

## A Reader's Guide

### Understanding Ada County's Comprehensive Annual Financial Report (CAFR) For the Fiscal Year Ended September 30, 2012

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 - 60) 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 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 70 - 99) 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 100 - 119) 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 \$88 million for 2012 are presented on page 27 of the CAFR. Property tax revenues increased \$184 thousand from the previous fiscal year due to the increase in delinquent taxes collected; 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 102 - 109).
- **Sales Tax Revenue** – Sales tax revenues from the State of \$14.4 million for 2012 are presented on page 27 of the CAFR. An increase of \$1.1 million from the year before reflects the growing 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 102 - 103)
- **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 61 - 65. Comparisons between budget and actual amounts for the non-major governmental funds are on CAFR pages 74 - 89. Details about the County's budget process can be found in the Note to Required Supplementary Information (CAFR pages 66 and 67).

**Ada County  
Statement of Net Assets  
September 30, 2012**

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**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
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Assets are presented in order of how readily they can be converted to cash. Cash is the most liquid; capital assets are least liquid.

**ASSETS**

- Cash and cash equivalents
- Investments
- Receivables, net
- Internal balances
- Lease receivable
- Accrued interest receivable

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.

Capital assets, net of depreciation:

- Land, not depreciated
- Land improvements
- Building
- Infrastructure
- Vehicles
- Machinery & equipment
- Intangible Software
- Construction in progress
- Capital assets, net
- Total assets

	\$ 26,154,297	\$ 4,463,473	\$ 30,617,770
	129,058,914	22,255,862	151,314,776
	92,448,499	7,907,576	100,356,075
	(77,516)	77,516	-
	941,873	-	941,873
	405,218	47,822	453,040
	7,510,645	4,951,841	12,462,486
	1,999,391	31,101,681	33,101,072
	104,779,727	8,128,637	112,908,364
	1,232,531	1,325,065	2,557,596
	1,410,797	688,852	2,099,649
	10,299,350	1,687,741	11,987,091
	92,720	-	92,720
	5,597,352	-	5,597,352
	<u>132,922,513</u>	<u>47,883,817</u>	<u>180,806,330</u>
	<u>381,853,798</u>	<u>82,636,066</u>	<u>464,489,864</u>

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

**LIABILITIES**

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

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.

	12,869,048	2,423,328	15,292,376
	343,790	-	343,790
	84,468,905	4,817,899	89,286,804
	7,550,166	19,837	7,570,003
	51,239,155	19,475,496	70,714,651
	<u>156,471,064</u>	<u>26,736,560</u>	<u>183,207,624</u>

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
  - Consolidated Elections
  - Court Functions
  - Public Safety
  - Weed/Pest/Mosquito Abatement
  - Welfare and Public Health
- 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  
\$381,853,798 - \$156,471,064 = \$225,382,734

	91,217,513	47,883,817	139,101,330
	2,993,967	-	2,993,967
	402,702	-	402,702
	2,466,207	-	2,466,207
	6,541,428	-	6,541,428
	1,722,436	-	1,722,436
	130,299	-	130,299
	<u>119,908,182</u>	<u>8,015,689</u>	<u>127,923,871</u>
	<u>\$ 225,382,734</u>	<u>\$ 55,899,506</u>	<u>\$ 281,282,240</u>

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, 2012**

This column shows the full cost of the program.

**Program Revenues**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 61,484,228	\$ 10,420,478	\$ 340,199	\$ 22,114	\$ (50,701,437)	\$ -	\$ (50,701,437)
Sanitation	2,177,501	433,674	8,000	-	(1,735,827)	-	(1,735,827)
Public safety	69,645,805	21,155,331	4,468,844	148,735	(43,872,895)	-	(43,872,895)
Health and welfare	10,458,674	-	-	-	(10,458,674)	-	(10,458,674)
Recreational and cultural	933,979	299,805	-	1,171	(633,003)	-	(633,003)
Interest on long-term debt	2,022,206	-	-	-	(2,022,206)	-	(2,022,206)
Total governmental activities	146,722,393	32,309,288	4,817,043	172,020	(109,424,042)	-	(109,424,042)
<b>Business-type activities:</b>							
Emergency Medical Services	11,467,618	7,662,036	39,172	-	-	(3,766,410)	(3,766,410)
Solid Waste Management	5,542,775	10,652,812	-	-	-	5,110,037	5,110,037
Western Idaho Fair	3,842,484	3,779,678	-	-	-	(62,806)	(62,806)
Billing Services	4,276,903	4,453,337	-	-	-	176,434	176,434
Total business-type activities	25,129,780	26,547,863	39,172	-	-	1,457,255	1,457,255
<b>Total primary government</b>	<b>\$ 171,852,173</b>	<b>\$ 58,857,151</b>	<b>\$ 4,856,215</b>	<b>\$ 172,020</b>	<b>(109,424,042)</b>	<b>1,457,255</b>	<b>(107,966,787)</b>

