

## A Reader's Guide

### Understanding Ada County's Comprehensive Annual Financial Report (CAFR) For the Fiscal Year Ended September 30, 2010

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 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 \$88 million for 2010 are presented on page 27 of the CAFR. Property tax revenues increased \$1.6 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 \$12.1 million for 2010 are presented on page 27 of the CAFR. A decrease of \$417 thousand 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, 2010**

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.

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.

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.

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.

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  
\$456,151,482 - \$184,929,254 = \$271,222,228

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 108,219,997	\$ 17,890,288	\$ 126,110,285
Investments	41,690,131	7,137,153	48,827,284
Receivables, net	92,457,177	6,737,780	99,194,957
Internal balances	(730,839)	730,839	-
Lease receivable	1,811,232	-	1,811,232
Accrued interest receivable	317,628	39,746	357,374
Capital assets, net of depreciation:			
Land, not depreciated	7,270,635	4,951,841	12,222,476
Land improvements	2,148,461	31,989,433	34,137,894
Building	110,209,538	4,508,079	114,717,617
Infrastructure	1,183,957	113,781	1,297,738
Vehicles	1,520,338	695,401	2,215,739
Machinery & equipment	10,009,465	304,291	10,313,756
Intangible Software	29,977	-	29,977
Construction in progress	3,260,361	1,654,792	4,915,153
Capital assets, net	135,632,732	44,217,618	179,850,350
<b>Total assets</b>	<b>379,398,058</b>	<b>76,753,424</b>	<b>456,151,482</b>
<b>LIABILITIES</b>			
Accounts payable	12,956,856	2,870,381	15,827,237
Accrued interest	383,288	-	383,288
Unearned revenue	83,311,022	4,552,863	87,863,885
Long-term liabilities:			
Due within one year	5,630,305	19,382	5,649,687
Due in more than one year	53,038,719	22,166,438	75,205,157
<b>Total liabilities</b>	<b>155,320,190</b>	<b>29,609,064</b>	<b>184,929,254</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	88,847,732	44,217,618	133,065,350
Restricted for:			
Grant Programs	1,216,216	-	1,216,216
Property Reappraisal	1,811,924	-	1,811,924
Court Functions	5,025,972	-	5,025,972
Public Safety	7,832,345	-	7,832,345
Weed/Pest/Mosquito Abatement	2,222,128	-	2,222,128
Welfare and Public Health	761,501	-	761,501
Recreation and Culture	896,802	-	896,802
Unrestricted	115,463,248	2,926,742	118,389,990
<b>Total net assets</b>	<b>\$ 224,077,868</b>	<b>\$ 47,144,360</b>	<b>\$ 271,222,228</b>

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, 2010**

This column shows the full cost of the program.

**Program Revenues**

**Operating  
Grants and  
Contributions**

**Capital Grants &  
Contributions**

**Net (Expense) Revenue and Changes in Net Assets**

**Primary Government**

**Governmental  
Activities**

**Business-Type  
Activities**

**Total**

**Functions/Programs**

**Primary government:**

**Governmental activities:**

- General government
- Sanitation
- Public safety
- Health and welfare
- Recreational and cultural
- 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	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions
\$ 58,584,760	\$ 8,684,928	\$ 364,769	\$ 216,163
2,532,523	663,617	5,342	-
64,925,425	20,759,001	4,704,261	73,196
9,948,451	-	-	-
1,080,420	276,481	-	170,022
2,190,645	-	-	-
<u>139,262,224</u>	<u>30,384,027</u>	<u>5,074,372</u>	<u>459,381</u>
10,308,696	7,543,075	-	-
9,599,649	11,054,437	-	-
3,742,215	3,275,178	-	-
4,408,850	3,683,752	-	-
<u>28,059,410</u>	<u>25,556,442</u>	<u>-</u>	<u>-</u>
<u>\$ 167,321,634</u>	<u>\$ 55,940,469</u>	<u>\$ 5,074,372</u>	<u>\$ 459,381</u>

