

**COUNTY OF GLENN,
CALIFORNIA**



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2012**

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COUNTY OF GLENN
Annual Financial Report
For the Year Ended June 30, 2012

Table of Contents

	Page
INTRODUCTORY SECTION	
County Officials.....	i
FINANCIAL SECTION	
Independent Auditor’s Report.....	1-2
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets.....	3
Statement of Activities.....	4
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	5
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets - Governmental Activities.....	6
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities.....	8
Proprietary Funds:	
Statement of Net Assets.....	9
Statement of Revenues, Expenses, and Changes in Net Assets.....	10
Statement of Cash Flows.....	11-12
Fiduciary Funds:	
Statement of Fiduciary Net Assets.....	13
Statement of Changes in Fiduciary Net Assets.....	14
Notes to Basic Financial Statements.....	15-46
Required Supplementary Information (Unaudited):	
Schedule of Funding Progress - Pension.....	47
Schedule of Funding Progress - Other Postemployment Benefits (OPEB).....	47-48
Budgetary Comparison Schedule - General Fund.....	49
Budgetary Comparison Schedule - Road.....	50
Budgetary Comparison Schedule - Superior Regional Workforce Education.....	51
Budgetary Comparison Schedule - Mental Health Services Act.....	52
Budgetary Comparison Schedule - Community Action Agency.....	53
Note to Budgetary Comparison Schedules.....	54

COUNTY OF GLENN
Annual Financial Report
For the Year Ended June 30, 2012

Table of Contents

	Page
FINANCIAL SECTION (CONTINUED)	
Combining Nonmajor Fund Statements:	
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.	56
Special Revenue Funds:	
Combining Balance Sheet.	57-59
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.	60-62
Capital Projects Funds:	
Combining Balance Sheet.	63
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.	64
Debt Service Funds:	
Combining Balance Sheet.	65
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.	66
Internal Service Funds:	
Combining Statement of Net Assets.....	67
Combining Statement of Revenues, Expenses, and Changes in Net Assets.....	68
Combining Statement of Cash Flows.....	69
Fiduciary Funds:	
Trust Funds:	
Combining Statement of Fiduciary Net Assets - Investment Trust Funds.....	70
Combining Statement of Changes in Fiduciary Net Assets - Investment Trust Funds.	71
Agency Funds:	
Combining Statement of Assets and Liabilities - Agency Funds.....	72-73
Combining Statement of Changes in Assets and Liabilities - Agency Funds.	74-75

INTRODUCTORY SECTION

- **County Officials**

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COUNTY OF GLENN
County Officials
For the Year Ended June 30, 2012

ELECTED OFFICIALS

Supervisor, District 1. John Viegas
Supervisor, District 2. Dwight Foltz
Supervisor, District 3. Steve Soeth
Supervisor, District 4. Michael Murray
Supervisor, District 5. Leigh W. McDaniel

Assessor/Clerk-Recorder/Elections. Sheryl Thur
District Attorney. Robert Maloney
Sheriff/Coroner. Larry Jones
Superintendent of Schools. Tracey Quarne
Superior Court Judge. Donald Cole Byrd
Superior Court Judge. Peter Twede

APPOINTIVE OFFICERS

Agricultural Commissioner. Jim Donnelly
Child Support Services. Dawn Mayer
Cooperative Extension. Bill Krueger
County Counsel. Huston T. Carlyle
Director of Finance. Stanley T. Rozmaryn
Health Services Director. Scott Gruendl, Interim
Human Resource Agency. Scott Gruendl
Personnel Director. Huston T. Carlyle, Iterim
Probation Officer. Brandon Thompson
Public Administrator/Guardian. Jeannie Rakestraw
Planning and Public Works Director. John Linhart
Veteran's Service Officer. Brandon Thompson

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Nonmajor Fund Statements**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Grand Jury
County of Glenn
Willows, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Glenn, California (County), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

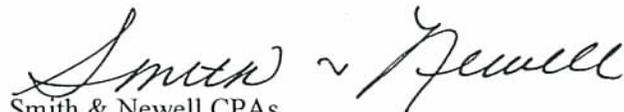
In accordance with Government Auditing Standards, we have also issued our report dated March 28, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

To the Board of Supervisors and Grand Jury
County of Glenn
Willows, California

Accounting principles generally accepted in the United States of America require that the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis report that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The introductory section and combining nonmajor fund statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Smith & Newell CPAs
Yuba City, California
March 28, 2013

