\$ 2
Intergovernmental Revenue	308	308	48	(260)
Federal Revenues	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	308	308	50	(258)
Expenditures:				
Health & Sanitation:				
Salaries and Benefits	-	-	-	-
Services and Supplies	304	278	21	257
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	4	30	29	1
Inter Fund Transfers	-	-	-	-
Total expenditures	308	308	50	258
Excess of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure D LTA Road Funds
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ 80	\$ 80	\$ 12	\$ (68)
Intergovernmental Revenue	2,829	2,829	3,247	418
Federal Revenues	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	2,909	2,909	3,259	350
Expenditures:				
Salaries and Benefits	-	-	-	-
Services and Supplies	2,909	2,909	1	2,908
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	2,909	2,909	1	2,908
Excess of revenues over expenditures	-	-	3,258	3,258
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	3,258	3,258
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 3,258	\$ 3,258

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Prop 1 B State Funds PW
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 12	\$ 12
Intergovernmental Revenue	-	-	5,816	5,816
Federal Revenues	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	-	-	5,828	5,828
Expenditures:				
Public Ways & Facilities:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	5,828	5,828
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	5,828	5,828
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,828</u>	<u>\$ 5,828</u>

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
LESB Program
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Use of Money & Property	\$ -	\$ -	\$ 16	\$ 16
Intergovernmental Revenue	-	-	2,529	2,529
Federal Revenues	-	-	-	-
Charges for Services	-	-	-	-
Other Revenues	-	-	-	-
Total revenues	-	-	2,545	2,545
Expenditures:				
Public Assistance:				
Salaries and Benefits	-	-	-	-
Services and Supplies	-	-	-	-
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Other Financing	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	2,545	2,545
Other financing sources (uses):				
Transfers In (Out)	-	-	-	-
Net change in fund balances	-	-	2,545	2,545
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,545</u>	<u>\$ 2,545</u>

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
ICCED Funds

Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Use of Money & Property	1	1	2	1
Intergovernmental Revenue	1,818	2,286	367	(1,919)
Federal aid	70	70	70	-
Charges for Services	1,036	1,036	90	(946)
Other Revenue	-	-	-	-
Total revenues	2,925	3,393	529	(2,864)
Expenditures:				
Public Assistance:				
Salaries and Benefits	-	-	-	-
Services and Supplies	2,961	3,443	519	2,924
Other Charges	-	-	-	-
Capital Outlay	-	-	-	-
Intra Fund Transfers	-	-	-	-
Inter Fund Transfers	-	-	-	-
Total expenditures	2,961	3,443	519	2,924
Excess of revenues over expenditures	(36)	(50)	10	60
Other financing sources (uses):				
Changes in Reserves	-	-	145	(145)
Transfers In (Out)	-	-	-	-
Net change in fund balances	(36)	(50)	155	(85)
Fund balances - beginning	14,013	14,013	14,013	-
Fund balances - ending	\$ 13,977	\$ 13,963	\$ 14,168	\$ (85)

COUNTY OF IMPERIAL
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Special Revenue Funds
Year Ended June 30, 2011
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Taxes	\$ 175	\$ 175	\$ 172	\$ 3
Licenses & Permits	815	815	662	153
Fines, Forfeitures & Penalties	52	52	65	(13)
Use of Money & Property	56	55	44	11
Intergovernmental Revenue	11,247	20,397	8,290	12,107
Federal aid	10,866	11,289	9,455	1,834
Charges for Services	5,502	5,593	5,079	514
Sale of Fixed Assets	-	-	-	-
Other Revenues	3,442	3,442	2,027	1,415
Total revenues	32,155	41,818	25,794	16,024
Expenditures:				
Current:				
General Government	215	216	125	91
Public Protection	15,616	19,531	11,917	7,614
Health & Sanitation	7,144	7,424	5,800	1,624
Public Assistance	7,999	14,140	7,802	6,338
Public Ways & Facilities	3,525	3,525	2,012	1,513
Total expenditures	34,499	44,836	27,656	17,180
Excess of revenues over expenditures	(2,344)	(3,018)	(1,862)	(1,156)
Other financing sources (uses):				
Changes in Reserves	-	-	-	-
Transfers In (Out)	-	-	(16)	16
Net change in fund balances	(2,344)	(3,018)	(1,878)	(1,140)
Fund balances - beginning	(1,211)	(1,211)	(1,211)	-
Fund balances - ending	\$ (3,555)	\$ (4,229)	\$ (3,089)	\$ (1,140)

Internal Service Funds

Internal Service Funds are established to account for services that are performed by one department of a governmental unit for the benefit of several other departments of the same governmental unit.

Garage Operating – The County Garage is under the direction of the Public Works director and is responsible for the administration and management of the County's fleet of light vehicles. The authority of the County Board of Supervisors leases these vehicles to various County departments to meet their transportation needs. The cost to maintain the garage operation is totally offset by a mileage rate charge to these departments. This budget unit is also used to replace Motor Pool vehicles, which are considered obsolete when they reach mileage or age, which would cause them to become inefficient for continued service.

Central Duplicating – This budget unit was established as an internal service fund to provide printing and duplicating services, with the exception of the Sheriff's Department. Central Duplicating also provides other services such as binding, collating, drilling, folding, laminating, numbering, perforating, padding, cutting, trimming, and designing of printed forms.

Centralized Mail System – This budget unit was created during 1983-84 to identify costs associated with the County's centralized mail system. This system provides for one mail clerk position, as well as the utilization of a digital postage machine. Costs are recovered from departments resulting in a net cost of zero to the general fund. This budget is under the direction of the Purchasing Agent.

Flood Control – This budget unit is created to reflect flood control projects undertaken by the County. The Board of Supervisors approves specific projects.

Communication Services – The Communications Services Office, under the supervision of the County Executive Officer, is responsible for coordinating the delivery of telecommunications products and services for all County departments, and for ensuring that departments receive the mix of products and services that provides the greatest benefit at the most advantageous cost.

Liability Insurance – This fund was established for the processing of claims for the County's liability and property losses. The County is a member of the County Supervisors Association of California – Excess Insurance Authority (CSAC-EIA) which provides for coverage of liability claims in excess of the County's \$200,000 self-insured retention (S-I-R).

Workers' Compensation – This fund was established for the accumulation of reserves to pay for self-funded workers' compensation losses. The level of self-insurance, adopted in 1985-86, is \$300,000 per occurrence. Any losses under this amount are paid from this fund and losses above the amount are covered by excess insurance.

Internal Service Funds

Unemployment Compensation Insurance – This fund was established to pay for required claims as a result of a State mandate effective January 1, 1978, which required all local governments to provide for unemployment compensation. Claims management is provided by Gibbens Company.

Health Plan – The Imperial County Health Plan became operational January 1, 1980. It is a self-funded, self-sustaining program of employee medical benefits, funded by the County and employee contributions, which are determined by negotiations and based on expenditure history. Retirees of Imperial County also qualify for coverage and are provided protection by contract with the Retirement Board.

Dental/Vision Plan – This fund was established in 1985-86 for the accumulation of reserves to pay for self-funded Dental/Vision claims.

Medical Malpractice – This fund was established in 1992-93 to provide for the accumulation of reserves for the County self-insured Medical Malpractice Program. Stop loss insurance provides protection for excessive claims expense.

Auto Plan – This fund was established in 1992-93 for the accumulation of reserves to pay for self-funded auto claims.

Information Systems – This fund provides computer hardware and software related expertise including operational planning and support to all County departments. One of the department's objectives is to ensure that state-of-the-art technology will guide the County into the future. The budget unit was established to account for the development of new systems, the maintenance of existing systems and operation of the computer center as an Internal Service Fund. This budget includes a \$50,000 contingency reserve for equipment replacement reserve.

Workers Comp Court Tail Claims – This fund was established to track workers compensation claims for court employees prior to the Courts separation from the County.