Governmental Activities	Business-Type Activities	Total
\$ (49,318,900)	\$ -	\$ (49,318,900)
(1,863,564)	-	(1,863,564)
(39,388,967)	-	(39,388,967)
(9,948,451)	-	(9,948,451)
(633,917)	-	(633,917)
(2,190,645)	-	(2,190,645)
<u>(103,344,444)</u>	<u>-</u>	<u>(103,344,444)</u>
-	(2,765,621)	(2,765,621)
-	1,454,788	1,454,788
-	(467,037)	(467,037)
-	(725,098)	(725,098)
-	(2,502,968)	(2,502,968)
<u>(103,344,444)</u>	<u>(2,502,968)</u>	<u>(105,847,412)</u>

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.

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An example of how this statement works: The total cost of the County's Public safety was \$64.9 million. The County raised \$20.8 million from charges for services, and received \$4.7 million of operating and capital grants and contributions. When program revenues are subtracted from expenses for Public Safety, a net expense of \$39.4 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:**

**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

84,021,542	3,988,094	88,009,636
11,998,048	142,264	12,140,312
3,937,492	-	3,937,492
1,696,044	216,437	1,912,481
2,758,025	35,500	2,793,525
<u>104,411,151</u>	<u>4,382,295</u>	<u>108,793,446</u>
1,066,707	1,879,327	2,946,034
<u>223,011,161</u>	<u>45,265,033</u>	<u>268,276,194</u>
<u>\$ 224,077,868</u>	<u>\$ 47,144,360</u>	<u>\$ 271,222,228</u>

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 \$1.1 million, and business-type activities net assets increased by \$1.9 million.

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.

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

**ADA COUNTY  
Balance Sheet  
Governmental Funds  
September 30, 2010**

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
<b>ASSETS</b>					
Cash	\$ 36,853,762	\$ 2,009,179	\$ 42,407,773	\$ 14,474,752	\$ 95,745,466
Investments	14,153,003	799,394	16,362,515	5,592,180	36,907,092
Accounts receivable	7,365	-	-	206,954	214,319
Property tax receivable	69,234,180	8,943,673	-	8,816,431	86,994,284
Accrued interest receivable	109,220	-	91,400	16,365	216,985
Due from other funds	227,262	-	-	18,731	245,993
Due from other agencies and units of government	5,032,359	-	-	216,215	5,248,574
Lease Receivable	1,811,232	-	-	-	1,811,232
<b>Total assets</b>	<b>\$ 127,428,383</b>	<b>\$ 11,752,246</b>	<b>\$ 58,861,688</b>	<b>\$ 29,341,628</b>	<b>\$ 227,383,945</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 6,718,941	\$ 990,930	\$ -	\$ 1,858,795	\$ 9,568,666
Due to other funds	4,980	-	-	11,510	16,490
Deferred revenues	71,282,621	8,943,673	-	8,855,493	89,081,787
Accrued liabilities	-	1,136,945	-	-	1,136,945
<b>Total liabilities</b>	<b>78,006,542</b>	<b>11,071,548</b>	<b>-</b>	<b>10,725,798</b>	<b>99,803,888</b>
<b>Fund balances:</b>					
<b>Reserved for:</b>					
Juvenile programs and grants	1,216,216	-	-	-	1,216,216
<b>Unreserved:</b>					
Designated for capital projects	10,701,839	-	56,245,963	5,487,729	72,435,531
Designated for cash basis reserve, reported in:					
General fund	18,012,879	-	-	-	18,012,879
Charities and Welfare	-	680,698	-	-	680,698
Non-major special revenue funds	-	-	-	1,748,313	1,748,313
Designated for budget stabilization reported in:					
General fund	16,920,821	-	-	-	16,920,821
Non-major special revenue funds	-	-	-	3,069,830	3,069,830
Designated for subsequent years' expenditures, reported in:					
General fund	2,570,086	-	-	-	2,570,086
Capital Projects	-	-	2,615,725	-	2,615,725
Non-major special revenue funds	-	-	-	3,063,652	3,063,652
Undesignated, reported in:					
General fund	-	-	-	-	-
General Fund	-	-	-	-	-
Non-major special revenue funds	-	-	-	5,246,306	5,246,306
<b>Total fund balances</b>	<b>49,421,841</b>	<b>680,698</b>	<b>58,861,688</b>	<b>18,615,830</b>	<b>127,580,057</b>
<b>Total liabilities and fund balances</b>	<b>127,428,383</b>	<b>11,752,246</b>	<b>58,861,688</b>	<b>29,341,628</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.