Basic Financial Statements

- **Government-Wide Financial Statements**

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COUNTY OF GLENN
Statement of Net Assets
June 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 14,452,772	\$ 4,982,610	\$ 19,435,382
Accounts receivable	1,072,143	110,576	1,182,719
Due from other governmental agencies	5,193,639	-	5,193,639
Interest receivable	19,053	6,711	25,764
Taxes receivable	526,836	-	526,836
Prepaid costs	184,165	5,000	189,165
Due from other agencies	832,193	-	832,193
Internal balances	19,548	(19,548)	-
Inventory	302,424	10,409	312,833
Loans receivable	2,205,428	-	2,205,428
Capital assets:			
Non-depreciable	4,707,835	743,846	5,451,681
Depreciable, net	33,642,645	1,104,259	34,746,904
Total capital assets	<u>38,350,480</u>	<u>1,848,105</u>	<u>40,198,585</u>
Total Assets	<u>63,158,681</u>	<u>6,943,863</u>	<u>70,102,544</u>
LIABILITIES			
Accounts payable	2,459,843	64,702	2,524,545
Accrued salaries and benefits	509,135	11,188	520,323
Interest payable	43,774	-	43,774
Deposits payable	207,624	-	207,624
Unearned revenue	5,211,635	13	5,211,648
Long-term liabilities:			
Due within one year	357,853	80,788	438,641
Due in more than one year	12,935,948	12,325,204	25,261,152
Total Liabilities	<u>21,725,812</u>	<u>12,481,895</u>	<u>34,207,707</u>
NET ASSETS			
Invested in capital assets, net of related debt	34,784,007	1,275,944	36,059,951
Restricted for:			
General government	410,013	-	410,013
Public protection	2,892,248	-	2,892,248
Public ways & facilities	2,492,696	-	2,492,696
Health & sanitation	1,395,542	-	1,395,542
Public assistance	3,718,812	-	3,718,812
Education	444,401	-	444,401
Capital projects	531,122	-	531,122
Debt service	16,359	-	16,359
Unrestricted	(5,252,331)	(6,813,976)	(12,066,307)
Total Net Assets	<u>\$ 41,432,869</u>	<u>\$ (5,538,032)</u>	<u>\$ 35,894,837</u>

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

COUNTY OF GLENN
Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 6,518,028	\$ 4,404,325	\$ 1,364,541	313,303
Public protection	21,722,044	4,152,140	8,538,619	-
Public ways and facilities	5,929,146	742,265	7,410,833	110,814
Health and sanitation	13,865,670	1,007,050	12,275,101	-
Public assistance	26,670,870	4,310,195	21,775,856	-
Education	447,138	826	2,329	-
Interest on long-term debt	82,550	-	-	-
Total Governmental Activities	75,235,446	14,616,801	51,367,279	424,117
Business-type activities:				
Solid waste	4,783,591	2,407,218	52,000	-
Airport	722,517	558,761	25,472	-
Total Business-Type Activities	5,506,108	2,965,979	77,472	-
Total	\$ 80,741,554	\$ 17,582,780	\$ 51,444,751	\$ 424,117

General revenues:

Taxes:
 Property taxes
 Sales and use taxes
 Real property transfer taxes
 Other taxes
Franchise fees
Grants and contributions - unrestricted
Interest and investment earnings
Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets - Beginning

Prior period adjustment

Net Assets - Beginning, Restated

Net Assets - Ending

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

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

Governmental Activities	Business- Type Activities	Total
\$ (435,859)	\$ -	\$ (435,859)
(9,031,285)	-	(9,031,285)
2,334,766	-	2,334,766
(583,519)	-	(583,519)
(584,819)	-	(584,819)
(443,983)	-	(443,983)
(82,550)	-	(82,550)
<u>(8,827,249)</u>	<u>-</u>	<u>(8,827,249)</u>
-	(2,324,373)	(2,324,373)
-	(138,284)	(138,284)
-	(2,462,657)	(2,462,657)
<u>(8,827,249)</u>	<u>(2,462,657)</u>	<u>(11,289,906)</u>
5,516,279	-	5,516,279
1,114,225	-	1,114,225
86,813	-	86,813
20,894	-	20,894
559,112	-	559,112
3,223,024	-	3,223,024
6,700	19,245	25,945
2,753,230	189,121	2,942,351
<u>13,280,277</u>	<u>208,366</u>	<u>13,488,643</u>
<u>4,453,028</u>	<u>(2,254,291)</u>	<u>2,198,737</u>
37,035,145	(3,283,741)	33,751,404
(55,304)	-	(55,304)
<u>36,979,841</u>	<u>(3,283,741)</u>	<u>33,696,100</u>
<u>\$ 41,432,869</u>	<u>\$ (5,538,032)</u>	<u>\$ 35,894,837</u>

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Basic Financial Statements

- **Fund Financial Statements**

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COUNTY OF GLENN
Balance Sheet
Governmental Funds
June 30, 2012