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

An example of how this statement works: The total cost of the County's Public safety was \$69.6 million. The County raised \$21.1 million from charges for services, and received \$4.6 million of operating and capital grants and contributions. When program revenues are subtracted from expenses for Public Safety, a net expense of \$43.9 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:**

<b>Taxes:</b>			
Property taxes, levied for general purposes	83,732,818	4,309,024	88,041,842
Sales taxes	14,228,023	163,094	14,391,117
Grants and contributions not restricted to specific programs	5,201,959	-	5,201,959
Interest and investment earnings	2,073,274	287,237	2,360,511
Miscellaneous	2,092,009	4,000	2,096,009
Total general revenues, special item and transfers	107,328,083	4,763,355	112,091,438
Change in net assets	(2,095,959)	6,220,610	4,124,651
Net assets - beginning	227,478,693	49,678,896	277,157,589
Net assets - ending	\$ 225,382,734	\$ 55,899,506	\$ 281,282,240

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.

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 decreased by \$2 million, and business-type activities net assets increased by \$6.2 million.

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

**ADA COUNTY  
Balance Sheet  
Governmental Funds  
September 30, 2012**

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 70-73.

	General Fund	Charities and Welfare	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 9,233,095	\$ 1,166,270	\$ 9,786,141	\$ 3,204,669	\$ 23,390,175
Investments	44,574,033	5,800,693	49,425,800	15,933,541	115,734,067
Accounts receivable	140,844	-	-	126,268	267,112
Property tax receivable	61,171,221	11,059,672	-	14,671,377	86,902,270
Accrued interest receivable	204,706	-	116,896	14,860	336,462
Due from other funds	273,307	-	-	13,201	286,508
Due from other agencies and units of government	5,048,683	-	-	230,434	5,279,117
Lease Receivable	941,873	-	-	-	941,873
<b>Total assets</b>	<b>\$ 121,587,762</b>	<b>\$ 18,026,635</b>	<b>\$ 59,328,837</b>	<b>\$ 34,194,350</b>	<b>\$ 233,137,584</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 8,451,265	\$ 892,192	\$ 730,322	\$ 1,777,200	\$ 11,850,979
Due to other funds	35,211	-	-	50,002	85,213
Deferred revenues	62,551,111	11,059,672	-	14,685,472	88,296,255
Accrued liabilities	-	1,983,579	-	-	1,983,579
<b>Total liabilities</b>	<b>71,037,587</b>	<b>13,935,443</b>	<b>730,322</b>	<b>16,512,674</b>	<b>102,216,026</b>
<b>Fund balances:</b>					
Restricted for:					
Grants	2,993,967	-	-	-	2,993,967
Enabling Legislation	-	-	-	11,276,393	11,276,393
Committed for:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Judicial services	-	-	-	-	-
Health and welfare	-	-	-	-	-
Sanitation	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Assigned for:					
General government	7,332,524	-	-	1,693,525	9,026,049
Public safety	5,790,513	-	-	347,790	6,138,303
Judicial services	1,359,512	-	-	3,132,773	4,492,285
Health and welfare	-	4,091,192	-	-	4,091,192
Sanitation	-	-	-	-	-
Recreation and culture	-	-	-	1,231,195	1,231,195
Capital projects	-	-	58,598,515	-	58,598,515
Unassigned:	33,073,659	-	-	-	33,073,659
<b>Total fund balances</b>	<b>50,550,175</b>	<b>4,091,192</b>	<b>58,598,515</b>	<b>17,681,676</b>	<b>130,921,558</b>
<b>Total liabilities and fund balances</b>	<b>\$ 121,587,762</b>	<b>\$ 18,026,635</b>	<b>\$ 59,328,837</b>	<b>\$ 34,194,350</b>	

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.

