

A Reader's Guide

Understanding Ada County's Comprehensive Annual Financial Report (CAFR) For the Fiscal Year Ended September 30, 2009

A basic understanding of the financial statements is essential for anyone interested in public finance. This brief guide is designed to help you understand and relate to the information provided in the CAFR, as well as enhance your ability to evaluate the financial and economic information. We have provided specific examples of ways you can use the CAFR to look for answers to questions that may interest you. You will find illustrative financial statements with additional detail about interpreting the CAFR.

What is the purpose of the financial statements?

County government operations differ from private-sector businesses. While private-sector businesses focus on maximizing profits for investors, governments focus on providing services to all citizens. In most cases, the County does not bill citizens directly for services received. Instead, we primarily finance services with taxes, federal grants, and other fees applied generally to the public. Because citizens have little choice in paying taxes, and it is not always clear how the services received relate to the taxes paid, government has an important responsibility to demonstrate accountability to the public. Financial statements are an important way to provide this accountability.

Government-Wide Financial Statements

The first two financial statements in the CAFR are the government-wide financial statements---the Statement of Net Assets (CAFR page 26) and the Statement of Activities (CAFR page 27). The government-wide statements provide comprehensive information about the entire government, which includes the following:

- *Government Activities* encompass most of the County's basic services, such as general government, public safety, health and human services, and recreation. Revenues from taxes, federal grants and charges for services finance most of these activities.
- *Business-Type Activities* account for operations that function in a manner similar to private business, where all or a significant portion of their costs are recovered through user fees and charges to external customers.

The government-wide statements do not include fiduciary funds, which account for resources the government manages on behalf of others and are not available to support the County's programs. The Statement of Net

Assets contains information about what the County owns (assets), what the County owes (liabilities), and what is left after assets are used to satisfy liabilities (net assets) on the last day of the fiscal year (September 30). The Statement of Activities contains information about the costs of providing public services (expenses) and resources obtained to finance services (revenues) during the reported fiscal year.

Fund Financial Statements

Fund financial statements provide a detailed look at the individual major funds of the County and total the remaining non-major governmental funds in a single column. Fund financial statements are comprised of the following:

- *Governmental funds* report the finances of the County's most basic services. Governmental funds focus on short-term assets and liabilities and do not include capital assets or long-term debt. The governmental fund financial statements include the Balance Sheet (CAFR page 29) and the Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR page 31). The governmental fund statements also include reconciliations that identify the differences between the fund and government-wide statements (CAFR pages 30 and 32).
- *Proprietary funds* report the activities the County operates like a business, where the cost of providing goods or services is primarily financed by fees charged to the users of their services. Proprietary funds include enterprise and internal service funds. Enterprise funds report activities that provide supplies or services to the general public; internal service funds report activities that provide supplies and services for the County's programs and activities. Proprietary fund financial statements include the Statement of Net Assets (CAFR page 34); Statement of Revenues, Expenses, and Changes in Fund Net Assets (CAFR page 35); and Statement of Cash Flows (CAFR page 36).
- *Fiduciary funds* account for resources the County manages or holds on behalf of parties outside the County. These funds are not shown in government-wide financial statements because the resources of these funds are not available to support the County's programs. The Fiduciary funds financial statement is the Statement of Fiduciary Net Assets (CAFR page 39).

Notes to the Financial Statements

The notes to the financial statements (CAFR pages 41 - 59) provide a wide variety of detailed information about the government that is not included or readily apparent on the financial statements, such as the County's significant accounting methods and assumptions, major financial commitments, and long term debt.

Supporting Financial Statement Information

- *An Independent Auditor's Report* (CAFR pages 11 - 12) provides reasonable assurance about whether financial statements are free of material misstatement. After thorough evaluation of the CAFR, the auditor issues an opinion regarding the statements' conformity with accounting principals generally accepted in the United States. The Ada County's financial statements received an unqualified opinion, the best opinion that can be received, meaning the statements are fairly presented in all material respects.
- *Management's Discussion and Analysis* (MD&A on CAFR pages 13 - 25) gives an objective and easily read analysis of the County's financial activities based on currently known facts, decisions, or conditions. It presents short and long-term analyses of the County's activities and compares the current-year results with those of the prior year. It will help you determine whether the County's finances have improved or deteriorated during the year. It concludes with a description of currently known facts and decisions that are expected to have a significant effect on the County's future financial position and operations.
- *The Combining Financial Statements and budget to actual comparisons* (CAFR pages 67 - 97) provide more detail for non-major governmental, internal service and agency funds as well as comparing what the County planned (budget) to receive and spend to what actually happened.
- *The Statistical Section* (CAFR pages 98 - 117) provides information that will help you understand the health of the County and the underlying economy. This section contains 10-year trend tables of financial, economic, and demographic data. The statistical section is often of interest to investors and creditors because the trends and non-financial factors it identifies can provide crucial insight to those assessing the County's creditworthiness.

How You Can Use the Financial Statements

Now that you have a better understanding of the major components of the CAFR, we will show you how to use this report to analyze some of the issues that were important to Ada County citizens this past year, as follows:

- **Property Tax Revenues** – Property tax revenues of \$86.4 million for 2009 are presented on page 27 of the CAFR. Property tax revenues increased \$2.9 million from the previous fiscal year due to the new construction growth factor as allowed by law; this is discussed in the MD&A on CAFR page 18. Additional data may be found on Schedules 2 & 4 - 8 of the Statistical Section (CAFR pages 100 - 107).
- **Sales Tax Revenue** – Sales tax revenues from the State of \$12.5 million for 2009 are presented on page 27 of the CAFR. A decrease of \$2.1 million from the year before reflects the slowing economy. MD&A has information about sales tax revenues on CAFR page 18. Additional sales tax data may be found on Schedule 2 of the Statistical Section (CAFR pages 100 - 101)
- **Budgetary Compliance** – Idaho Constitution Article VII, stipulates that municipalities cannot spend more money than they have been appropriated, unless specifically authorized. Budgetary controls are incorporated into the County's financial systems to ensure expenditures do not exceed authorized appropriations. You can compare Ada County's approved budget with the actual expenditures for the General and Health and Welfare funds in CAFR pages 60 - 64. Comparisons between budget and actual amounts for the non-major governmental funds are on CAFR pages 73 - 87. Details about the County's budget process can be found in the Note to Required Supplementary Information (CAFR pg 65 and 66).