COUNTY OF IMPERIAL
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011
(amounts expressed in thousands)

	<u>Garage Operating</u>	<u>Central Dupl.</u>	<u>Central. Mail System</u>	<u>Flood Control</u>	<u>Comm. Services</u>
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ 3,908	\$ -	\$ (91)	\$ 24	\$ 538
Receivables (net):					
Accounts	-	-	-	-	-
Interest	8	-	-	-	1
Due from Other Funds	274	-	32	-	9
Inventories and Prepaid Expenses	28	-	17	-	-
Total Current Assets	<u>4,218</u>	<u>-</u>	<u>(42)</u>	<u>24</u>	<u>548</u>
Noncurrent Assets:					
Capital Leases	-	-	26	-	-
Land	23	-	-	-	-
Construction in progress	-	-	-	-	-
Structures & Improvements	160	-	-	-	-
Vehicles	6,721	-	-	-	-
Equipment	122	-	24	-	772
Accumulated Depreciation	(4,883)	-	(30)	-	(769)
Total Noncurrent Assets	<u>2,143</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>3</u>
Total Assets	<u>6,361</u>	<u>-</u>	<u>(22)</u>	<u>24</u>	<u>551</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	-	-	-	-	-
Accounts Payable	132	-	-	-	1
Interest Payable	-	-	-	-	-
Accrued Payroll	22	-	-	-	-
Due to Other Funds	10	-	12	-	13
Current portion of compensated absences	(40)	-	-	-	-
Capital Lease Obligations-					
Current Portion	-	-	-	-	-
Total Current Liabilities	<u>124</u>	<u>-</u>	<u>12</u>	<u>-</u>	<u>14</u>
Long Term Liabilities:					
Compensated Absences	80	-	-	-	-
Capital Lease Obligations-					
Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>80</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>204</u>	<u>-</u>	<u>12</u>	<u>-</u>	<u>14</u>
NET ASSETS:					
Invested in Capital Assets, net of related debt	2,143	-	20	-	399
Restricted	3,092	-	1	-	12
Unrestricted	922	-	(55)	24	126
Total Net Assets	<u>\$ 6,157</u>	<u>\$ -</u>	<u>\$ (34)</u>	<u>\$ 24</u>	<u>\$ 537</u>

COUNTY OF IMPERIAL
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011
(amounts expressed in thousands)

	<u>Liability Insurance</u>	<u>Workers' Comp. Benefits</u>	<u>Unemp. Insurance</u>	<u>Medical Plan</u>	<u>Dental/ Vision Plan</u>
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ 4,628	\$ 21,421	\$ 1,594	\$ 20,114	\$ 667
Receivables (net):				-	-
Accounts	-	-	-	-	-
Interest	10	49	4	48	2
Due from Other Funds	42	31	-	-	-
Inventories and Prepaid Expenses	-	-	-	-	-
Total Current Assets	<u>4,680</u>	<u>21,501</u>	<u>1,598</u>	<u>20,162</u>	<u>669</u>
Noncurrent Assets:					
Capital Leases	-	-	-	-	-
Land	-	-	-	-	-
Construction in progress	-	-	-	-	-
Structures & Improvements	-	-	-	-	-
Vehicles	-	-	-	-	-
Equipment	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>4,680</u>	<u>21,501</u>	<u>1,598</u>	<u>20,162</u>	<u>669</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	1,070	8,607	-	3,015	141
Accounts Payable	-	-	-	9	8
Interest Payable	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Due to Other Funds	272	-	-	35	-
Current portion of compensated absences	-	-	-	-	-
Capital Lease Obligations-					
Current Portion	-	-	-	-	-
Total Current Liabilities	<u>1,342</u>	<u>8,607</u>	<u>-</u>	<u>3,059</u>	<u>149</u>
Long Term Liabilities:					
Compensated Absences	-	-	-	-	-
Capital Lease Obligations-					
Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,342</u>	<u>8,607</u>	<u>-</u>	<u>3,059</u>	<u>149</u>
NET ASSETS:					
Invested in Capital Assets, net of related debt	-	-	-	-	-
Restricted	(1,070)	(8,604)	-	(3,014)	(141)
Unrestricted	<u>4,408</u>	<u>21,498</u>	<u>1,598</u>	<u>20,117</u>	<u>661</u>
Total Net Assets	<u>\$ 3,338</u>	<u>\$ 12,894</u>	<u>\$ 1,598</u>	<u>\$ 17,103</u>	<u>\$ 520</u>

COUNTY OF IMPERIAL
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011
(amounts expressed in thousands)

	<u>Medical Malpractice</u>	<u>Auto</u>	<u>Information Systems</u>	<u>Workers Comp Court Tail Claims</u>	<u>Total</u>
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ 1,331	\$ 2,891	\$ 513	\$ 259	\$ 57,797
Receivables (net):					
Accounts	-	-	-	-	-
Interest	3	6	1	1	133
Due from Other Funds	-	-	206	-	594
Inventories and Prepaid Expenses	-	-	-	-	45
Total Current Assets	<u>1,334</u>	<u>2,897</u>	<u>720</u>	<u>260</u>	<u>58,569</u>
Noncurrent Assets:					
Capital Leases	-	-	-	-	26
Land	-	-	-	-	23
Construction in progress	-	-	-	-	-
Structures & Improvements	-	-	-	-	160
Vehicles	-	-	-	-	6,721
Equipment	-	-	566	-	1,484
Accumulated Depreciation	-	-	(489)	-	(6,171)
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>77</u>	<u>-</u>	<u>2,243</u>
Total Assets	<u>1,334</u>	<u>2,897</u>	<u>797</u>	<u>260</u>	<u>60,812</u>
LIABILITIES:					
Current Liabilities:					
Claims Payable	-	-	-	-	12,833
Accounts Payable	-	-	1	-	151
Interest Payable	-	-	-	-	-
Accrued Payroll	-	-	68	-	90
Due to Other Funds	-	-	6	31	379
Current portion of compensated absences	-	-	(2)	-	(42)
Capital Lease Obligations-					
Current Portion	-	-	-	-	-
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>73</u>	<u>31</u>	<u>13,411</u>
Long Term Liabilities:					
Compensated Absences	-	-	93	-	173
Capital Lease Obligations-					
Net of Current Portion	-	-	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>93</u>	<u>-</u>	<u>173</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>166</u>	<u>31</u>	<u>13,584</u>
NET ASSETS:					
Invested in Capital Assets, net of related debt	-	-	77	-	2,639
Restricted	-	-	(87)	-	(9,811)
Unrestricted	<u>1,334</u>	<u>2,897</u>	<u>641</u>	<u>229</u>	<u>54,400</u>
Total Net Assets	<u>\$ 1,334</u>	<u>\$ 2,897</u>	<u>\$ 631</u>	<u>\$ 229</u>	<u>\$ 47,228</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Garage Operating	Central Duplicating	Centralized Mail System	Flood Control	Comm. Services
Operating Revenues:					
Charges for Services	\$ 3,148	\$ -	\$ 357	\$ -	\$ 169
Other Revenues	-	-	-	-	-
Total Operating Revenues	<u>3,148</u>	<u>-</u>	<u>357</u>	<u>-</u>	<u>169</u>
Operating Expenses:					
Salaries and Benefits	448	-	12	-	-
Services and Supplies	1,502	-	369	1	132
Depreciation	107	-	5	-	23
Total Operating Expenses	<u>2,057</u>	<u>-</u>	<u>386</u>	<u>1</u>	<u>155</u>
Operating Income (Loss)	<u>1,091</u>	<u>-</u>	<u>(29)</u>	<u>(1)</u>	<u>14</u>
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-
Acquisition of Capital	(924)	-	-	-	-
Changes in Designated Reserve	-	-	-	-	-
Interest - Income	36	-	-	-	5
Total Non-Operating Rev (Exp)	<u>(888)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>
Net Income (Loss) before Transfers	<u>203</u>	<u>-</u>	<u>(29)</u>	<u>(1)</u>	<u>19</u>
Transfers in (out):					
Transfers In	194	-	-	-	-
Transfers Out	-	-	-	-	-
Total Transfers In (Out)	<u>194</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>397</u>	<u>-</u>	<u>(29)</u>	<u>(1)</u>	<u>19</u>
Net Assets - Beginning	<u>5,760</u>	<u>-</u>	<u>(5)</u>	<u>25</u>	<u>518</u>
Net Assets - Ending	<u>\$ 6,157</u>	<u>\$ -</u>	<u>\$ (34)</u>	<u>\$ 24</u>	<u>\$ 537</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Liability Insurance	Workers' Compensation Benefits	Unemployment Insurance	Medical Plan	Dental/ Vision Plan
Operating Revenues:					
Charges for Services	\$ 1,816	\$ 6,369	\$ 671	\$ 21,596	\$ 1,254
Other Revenues	513	-	-	4	-
Total Operating Revenues	<u>2,329</u>	<u>6,369</u>	<u>671</u>	<u>21,600</u>	<u>1,254</u>
Operating Expenses:					
Salaries and Benefits	-	-	-	-	-
Services and Supplies	2,090	5,838	404	21,426	1,351
Depreciation	-	-	-	-	-
Total Operating Expenses	<u>2,090</u>	<u>5,838</u>	<u>404</u>	<u>21,426</u>	<u>1,351</u>
Operating Income (Loss)	<u>239</u>	<u>531</u>	<u>267</u>	<u>174</u>	<u>(97)</u>
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-
Acquisition of Capital	-	-	-	-	-
Changes in Designated Reserve	-	-	-	-	-
Interest - Income	38	198	14	198	7
Total Non-Operating Rev (Exp)	<u>38</u>	<u>198</u>	<u>14</u>	<u>198</u>	<u>7</u>
Net Income (Loss) before Transfers	<u>277</u>	<u>729</u>	<u>281</u>	<u>372</u>	<u>(90)</u>
Transfers in (out):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>277</u>	<u>729</u>	<u>281</u>	<u>372</u>	<u>(90)</u>
Net Assets - Beginning	<u>3,061</u>	<u>12,165</u>	<u>1,317</u>	<u>16,731</u>	<u>610</u>
Net Assets - Ending	<u>\$ 3,338</u>	<u>\$ 12,894</u>	<u>\$ 1,598</u>	<u>\$ 17,103</u>	<u>\$ 520</u>