Restricted 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 enabling legislation.

**Ada County**

**Reconciliation of the Governmental Funds Balance Sheet**

**To the Statement of Net Assets  
September 30, 2012**

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**

**\$ 130,921,558**

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	\$ 7,510,645
Land Improvements	3,683,381
Building	158,586,833
Infrastructure	2,122,261
Vehicles	5,235,777
Intangible Software	204,134
Machinery and Equipment	28,897,581
Construction in Progress	5,597,352
Accumulated Depreciation	<u>(78,915,451)</u>
Total Capital Assets	132,922,513

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	\$ 2,885,477
Interest Receivable on Lease	38,494
Lease Receivable	<u>941,873</u>
Total Deferred Revenue	3,865,844

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	\$ (41,705,000)
Accrued Interest on the Capital Leases	(343,790)
Compensated Absences	<u>(4,443,258)</u>
Total Long-Term Liabilities	(46,492,048)

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.

4,164,867

**Total Net Assets - Governmental Activities**

**\$ 225,382,734**

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

The governmental funds total fund balance of \$130.9 million (see CAFR page 29) reconciles to the \$225 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, 2012**

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 70-73.

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
<b>REVENUES</b>					
Taxes	\$ 59,325,391	\$11,608,648	\$ -	\$ 13,526,791	\$ 84,460,830
Licenses and permits	1,255,036	-	-	196,400	1,451,436
Fines and forfeitures	62,694	-	-	1,302,934	1,365,628
Charges for services	21,222,192	573,344	940,307	7,329,725	30,065,568
Intergovernmental	21,537,087	3,610	-	2,878,348	24,419,045
Interest income	878,480	62,889	714,817	199,826	1,856,012
Net increase (decrease) in the fair value of investments	9,204	12,331	32,221	7,334	61,090
Miscellaneous	2,180,966	45,547	-	1,036,403	3,262,916
<b>Total revenues</b>	<b>106,471,050</b>	<b>12,306,369</b>	<b>1,687,345</b>	<b>26,477,761</b>	<b>146,942,525</b>
<b>EXPENDITURES</b>					
Current:					
General government	41,640,532	-	-	14,044,025	55,684,557
Sanitation	-	-	-	1,972,854	1,972,854
Public safety	60,812,490	-	-	3,886,269	64,698,759
Health and welfare	-	8,767,688	-	1,691,011	10,458,699
Recreational and cultural	-	-	-	578,605	578,605
Capital outlay	2,201,451	-	2,443,527	4,205,125	8,850,103
Debt service:					
Principal retirement	-	-	2,665,000	-	2,665,000
Interest and other debt charges	-	-	2,043,022	-	2,043,022
<b>Total expenditures</b>	<b>104,654,473</b>	<b>8,767,688</b>	<b>7,151,549</b>	<b>26,377,889</b>	<b>146,951,599</b>
Excess (deficiency) of revenues over expenditures	1,816,577	3,538,681	(5,464,204)	99,872	(9,074)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	294,177	-	7,734,969	-	8,029,146
Transfers (out)	(8,450,438)	(75,220)	(92,232)	(1,361,694)	(9,979,584)
<b>Total other financing sources and uses</b>	<b>(8,156,261)</b>	<b>(75,220)</b>	<b>7,642,737</b>	<b>(1,361,694)</b>	<b>(1,950,438)</b>
Net change in fund balances	(6,339,684)	3,463,461	2,178,533	(1,261,822)	(1,959,512)
Fund balance, beginning of year	56,889,859	627,731	56,419,982	18,943,498	132,881,070
<b>Fund balance, end of year</b>	<b>\$ 50,550,175</b>	<b>\$ 4,091,192</b>	<b>\$ 58,598,515</b>	<b>\$ 17,681,676</b>	<b>\$130,921,558</b>

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.

Capital Projects and Charities and Welfare had positive changes in fund balances (revenues and other financing sources exceeded expenditures and financing uses) while the General Fund and most other Government Funds had negative changes.