**Ada County
Statement of Net Assets
September 30, 2009**

The Statement of Net Assets reports what the government owns (assets), owes (liabilities), and what is left after assets are used to satisfy liabilities (net assets) at a specific point in time (September 30, the fiscal year-end).

Governmental Activities cover traditional activities of county government such as public safety, health and human services, and recreation. They are financed through taxes, federal grants, fees, interest and other shared governmental revenues.

Business-Type Activities provide services that are primarily financed by charging a fee directly to the users of the service such as EMS, Expo Idaho and Solid Waste.

Primary Government			
Governmental Activities	Business-type Activities	Total	
ASSETS			
Cash and cash equivalents	\$ 80,227,564	\$ 13,285,917	\$ 93,513,481
Investments	61,436,693	11,042,274	72,478,967
Receivables, net	94,878,256	6,555,725	101,433,981
Internal balances	(1,225,220)	1,225,220	-
Prepaid expense	237,171	-	237,171
Lease receivable	2,220,481	-	2,220,481
Accrued interest receivable	489,416	68,638	558,054
Capital assets, net of depreciation:			
Land, not depreciated	7,214,171	4,643,049	11,857,220
Land improvements	1,354,966	22,604,352	23,959,318
Building	111,091,948	4,060,187	115,152,135
Infrastructure	1,325,603	211,123	1,536,726
Vehicles	1,701,598	646,467	2,348,065
Machinery & equipment	10,298,986	124,908	10,423,894
Construction in progress	6,071,484	9,214,933	15,286,417
Capital assets, net	<u>139,058,756</u>	<u>41,505,019</u>	<u>180,563,775</u>
Total assets	<u>377,323,117</u>	<u>73,682,793</u>	<u>451,005,910</u>
LIABILITIES			
Accounts payable	9,705,267	2,682,618	12,387,885
Accrued interest	396,938	-	396,938
Unearned revenue	84,721,681	4,440,600	89,162,281
Long-term liabilities:			
Due within one year	4,806,411	23,621	4,830,032
Due in more than one year	54,681,659	21,270,921	75,952,580
Total liabilities	<u>154,311,956</u>	<u>28,417,760</u>	<u>182,729,716</u>
NET ASSETS			
Invested in capital assets, net of related debt	90,423,756	41,505,019	131,928,775
Restricted for:			
Grant Programs	1,189,823	-	1,189,823
Capital Projects	936,040	2,054,495	2,990,535
Property Reappraisal	1,637,388	-	1,637,388
Court Functions	3,185,005	-	3,185,005
Public Safety	7,385,120	-	7,385,120
Weed/Pest/Mosquito Abatement	1,781,228	-	1,781,228
Welfare and Public Health	1,794,401	-	1,794,401
Recreation and Culture	924,913	-	924,913
Unrestricted	113,753,487	1,705,519	115,459,006
Total net assets	<u>\$ 223,011,161</u>	<u>\$ 45,265,033</u>	<u>\$ 268,276,194</u>

Assets are presented in order of how readily they can be converted to cash. Cash is the most liquid; capital assets are least liquid.

Internal balances consist of short-term receivables and payables for activities occurring within the County.

Most capital assets are shown at their original purchase/construction cost, less annual depreciation charges accumulated over time. However, land and roadways are not depreciated. More information on capital assets and depreciation can be found in the Notes and Required Supplementary Information sections.

ASSETS

Cash and cash equivalents
Investments
Receivables, net
Internal balances
Prepaid expense
Lease receivable
Accrued interest receivable
Capital assets, net of depreciation:
Land, not depreciated
Land improvements
Building
Infrastructure
Vehicles
Machinery & equipment
Construction in progress
Capital assets, net
Total assets

3

Liabilities are shown in order of maturity or when cash is expected to be used to pay them.

Unearned revenues are resources received that have not yet met the criteria for being recorded as revenues.

The Notes provide information about the major types of long-term liabilities, purpose of liability, beginning and ending balances, and how major categories of liabilities have changed during the previous year.

LIABILITIES

Accounts payable
Accrued interest
Unearned revenue
Long-term liabilities:
Due within one year
Due in more than one year
Total liabilities

Constraints on the use of net assets that are externally imposed by creditors, grantors, contributors, or state law through the *Idaho Constitution* or legislation are listed separately as "restricted" to show net assets that are not available to support primary government programs.

NET ASSETS

Invested in capital assets, net of related debt
Restricted for:
Grant Programs
Capital Projects
Property Reappraisal
Court Functions
Public Safety
Weed/Pest/Mosquito Abatement
Welfare and Public Health
Recreation and Culture
Unrestricted
Total net assets

Unrestricted net assets may be used at the County's discretion but often have limitations on use based on state statutes.

Total assets - total liabilities = total net assets
\$377,323,117 - \$154,311,956 = \$223,011,161

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

The Statement of Activities contains information about costs of providing services (expenses) and resources obtained to finance services (revenues) during the current fiscal year.

Program revenues display the extent to which programs are self-funded. Program revenues are categorized as charges for services, grants, and contributions. Program revenues reduce the net expense of functions/programs to the public.

**Ada County
Statement of Activities
For the Year Ended September 30, 2009**

This column shows the full cost of the program.

Program Revenues

Net (Expense) Revenue and Changes in Net Assets

Primary Government

Functions/Programs

Primary government:

Governmental activities:

- General government
- Sanitation
- Public safety
- Health and welfare
- Recreational and cultural
- Education
- Interest on long-term debt
- Total governmental activities

Business-type activities:

- Emergency Medical Services
- Solid Waste Management
- Western Idaho Fair
- Billing Services
- Total business-type activities
- Total primary government

Functions show the major programs for which the County spends resources.