COUNTY OF IMPERIAL
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Medical Malpractice	Auto	Information Systems	Workers Comp Court Tail Claims	Total
Operating Revenues:					
Charges for Services	\$ 119	\$ 17	\$ 1,767	\$ -	\$ 37,283
Other Revenues	-	-	2	200	719
Total Operating Revenues	<u>119</u>	<u>17</u>	<u>1,769</u>	<u>200</u>	<u>38,002</u>
Operating Expenses:					
Salaries and Benefits	-	-	1,565	-	2,025
Services and Supplies	48	234	137	76	33,608
Depreciation	-	-	8	-	143
Total Operating Expenses	<u>48</u>	<u>234</u>	<u>1,710</u>	<u>76</u>	<u>35,776</u>
Operating Income (Loss)	<u>71</u>	<u>(217)</u>	<u>59</u>	<u>124</u>	<u>2,226</u>
Non-operating Revenues (Expenses):					
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-
Acquisition of Capital	-	-	(95)	-	(1,019)
Changes in Designated Reserve	-	-	-	-	-
Interest - Income	12	28	4	1	541
Total Non-Operating Rev (Exp)	<u>12</u>	<u>28</u>	<u>(91)</u>	<u>1</u>	<u>(478)</u>
Net Income (Loss) before Transfers	<u>83</u>	<u>(189)</u>	<u>(32)</u>	<u>125</u>	<u>1,748</u>
Transfers in (out):					
Transfers In	-	-	85	-	279
Transfers Out	-	-	-	-	-
Total Transfers In (Out)	<u>-</u>	<u>-</u>	<u>85</u>	<u>-</u>	<u>279</u>
Change in Net Assets	<u>83</u>	<u>(189)</u>	<u>53</u>	<u>125</u>	<u>2,027</u>
Net Assets - Beginning	<u>1,251</u>	<u>3,086</u>	<u>578</u>	<u>104</u>	<u>45,201</u>
Net Assets - Ending	<u>\$ 1,334</u>	<u>\$ 2,897</u>	<u>\$ 631</u>	<u>\$ 229</u>	<u>\$ 47,228</u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	<u>Garage Operating</u>	<u>Central Duplicating</u>	<u>Centralized Mail System</u>
Cash flows from operating activities:			
Cash received from users	\$ 3,148	\$ -	\$ 357
Cash received from operating activities	57	-	26
Cash paid to suppliers	(1,502)	-	(369)
Cash paid to employees	(448)	-	(12)
Cash paid for operating activities	(107)	-	(5)
Net cash provided by (used) operating activities	<u>1,148</u>	<u>-</u>	<u>(3)</u>
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(924)	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>(924)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	36	-	-
Net increase (decrease) in cash and cash equivalents	260	-	(3)
Cash and cash equivalents - beginning	<u>3,648</u>	<u>-</u>	<u>(88)</u>
Cash and cash equivalents - ending	<u><u>\$ 3,908</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (91)</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ 1,091	\$ -	\$ (29)
Adjustments to reconcile operating income (loss) to net			
Cash provided by operating activities:			
Depreciation expense	106	-	5
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	2	-	-
Decrease (Increase) in prepaid expenses	-	-	11
Decrease (Increase) in due from other funds	(21)	-	(2)
Increase (Decrease) in accounts payable	64	-	-
Increase (Decrease) in accrued liabilities	(4)	-	-
Increase (Decrease) in due to other funds	(50)	-	12
Increase (Decrease) in insurance loss expense	-	-	-
Increase (Decrease) in compensated absences	(40)	-	-
Total adjustments	<u>57</u>	<u>-</u>	<u>26</u>
Net cash provided by (used) operating activities	<u><u>\$ 1,148</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (3)</u></u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Flood Control	Comm. Services	Liability Insurance
Cash flows from operating activities:			
Cash received from users	\$ -	\$ 169	\$ 2,329
Cash received from operating activities	-	11	(242)
Cash paid to suppliers	(1)	(132)	(2,090)
Cash paid to employees	-	-	-
Cash paid for operating activities	-	(23)	-
Net cash provided by (used) operating activities	(1)	25	(3)
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	-	-	-
Cash flows from investing activities:			
Interest received	-	5	38
Net increase (decrease) in cash and cash equivalents	(1)	30	35
Cash and cash equivalents - beginning	25	508	4,593
Cash and cash equivalents - ending	<u>\$ 24</u>	<u>\$ 538</u>	<u>\$ 4,628</u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ (1)	\$ 14	\$ 239
Adjustments to reconcile operating income (loss) to net			
Cash provided by operating activities:			
Depreciation expense	-	23	-
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	-	-	5
Decrease (Increase) in prepaid expenses	-	-	-
Decrease (Increase) in due from other funds	-	(5)	-
Increase (Decrease) in accounts payable	-	1	-
Increase (Decrease) in accrued liabilities	-	-	-
Increase (Decrease) in due to other funds	-	(8)	266
Increase (Decrease) in insurance loss expense	-	-	(513)
Increase (Decrease) in compensated absences	-	-	-
Total adjustments	-	11	(242)
Net cash provided by (used) operating activities	<u>\$ (1)</u>	<u>\$ 25</u>	<u>\$ (3)</u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Workers'		
	Compensation	Unemployment	Medical
	Benefits	Insurance	Plan
Cash flows from operating activities:			
Cash received from users	\$ 6,369	\$ 671	\$ 21,600
Cash received from operating activities	485	-	379
Cash paid to suppliers	(5,838)	(404)	(21,426)
Cash paid to employees	-	-	-
Cash paid for operating activities			
Net cash provided by (used) operating activities	<u>1,016</u>	<u>267</u>	<u>553</u>
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	<u>198</u>	<u>14</u>	<u>198</u>
Net increase (decrease) in cash and cash equivalents	1,214	281	751
Cash and cash equivalents - beginning	<u>20,207</u>	<u>1,313</u>	<u>19,363</u>
Cash and cash equivalents - ending	<u><u>\$ 21,421</u></u>	<u><u>\$ 1,594</u></u>	<u><u>\$ 20,114</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ 531	\$ 267	\$ 174
Adjustments to reconcile operating income (loss) to net			
Cash provided by operating activities:			
Depreciation expense	-	-	-
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	14	-	12
Decrease (Increase) in prepaid expenses	-	-	-
Decrease (Increase) in due from other funds	161	-	-
Increase (Decrease) in accounts payable	(3)	-	8
Increase (Decrease) in accrued liabilities	-	-	-
Increase (Decrease) in due to other funds	-	-	30
Increase (Decrease) in insurance loss expense	313	-	329
Increase (Decrease) in compensated absences	-	-	-
Total adjustments	<u>485</u>	<u>-</u>	<u>379</u>
Net cash provided by (used) operating activities	<u><u>\$ 1,016</u></u>	<u><u>\$ 267</u></u>	<u><u>\$ 553</u></u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Dental/ Vision Plan	Medical Malpractice	Auto
Cash flows from operating activities:			
Cash received from users	\$ 1,254	\$ 119	\$ 17
Cash received from operating activities	25	1	-
Cash paid to suppliers	(1,351)	(48)	(234)
Cash paid to employees	-	-	-
Cash paid for operating activities	-	-	-
Net cash provided by (used) operating activities	<u>(72)</u>	<u>72</u>	<u>(217)</u>
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	6	12	29
Net increase (decrease) in cash and cash equivalents	(66)	84	(188)
Cash and cash equivalents - beginning	<u>733</u>	<u>1,247</u>	<u>3,079</u>
Cash and cash equivalents - ending	<u><u>\$ 667</u></u>	<u><u>\$ 1,331</u></u>	<u><u>\$ 2,891</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ (97)	\$ 71	\$ (217)
Adjustments to reconcile operating income (loss) to net			
Cash provided by operating activities:			
Depreciation expense	-	-	-
Decrease (Increase) in accounts receivable	-	-	-
Decrease (Increase) in interest receivable	1	1	3
Decrease (Increase) in prepaid expenses	-	-	-
Decrease (Increase) in due from other funds	-	-	-
Increase (Decrease) in accounts payable	8	-	-
Increase (Decrease) in accrued liabilities	-	-	-
Increase (Decrease) in due to other funds	-	-	(3)
Increase (Decrease) in insurance loss expense	16	-	-
Increase (Decrease) in compensated absences	-	-	-
Total adjustments	<u>25</u>	<u>1</u>	<u>-</u>
Net cash provided by (used) operating activities	<u><u>\$ (72)</u></u>	<u><u>\$ 72</u></u>	<u><u>\$ (217)</u></u>

COUNTY OF IMPERIAL
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)