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, 2012**

**Total Net Change in Fund Balances - Governmental Funds** \$ (1,959,512)

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	\$ 8,850,103	
Depreciation Expense	(8,320,411)	
Excess of Depreciation Expense over Capital Outlay		529,692

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		(1,727,288)
--------------------------------	--	-------------

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		(728,012)
-------------------------	--	-----------

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	\$ (443,384)	
	(18,122)	(461,506)

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		2,665,000
------------------------	--	-----------

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	\$ 20,816	
Compensated absences	(260,314)	
Total Additional Expenditures		(239,498)

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**

(174,835)  
\$ (2,095,959)

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, 2012**

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.

**ASSETS**

**Current Assets:**

	Business-Type Activities - Enterprise Funds				Total	Governmental Activities-Internal Service Funds
	Emergency Medical Services	Major Funds Solid Waste Management	Western Idaho Fair	Other Funds Billing Services		
Cash and cash equivalents	\$ 1,332,999	\$ 2,600,145	\$ 357,945	\$ 172,384	\$ 4,463,473	\$ 2,764,122
Investments	6,646,787	12,964,977	1,784,305	859,793	22,255,862	13,324,847
Receivables, net	1,989,105	528,929	41,797	369,722	2,929,553	-
Due from other funds	-	74,998	-	-	74,998	-
Due from other agencies	51,702	378,842	-	2,254	432,798	-
Property tax receivable	4,545,225	-	-	-	4,545,225	-
Accrued interest receivable	14,322	28,740	3,646	1,114	47,822	30,262
<b>Total current assets</b>	<b>14,580,140</b>	<b>16,576,631</b>	<b>2,187,693</b>	<b>1,405,267</b>	<b>34,749,731</b>	<b>16,119,231</b>

**Noncurrent assets:**

<b>Capital assets:</b>						
Land	921,826	3,536,791	493,224	-	4,951,841	-
Land improvements	-	31,686,307	3,051,250	-	34,737,557	-
Buildings	7,103,520	1,277,017	6,869,716	-	15,250,253	-
Infrastructure	-	4,268,721	974,347	-	5,243,068	-
Vehicles	3,277,629	162,163	58,647	-	3,498,439	-
Machinery & equipment	698,123	1,311,154	488,713	-	2,497,990	-
Less accumulated depreciation	(3,691,469)	(5,974,583)	(8,629,279)	-	(18,295,331)	-
<b>Capital assets, net</b>	<b>8,309,629</b>	<b>36,267,570</b>	<b>3,306,618</b>	<b>-</b>	<b>47,883,817</b>	<b>-</b>
<b>Total assets</b>	<b>22,889,769</b>	<b>52,844,201</b>	<b>5,494,311</b>	<b>1,405,267</b>	<b>82,633,548</b>	<b>16,119,231</b>

**LIABILITIES**

**Current liabilities:**

Accounts payable	1,105,174	621,125	101,263	595,766	2,423,328	1,018,069
Accrued liabilities	17,235	1,329	1,273	-	19,837	-
Due to other funds	83,220	19,190	55,919	74,998	233,327	42,966
Claims and judgments	-	-	-	-	-	2,323,742
Deferred revenues	4,402,264	-	102,985	312,650	4,817,899	-
<b>Total current liabilities</b>	<b>5,607,893</b>	<b>641,644</b>	<b>261,440</b>	<b>983,414</b>	<b>7,494,391</b>	<b>3,384,777</b>

**Noncurrent liabilities:**

Accrued liabilities	421,849	25,222	46,377	-	493,448	-
Landfill postclosure costs	-	18,982,048	-	-	18,982,048	-
Claims and judgments	-	-	-	-	-	8,333,742
<b>Total noncurrent liabilities</b>	<b>421,849</b>	<b>19,007,270</b>	<b>46,377</b>	<b>-</b>	<b>19,475,496</b>	<b>8,333,742</b>
<b>Total liabilities</b>	<b>6,029,742</b>	<b>19,648,914</b>	<b>307,817</b>	<b>983,414</b>	<b>26,969,887</b>	<b>11,718,519</b>

**NET ASSETS**

Invested in capital assets	8,309,629	36,267,570	3,306,618	-	47,883,817	-
Unrestricted	8,550,398	(3,072,283)	1,879,876	421,853	7,779,844	4,400,712
<b>Total net assets</b>	<b>\$ 16,860,027</b>	<b>\$ 33,195,287</b>	<b>\$ 5,186,494</b>	<b>\$ 421,853</b>	<b>55,663,661</b>	<b>\$ 4,400,712</b>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds  
 Net assets of business-type activities 235,845  
\$ 55,899,506

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

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).