Expenses	Program Revenues			Capital Grants & Contributions
	Charges for Services	Operating Grants and Contributions		
\$ 60,278,077	\$ 8,431,614	\$ 212,737	\$ -	
2,389,758	629,343	12,785	-	
66,365,684	21,473,736	6,298,764	-	
9,327,152	-	-	-	
1,270,222	281,368	154,725	-	
-	-	-	-	
1,943,494	-	-	-	
141,574,387	30,816,061	6,679,011	-	
9,891,228	7,137,575	-	-	
9,948,898	12,210,403	-	-	
3,528,574	3,298,213	-	-	
4,190,431	3,990,866	-	-	
27,559,131	26,637,057	-	-	
\$ 169,133,518	\$ 57,453,118	\$ 6,679,011	\$ -	

Governmental Activities	Business-Type Activities	Total
\$ (51,633,726)	\$ -	\$ (51,633,726)
(1,747,630)	-	(1,747,630)
(38,593,184)	-	(38,593,184)
(9,327,152)	-	(9,327,152)
(834,129)	-	(834,129)
-	-	-
(1,943,494)	-	(1,943,494)
(104,079,315)	-	(104,079,315)
-	(2,753,653)	(2,753,653)
-	2,261,505	2,261,505
-	(230,361)	(230,361)
-	(199,565)	(199,565)
-	(922,074)	(922,074)
(104,079,315)	(922,074)	(105,001,389)

Are programs self supporting?
The total is obtained by subtracting program revenues from expenses. A (negative) figure indicates the portion of program expenses not covered by program revenues; therefore, the program was partially financed with tax revenues and other general revenues, which are shown on the bottom half of this statement. A positive figure indicates that program revenues exceeded program expenses, making a net contribution to governmental revenues.

An example of how this statement works: The total cost of the County's Public safety was \$66 million. The County raised \$21.5 million from charges for services, and received \$6.3 million of operating grants and contributions. When program revenues are subtracted from expenses for Public Safety, a net expense of \$38.6 million is left. This is the portion of Public safety costs financed with taxes and other general revenues, rather than being financed by the revenues generated by the services themselves.

General revenues include taxes and other revenues the County uses to finance the net expense of the functions above. General revenues are categorized to enhance comparability among financial statements for different years.

General revenues:

- Taxes:
 - Property taxes, levied for general purposes
 - Sales taxes
- Grants and contributions not restricted to specific programs
- Interest and investment earnings
- Miscellaneous

Total general revenues, special item and transfers

Change in net assets

Net assets - beginning
Net assets - ending

82,630,115	3,810,007	86,440,122
12,411,494	146,670	12,558,164
4,384,595	-	4,384,595
4,229,018	678,622	4,907,640
1,972,497	3,000	1,975,497
105,627,719	4,638,299	110,266,018
1,548,404	3,716,225	5,264,629
221,462,757	41,548,808	263,011,565
\$ 223,011,161	\$ 45,265,033	\$ 268,276,194

Did the County's financial position improve or deteriorate during the fiscal year?

The change in net assets indicates whether sufficient resources were raised during the year to cover the costs. The net assets of governmental activities increased by \$1.5 million, and business-type activities net assets increased by \$3.7 million.

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

**ADA COUNTY
Balance Sheet
Governmental Funds
September 30, 2009**

The governmental fund balance sheet serves a purpose similar to the Statement of Net Assets. This statement reports what is owned or controlled and what is owed by governmental funds. However, the focus is on short-term, rather than long-term, assets and liabilities.

This statement presents the County's most significant or 'major' funds individually and aggregates other funds in a single column.

To see the detail of the different funds that make up Other Governmental Funds, turn to the combining financial statements on CAFR pages 67-72.

	General Fund	Charities and Welfare	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 23,826,949	\$ 2,001,064	\$ 34,508,659	\$ 8,415,110	\$ 68,751,782
Investments	18,242,974	1,524,000	26,585,066	6,517,945	52,869,985
Accounts receivable	3,163	-	-	384,786	387,949
Property tax receivable	71,971,123	4,728,593	-	10,109,171	86,808,887
Accrued interest receivable	169,161	-	156,880	19,939	345,980
Due from other funds	233,243	-	-	-	233,243
Due from other agencies and units of government	5,817,061	-	-	1,864,359	7,681,420
Lease Receivable	2,220,481	-	-	-	2,220,481
Total assets	\$ 122,484,155	\$ 8,253,657	\$ 61,250,605	\$ 27,311,310	\$ 219,299,727
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 7,065,962	\$ 684,460	\$ 166,084	\$ 1,046,951	\$ 8,963,457
Due to other funds	4,889	25	-	37,169	42,083
Deferred revenues	75,387,900	4,728,593	-	10,581,733	90,698,226
Accrued liabilities	-	1,118,892	-	-	1,118,892
Total liabilities	82,458,751	6,531,970	166,084	11,665,853	100,822,658
Fund balances:					
Reserved for:					
Juvenile programs and grants	1,189,823	-	-	-	1,189,823
Capital expenditures	-	-	936,040	-	936,040
Unreserved:					
Designated for capital projects	-	-	60,148,481	6,124,189	66,272,670
Designated for cash basis reserve	18,752,845	915,270	-	2,182,735	21,850,850
Designated for budget stabilization	16,783,522	-	-	3,263,432	20,046,954
Designated for subsequent years' expenditures, reported in:					
General fund	159,900	-	-	-	159,900
Charities and Welfare	-	806,417	-	-	806,417
Non-major special revenue funds	-	-	-	1,306,288	1,306,288
Undesignated:					
General Fund	3,139,314	-	-	-	3,139,314
Non-major special revenue funds	-	-	-	2,768,813	2,768,813
Total fund balances	40,025,404	1,721,687	61,084,521	15,645,457	118,477,069
Total liabilities and fund balances	\$ 122,484,155	\$ 8,253,657	\$ 61,250,605	\$ 27,311,310	

Governmental funds present current financial resources which do not include capital assets or long-term debt. Current financial resources are generally turned into cash or consumed within a year.