	Information Systems	Workers Comp Court Tail Claims	Total
Cash flows from operating activities:			
Cash received from users	\$ 1,769	\$ 200	\$ 38,002
Cash received from operating activities	156	(161)	737
Cash paid to suppliers	(137)	(76)	(33,608)
Cash paid to employees	(1,565)	-	(2,025)
Cash paid for operating activities	(8)	-	(143)
Net cash provided by (used) operating activities	<u>215</u>	<u>(37)</u>	<u>2,963</u>
Cash flows from noncapital financing activities:			
Transfers In	-	-	-
Transfers Out	-	-	-
Net cash provided by (used) in non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(96)	-	(1,020)
Proceeds from sale of equipment	-	-	-
Net cash used by capital and related financing activities	<u>(96)</u>	<u>-</u>	<u>(1,020)</u>
Cash flows from investing activities:			
Interest received	4	1	541
Net increase (decrease) in cash and cash equivalents	123	(36)	2,484
Cash and cash equivalents - beginning	<u>390</u>	<u>295</u>	<u>55,313</u>
Cash and cash equivalents - ending	<u><u>\$ 513</u></u>	<u><u>\$ 259</u></u>	<u><u>\$ 57,797</u></u>
Reconciliation of operating income (loss) to net cash			
Provided by operating activities:			
Operating Income (Loss)	\$ 59	\$ 124	\$ 2,226
Adjustments to reconcile operating income (loss) to net			
Cash provided by operating activities:			
Depreciation expense	8	-	142
Decrease (Increase) in accounts receivable	1	-	1
Decrease (Increase) in interest receivable	-	-	38
Decrease (Increase) in prepaid expenses	-	-	11
Decrease (Increase) in due from other funds	152	-	285
Increase (Decrease) in accounts payable	-	-	78
Increase (Decrease) in accrued liabilities	3	-	(1)
Increase (Decrease) in due to other funds	(6)	(161)	80
Increase (Decrease) in insurance loss expense	-	-	145
Increase (Decrease) in compensated absences	(2)	-	(42)
Total adjustments	<u>156</u>	<u>(161)</u>	<u>737</u>
Net cash provided by (used) operating activities	<u><u>\$ 215</u></u>	<u><u>\$ (37)</u></u>	<u><u>\$ 2,963</u></u>





**CAPITAL ASSETS USED IN
THE OPERATION OF
GOVERNMENTAL FUNDS**



COUNTY OF IMPERIAL
Capital Assets Used in the Operation of Government Funds
Schedule by Source*
June 30, 2011
(amounts expressed in thousands)

Governmental fund capital assets:

Land	\$ 4,380
Construction in progress	11,854
Infrastructure	92,797
Structures and Improvements	63,932
Vehicles	4,886
Furniture and Equipment	<u>37,633</u>
Total governmental funds capital assets	<u><u>\$ 215,482</u></u>

Investments in governmental funds capital assets by source:

General Fund	\$ 183,863
Special Revenue Funds	30,972
Capital Projects	<u>647</u>
Total governmental funds capital assets	<u><u>\$ 215,482</u></u>

* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF IMPERIAL
Capital Assets Used in the Operation of Government Funds
Schedule by Function and Activity*
June 30, 2011
(amounts expressed in thousands)

	Land	Construction in Progress	Infrastructure	Structures & Improvements	Vehicles	Furniture & Equipment	Total
General Government	\$ 4,255	\$ 11,854	\$ 92,797	\$ 39,569	\$ 15	\$ 4,537	\$ 153,027
Public Protection	15	-	-	20,859	2,329	15,622	38,825
Public Ways & Facilities	39	-	-	758	1,275	10,459	12,531
Health & Sanitation	14	-	-	2,005	581	4,248	6,848
Public Assistance	-	-	-	620	686	2,703	4,009
Education	57	-	-	121	-	64	242
Total government funds capital assets	<u>\$ 4,380</u>	<u>\$ 11,854</u>	<u>\$ 92,797</u>	<u>\$ 63,932</u>	<u>\$ 4,886</u>	<u>\$ 37,633</u>	<u>\$ 215,482</u>

* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF IMPERIAL
Capital Assets Used in the Operation of Government Funds
Schedule of Changes By Function and Activity*
June 30, 2011
(amounts expressed in thousands)

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
General Government	\$ 147,658	8,447	3,078	153,027
Public Protection	37,854	1,377	406	38,825
Public Ways and Facilities	11,967	622	58	12,531
Health and Sanitation	6,757	260	169	6,848
Public Assistance	4,203	50	244	4,009
Education	242	-	-	242
	<u>208,681</u>	<u>10,756</u>	<u>3,955</u>	<u>215,482</u>
Total governmental funds capital assets	<u>208,681</u>	<u>10,756</u>	<u>3,955</u>	<u>215,482</u>

* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.





STATISTICAL SECTION



STATISTICAL SECTION

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government's economic condition.

<u>CONTENTS</u>	<u>PAGE</u>
FINANCIAL TRENDS These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	114-119
REVENUE CAPACITY These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax.	120-123
DEBT CAPACITY These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	124-125
ECONOMIC AND DEMOGRAPHIC INFORMATION These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.	126-127
OPERATING INFORMATION These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	128-129

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

County of Imperial
Net Assets By Component (Unaudited)
Last Seven Fiscal Years (In Thousands)
(Accrual Basis of Accounting)

	Fiscal Year						
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Governmental activities							
Invested in capital assets, net of related debt	\$ 69,910	\$ 73,290	\$ 78,571	\$ 84,166	\$ 88,479	\$ 83,157	\$ 83,109
Restricted	10,235	21,214	20,834	35,331	31,457	37,241	36,084
Unrestricted	(9,179)	4,545	22,629	19,341	28,470	34,417	43,268
Total governmental activities net assets	<u>70,966</u>	<u>99,049</u>	<u>122,034</u>	<u>138,838</u>	<u>148,406</u>	<u>154,815</u>	<u>162,461</u>
Business-type activities							
Invested in capital assets, net of related debt	5,106	6,215	7,819	8,310	10,061	10,645	11,183
Restricted	653	446	1,213	972	878	(6)	34
Unrestricted	(2,300)	(1,409)	(2,562)	(1,742)	(1,073)	(628)	(2,356)
Total business-type activities net assets	<u>3,459</u>	<u>5,252</u>	<u>6,470</u>	<u>7,540</u>	<u>9,866</u>	<u>10,011</u>	<u>8,861</u>
Primary government							
Invested in capital assets, net of related debt	75,016	79,505	86,390	92,476	98,540	93,802	94,292
Restricted	10,888	21,660	22,047	36,303	32,335	37,235	36,118
Unrestricted	(11,479)	3,136	20,067	17,599	27,397	33,789	40,912
Total primary government net assets	<u>\$ 74,425</u>	<u>\$ 104,301</u>	<u>\$ 128,504</u>	<u>\$ 146,378</u>	<u>\$ 158,272</u>	<u>\$ 164,826</u>	<u>\$ 171,322</u>

Notes:

- (1) Trend information is available only for the last seven fiscal years due to the implementation of GASB 34.
- (2) Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted when 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 2

County of Imperial
Changes in Net Assets (Unaudited)
Last Seven Fiscal Years (In thousands)
(Accrual Basis of Accounting)

	Fiscal Year						
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Program Revenues							
Governmental Activities							
Charges for services							
General Government	\$ 41,204	\$ 43,043	\$ 43,117	\$ 45,239	\$ 42,535	\$ 49,753	\$ 44,795
Public Protection	14,456	25,021	27,338	27,423	8,276	7,135	20,391
Health & Sanitation	6,758	7,495	5,355	5,524	6,898	9,411	9,257
Public Assistance	1,454	1,200	1,651	2,590	2,559	7,970	8,535
Public Ways & Facilities	5,260	4,948	5,214	4,279	1,527	7,222	675
Total Charges for services	69,132	81,707	82,675	85,055	61,795	81,491	83,653
Operating grants and contributions	124,198	143,428	154,930	163,407	185,253	171,476	184,597
Total governmental activities program revenue:	193,330	225,135	237,605	248,462	247,048	252,967	268,250
Business Activities							
Charges for services							
Airport	601	557	743	763	728	641	628
Closure/Postclosure	294	1,153	64	-	200	287	-
County Services Areas, other	203	109	435	335	682	504	245
Total Charges for services	1,098	1,819	1,242	1,098	1,610	1,432	873
Operating grants and contributions	1,795	2,131	3,857	4,687	4,359	4,504	9
Total business-type activities program revenue:	2,893	3,950	5,099	5,785	5,969	5,936	882
Total primary government program revenue:	\$ 196,223	\$ 229,085	\$ 242,704	\$ 254,247	\$ 253,017	\$ 258,903	\$ 269,132
Net (Expense) Revenue							
Governmental activities	(46,730)	(29,149)	(35,719)	(43,955)	(60,245)	(68,673)	(69,454)
Business-type activities	(189)	32	(1,012)	(1)	(220)	(1,156)	(2,421)
Total primary government net expense:	\$ (46,919)	\$ (29,117)	\$ (36,731)	\$ (43,956)	\$ (60,465)	\$ (69,829)	\$ (71,875)

Notes:

(1) Trend information is available only for the last seven fiscal years due to the implementation of GASB 34

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant years

Table 3

County of Imperial
Fund Balances of Governmental Funds (Unaudited)
Last Seven Fiscal Years (In thousands)
(Modified Accrual Basis of Accounting)