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.

**Ada County**

**Reconciliation of the Governmental Funds Balance Sheet**

**To the Statement of Net Assets**

**September 30, 2010**

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**

**\$ 127,580,057**

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	\$ 7,270,635	}	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.
Land Improvements	3,310,885		
Building	154,917,062		
Infrastructure	1,706,261		
Vehicles	4,768,799		
Intangible Software	31,280		
Machinery and Equipment	26,921,852		
Construction in Progress	3,260,361		
Accumulated Depreciation	<u>(66,554,403)</u>		
Total Capital Assets			135,632,732

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	\$ 3,959,533	
Interest Receivable on Lease	74,025	
Lease Receivable	<u>1,811,232</u>	
Total Deferred Revenue		5,844,790

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	\$ (46,785,000)	}	The governmental fund Balance Sheet does not report long-term liabilities; the government-wide Statement of Net Assets does.
Accrued Interest on the Capital Leases	(383,288)		
Compensated Absences	(4,043,345)		
Involuntary Mental Health Care Costs	<u>(2,500,000)</u>		
Total Long-Term Liabilities			(53,711,633)

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.

8,731,922

**Total Net Assets - Governmental Activities**

**\$ 224,077,868**

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

The governmental funds total fund balance of \$127.5 million (see CAFR page 29) reconciles to the \$224 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.

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.

**Ada County**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2010**

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 60 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	\$ 68,921,386	\$ 4,747,357	\$ -	\$ 10,149,330	\$ 83,818,073
Licenses and permits	1,089,858	-	-	177,047	1,266,905
Fines and forfeitures	178,423	-	-	1,669,438	1,847,861
Charges for services	19,295,607	292,941	1,100,508	7,119,069	27,808,125
Intergovernmental	19,364,039	3,610	-	2,101,644	21,469,293
Interest income	869,249	42,444	776,216	244,988	1,932,897
Net increase (decrease) in the fair value of investments	(124,296)	(12,433)	(202,670)	(42,345)	(381,744)
Miscellaneous	3,211,210	4,966	128,210	727,036	4,071,422
Total revenues	<u>112,805,476</u>	<u>5,078,885</u>	<u>1,802,264</u>	<u>22,146,207</u>	<u>141,832,832</u>
<b>EXPENDITURES</b>					
Current:					
General government	44,878,842	-	238,662	8,189,029	53,306,533
Sanitation	-	-	-	2,302,103	2,302,103
Public safety	55,970,506	-	-	4,147,558	60,118,064
Health and welfare	-	6,089,863	-	1,642,697	7,732,560
Recreational and cultural	-	-	-	710,245	710,245
Capital outlay	1,321,143	-	1,023,989	2,160,912	4,506,044
Debt service:					
Principal retirement	-	-	1,850,000	-	1,850,000
Interest and other debt charges	-	-	2,204,295	-	2,204,295
Total expenditures	<u>102,170,491</u>	<u>6,089,863</u>	<u>5,316,946</u>	<u>19,152,544</u>	<u>132,729,844</u>
Excess (deficiency) of revenues over expenditures	<u>10,634,985</u>	<u>(1,010,978)</u>	<u>(3,514,682)</u>	<u>2,993,663</u>	<u>9,102,988</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	1,261,452	-	2,500,000	67,961	3,829,413
Transfers (out)	(2,500,000)	(30,011)	(1,208,151)	(91,251)	(3,829,413)
Total other financing sources and uses	<u>(1,238,548)</u>	<u>(30,011)</u>	<u>1,291,849</u>	<u>(23,290)</u>	<u>-</u>
Net change in fund balances	9,396,437	(1,040,989)	(2,222,833)	2,970,373	9,102,988
Fund balance, beginning of year	40,025,404	1,721,687	61,084,521	15,645,457	118,477,069
Fund balance, end of year	<u>49,421,841</u>	<u>680,698</u>	<u>58,861,688</u>	<u>18,615,830</u>	<u>127,580,057</u>