Governmental funds report deferred revenues in connection with receivables that aren't available to liquidate liabilities of the current period. See detail in Notes, CAFR page 50.

Reserved fund balances are the portion of a governmental fund's balance that is not available for spending in the subsequent year's budget due to grant or contractual restrictions.

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

Ada County

Reconciliation of the Governmental Funds Balance Sheet

To the Statement of Net Assets

September 30, 2009

This reconciliation shows the reasons that total fund balances on the governmental fund Balance Sheet differ from total net assets for governmental activities on the government-wide Statement of Net Assets.

Total Fund Balances - Governmental Funds

\$ 118,477,069

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. These assets consist of the following:

Land	\$ 7,214,171
Land Improvements	2,304,663
Building	151,290,921
Infrastructure	1,706,261
Vehicles	4,718,534
Machinery and Equipment	25,191,577
Construction in Progress	6,071,484
Accumulated Depreciation	<u>(59,438,855)</u>
Total Capital Assets	139,058,756

The largest difference between the government-wide and governmental fund statements is that fund statements do not report capital assets, such as land, buildings, etc.

Some of the County's revenue will be collected after year-end but is not available soon enough to pay for the current period's expenditures and therefore is deferred in the funds. The following has been deferred:

Delinquent Property Tax	\$ 3,756,064
Interest Receivable on Lease	90,751
Lease Receivable	<u>2,220,481</u>
Total Deferred Revenue	6,067,296

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Assets. These liabilities consist of the following:

Capital Leases Payable	\$ (48,635,000)
Accrued Interest on the Capital Leases	(396,938)
Compensated Absences	<u>(4,050,741)</u>
Total Long-Term Liabilities	(53,082,679)

The governmental fund Balance Sheet does not report long-term liabilities; the government-wide Statement of Net Assets does.

Internal service funds are used by management to charge the costs of health and liability insurance to individual funds and are reported separately from governmental funds in the fund statements. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.

12,490,719

Total Net Assets - Governmental Activities

\$ 223,011,161

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

The governmental funds total fund balance of \$118.5 million (see CAFR page 29) reconciles to the \$223 million total of the governmental activities net assets reported on government-wide Statement of Net Assets (see CAFR page 26). The difference between these numbers can be seen on this reconciliation which primarily shows that the governmental funds report short-term financial information, whereas the government-wide statements report both short-term and long-term information.

This statement and other similar operating statements (such as the Statement of Activities) contain information on revenues and expenditures occurring during the fiscal year; by contrast, balance sheets and net asset statements contain data as of a single point in time - the end of the fiscal year.

**Ada County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2009**

Several funds make up the Other Governmental column. To see greater detail of the individual funds summarized in this column, turn to the combining financial statements on CAFR pages 67-72.

This statement shows the flow of short-term resources into and out of the County. In governmental funds, revenues are included only if cash is received during the year or within 30 days of the end of the fiscal year. Revenues are reported by major source.

Expenditures generally are recorded when the County has received the goods or services and payment is due and payable. The expenditures are listed by major functional category.

Capital Outlay shows the purchase, construction, and improvement of capital assets. This amount is different than that of the government-wide statements, which adds the cost to the capital account on the Statement of Net Assets and subtracts the cost over the useful life of the asset in the form of depreciation expense.

	General Fund	Charities and Welfare	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 67,443,024	\$ 3,388,888	\$ -	\$ 10,252,132	\$ 81,084,044
Licenses and permits	1,210,120	-	-	187,780	1,397,900
Fines and forfeitures	112,202	-	-	1,803,970	1,916,172
Charges for services	19,739,814	219,167	1,105,500	6,944,111	28,008,592
Intergovernmental	20,033,365	3,610	-	3,438,125	23,475,100
Interest income	1,228,429	101,742	1,352,771	294,353	2,977,295
Net increase (decrease) in the fair value of investments	276,843	27,191	344,595	89,096	737,725
Miscellaneous	1,846,356	68,791	124,462	410,263	2,449,872
Total revenues	111,890,153	3,809,389	2,927,328	23,419,830	142,046,700
EXPENDITURES					
Current:					
General government	45,584,927	-	25,000	8,681,788	54,291,715
Sanitation	-	-	-	2,214,515	2,214,515
Public safety	58,151,818	-	-	4,209,751	62,361,569
Health and welfare	-	7,953,789	-	1,644,506	9,598,295
Recreational and cultural	-	-	-	948,947	948,947
Education	-	-	-	-	-
Capital outlay	1,903,490	-	3,764,933	2,755,527	8,423,950
Debt service:					
Principal retirement	-	-	1,675,000	-	1,675,000
Interest and other debt charges	-	-	1,953,264	-	1,953,264
Total expenditures	105,640,235	7,953,789	7,418,197	20,455,034	141,467,255
Excess (deficiency) of revenues over expenditures	6,249,918	(4,144,400)	(4,490,869)	2,964,796	579,445
OTHER FINANCING SOURCES (USES)					
Transfers in	2,742,638	-	3,220,000	-	5,962,638
Transfers (out)	(3,045,794)	(128,933)	(2,404,146)	(383,765)	(5,962,638)
Total other financing sources and uses	(303,156)	(128,933)	815,854	(383,765)	-
Net change in fund balances	5,946,762	(4,273,333)	(3,675,015)	2,581,031	579,445
Fund balance, beginning of year	34,078,642	5,995,020	64,759,536	13,064,426	117,897,624
Fund balance, end of year	40,025,404	1,721,687	61,084,521	15,645,457	118,477,069

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

The County's only debt is for the annual lease payments on the Courthouse.

All funds except the General Fund and Charities and Welfare had positive changes in fund balances (revenues and other financing sources exceeded expenditures and financing uses).

These are the fund balances that appear on the governmental funds Balance Sheet.

This reconciliation shows the reasons that the net changes in fund balances on the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance differ from change in net assets for governmental activities on the government-wide Statement of Activities.