	Fiscal Year					
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
General Fund						
Reserved for:						
Encumbrances	\$ 4,401	\$ 2,259	\$ 2,737	\$ 2,727	\$ 1,673	\$ 1,865
Inventories	276	275	265	280	287	295
Capital Outlay	1,023	1,023	1,023	3,023	3,023	3,023
COPS	1,829	1,829	1,886	1,866	1,818	1,527
Endowment Op Funds	18,147	25,207	24,575	20,632	20,113	20,850
Other Purposes	3,078	3,178	3,489	5,089	5,089	8,189
Unreserved:						
Designated	-	-	-	-	-	-
Undesignated	5,658	8,415	14,017	12,655	14,237	11,269
Total General Fund	<u>34,412</u>	<u>42,186</u>	<u>47,992</u>	<u>46,272</u>	<u>46,240</u>	<u>47,018</u>
All Other Governmental Funds:						
Reserved for:						
Encumbrances	4,138	10,881	6,986	6,047	2,330	3,469
Inventories	241	238	295	242	339	395
Debt Service	3,445	4,128	4,979	5,121	5,524	6,335
Loan	2,411	6,846	8,560	12,782	13,172	13,670
Other Purposes	-	8	14	20	20	(44)
Unreserved:						
Special Revenue Funds	14,433	8,273	15,313	19,052	27,766	27,544
Capital Project/Debt Service Funds	1,333	(966)	(1,271)	(40)	214	733
Total Other Governmental Funds	<u>26,001</u>	<u>29,408</u>	<u>34,876</u>	<u>43,224</u>	<u>49,365</u>	<u>52,102</u>
Total Governmental Fund Balances	<u>\$ 60,413</u>	<u>\$ 71,594</u>	<u>\$ 82,868</u>	<u>\$ 89,496</u>	<u>\$ 95,605</u>	<u>\$ 99,120</u>

	2010-11
General Fund (1)	
Nonspendable	\$ 388
Restricted	10,099
Committed	5,974
Assigned	15,298
Unassigned	12,846
Total General Fund	<u>44,605</u>
All Other Governmental Funds	
Nonspendable	456
Restricted	24,087
Committed	18,047
Assigned	18,935
Unassigned	(2,716)
Total Other Governmental Funds	<u>58,809</u>
Total Governmental Fund Balances	<u>\$ 103,414</u>

Notes:

- (1) In FY 2010-11 the County implemented GASB 54 under which Governmental Fund Balances are reported as Nonspendable, Restricted, Committed, Assigned, and Unassigned.
- (2) Trend information is available only for the last seven fiscal years due to the implementation of GASB 34.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 4

County of Imperial
Changes in Fund Balances of Governmental Funds (Unaudited)
Last Seven Fiscal Years (In thousands)
(Modified Accrual Basis of Accounting)

	Fiscal Year						
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Revenues (by source):							
Taxes	\$ 21,259	\$ 25,701	\$ 34,718	\$ 28,634	\$ 31,034	\$ 27,326	\$ 26,312
Licenses and permits	3,027	3,649	4,120	4,019	3,611	3,539	4,542
Fines, Forfeitures & Penalties	5,554	6,006	6,716	10,715	7,179	6,146	7,767
Use of Money & Property	2,055	3,447	3,076	6,665	3,449	2,315	1,641
Intergovernmental Aid	93,869	109,027	109,395	116,194	116,440	126,906	140,453
Federal Aid	52,522	43,861	53,334	55,698	63,566	68,169	72,292
Charges for Services	30,123	29,176	32,696	35,871	40,648	41,991	43,464
Sale of Fixed Assets	-	-	-	-	-	-	-
Other	5,539	6,077	5,791	5,073	6,797	7,522	7,948
Total revenues	213,948	226,944	249,846	262,869	272,724	283,914	304,419
Expenditures (by function):							
Current:							
General Government	27,706	28,286	26,745	32,020	31,576	27,709	25,912
Public Protection	56,879	62,721	71,174	73,029	76,278	79,071	83,815
Health & Sanitation	30,450	33,544	35,396	38,573	40,142	41,648	42,828
Public Assistance	83,457	87,353	90,826	97,939	104,080	114,371	127,896
Public Ways & Facilities	10,701	14,315	16,939	14,613	13,648	18,524	18,221
Total expenditures	209,193	226,219	241,080	256,174	265,724	281,323	298,672
Excess (deficiency) of revenues over (under) expenditures	4,755	725	8,766	6,695	7,000	2,591	5,747
Other financing sources (uses):							
Changes in Reserves	-	3,553	2,662	4,556	192	490	264
Transfers	250	-	684	(84)	268	(21)	(15)
Proceeds of Endowment Funds	(2,631)	7,061	(838)	(4,437)	(462)	455	(1,702)
Proceeds of COP bonds	-	-	-	-	-	-	-
COP Bonds Uses	(225)	(158)	-	(102)	-	-	-
Total other financing sources and uses	(2,606)	10,456	2,508	(67)	(2)	924	(1,453)
Net Change in Fund Balances	2,149	11,181	11,274	6,628	6,998	3,515	4,294
Fund Balances - beginning	58,264	60,413	71,594	82,868	89,496	95,605	99,120
Prior period adjustment	-	-	-	-	(889)	-	-
Fund Balances - beginning restated	58,264	60,413	71,594	82,868	88,607	95,605	99,120
Fund Balances - ending	<u>\$ 60,413</u>	<u>\$ 71,594</u>	<u>\$ 82,868</u>	<u>\$ 89,496</u>	<u>\$ 95,605</u>	<u>\$ 99,120</u>	<u>\$ 103,414</u>

Notes:

(1) Trend information is available only for the last seven fiscal years due to the implementation of GASB 34.

(2) By State Controller function.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 5

County of Imperial
Expenses by Function (Unaudited)
Last Seven Fiscal Years (In thousands)
(Accrual Basis of Accounting)

Expenses	Fiscal Year						
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Governmental Activities							
General Government	\$ 52,221	\$ 52,251	\$ 53,901	\$ 62,229	\$ 70,541	\$ 66,558	\$ 62,708
Public Protection	56,879	62,722	71,174	73,030	76,276	79,071	83,815
Health & Sanitation	30,450	33,545	35,396	38,574	40,142	41,649	42,828
Public Assistance	83,775	87,353	90,826	97,939	104,080	114,372	127,895
Public Ways & Facilities	10,701	14,315	16,939	14,612	13,648	18,524	18,221
Interest on long-term liabilities	6,034	4,098	5,088	6,033	2,606	1,466	2,237
Total governmental activities expenses	<u>240,060</u>	<u>254,284</u>	<u>273,324</u>	<u>292,417</u>	<u>307,293</u>	<u>321,640</u>	<u>337,704</u>
Business Activities							
Airport	936	1,045	1,028	964	1,189	1,481	1,475
Closure/Postclosure	24	-	1,963	237	682	-	36
County Services Areas, other	2,122	2,873	3,120	4,585	4,318	5,611	1,792
Total business-type activities expenses	<u>3,082</u>	<u>3,918</u>	<u>6,111</u>	<u>5,786</u>	<u>6,189</u>	<u>7,092</u>	<u>3,303</u>
Total primary government	<u>\$ 243,142</u>	<u>\$ 258,202</u>	<u>\$ 279,435</u>	<u>\$ 298,203</u>	<u>\$ 313,482</u>	<u>\$ 328,732</u>	<u>\$ 341,007</u>

Notes:

(1) Trend information is available only for the last seven fiscal years due to the implementation of GASB 34.

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year.

Table 6

County of Imperial
Net Expense By Function (Unaudited)
Last Seven Fiscal Years (In thousands)
(Accrual Basis of Accounting)

	Fiscal Year						
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Net (Expense) Revenue							
Governmental activities	(46,730)	(29,149)	(35,719)	(43,955)	(60,245)	(68,673)	(69,454)
Business-type activities	(189)	32	(1,012)	(1)	(220)	(1,156)	(2,420)
Total primary government net expense:	<u>\$ (46,919)</u>	<u>\$ (29,117)</u>	<u>\$ (36,731)</u>	<u>\$ (43,956)</u>	<u>\$ (60,465)</u>	<u>\$ (69,829)</u>	<u>\$ (71,874)</u>
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes							
Property	10,951	13,894	21,601	15,767	19,358	16,543	14,838
Sales tax	10,161	11,021	12,711	12,766	12,237	10,826	11,271
Franchises tax	708	480	403	400	429	245	284
Motor Vehicle in-lieu tax	15,049	14,642	16,495	19,355	18,760	18,221	18,245
Federal in-lieu	855	250	1,803	1,803	2,923	3,164	3,156
Grants and other governmental revenues not restricted to specific programs	12,142	15,545	4,834	3,961	11,230	24,437	28,458
Unrestricted investment earnings	1,960	2,595	2,079	7,536	5,478	2,627	1,938
Gain/(Loss) on sale of capital assets	457	473	168	36	-	248	110
Other	-	-	-	-	-	-	-
Transfers	-	(1,668)	(1,390)	(865)	287	(1,229)	(1,200)
Total governmental activities	<u>52,283</u>	<u>57,232</u>	<u>58,704</u>	<u>60,759</u>	<u>70,702</u>	<u>75,082</u>	<u>77,100</u>
Business-type activities:							
Unrestricted investment earnings	158	194	210	-	214	138	70
Other	-	(101)	630	206	2,619	(66)	-
Gain/(Loss) on sale of capital assets	-	-	-	-	-	-	-
Transfers	-	1,668	1,390	865	(287)	1,229	1,200
Total business-type activities	<u>158</u>	<u>1,761</u>	<u>2,230</u>	<u>1,071</u>	<u>2,546</u>	<u>1,301</u>	<u>1,270</u>
Total primary government	<u>52,441</u>	<u>58,993</u>	<u>60,934</u>	<u>61,830</u>	<u>73,248</u>	<u>76,383</u>	<u>78,370</u>
Changes in Net Assets:							
Governmental activities	5,553	28,083	22,985	16,804	10,457	6,409	7,646
Business-type activities	(31)	1,793	1,218	1,070	2,326	145	(1,150)
Total primary government	<u>5,522</u>	<u>29,876</u>	<u>24,203</u>	<u>17,874</u>	<u>12,783</u>	<u>6,554</u>	<u>6,496</u>