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 Capital Projects 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, 2010**

**Total Net Change in Fund Balances - Governmental Funds**

\$ 9,102,988

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	\$ 4,506,044	
Depreciation Expense	<u>(7,991,714)</u>	
Excess of Depreciation Expense over Capital Outlay		(3,485,670)

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	<u>\$ 59,646</u>	59,646
--------------------------------	------------------	--------

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		203,469
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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	<u>\$ (409,249)</u>	
	(16,726)	(425,975)

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		1,850,000
------------------------	--	-----------

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	\$ 13,650	
Compensated absences	7,396	
Involuntary mental health care	<u>(2,500,000)</u>	
Total Additional Expenditures		(2,478,954)

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**

(3,758,797)

\$ 1,066,707

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, 2010**

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.

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).

	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>ASSETS</b>						
Current Assets:						
Cash and cash equivalents	\$ 6,690,867	\$ 9,035,968	\$ 1,416,469	\$ 746,984	\$ 17,890,288	\$ 12,474,531
Investments	2,583,376	3,533,225	554,196	466,356	7,137,153	4,783,039
Receivables, net	1,606,459	225,647	18,507	20,774	1,871,387	-
Due from other funds	-	183,371	-	-	183,371	-
Due from other agencies	42,455	529,039	-	114	571,608	-
Property tax receivable	4,294,785	-	-	-	4,294,785	-
Accrued interest receivable	14,742	19,438	3,268	2,298	39,746	26,618
Total current assets	15,232,684	13,526,688	1,992,440	1,236,526	31,988,338	17,284,188
Noncurrent assets:						
Capital assets:						
Land	921,826	3,536,791	493,224	-	4,951,841	-
Land improvements	-	31,848,341	2,884,575	-	34,732,916	-
Buildings	2,673,952	1,251,610	6,777,324	-	10,702,886	-
Infrastructure	-	2,864,571	974,347	-	3,838,918	-
Vehicles	3,068,211	100,872	58,647	-	3,227,730	-
Machinery & equipment	200,823	229,660	405,220	-	835,703	-
Construction in progress	1,084,937	569,855	-	-	1,654,792	-
Less accumulated depreciation	(2,986,486)	(5,016,142)	(7,724,540)	-	(15,727,168)	-
Capital assets, net	4,963,263	35,385,558	3,868,797	-	44,217,618	-
Total assets	20,195,947	48,912,246	5,861,237	1,236,526	76,205,956	17,284,188
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	782,094	1,958,599	58,877	70,811	2,870,381	888,190
Accrued liabilities	17,915	935	532	-	19,382	-
Due to other funds	44,379	15,436	11,630	216,794	288,239	124,635
Claims and judgments	-	-	-	-	-	1,875,666
Deferred revenues	4,110,153	-	153,062	289,648	4,552,863	-
Total current liabilities	4,954,541	1,974,970	224,101	577,253	7,730,865	2,888,491
Noncurrent liabilities:						
Accrued liabilities	383,666	29,744	44,408	-	457,818	-
Landfill postclosure costs	-	21,708,620	-	-	21,708,620	-
Claims and judgments	-	-	-	-	-	4,828,068
Total noncurrent liabilities	383,666	21,738,364	44,408	-	22,166,438	4,828,068
Total liabilities	5,338,207	23,713,334	268,509	577,253	29,897,303	7,716,559
<b>NET ASSETS</b>						
Invested in capital assets	4,963,263	35,385,558	3,868,797	-	44,217,618	-
Unrestricted	9,894,477	(10,186,646)	1,723,931	659,273	2,091,035	9,567,629
Total net assets	\$ 14,857,740	\$ 25,198,912	\$ 5,592,728	\$ 659,273	46,308,653	\$ 9,567,629
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					835,707	
Net assets of business-type activities					\$ 47,144,360	