The net change in fund balances comes from the total column of governmental funds on the Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR page 31).

Ada County

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended September 30, 2009

Total Net Change in Fund Balances - Governmental Funds

\$ 579,445

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital Outlays expense was more than Depreciation expense in the current year by the following amount:

Capital Outlay	\$ 8,423,950	
Depreciation Expense	<u>(7,358,362)</u>	
Excess of Depreciation Expense over Capital Outlay		1,065,588

Miscellaneous transactions involving capital assets such as sales and other disposals (gain/loss), as well as donations, are reported in the Statement of Activities but only proceeds from sales are reported in the governmental funds.

Sales, disposals and donations	\$ (36,496)	
		(36,496)

Some revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. On the accrual basis, however, those revenues would be recognized, regardless of when they are collected. Because of the "availability" criterion under the modified accrual basis of accounting the following has been deferred:

Delinquent Property Tax		1,546,071
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A lease receivable payment is reported as revenue in the governmental funds when received. The amount representing the principal payment on the lease is reported in the Statement of Net Assets as a reduction of the lease receivable.

Interest receivable on the lease is not reported in the governmental funds	\$ (393,180)	
	<u>(16,069)</u>	
		(409,249)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current year, these amounts consist of:

Capital Lease Payments		1,675,000
------------------------	--	-----------

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Also, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Accrued interest calculated for capital leases payable	\$ 9,770	
Compensated absences	<u>(81,058)</u>	
Total Additional Expenditures		(71,288)

Internal service funds are used by management to charge the costs of health and liability insurance to individual funds and are reported separately from governmental funds in the fund statements. In the government-wide statements, internal service funds are included with governmental activities.

Change in Net Assets - Governmental Activities

(2,800,667)
\$ 1,548,404

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

Internal service funds are reported in proprietary fund statements because they operate like a business and charge County departments a price for goods and services in order to recoup their costs. Since they provide services mainly to other funds of the County, internal service funds are included with the governmental activities in the government-wide statements.

This is the amount you will find in the Governmental Activities column on the government-wide Statement of Activities (CAFR page 27).

**Ada County
Statement of Net Assets
Proprietary Funds
September 30, 2009**

Proprietary funds account for operations that function in a manner similar to private business, where the cost of providing goods or services is primarily financed through user charges. There are two types of proprietary funds -- internal service and enterprise funds. Internal service funds provide goods and services to county departments on a cost-reimbursement basis; enterprise funds account for services or goods provided outside of county government. Enterprise funds and business-type activities on the government-wide Statement of Net Assets are synonymous.

Only one fund comprises the Nonmajor Enterprise Funds column. The County chooses to present the other three Enterprise Funds as Major Funds in an ongoing manner for year-to-year comparative analysis.

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Major Funds			Other Funds	Total	
	Emergency Medical Services	Solid Waste Management	Western Idaho Fair	Billing Services		
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 4,459,704	\$ 6,677,761	\$ 1,137,719	\$ 1,010,733	\$ 13,285,917	\$ 11,475,782
Investments	4,246,633	5,137,183	880,882	777,576	11,042,274	8,566,708
Receivables, net	1,492,609	788,418	33,507	84,479	2,399,013	-
Due from other funds	-	68,949	-	1,462	70,411	-
Due from other agencies	39,665	2,173	-	386	42,224	-
Property tax receivable	4,114,488	-	-	-	4,114,488	-
Accrued interest receivable	26,929	30,964	5,523	5,222	68,638	52,685
Prepaid expense	-	-	-	-	-	237,171
Total current assets	<u>14,380,028</u>	<u>12,705,448</u>	<u>2,057,631</u>	<u>1,879,858</u>	<u>31,022,965</u>	<u>20,332,346</u>
Noncurrent assets:						
Capital assets:						
Land	613,034	3,536,791	493,224	-	4,643,049	-
Land improvements	-	22,015,127	2,884,575	-	24,899,702	-
Buildings	1,885,665	1,251,610	6,777,324	-	9,914,599	-
Infrastructure	-	2,864,571	974,347	-	3,838,918	-
Vehicles	2,997,597	100,872	58,647	-	3,157,116	-
Machinery & equipment	164,033	150,792	356,876	-	671,701	-
Construction in progress	906,448	8,308,485	-	-	9,214,933	-
Less accumulated depreciation	(2,922,461)	(4,579,553)	(7,332,985)	-	(14,834,999)	-
Capital assets, net	<u>3,644,316</u>	<u>33,648,695</u>	<u>4,212,008</u>	<u>-</u>	<u>41,505,019</u>	<u>-</u>
Total assets	<u>18,024,344</u>	<u>46,354,143</u>	<u>6,269,639</u>	<u>1,879,858</u>	<u>72,527,984</u>	<u>20,332,346</u>
LIABILITIES						
Current liabilities:						
Accounts payable	673,487	1,845,903	77,950	85,278	2,682,618	741,810
Accrued liabilities	22,401	630	590	-	23,621	-
Due to other funds	27,707	8,208	45,151	73,632	154,698	106,873
Claims and judgments	-	-	-	-	-	1,654,071
Deferred revenues	3,943,070	-	147,625	349,905	4,440,600	-
Total current liabilities	<u>4,666,665</u>	<u>1,854,741</u>	<u>271,316</u>	<u>508,815</u>	<u>7,301,537</u>	<u>2,502,754</u>
Noncurrent liabilities:						
Accrued liabilities	345,062	24,575	44,002	-	413,639	-
Landfill postclosure costs	-	20,857,282	-	-	20,857,282	-
Claims and judgments	-	-	-	-	-	4,029,366
Total noncurrent liabilities	<u>345,062</u>	<u>20,881,857</u>	<u>44,002</u>	<u>-</u>	<u>21,270,921</u>	<u>4,029,366</u>
Total liabilities	<u>5,011,727</u>	<u>22,736,598</u>	<u>315,318</u>	<u>508,815</u>	<u>28,572,458</u>	<u>6,532,120</u>
NET ASSETS						
Invested in capital assets	3,644,316	33,648,695	4,212,008	-	41,505,019	-
Restricted for remaining contract commitment	522,073	1,532,422	-	-	2,054,495	-
Unrestricted	8,846,228	(11,563,572)	1,742,313	1,371,043	396,012	13,800,226
Total net assets	<u>\$ 13,012,617</u>	<u>\$ 23,617,545</u>	<u>\$ 5,954,321</u>	<u>\$ 1,371,043</u>	<u>43,955,526</u>	<u>\$ 13,800,226</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					1,309,507	
Net assets of business-type activities					<u>\$ 45,265,033</u>	

Internal service funds are included with governmental activities in the government-wide statements. To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR page 88-92).