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 91-94).

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.

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).

**Ada County**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended September 30, 2012**

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.

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

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	Total	
	Emergency Medical Services	Solid Waste Management	Western Idaho Fair	Billing Services		
<b>OPERATING REVENUE</b>						
Charges for services	\$ 7,641,921	\$ 10,386,380	\$ -	\$ 4,453,337	\$ 22,481,638	\$ 17,977,747
Concessions	-	-	1,321,075	-	1,321,075	-
Admissions	-	-	1,013,882	-	1,013,882	-
Rentals	-	-	1,093,012	-	1,093,012	-
Other	20,115	266,432	351,709	-	638,256	-
Total operating revenues	7,662,036	10,652,812	3,779,678	4,453,337	26,547,863	17,977,747
<b>OPERATING EXPENSES</b>						
Personal services	8,644,173	632,821	662,170	-	9,939,164	-
Other services & charges	2,257,962	6,792,749	2,735,115	4,276,903	16,062,729	-
Administration	-	-	-	-	-	2,553,464
Landfill postclosure expense	-	(2,477,400)	-	-	(2,477,400)	-
Claims	-	-	-	-	-	17,717,223
Depreciation	572,134	595,718	444,062	-	1,611,914	-
Total operating expenses	11,474,269	5,543,888	3,841,347	4,276,903	25,136,407	20,270,687
Operating income (loss)	(3,812,233)	5,108,924	(61,669)	176,434	1,411,456	(2,292,940)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Intergovernmental	39,172	-	-	-	39,172	-
Donations, gain (loss) on disposition of assets	4,000	-	-	-	4,000	-
Interest and investment revenue	80,689	159,704	19,345	5,380	265,118	162,604
Net increase (decrease) in the fair value of investments	7,059	12,424	1,243	1,393	22,119	11,690
Property & other taxes	4,472,118	-	-	-	4,472,118	-
Total nonoperating revenue (expenses)	4,603,038	172,128	20,588	6,773	4,802,527	174,294
Net income (loss) before contributions and transfers	790,805	5,281,052	(41,081)	183,207	6,213,983	(2,118,646)
Transfers in	-	-	-	-	-	1,950,438
Change in net assets	790,805	5,281,052	(41,081)	183,207	6,213,983	(168,208)
Total net assets - beginning	16,069,222	27,914,235	5,227,575	238,646	45,688,920	4,568,920
Total net assets - ending	\$ 16,860,027	\$ 33,195,287	\$ 5,186,494	\$ 421,853	\$ 42,220,610	\$ 4,400,712

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

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 91-94).

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in net assets of business-type activities

6,627  
 \$ 6,220,610

**Ada County  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended September 30, 2012**

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 pages 91-94).

	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	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash received from customers	\$ 8,030,187	\$ 10,243,157	\$ 3,665,634	\$ 4,337,637	\$ 26,276,615	\$ 17,977,747
Cash paid to suppliers for goods and contracted services	(1,934,249)	(7,139,093)	(2,713,346)	(3,851,097)	(15,637,785)	(19,397,980)
Cash paid to employees for services	(8,419,906)	(615,986)	(648,724)	-	(9,684,616)	-
Other operating revenue	20,115	266,432	-	-	286,547	-
Net cash provided by (used for) operating activities	(2,303,853)	2,754,510	303,564	486,540	1,240,761	(1,420,233)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Property taxes and other taxes	4,497,460	-	-	-	4,497,460	-
Subsidy from federal grants	39,172	-	-	-	39,172	-
Transfer in	-	-	-	-	-	1,950,438
Net cash provided by (used for) noncapital financing activities	4,536,632	-	-	-	4,536,632	1,950,438
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchase of capital assets	(472,546)	(53,960)	(166,675)	-	(693,181)	-
Net cash provided by (used for) capital and related financing activities	(472,546)	(53,960)	(166,675)	-	(693,181)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Net (increase) decrease in investments	(2,598,788)	(4,598,536)	(469,768)	(503,960)	(8,171,052)	(3,436,949)
Interest income	78,483	153,953	19,257	5,522	257,215	159,239
Net cash provided by (used for) investing activities	(2,520,305)	(4,444,583)	(450,511)	(498,438)	(7,913,837)	(3,277,710)
Net increase (decrease) in cash	(760,072)	(1,744,033)	(313,622)	(11,898)	(2,829,625)	(2,747,505)
Cash, beginning of year	2,093,071	4,344,178	671,567	184,282	7,293,098	5,511,627
Cash, end of year	\$ 1,332,999	\$ 2,600,145	\$ 357,945	\$ 172,384	\$ 4,463,473	\$ 2,764,122