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, 2010**

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		
	Emergency Medical Services	Solid Waste Management	Western Idaho Fair	Billing Services	Total	
<b>OPERATING REVENUE</b>						
Charges for services	\$ 7,503,346	\$ 10,789,891	\$ -	\$ 3,683,752	\$ 21,976,989	\$ 14,369,462
Concessions	-	-	1,185,317	-	1,185,317	-
Admissions	-	-	976,742	-	976,742	-
Rentals	-	-	878,703	-	878,703	-
Other	39,729	264,546	234,416	-	538,691	-
Total operating revenues	<u>7,543,075</u>	<u>11,054,437</u>	<u>3,275,178</u>	<u>3,683,752</u>	<u>25,556,442</u>	<u>14,369,462</u>
<b>OPERATING EXPENSES</b>						
Personal services	7,719,744	557,579	685,782	-	8,963,105	-
Other services & charges	1,953,174	7,732,385	2,529,807	4,408,850	16,624,216	-
Administration	-	-	-	-	-	2,520,956
Landfill postclosure expense	-	851,338	-	-	851,338	-
Claims	-	-	-	-	-	16,242,720
Depreciation	273,821	436,589	436,541	-	1,146,951	-
Total operating expenses	<u>9,946,739</u>	<u>9,577,891</u>	<u>3,652,130</u>	<u>4,408,850</u>	<u>27,585,610</u>	<u>18,763,676</u>
Operating income (loss)	<u>(2,403,664)</u>	<u>1,476,546</u>	<u>(376,952)</u>	<u>(725,098)</u>	<u>(2,029,168)</u>	<u>(4,394,214)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Intergovernmental	30,500	-	-	-	30,500	-
Donations, gain (loss) on disposition of assets	5,000	-	-	-	5,000	-
Interest and investment revenue	115,429	142,169	22,012	19,311	298,921	229,244
Net increase (decrease) in the fair value of investments	(32,500)	(37,348)	(6,653)	(5,983)	(82,484)	(67,627)
Property & other taxes	4,130,358	-	-	-	4,130,358	-
Total nonoperating revenue (expenses)	<u>4,248,787</u>	<u>104,821</u>	<u>15,359</u>	<u>13,328</u>	<u>4,382,295</u>	<u>161,617</u>
Net income (loss) before contributions and transfers	<u>1,845,123</u>	<u>1,581,367</u>	<u>(361,593)</u>	<u>(711,770)</u>	<u>2,353,127</u>	<u>(4,232,597)</u>
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Change in net assets	<u>1,845,123</u>	<u>1,581,367</u>	<u>(361,593)</u>	<u>(711,770)</u>	<u>2,353,127</u>	<u>(4,232,597)</u>
Total net assets - beginning	<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>
Total net assets - ending	<u>14,857,740</u>	<u>25,198,912</u>	<u>5,592,728</u>	<u>659,273</u>	<u>16,159,953</u>	<u>9,567,629</u>
					(473,800)	
					<u>\$ 1,879,327</u>	

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 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, 2010**

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

11

	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	\$ 7,386,942	\$ 10,711,374	\$ 3,295,613	\$ 3,688,935	\$ 25,082,864	\$ 14,369,462
Cash paid to suppliers for goods and contracted services	(1,804,300)	(6,568,173)	(2,585,695)	(4,280,156)	(15,238,324)	(17,342,068)
Cash paid to employees for services	(7,631,790)	(545,637)	(682,139)	-	(8,859,566)	-
Other operating revenue	39,729	264,546	-	-	304,275	-
Net cash provided by (used for) operating activities	(2,009,419)	3,862,110	27,779	(591,221)	1,289,249	(2,972,606)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Property taxes and other taxes	4,116,911	-	-	-	4,116,911	-
Subsidy from federal grants	30,500	-	-	-	30,500	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	4,147,411	-	-	-	4,147,411	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchase of capital assets	(1,665,201)	(3,224,207)	(93,330)	-	(4,982,738)	-
Net cash provided by (used for) capital and related financing activities	(1,665,201)	(3,224,207)	(93,330)	-	(4,982,738)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Net (increase) decrease in investments	1,630,757	1,566,610	320,033	305,237	3,822,637	3,716,043
Interest income	127,615	153,694	24,268	22,235	327,812	255,312
Net cash provided by (used for) investing activities	1,758,372	1,720,304	344,301	327,472	4,150,449	3,971,355
Net increase (decrease) in cash	2,231,163	2,358,207	278,750	(263,749)	4,604,371	998,749
Cash, beginning of year	4,459,704	6,677,761	1,137,719	1,010,733	13,285,917	11,475,782
Cash, end of year	\$ 6,690,867	\$ 9,035,968	\$ 1,416,469	\$ 746,984	\$ 17,890,288	\$ 12,474,531