As a general rule, current assets and liabilities on the proprietary fund statements are those assets and liabilities expected to mature within one year of the end of the fiscal period (Sept 30). Noncurrent assets and liabilities are those assets and liabilities expected to mature in more than one year from the end of the fiscal period.

Additional details on capital assets and infrastructure can be found in the Notes to the Financial Statements (CAFR pages 46 and 51-52).

Additional details on noncurrent (long-term) liabilities can be found in the Notes to the Financial Statements (CAFR page 55).

This total net assets amount is the same as that found for business-type activities in the government-wide Statement of Net Assets (CAFR page 26). The total net assets amount also agrees with the ending net assets shown on the Statement of Activities (CAFR page 27).

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

Ada County
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2009

Enterprise funds account for services or goods provided to those outside of county government.

Proprietary funds report the finances of activities the County operates like a business. Proprietary activities charge a fee to users that covers most of the cost of providing the service. There are two types of proprietary funds -- enterprise and internal service funds.

Internal service funds provide services or goods to other county departments.

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Major Funds			Other Funds		
	Emergency Medical Services	Solid Waste Management	Western Idaho Fair	Billing Services	Total	
OPERATING REVENUE						
Charges for services	\$ 7,114,245	\$ 11,883,778	\$ -	\$ 3,990,866	\$ 22,988,889	\$ 15,110,526
Concessions	-	-	1,195,047	-	1,195,047	-
Admissions	-	-	1,005,947	-	1,005,947	-
Rentals	-	-	913,781	-	913,781	-
Other	23,330	326,625	183,438	-	533,393	-
Total operating revenues	<u>7,137,575</u>	<u>12,210,403</u>	<u>3,298,213</u>	<u>3,990,866</u>	<u>26,637,057</u>	<u>15,110,526</u>
OPERATING EXPENSES						
Personal services	7,624,839	598,650	714,958	-	8,938,447	-
Other services & charges	1,920,014	6,507,372	2,380,397	4,190,431	14,998,214	-
Administration	-	-	-	-	-	2,827,175
Landfill postclosure expense	-	2,447,645	-	-	2,447,645	-
Claims	-	-	-	-	-	15,701,944
Depreciation	278,040	385,469	423,457	-	1,086,966	-
Total operating expenses	<u>9,822,893</u>	<u>9,939,136</u>	<u>3,518,812</u>	<u>4,190,431</u>	<u>27,471,272</u>	<u>18,529,119</u>
Operating income (loss)	<u>(2,685,318)</u>	<u>2,271,267</u>	<u>(220,599)</u>	<u>(199,565)</u>	<u>(834,215)</u>	<u>(3,418,593)</u>
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	3,000	-	-	-	3,000	-
Donations, gain (loss) on disposition of assets	-	-	-	-	-	-
Interest and investment revenue	191,848	258,042	34,976	37,079	521,945	407,778
Net increase (decrease) in the fair value of investments	57,456	75,658	12,491	11,072	156,677	122,289
Property & other taxes	3,956,677	-	-	-	3,956,677	-
Total nonoperating revenue (expenses)	<u>4,208,981</u>	<u>333,700</u>	<u>47,467</u>	<u>48,151</u>	<u>4,638,299</u>	<u>530,067</u>
Net income (loss) before contributions and transfers	<u>1,523,663</u>	<u>2,604,967</u>	<u>(173,132)</u>	<u>(151,414)</u>	<u>3,804,084</u>	<u>(2,888,526)</u>
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Change in net assets	<u>1,523,663</u>	<u>2,604,967</u>	<u>(173,132)</u>	<u>(151,414)</u>	<u>3,804,084</u>	<u>(2,888,526)</u>
Total net assets - beginning	<u>11,488,954</u>	<u>21,012,578</u>	<u>6,127,453</u>	<u>1,522,457</u>	<u>16,688,752</u>	<u>16,688,752</u>
Total net assets - ending	<u>13,012,617</u>	<u>23,617,545</u>	<u>5,954,321</u>	<u>1,371,043</u>	<u>13,800,226</u>	<u>13,800,226</u>
					(87,859)	
					<u>\$ 3,716,225</u>	

Operating revenues include fees and charges received from providing goods or services to customers in the course of the fund's principal

Operating expenses are the costs paid for goods or services in the course of the fund's principal ongoing activity.

This line shows if the operating revenues generated were sufficient to cover expenses.

Nonoperating revenues (expenses) represent nonexchange transactions and those transactions outside the course of the fund's principal ongoing activity.

You can use this line to judge the financial sustainability of the activities. A loss would indicate that an activity is not supporting itself and must use resources accumulated from the past, push costs off to the future, or utilize some other financing method to cover costs.

To see greater detail of the individual funds aggregated in this column, turn to the combining financial statements (CAFR page 88-92).

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Change in net assets of business-type activities

**Ada County
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2009**

This statement shows if and how the proprietary funds met their cash needs. It shows whether a proprietary activity raised enough cash to pay its bills.

To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR page 88-92).

Cash flow operating activities relate to money received from providing services and the cash paid to employees and suppliers for services and goods.

Noncapital financing activities relate to grants, and property taxes paid to Emergency Medical Services.

Capital and related financing activities relate to receipt and use of cash for purchase or construction of capital assets.

Investing activities relate to the sale, purchase, and earnings from investments.