Notes:

(1) Trend information is available only for the last seven fiscal years due to the implementation of GASB 34

Source:

Imperial County Auditor-Controller's Comprehensive Annual Financial Reports for the relevant year

Table 7

County of Imperial
Assessed Value of Taxable Property (Unaudited)
Last Seven Fiscal Years (Dollars amounts in thousands)

Fiscal Year	(2) Secured	(3) Unsecured	(4) Exempt	Total Taxable Assessed Value	Total Direct Tax Rate
2004-05	6,759,672,331	514,480,864	(151,917,916)	7,122,235,279	1.00%
2005-06	7,301,850,102	560,222,210	(181,431,422)	7,680,640,890	1.00%
2006-07	8,033,410,811	604,211,231	(202,934,989)	8,434,687,053	1.00%
2007-08	9,651,605,367	643,829,309	(217,340,458)	10,078,094,218	1.00%
2008-09	10,416,842,369	786,667,943	(276,531,982)	10,926,978,330	1.00%
2009-10	10,130,772,556	831,793,452	(332,015,592)	10,630,550,416	1.00%
2010-11	10,005,666,039	780,152,807	(349,970,576)	10,435,848,270	1.00%

Notes:

- (1) Reliable data is available only for the last seven fiscal years.
- (2) Secured property is generally real property, defined as land, mines, minerals, timber, and improvements such as buildings, structures, crops, trees, and vines.
- (3) Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.
- (4) Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.
- (5) Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975/76 assessment roll. Thereafter, full cash value can be increased to reflect:
- a) annual inflation up to 2%; or
 - b) market value at the time of ownership change; or
 - c) market value for new construction
- Estimated actual value of taxable property cannot easily be determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.

Source:

Imperial County Auditor-Controller Office

Table 8

County of Imperial
Property Tax Rates - Direct and Overlapping Governments (Unaudited)
Last Seven Fiscal Years

Fiscal Year	County Direct Rates	Overlapping Rates		
	Imperial County General	Cities	Schools (2)	Total
2004-05	1.000000%	0.000000%	0.064100%	1.064100%
2005-06	1.000000%	0.016975%	0.075761%	1.092736%
2006-07	1.000000%	0.016410%	0.047802%	1.064212%
2007-08	1.000000%	0.009845%	0.039679%	1.049524%
2008-09	1.000000%	0.005490%	0.037340%	1.042830%
2009-10	1.000000%	0.094886%	0.040747%	1.135633%
2010-11	1.000000%	0.066760%	0.050788%	1.117548%

Notes:

- (1) Reliable data is available only for the last seven fiscal years.
 (2) Rates shown represent a weighted average of the various school district tax rate areas within the County of Imperial.

Source:

Imperial County Auditor-Controller Office

Table 9

County of Imperial
Principal Revenue Taxpayers (Unaudited)
June 30, 2011 and June 30, 2004

Taxpayer	Fiscal year Ended June 30, 2011			Fiscal year Ended June 30, 2004		
	Net Assesed Value	Rank	Percentage of Net Assessed Value	Net Assesed Value	Rank	Percentage of Net Assessed Value
Magma Power Company	\$ 489,547,798	1	4.48%	\$ 377,331,616	1	5.42%
Salton Sea Unit # 5	185,103,489	2	1.69%	122,131,309	4	1.75%
Orcal Geothermal Inc.	117,771,927	3	1.08%			
San Diego Gas & Electric Company	116,504,755	4	1.07%			
United States Gypsum Co.	93,812,293	5	0.86%	306,926,474	2	4.41%
National Beef California LP	87,358,044	6	0.80%			
Western Mesquite Mine Inc.	66,434,327	7	0.61%			
North Baja Pipeline, LLC	49,350,622	8	0.45%			
Second Imperial Geothermal Company	46,088,361	9	0.42%			
Imperial Valley Mall II, LP	40,870,816	10	0.37%			
Zinc Field				201,202,582	3	2.89%
Gold Fields Operating Co.-Mesquite				121,679,775	5	1.75%
B P Joint Venture LLC				101,540,378	6	1.46%
Cal Energy DBA Salton Sea Unit 4				82,509,975	7	1.19%
US Trust Company of California				76,650,830	8	1.10%
Vulcan Power Co.				42,210,702	9	0.61%
Del Ranch LTD				39,638,609	10	0.57%
Ten Largest Taxpayers	<u>\$ 1,292,842,432</u>		<u>11.83%</u>	<u>\$ 1,471,822,250</u>		<u>21.14%</u>

Source:

Imperial County Auditor-Controller Office

Table 10

County of Imperial
Property Tax Levies and Collections (Unaudited)
Last Seven Fiscal Years

Fiscal Year	Total Secured Levy	Collections within the fiscal year of the Levy		Delinquent Tax Collections*	Amount	% of Levy
		Amount	% of Levy			
2004-05	81,208,057	77,123,152	94.97%	3,884,905	81,008,057	99.75%
2005-06	88,555,796	85,162,179	96.17%	3,293,617	88,455,796	99.89%
2006-07	104,649,082	98,466,976	94.09%	3,453,369	101,920,344	97.39%
2007-08	123,929,417	111,426,428	89.91%	5,310,589	116,737,017	94.20%
2008-09	125,490,813	114,054,899	90.89%	9,637,163	123,692,062	98.57%
2009-10	123,870,158	113,260,128	91.43%	8,362,115	121,622,243	98.19%
2010-11	122,533,735	113,756,355	92.84%	7,653,485	121,409,840	99.08%

* Delinquent taxes reported by year of collection; data by levy year unavailable

Notes:

(1) Reliable data for delinquent tax collections is available only for the last seven fiscal years.

Source:

Imperial County Auditor-Controller Office

Table 11

County of Imperial
Ratios of Outstanding Debt by Type (Unaudited)
Last Seven Fiscal Years
(in thousands, except per capita amount)

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Governmental Activities:							
Certificates of Participation	\$ 7,345	\$ 6,500	\$ 5,620	\$ 4,700	\$ 3,750	\$13,215	\$11,960
Pension Obligation Bonds	64,345	63,215	62,010	60,725	59,355	57,890	56,325
Notes and Loans	2,932	1,350	1,260	1,170	1,080	990	900
Business-Type Activities:							
Capital Lease Obligations	<u>1,642</u>	<u>1,444</u>	<u>811</u>	<u>559</u>	<u>370</u>	<u>443</u>	<u>154</u>
Total Primary Government	<u>\$76,264</u>	<u>\$72,509</u>	<u>\$69,701</u>	<u>\$67,154</u>	<u>\$64,555</u>	<u>\$72,538</u>	<u>\$69,339</u>
Percentage of Personal income (1)	2.37%	2.15%	1.94%	1.76%	1.79%	2.11%	2.11%
Per Capita (1)	508	472	444	418	376	448	448

(1) See table 12 Demographic and Economic Statistics

Source:

Imperial County Auditor-Controller Office

Table 12

County of Imperial
 Legal Debt Margin as Percentage of Debt Limit (Unaudited)
 Last Seven Fiscal Years
 (in thousands)

<u>Fiscal Year</u>	<u>Assessed Value (2)</u>	<u>Legal Debt Limit (3)</u>	<u>Debt Applicable to Limit</u>	<u>Legal Debt Margin (4)</u>	<u>Legal Debt Margin/Debt Limit</u>
2004-05	7,122,235	89,028	-	89,028	100%
2005-06	7,680,640	96,008	-	96,008	100%
2006-07	8,434,687	105,434	-	105,434	100%
2007-08	10,078,094	125,976	-	125,976	100%
2008-09	10,926,978	136,587	-	136,587	100%
2009-10	10,630,550	132,882	-	132,882	100%
2010-11	10,435,848	130,448	-	130,448	100%

Notes:

- (1) Reliable data is available only for the last seven years.
- (2) Assessed Value does not include tax exempt property. Property value data can be found in the "Assessed Value of Taxable Property" schedule.
- (3) California Government Code Section 29909 read in conjunction with Revenue and Taxation Code Section 135 imposes a legal debt limitation for General Obligation Bond indebtedness to 1.25% of the total full cash valuation.
- (4) The legal debt margin is the County's available borrowing authority under state finance statutes and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

Table 13

County of Imperial
Demographics and Economic Statistics (Unaudited)
Last Seven Fiscal Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2004	156,562	3,219,340	21,451	17.10%
2005	161,800	3,368,284	21,974	16.10%
2006	166,585	3,590,721	22,871	15.40%
2007	172,672	3,820,826	23,757	18.10%
2008	176,158	4,288,576	26,742	22.90%
2009	179,428	4,671,150	28,641	25.10%
2010	183,029	4,786,081	28,681	26.80%

Sources:

- (1) State Department of Finance
- (2) & (3) U.S. Bureau of Economic Analysis - Local Data
- (4) State of California, Employment Development Department

Table 14

County of Imperial
Employment by Industry (Unaudited)
2010 Annual Averages

Industry	Percentage of County Employment
Services	23.06%
Retail Trade	14.48%
Manufacturing	3.51%
Government	31.65%
Mining and Construction	2.76%
Finance, Insurance and Real Estate	3.77%
Wholesale Trade	3.15%
Agriculture	16.34%
Transportation and Public Utilities	1.28%
Total	100.00% (1)

(1) Does not total, due to rounding.

Source: State of California Employment Development Department.

Table 15

County of Imperial
Full-time Equivalent County Employees by Function (Unaudited)
Last Seven Fiscal Years

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Protection</u>	<u>Public Ways & Facilities</u>	<u>Health & Sanitation</u>	<u>Public Assistance</u>	<u>Education</u>	<u>Recreation</u>	<u>Special District</u>
2004-05	233	696	92	506	460	17		20
2005-06	241	718	91	509	448	18	6	18
2006-07	243	724	91	509	490	19	6	18
2007-08	243	755	107	528	512	23	6	20
2008-09	240	714	103	446	506	21	6	21
2009-10	240	719.5	103	437	519	18.5	6	25
2010-11	239	744.5	103	458	527	18.5	6	25

Note:

- 1) County employees by function/program is only available for the last seven fiscal years due to the change in the County's functions as a result of the implementation of GASB 34.

Table 16

County of Imperial
Capital Assets Statistics by Function (Unaudited)
Last Seven Fiscal Years

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Protection</u>	<u>Public Ways & Facilities</u>	<u>Health & Sanitation</u>	<u>Public Assistance</u>	<u>Education</u>
2004-05	744	1387	30	240	147	13
2005-06	762	1450	30	247	153	14
2006-07	768	1485	32	253	172	15
2007-08	800	1874	33	252	200	10
2008-09	642	1326	32	138	110	6
2009-10	579	821	53	46	45	6
2010-11	578	829	53	43	47	6

Note:

- (1) Capital assets and infrastructure statistics by function/program is only available for the last six fiscal years due to the change in the County's functions as a result of the implementation of GASB 34.





SINGLE AUDIT SECTION

- Independent Auditor Letters
- Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs
- Status of Prior Year Findings and Questioned Costs



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
County of Imperial, California

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Imperial, California, as of and for the year ended June 30, 2011, which collectively comprise the County of Imperial's basic financial statements and have issued our report thereon dated March 28, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Imperial's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Imperial's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Imperial's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Imperial, California's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Supervisors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hutchinson and Bloodgood LLP

March 28, 2012



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Supervisors
County of Imperial, California

Compliance

We have audited the County of Imperial's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County of Imperial's major federal programs for the year ended June 30, 2011. The County of Imperial's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County of Imperial's management. Our responsibility is to express an opinion on the County of Imperial's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Imperial's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County of Imperial's compliance with those requirements.

In our opinion, the County of Imperial complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the County of Imperial is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County of Imperial's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Imperial's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Imperial as of and for the year ended June 30, 2011, and have issued our report thereon dated March 28, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended for the information of the Board of Supervisors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hutchinson and Bloodgood LLP

March 28, 2012

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
<u>U.S. DEPARTMENT OF COMMERCE</u>			
Economic Development - Planning Asst.	11.302	07-86-06307	\$ 70,000
		Subtotal 11.302	70,000
Economic Development Administration-ARRA	11.307	07-79-73009	901,820
		Subtotal 11.307	901,820
TOTAL DEPARTMENT OF COMMERCE			971,820

URBAN DEVELOPMENT

Housing and Community Development

** Community Development Block Grants

CDBG Freeze Grant	14.228	07-FREZ-2834	1,773
CDBG Planning & Technical	14.228	08-PTAG-5360	18,586
CDBG Planning & Technical	14.228	07-PTAG-3680	11,188
CDBG Colonia Projects	14.228	06-STBG-2808	45,920
CDBG Colonia Projects-Winterhaven	14.228	09-STBG-6396	4,445
CDBG Colonia Projects-Niland Colonia	14.228	09-STBG-6397	5,800
CDBG Colonia Projects-Heber	14.228	09-STBG-6398	4,763
CDBG Colonia Projects-Bombay Beach	14.228	09-STBG-6399	4,935
CDBG Colonia Projects-Poe Colonia	14.228	09-STBG-6400	7,060
CDBG Planning & Technical Econ. Dev.	14.228	08-PTAE-5418	13,298
CDBG Planning & Technical Econ. Dev.	14.228	09-PTAE-6557	96
CDBG Planning & Technical	14.228	09-PTAG-6526	1,189
CDBG Home Buyer & Housing Rehb	14.228	06-STBG-2506	132,148
CDBG Home Buyer & Housing Rehb	14.228	08-STBG-4785	6,094
CDBG Micro Enterprise Program	14.228	09-EDEF-6538	622
CDBG Housing Rehabilitation	14.228	10-STBG-6718	2,557
CALHOME	14.228	09-CALHOME-6543	221,326
Home First Time Homebuyers	14.228	08-HOME-4708	120,136

** Community Development Block Grants

601,936

TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

601,936

U.S. DEPARTMENT OF LABOR

Passed Through State Department of
Employment Development:

**One Stop Career Center Initiative	17.260	Not Available	4,665,110
		Subtotal 17.260	4,665,110

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
**Workforce Investment Act	17.258	Not Available	2,107,708
**Workforce Investment Act - ARRA	17.258	Not Available	<u>4,818,402</u>
	Subtotal 17.258		<u>6,926,110</u>
TOTAL DEPARTMENT OF LABOR			<u>11,591,220</u>

U.S. DEPARTMENT OF TRANSPORTATION

Federal Transit Administration:

Urban Assistance	20.507	CA-90-Y868	717,847
Urban Assistance	20.507	CA-90-Y469	149,705
Urban Assistance - ARRA	20.507	649835	<u>37,020</u>
	Subtotal 20.507		<u>904,572</u>
Rural Operating Assistance	20.509	649031	<u>363,578</u>
	Subtotal 20.509		<u>363,578</u>

Passed Through State Department of
Transportation:

Highway Planning & Construction:

Resurface Various County Roads	20.205	STPLH5958	3,162,992
Resurface Various County Roads - ARRA	20.205	STPLH5958	<u>239,890</u>
	Subtotal 20.205		<u>3,402,882</u>
Rehabilitate Airport/Runway	20.106	03-06-0109-25	30,316
Rehabilitate Airport/Runway	20.106	03-06-0109-26	<u>970,675</u>
	Subtotal 20.106		<u>1,000,991</u>
Airport Security	97.090	HSTS0208HSLR177	<u>7,534</u>
	Subtotal 97.090		<u>7,534</u>

TOTAL U.S. DEPARTMENT OF TRANSPORTATION

5,679,557

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through State Department of Food and Agriculture:			
Crop Disaster Program-Pierce's Disease	10.073	10-0329	320,592
Crop Disaster Program-Asian Psyllid	10.073	10-0064 & 10-0756	139,902
Crop Disaster Program-Phytophthora	10.073	10-0620	5,586
Crop Disaster Program-Pest Detection	10.073	10-0192	67,307
		Subtotal 10.073	533,387
Passed Through State Department of Rural Assistance			
Rural Development	10.766	N/A	18,450
		Subtotal 10.766	18,450
TOTAL U.S. DEPARTMENT OF AGRICULTURE			551,837
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>			
Passed Through State Office of Emergency Services:			
Emergency Assistance Mgmt.	97.042	2008-0006	460,901
Emergency Assistance Mgmt.	97.042	2009-015	45,300
Emergency Assistance Mgmt.	97.042	2010-0044	117,966
		Subtotal 97.042	624,167
TOTAL EMERGENCY MANAGEMENT AGENCY			624,167