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.

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

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)	\$ (2,403,664)	\$ 1,476,546	\$ (376,952)	\$ (725,098)	\$ (2,029,168)	\$ (4,394,214)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	273,821	436,589	436,541	-	1,146,951	-
Landfill postclosure expense	-	851,338	-	-	851,338	-
Change in assets and liabilities:						
(Increase) decrease in accounts receivable, net	(113,850)	562,772	15,000	63,705	527,627	-
(Increase) decrease in due from other agencies and units of government	(2,554)	(526,866)	-	272	(529,148)	-
(Increase) decrease in due from other funds	-	(114,422)	-	1,462	(112,960)	-
(Increase) decrease in prepaid expense	-	-	-	-	-	237,170
Increase (decrease) in accounts payable	186,038	1,163,452	(19,073)	(14,467)	1,315,950	146,380
Increase (decrease) in accrued liabilities	34,118	5,473	349	-	39,940	-
Increase (decrease) in due to other funds	16,672	7,228	(33,521)	143,162	133,541	17,762
Increase (decrease) in claims and judgements	-	-	-	-	-	1,020,296
Increase (decrease) in deferred revenue	-	-	5,435	(60,257)	(54,822)	-
Total adjustments	394,245	2,385,564	404,731	133,877	3,318,417	1,421,608
Net cash provided by (used for) operating activities	<u>\$ (2,009,419)</u>	<u>\$ 3,862,110</u>	<u>\$ 27,779</u>	<u>\$ (591,221)</u>	<u>\$ 1,289,249</u>	<u>\$ (2,972,606)</u>

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 decrease in the fair value of investments for Emergency Medical Services was \$ 32,500 for the year.
- The net decrease in the fair value of investments for Solid Waste Management was \$ 37,348 for the year.
- The net decrease in the fair value of investments for the Western Idaho Fair was \$ 6,653 for the year.
- The net decrease in the fair value of investments for Billing Services was \$ 5,983 for the year.

Noncash investing activities for governmental internal service funds were:

- The net decrease in the fair value of investments for Self-Funded Health Insurance was \$ 39,225 for the year.
- The net decrease in the fair value of investments for Liability Insurance was \$ 28,402 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, 2010**

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.

	<u>Agency Funds</u>
<b>Assets</b>	
Cash	\$ 7,628,726
Accounts receivable	665,628
Total assets	<u>\$ 8,294,354</u>
<b>Liabilities</b>	
Accounts payable	\$ 90,752
Fines and appearance bonds to be remitted	1,894,520
Fiduciary fund liabilities:	
Judgments held in trust	644,085
Tax receipts held in trust	1,372,630
Due to prisoners	108,467
Due to victims	42,120
Due to other agencies and units of government	4,141,780
Total liabilities	<u>\$ 8,294,354</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, 2010**