	Business-Type Activities - Enterprise Funds				Total	Governmental Activities- Internal Service Funds
	Emergency Medical Services	Solid Waste Management	Western Idaho Fair	Billing Services		
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 7,001,521	\$ 11,961,812	\$ 3,325,618	\$ 4,038,074	\$ 26,327,025	\$ 15,110,526
Cash paid to suppliers for goods and contracted services	(1,938,541)	(7,456,627)	(2,544,728)	(4,239,426)	(16,179,322)	(17,358,115)
Cash paid to employees for services	(7,462,604)	(586,966)	(698,939)	-	(8,748,509)	-
Other operating revenue	23,330	326,625	-	-	349,955	-
Net cash provided by (used for) operating activities	(2,376,294)	4,244,844	81,951	(201,352)	1,749,149	(2,247,589)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property taxes and other taxes	3,889,431	-	-	-	3,889,431	-
Subsidy from federal grants	3,000	-	-	-	3,000	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	3,892,431	-	-	-	3,892,431	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	(1,545,353)	(7,295,250)	(266,666)	-	(9,107,269)	-
Net cash provided by (used for) capital and related financing activities	(1,545,353)	(7,295,250)	(266,666)	-	(9,107,269)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Net (increase) decrease in investments	2,916,545	7,032,533	931,455	848,573	11,729,106	9,518,639
Interest income	214,704	302,581	42,106	43,123	602,514	473,198
Net cash provided by (used for) investing activities	3,131,249	7,335,114	973,561	891,696	12,331,620	9,991,837
Net increase (decrease) in cash	3,102,033	4,284,708	788,846	690,344	8,865,931	7,744,248
Cash, beginning of year	1,357,671	2,393,053	348,873	320,389	4,419,986	3,731,534
Cash, end of year	\$ 4,459,704	\$ 6,677,761	\$ 1,137,719	\$ 1,010,733	\$ 13,285,917	\$ 11,475,782

The amounts on this line agree with the 'cash and cash equivalents' line on the Proprietary Funds Statement of Net Assets. (CAFR page 34).

(Continued)

This reconciliation should be viewed in connection with the previous document (the 'Statement of Cash Flows').

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities

The amounts on this line agree with the Total Operating income (loss) shown on the 'Statement of Revenues, Expenses, and Changes in fund Net Assets'. (CAFR page 35)

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Major Funds			Other Funds		
	Emergency Medical Services	Solid Waste Management	Western Idaho Fair	Billing Services	Total	
Operating income (loss)	\$ (2,685,318)	\$ 2,271,267	\$ (220,599)	\$ (199,565)	\$ (834,215)	\$ (3,418,593)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	278,040	385,469	423,457	-	1,086,966	-
Landfill postclosure expense	-	2,447,645	-	-	2,447,645	-
Claims and judgments expense	-	-	-	-	-	1,607,333
Change in assets and liabilities:						
(Increase) decrease in accounts receivable, net and units of government	(113,141)	(517,913)	(874)	36,216	(595,712)	-
(Increase) decrease in due from other agencies	417	614,925	-	414	615,756	-
(Increase) decrease in due from other funds	-	(18,977)	-	(1,462)	(20,439)	-
(Increase) decrease in prepaid expense	-	-	-	-	-	(237,171)
Increase (decrease) in accounts payable	136,471	(936,796)	(74,868)	(66,236)	(941,429)	(171,556)
Increase (decrease) in accrued liabilities	20,430	(471)	3,412	-	23,371	-
Increase (decrease) in due to other funds	(13,193)	(305)	(76,857)	17,241	(73,114)	(27,602)
Increase (decrease) in deferred revenue	-	-	28,280	12,040	40,320	-
Total adjustments	309,024	1,973,577	302,550	(1,787)	2,583,364	1,171,004
Net cash provided by (used for) operating activities	\$ (2,376,294)	\$ 4,244,844	\$ 81,951	\$ (201,352)	\$ 1,749,149	\$ (2,247,589)

The reconciliation explains the differences between the flows of cash and the operating income (loss) reported on an accrual basis on the 'Statement of Revenues, Expenses and Changes in Fund Net Assets' for proprietary funds.

This line agrees with net cash for operating activities shown on the 'Statement of Cash Flows'.

Noncash investing activities for business-type enterprise funds were:

- The net increase in the fair value of investments for Emergency Medical Services was \$ 57,456 for the year.
- The net increase in the fair value of investments for Solid Waste Management was \$ 75,658 for the year.
- The net increase in the fair value of investments for the Western Idaho Fair was \$ 12,491 for the year.
- The net increase in the fair value of investments for Billing Services was \$ 11,072 for the year.

Noncash investing activities for governmental internal service funds were:

- The net increase in the fair value of investments for Self-Funded Health Insurance was \$ 67,712 for the year.
- The net increase in the fair value of investments for Liability Insurance was \$ 54,577 for the year.

Noncash transactions are not reported on the 'Statement of Revenues, Expenses, and Changes in Fund Net Assets' as operating income or in the 'Statement of Cash Flows' as a cash transaction. These represent the movement of market value of investments from year to year.

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

ADA COUNTY
Fiduciary Funds
Statement of Fiduciary Net Assets
September 30, 2009

Fiduciary funds account for resources the County manages or holds on behalf of others. Fiduciary funds are not available to support the County's programs.

	Agency Funds
Assets	
Cash	\$ 7,527,037
Accounts receivable	735,810
Total assets	\$ 8,262,847
Liabilities	
Accounts payable	\$ 74,947
Fines and appearance bonds to be remitted	2,039,794
Fiduciary fund liabilities:	
Judgments held in trust	742,882
Tax receipts held in trust	1,351,286
Due to prisoners	120,370
Due to victims	76,579
Due to other agencies and units of government	3,856,989
Total liabilities	\$ 8,262,847

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

Agency funds contain resources held on a temporary, purely custodial basis. Every resource held by these funds is due to be passed along to the individuals or organizations to which it belongs; therefore, assets equal liabilities at all times and there are no net assets.