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

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.

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).

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.

	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)	\$ (3,812,233)	\$ 5,108,924	\$ (61,669)	\$ 176,434	\$ 1,411,456	\$ (2,292,940)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	572,134	595,718	444,062	-	1,611,914	-
Landfill postclosure expense	-	(2,477,400)	-	-	(2,477,400)	-
Change in assets and liabilities:						
(Increase) decrease in accounts receivable, net	392,706	(230,385)	(9,547)	(112,169)	40,605	-
(Increase) decrease in due from other agencies and units of government	(4,440)	80,705	-	(807)	75,458	-
(Increase) decrease in due from other funds	-	6,457	-	1,281	7,738	-
Increase (decrease) in accounts payable	515,620	(335,420)	23,462	440,249	643,911	559,492
Increase (decrease) in accrued liabilities	28,879	6,569	51	-	35,499	-
Increase (decrease) in due to other funds	3,481	(658)	11,702	(14,443)	82	(18,662)
Increase (decrease) in claims and judgements	-	-	-	-	-	331,877
Increase (decrease) in deferred revenue	-	-	(104,497)	(4,005)	(108,502)	-
Total adjustments	1,508,380	(2,354,414)	365,233	310,106	(170,695)	872,707
Net cash provided by (used for) operating activities	<u>\$ (2,303,853)</u>	<u>\$ 2,754,510</u>	<u>\$ 303,564</u>	<u>\$ 486,540</u>	<u>\$ 1,240,761</u>	<u>\$ (1,420,233)</u>

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 \$ 7,059 for the year.  
 The net increase in the fair value of investments for Solid Waste Management was \$ 12,424 for the year.  
 The net increase in the fair value of investments for the Western Idaho Fair was \$ 1,243 for the year.  
 The net increase in the fair value of investments for Billing Services was \$ 1,393 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 \$ 2,733 for the year.  
 The net increase in the fair value of investments for Liability Insurance was \$ 8,957 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, 2012**

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
<b>Assets</b>	
Cash	\$ 9,731,753
Accounts receivable	582,290
Total assets	<u>\$ 10,314,043</u>
<b>Liabilities</b>	
Accounts payable	\$ 181,688
Fines and appearance bonds to be remitted	2,836,517
Fiduciary fund liabilities:	
Judgments held in trust	822,620
Tax receipts held in trust	1,696,924
Due to prisoners	103,649
Due to victims	21,177
Due to other agencies and units of government	4,651,468
Total liabilities	<u>\$ 10,314,043</u>

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 will 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, 2012**