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Passed Through State Office of Criminal Justice:			
Victim/Witness Natl Child Alliance-ARRA	16.547	VS09010130-STIM	16,553
Victim/Witness Natl Child Alliance	16.547	VW10240130-V0CA	<u>102,116</u>
		Subtotal 16.547	<u>118,669</u>
Edward Byrne Memorial Formula Grant	16.58	2007-DJ-BX-0760	8,443
Edward Byrne Memorial Formula Grant	16.58	2008-DJ-BX-0624	32
Edward Byrne Memorial Formula Grant	16.58	2009-DJ-BX-0641	25,328
Edward Byrne Memorial Formula Grant-ARRA	16.58	2009-SB-B9-2386	18,679
Office of Criminal Justice Planning Special Prosecutions Unit	16.58	DC 08210130	197,647
Office of Criminal Justice Planning Special Prosecutions Unit - ARRA	16.58	ZA 09010130	<u>165,298</u>
		Subtotal 16.580	<u>415,427</u>
H.I.D.T.A. Grant - Sheriff	16.0	2010/2011	1,155,109
H.I.D.T.A. Grant - Sheriff - ARRA	16.0	2010/2011	86,493
IVSIT Grant - DA	16.0	N/A	238,137
H.I.D.T.A. Grant - DA	16.0	I8PSCP501Z	<u>609,599</u>
		Subtotal 16.0	<u>2,089,338</u>
Passed Through State Office of Emergency Services:			
Evidence Based Practice - ARRA	16.804	ZP09 01 01 30	<u>143,264</u>
		Subtotal 16.804	<u>143,264</u>
Passed Through State Department of Corrections & Rehabilitation:			
Juvenile Accountability Block Grant (JABG)	16.523	CSA 111-10	<u>11,584</u>
		Subtotal 16.523	<u>11,584</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u><u>2,778,282</u></u>

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed Through Governor's Office of Homeland Security:			
Operation Stonegarden Grant	97.067	2008-SG-T8-0001	200,763
Operation Stonegarden Grant	97.067	2009-SG-T9-0004	2,487,993
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY	Total		<u>2,688,756</u>

ENVIRONMENTAL PROTECTION AGENCY

Border Environment Cooperation Comm.	66.034	TAA-10-062	69,736
CAA Special Purpose Activities -Air Quality	66.034	XA-99936801-0	93,750
CAA Special Purpose Activities -Air Quality	66.034	XA-00T50601-0	32,500
TOTAL ENVIRONMENTAL PROTECTION AGENCY	Total		<u>195,986</u>

**U.S. DEPARTMENT OF HEALTH AND
HUMAN SERVICES**

Passed Through State Department of Health Services:			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	95-117L2006-07	159,021
		Subtotal 93.116	159,021
HIV Care Program Services	93.917	10-95260	127,471
		Subtotal 93.917	127,471
Maternal and Child Health Service Block Grant:			
MCH Coordinator/PH Nutritionist/AFLP	93.994	201013	242,521
		Subtotal 93.994	242,521

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
Passed Through State Department of Health Services:			
Medi-Cal Admin. (MAA)	93.0	10-87004	620,255
Immunization Collaboration	93.0	10-95372	57,761
Childhood Lead Poisoning	93.0	08-85058	17,603
Nutrition Education	93.0	10-10061	37,857
California Children Service (CCS)	93.0	200613	178,943
Targeted Case Management	93.0	13-0712	177,725
Targeted Case Management - ARRA	93.0	13-0712	34,139
Child Health Disb. (CHDP)	93.0	CHDP 14	328,083
	Subtotal 93.0		<u>1,452,366</u>
Hospital Preparedness	93.889	EPO-10-14	<u>179,481</u>
	Subtotal 93.889		<u>179,481</u>
Total State Dept. of Health			<u>2,160,860</u>
Passed Through California Secretary of State Department:			
HAVA Polling Place Accessibility Grant	93.617	07G30108	<u>19,788</u>
	Subtotal 93.617		<u>19,788</u>
Passed Through State Department of Alcohol and Drug Programs:			
Alcohol and Drug Abuse and Mental Health Services Block Grant:			
Vista Sands Children's Intensive Day Treatment Program	93.958	SAMHSA SFY 2010-11	<u>359,128</u>
	Subtotal 93.958		<u>359,128</u>
Stewart B. McKinney/Homeless	93.150	MH 1772 B	<u>48,806</u>
	Subtotal 93.150		<u>48,806</u>
Club Live	93.959	FFY 2011	3,000
Friday Night Live	93.959	FFY 2011	3,000
SAPT	93.959	SCC 13(10/11)	<u>1,047,467</u>
	Subtotal 93.959		<u>1,053,467</u>

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
Federal Medi-Cal-ARRA	93.778	SCC 13(10/11)	51,181
Federal Medi-Cal	93.778	SCC 13(10/11)	<u>220,800</u>
		Subtotal 93.778	<u>271,981</u>
Total State Dept. of Alcohol & Drug Programs			<u>1,733,382</u>
Passed Through State Department of Social Services:			
**Child Support Enforcement	93.563	Not Available	<u>4,309,686</u>
		Subtotal 93.563	<u>4,309,686</u>
**TANF Temporary Need	93.558	Not Available	17,695,768
**Asst. Payments-Maint. Assist.	93.558	Not Available	<u>18,878,168</u>
		Subtotal 93.558	<u>36,573,936</u>
Total State Dept. of Social Services			<u>40,883,622</u>
Passed Through State Department Office of Aging:			
Title VII-B Elder Abuse Prev.	93.041	AP-1011-24	<u>3,182</u>
		Subtotal 93.041	<u>3,182</u>
Title VII-A Ombudsman	93.042	AP-1011-24	<u>16,607</u>
		Subtotal 93.042	<u>16,607</u>
Title III D - Disease Prevention	93.043	AP-1011-24	<u>14,552</u>
		Subtotal 93.043	<u>14,552</u>
Title III B - Support Services Senior Centers	93.044	AP-1011-24	<u>219,267</u>
		Subtotal 93.044	<u>219,267</u>
Title III C-1 & C-2	93.045	AP-1011-24	<u>430,909</u>
		Subtotal 93.045	<u>430,909</u>

**COUNTY OF IMPERIAL, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grant/Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Program Expenditures
Title III E Family Caregiver Service	93.052	AP-1011-24	<u>98,035</u>
		Subtotal 93.052	<u>98,035</u>
NSIP Meal Subsidiary III	93.053	AP-1011-24	<u>77,920</u>
		Subtotal 93.053	<u>77,920</u>
Total Passed Through State Dept. of Aging			<u>860,472 *</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>45,658,124</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 71,341,685</u>
* Footnote: Direct Funding State Department Office of Aging:			State Funds
Title III C-1 & C-2	93.045	AP-1011-24	84,165
Special Deposit Fund		AP-1011-24	<u>9,561</u>
Total State Dept. of Aging		Total State Funds	<u><u>93,726</u></u>

COUNTY OF IMPERIAL, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2011

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

Material weakness(es) identified?

___ yes X no

Significant deficiency(ies) identified

not considered to be material weaknesses?

___ yes X none reported

Noncompliance material to financial statements noted?

___ yes X no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

___ yes X no

Significant deficiency(ies) identified

not considered to be material weaknesses?

___ yes X none reported

Type of auditors' report issued on compliance
for major programs:

Unqualified

Any audit findings disclosed that are required
to be reported in accordance with
Circular A-133, Section .510(a)?

___ yes X no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

14.228

Community Development Block Grant

17.260

One Stop Career Center Initiative

17.258

Workforce Investment Act

93.558

TANF Temporary Need

93.558

Assistance Payments-Maintenance

93.563

Child Support Enforcement

Dollar threshold used to distinguish
between Type A and Type B programs:

\$2,140,000

Auditee qualified as low-risk auditee?

X yes ___ no

COUNTY OF IMPERIAL, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2011

PROGRAM

FINDING/NONCOMPLIANCE

QUESTIONED
COSTS

There are no current year findings.

COUNTY OF IMPERIAL, CALIFORNIA

STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2011

CONDITION

RECOMMENDATION

STATUS

There are no prior year findings.

COUNTY OF IMPERIAL, CALIFORNIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended June 30, 2011

Note 1. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Imperial and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2. Loans Receivable

The following are loans receivable by the County of Imperial, California, relating to the described federal program as of June 30, 2011:

	<u>Federal CFDA Number</u>	<u>Amount</u>
Passed through State Department of Housing And Community Development:		
State block grant 1992	14.228	\$ 104,577
State block grant 1994	14.228	89,840
State block grant 1996	14.228	221,338
State block grant 1998	14.228	154,847
State block grant 2002	14.228	374,112
State block grant 2004	14.228	503,197
State block grant program income	14.228	<u>691,323</u>
		<u>2,139,234</u>
Home First-Time Homebuyer Program 2000	14.228	374,616
Home First-Time Homebuyer Program 2002	14.228	2,819,417
Home First-Time Homebuyer Program 2005	14.228	695,887
Home First-Time Homebuyer Program 2008	14.228	172,000
Home New Rental Construction Project 2003	14.228	3,604,000
Home New Rental Construction Project 2004	14.228	<u>3,808,000</u>
		<u>11,473,920</u>
Total passed through State Department of Housing And Community Development:		<u>\$13,613,154</u>
USDA Small Business Revolving Loan Fund		<u>\$ 82,378</u>