The information in a budgetary comparison schedule can help you judge the County's compliance with its budget and assess the County's fiscal management capacity.

Ada County

Required Supplementary Information
Budgetary Comparison Schedule

**Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2009**

The original budget includes the original adopted budget and legally authorized adjustments made before the beginning of the fiscal year. The final budget includes the original budget with all changes made subsequent to the start of the year.

General Fund and Major Special Revenue Funds

GENERAL FUND	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	68,032,359	68,032,359	67,443,024	(589,335)
Sales tax allocation	14,210,000	14,210,000	12,952,999	(1,257,001)
State shared	3,921,848	3,921,848	4,458,461	536,613
Payments in lieu of taxes	306,500	306,500	949,953	643,453
Licenses and permits	1,098,625	1,113,000	1,210,121	97,121
Charges for services	22,627,602	22,054,611	19,856,506	(2,198,105)
Grants	893,602	2,957,140	1,749,471	(1,207,669)
Interest income	1,210,378	1,210,378	1,781,680	571,302
Miscellaneous	2,174,360	2,555,808	4,802,159	2,246,351
Total general fund revenues	\$ 114,475,274	\$ 116,361,644	\$ 115,204,374	\$ (1,157,270)
Expenditures:				
General Government				
Total clerk of the district court	7,811,268	8,761,684	7,405,560	1,356,124
Total treasurer	980,480	980,480	946,845	33,635
Total assessor	778,306	778,306	686,012	92,294
Total assessor motor vehicle	2,707,314	2,707,314	2,215,038	492,276
Total prosecuting attorney	10,860,508	10,965,899	10,500,548	465,351
Total communications coordinator	182,468	182,468	128,101	54,367
Total commissioners	735,811	735,811	605,533	130,278
Total operations	7,713,847	7,713,847	6,264,187	1,449,660
Total development services	3,346,381	3,346,381	2,260,201	1,086,180
Total information technology	5,291,008	5,291,008	5,062,151	228,857
Total public defender	6,415,799	6,415,799	6,290,342	125,457
Total administrative services	1,697,402	1,697,402	1,542,948	154,454
Total general	7,786,981	8,261,292	4,695,140	3,566,152
Total general government (including capital outlays)	56,307,573	57,837,691	48,602,606	9,235,085
Public Safety				
Total sheriff	50,369,956	51,169,595	49,414,888	1,754,707
Total coroner	1,408,349	1,408,349	1,272,894	135,455
Total juvenile	7,995,842	9,705,652	7,992,601	1,713,051
Total public safety (including capital outlays)	59,774,147	62,283,596	58,680,383	3,603,213
Total general fund expenditures (including capital outlays)	\$ 116,081,720	\$ 120,121,287	\$ 107,282,989	\$ 12,838,298
Revenue Over (Under) Expenditures			7,921,385	
OTHER FINANCING SOURCES (USES)				
Transfers In			2,742,638	
Transfers Out			(3,136,193)	
Total Other Financing Sources (Uses)			(393,555)	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			7,527,830	
Reconciling Items				
Changes Affected by Accrued Revenues			(3,314,220)	
Changes Affected by Accrued Expenditures			1,733,152	
Fund Balances - Beginning of Year			34,078,642	
Fund Balances - End of Year			\$ 40,025,404	

Notice that the final budget is more than the original budget. The final budget amounts include the original budget plus grant appropriations, transfers, and other legally adopted adjustments to the original budget - such as unanticipated revenues. See CAFR pages 22-23 for additional details.

This section reconciles the above cash basis revenue and expenditures with the modified accrual basis used in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR pages 29 and 31).

The Idaho Constitution prohibits expenditures exceeding the final approved budget. This last column is obtained by subtracting actual expenditures from the final budget amount. A positive figure indicates the program stayed within its budget.

The information in a budgetary comparison schedule can help you judge the County's compliance with its budget and assess the County's fiscal management capacity.

Ada County

Required Supplementary Information

Budgetary Comparison Schedule

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (Non-GAAP Cash Basis)

For the Year Ended September 30, 2009

The original budget includes the original adopted budget and legally authorized adjustments made before the beginning of the fiscal year. The final budget includes the original budget with all changes made subsequent to the start of the year.

CHARITIES AND WELFARE MAJOR SPECIAL REVENUE FUND	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,380,621	\$ 3,380,621	\$ 3,388,889	\$ 8,268
Intergovernmental	-	-	3,610	3,610
Charges for services	850,000	850,000	219,167	(630,833)
Miscellaneous	47,250	47,250	68,791	21,541
Total revenues	<u>4,277,871</u>	<u>4,277,871</u>	<u>3,680,457</u>	<u>(597,414)</u>
Expenditures:				
Current-				
Health and welfare				
Personal services	1,228,529	1,228,529	1,175,726	52,803
Other services and charges	5,800,900	6,202,400	6,190,342	12,058
Capital outlays	1,500	-	-	-
Total expenditures	<u>7,030,929</u>	<u>7,430,929</u>	<u>7,366,068</u>	<u>64,861</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>(3,685,611)</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			<u>(128,933)</u>	
Total Other Financing Sources (Uses)			<u>(128,933)</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			(3,814,544)	
Reconciling Items				
Changes Affected by Accrued Revenues			128,933	
Changes Affected by Accrued Expenditures			(587,722)	
Fund Balances - Beginning of Year			<u>5,995,020</u>	
Fund Balance - End of Year			<u>\$ 1,721,687</u>	

Notice that the final budget is more than the original budget. The final budget amounts include the original budget plus any grant appropriations, transfers, and other legally adopted adjustments to the original budget - such as unanticipated revenues.

The Idaho Constitution prohibits expenditures exceeding the final approved budget. This last column is obtained by subtracting actual expenditures from the final budget amount. A positive figure indicates the program stayed within its budget.

This section reconciles the above cash basis revenue and expenditures with the modified accrual basis used in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR pages 29 and 31).

The note to the required supplementary information - basis of budgeting - is an integral part of this schedule.