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	68,509,244	68,509,244	68,921,386	412,142
Sales tax allocation	11,025,000	11,025,000	11,971,979	946,979
State shared	4,014,356	4,025,864	4,190,205	164,341
Payments in lieu of taxes	621,800	621,800	720,668	98,868
Licenses and permits	1,157,370	1,175,900	1,089,858	(86,042)
Charges for services	19,163,724	19,376,152	19,493,704	117,552
Grants	742,542	4,743,018	2,188,809	(2,554,209)
Interest income	827,000	827,000	1,006,299	179,299
Miscellaneous	1,976,000	2,480,560	4,299,928	1,819,368
<b>Total general fund revenues</b>	<b>\$ 108,037,036</b>	<b>\$ 112,784,538</b>	<b>\$ 113,882,836</b>	<b>\$ 1,098,298</b>
<b>Expenditures:</b>				
<u>General Government</u>				
Total clerk of the district court	7,283,393	8,099,474	7,097,624	1,001,850
Total treasurer	898,153	898,153	857,088	41,065
Total assessor	681,250	681,250	635,886	45,364
Total assessor motor vehicle	2,361,583	2,361,583	1,978,803	382,780
Total prosecuting attorney	10,664,215	11,131,453	10,555,080	576,373
Total commissioners	726,402	726,402	612,394	114,008
Total operations	7,358,986	8,012,486	5,997,508	2,014,978
Total development services	1,762,208	1,934,895	1,511,229	423,666
Total information technology	4,755,177	4,755,177	4,397,041	358,136
Total public defender	6,369,054	6,704,056	6,230,191	473,865
Total administrative services	1,556,744	1,556,744	1,441,554	115,190
Total general	7,675,967	7,675,967	6,770,383	905,584
Total general government (including capital outlays)	52,093,132	54,537,640	48,084,781	6,452,859
<u>Public Safety</u>				
Total sheriff	47,526,235	49,862,243	48,015,180	1,847,063
Total coroner	1,182,555	1,182,555	1,144,592	37,963
Total juvenile	7,395,014	9,187,346	7,145,957	2,041,389
Total public safety (including capital outlays)	56,103,804	60,232,144	56,305,729	3,926,415
Total general fund expenditures (including capital outlays)	<b>\$ 108,196,936</b>	<b>\$ 114,379,742</b>	<b>\$ 104,390,510</b>	<b>\$ 10,379,274</b>
<b>Revenue Over (Under) Expenditures</b>			<b>9,492,326</b>	
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In			1,261,452	
Transfers Out			(2,500,000)	
Total Other Financing Sources (Uses)			(1,238,548)	
<b>Revenues and Other Financing Sources Over (Under)</b>			<b>8,253,778</b>	
<b>Expenditures and Other Financing Uses</b>				
<b>Reconciling Items</b>				
Changes Affected by Accrued Revenues			(1,077,361)	
Changes Affected by Accrued Expenditures			2,220,020	
<b>Fund Balances - Beginning of Year</b>			<b>40,025,404</b>	
<b>Fund Balances - End of Year</b>			<b>\$ 49,421,841</b>	

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 pages 29 and 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, 2010**

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	\$ 4,728,593	\$ 4,728,593	\$ 4,747,357	\$ 18,764
Intergovernmental	-	-	3,610	3,610
Charges for services	-	-	292,941	292,941
Miscellaneous	-	-	4,966	4,966
Total revenues	<u>4,728,593</u>	<u>4,728,593</u>	<u>5,048,874</u>	<u>320,281</u>
<b>Expenditures:</b>				
Current-				
Health and welfare				
Personal services	1,175,279	1,175,279	1,113,357	61,922
Other services and charges	4,359,731	5,209,731	4,773,846	435,885
Total expenditures	<u>5,535,010</u>	<u>6,385,010</u>	<u>5,887,203</u>	<u>497,807</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>(838,329)</u>	
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In			-	
Transfers Out			<u>(30,011)</u>	
Total Other Financing Sources (Uses)			<u>(30,011)</u>	
<b>Revenues and Other Financing Sources Over (Under)</b>				
Expenditures and Other Financing Uses			(868,340)	
<b>Reconciling Items</b>				
Changes Affected by Accrued Revenues	} 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).		30,011	
Changes Affected by Accrued Expenditures			(202,660)	
Fund Balances - Beginning of Year			<u>1,721,687</u>	
Fund Balance - End of Year			<u>\$ 680,698</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.

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