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		
<b>Revenues:</b>				
Property taxes	\$ 58,526,510	\$ 58,526,510	\$ 59,325,391	\$ 798,881
Sales tax allocation	12,450,000	12,450,000	13,222,882	772,882
State shared	3,334,314	3,334,314	5,548,483	2,214,169
Payments in lieu of taxes	725,000	725,000	734,021	9,021
Licenses and permits	1,156,725	1,169,935	1,255,036	85,101
Charges for services	18,765,840	19,093,113	21,293,531	2,200,418
Grants	740,464	2,853,823	1,546,197	(1,307,626)
Interest income	546,500	546,500	1,037,536	491,036
Miscellaneous	1,657,596	1,748,116	1,802,789	54,673
<b>Total general fund revenues</b>	<b>\$ 97,902,949</b>	<b>\$ 100,447,311</b>	<b>\$ 105,765,866</b>	<b>\$ 5,318,555</b>
<b>Expenditures:</b>				
<b>General Government</b>				
Clerk of the district court				
Total clerk of the district court	\$ 2,714,424	\$ 2,739,424	\$ 2,512,788	\$ 226,636
Total treasurer	943,453	943,453	884,174	59,279
Total assessor	721,188	721,188	639,190	81,998
Total assessor motor vehicle	2,324,375	2,324,375	2,062,971	261,404
Total prosecuting attorney	11,932,277	12,720,546	11,508,312	1,212,234
Total operations	7,759,184	7,772,137	6,531,005	1,241,132
Total development services	1,467,921	1,531,643	1,332,141	199,502
Total information technology	5,210,235	5,210,235	4,965,472	244,763
Total public defender	6,949,836	6,986,047	6,706,422	279,625
Total administrative services	4,033,071	4,033,071	3,875,364	157,707
Total general	7,625,000	7,625,000	7,454,535	170,465
<b>Total general government (including capital outlays)</b>	<b>51,680,964</b>	<b>52,607,119</b>	<b>48,472,374</b>	<b>4,134,745</b>
<b>Public Safety</b>				
Total sheriff	52,621,438	53,872,858	51,475,716	2,397,142
Total coroner	1,349,572	1,349,572	1,301,827	47,745
Total juvenile	8,121,442	10,781,543	7,559,121	3,222,422
<b>Total public safety (including capital outlays)</b>	<b>62,092,452</b>	<b>66,003,973</b>	<b>60,336,664</b>	<b>5,667,309</b>
<b>Total general fund expenditures (including capital outlays)</b>	<b>\$ 113,773,416</b>	<b>\$ 118,611,092</b>	<b>\$ 108,809,038</b>	<b>\$ 9,802,054</b>
The note to the required supplementary information - basis of budgeting - is an integral part of this schedule.				
<b>Revenue Over (Under) Expenditures</b>			<u>(3,043,172)</u>	
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In			294,177	
Transfers Out			<u>(8,450,438)</u>	
<b>Total Other Financing Sources (Uses)</b>			<u>(8,156,261)</u>	
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>			<u>(11,199,433)</u>	
<b>Reconciling Items</b>				
Changes Affected by Accrued Revenues			705,186	
Changes Affected by Accrued Expenditures			<u>4,154,563</u>	
<b>Fund Balances - Beginning of Year</b>			<u>56,889,859</u>	
<b>Fund Balances - End of Year</b>			<u>\$ 50,550,175</u>	

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.

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 page 31).

**Ada County**  
*Required Supplementary Information*  
*Budgetary Comparison Schedule*

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Cash Basis)**  
**For the Year Ended September 30, 2012**

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		
<b>Revenues:</b>				
Taxes	\$ 11,550,861	\$ 11,550,861	\$ 11,608,648	\$ 57,787
Intergovernmental	-	-	3,610	3,610
Charges for services	150,000	150,000	573,344	423,344
Miscellaneous	-	-	1,693,190	1,693,190
<b>Total revenues</b>	<b>11,700,861</b>	<b>11,700,861</b>	<b>13,878,792</b>	<b>2,177,931</b>
<b>Expenditures:</b>				
<b>Current-</b>				
Health and welfare				
Personal services	1,297,542	1,297,542	1,215,274	82,268
Other services and charges	10,397,699	10,400,850	7,960,695	2,440,155
Capital outlays	5,620	2,469	-	2,469
<b>Total expenditures</b>	<b>11,700,861</b>	<b>11,700,861</b>	<b>9,175,969</b>	<b>2,524,892</b>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			4,702,823	
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In			-	
Transfers Out			(75,220)	
<b>Total Other Financing Sources (Uses)</b>			<b>(75,220)</b>	
<b>Revenues and Other Financing Sources Over (Under)</b>			4,627,603	
<b>Expenditures and Other Financing Uses</b>				
<b>Reconciling Items</b>				
Changes Affected by Accrued Revenues			(1,572,423)	
Changes Affected by Accrued Expenditures			408,281	
<b>Fund Balances - Beginning of Year</b>			627,731	
<b>Fund Balance - End of Year</b>			<b>\$ 4,091,192</b>	

Notice the final budget is the same in total to the original budget, however the allocation between types of expenses are different. The final budget includes the original budget plus any transfers.

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 page 31).

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