	<u>General Fund</u>	<u>Community Action Agency</u>	<u>Road Fund</u>	<u>Mental Health Services Act</u>	<u>Superior Regional Workforce Education</u>
ASSETS					
Cash and investments	\$ 2,004,017	\$ 578,463	\$ 1,734,557	\$ 1,329,589	\$ 3,303,080
Accounts receivable	780,070	206,362	13,665	-	-
Due from other governmental agencies	3,216,003	173,828	957,123	-	-
Interest receivable	3,251	772	2,530	1,733	4,739
Taxes receivable	526,836	-	-	-	-
Prepaid costs	152,678	1,725	-	-	-
Due from other funds	2,538,734	15,408	22,666	34,657	-
Inventory	103	216,602	38,611	-	-
Advances to other funds	1,411,136	-	207,034	-	-
Loans receivable	19,000	2,186,428	-	-	-
Total Assets	<u>\$10,651,828</u>	<u>\$ 3,379,588</u>	<u>\$ 2,976,186</u>	<u>\$ 1,365,979</u>	<u>\$ 3,307,819</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,970,716	\$ 108,852	\$ 221,706	\$ -	\$ -
Accrued salaries and benefits	339,919	38,399	40,021	-	-
Interest payable	163	-	-	-	-
Deposits payable	194,382	1,384	-	-	-
Due to other funds	1,517,916	37,916	95,930	92,787	324
Unearned revenue	344,633	344,898	-	1,184,683	3,307,495
Deferred revenue	2,057,807	22,299	125,833	-	-
Advances from other funds	788,000	126,242	-	-	-
Total Liabilities	<u>7,213,536</u>	<u>679,990</u>	<u>483,490</u>	<u>1,277,470</u>	<u>3,307,819</u>
Fund Balances:					
Nonspendable	1,563,917	218,327	245,645	-	-
Restricted	1,672,384	2,429,802	2,247,051	88,509	-
Assigned	-	51,469	-	-	-
Unassigned	201,991	-	-	-	-
Total Fund Balances	<u>3,438,292</u>	<u>2,699,598</u>	<u>2,492,696</u>	<u>88,509</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$10,651,828</u>	<u>\$ 3,379,588</u>	<u>\$ 2,976,186</u>	<u>\$ 1,365,979</u>	<u>\$ 3,307,819</u>

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

Other Governmental Funds	Total
\$ 3,985,582	\$ 12,935,288
-	1,000,097
846,685	5,193,639
4,102	17,127
-	526,836
3,538	157,941
458,329	3,069,794
-	255,316
-	1,618,170
-	2,205,428
\$ 5,298,236	\$ 26,979,636

\$ 117,655	\$ 2,418,929
19,202	437,541
43,611	43,774
11,858	207,624
661,032	2,405,905
15,949	5,197,658
126,577	2,332,516
463,596	1,377,838
1,459,480	14,421,785

3,538	2,031,427
3,896,490	10,334,236
16,359	67,828
(77,631)	124,360
3,838,756	12,557,851
\$ 5,298,236	\$ 26,979,636

COUNTY OF GLENN
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Activities - Governmental Activities
June 30, 2012

Total Fund Balance - Total Governmental Funds	\$12,557,851
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 in the governmental funds balance sheets.	37,394,922
Other long-term assets are not available to pay for current period expenditures and therefore, are not reported in the funds or are reported as deferred in the governmental funds.	
Deferred revenue	2,332,516
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Certificates of participation	(2,560,000)
Loans payable	(620,083)
Capital leases	(374,445)
Compensated absences	(1,538,898)
Net OPEB obligation	(7,970,226)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets.	<u>2,211,232</u>
Net Assets of Governmental Activities	<u><u>\$41,432,869</u></u>

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

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COUNTY OF GLENN
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2012

	<u>General Fund</u>	<u>Community Action Agency</u>	<u>Road Fund</u>	<u>Mental Health Services Act</u>	<u>Superior Regional Workforce Education</u>
REVENUES					
Taxes	\$ 5,642,288	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	950,785	-	14,093	-	-
Fines and forfeitures	1,543,402	-	-	-	-
Use of money and property	6,270	(72,226)	14,861	7,273	13,766
Intergovernmental revenues	34,692,614	3,650,335	7,395,814	2,162,431	191,304
Charges for services	6,538,441	4,183,184	729,724	-	-
Other revenues	1,694,053	575,218	21,654	-	-
Total Revenues	<u>51,067,853</u>	<u>8,336,511</u>	<u>8,176,146</u>	<u>2,169,704</u>	<u>205,070</u>
EXPENDITURES					
Current:					
General government	5,629,943	-	-	-	-
Public protection	18,563,283	-	-	-	-
Public ways and facilities	-	-	4,588,906	-	-
Health and sanitation	12,933,291	-	-	5,447	205,070
Public assistance	17,817,627	8,055,673	-	-	-
Education	386,511	-	-	-	-
Debt service:					
Principal	-	-	109,430	-	-
Interest and other charges	-	-	8,315	-	-
Capital outlay	364,032	-	3,744,413	-	-
Total Expenditures	<u>55,694,687</u>	<u>8,055,673</u>	<u>8,451,064</u>	<u>5,447</u>	<u>205,070</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,626,834)</u>	<u>280,838</u>	<u>(274,918)</u>	<u>2,164,257</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Issuance of debt	101,514	122,669	-	-	-
Transfers in	12,744,957	-	383,560	-	-
Transfers out	(6,935,589)	-	(340,159)	(2,164,257)	-
Total Other Financing Sources (Uses)	<u>5,910,882</u>	<u>122,669</u>	<u>43,401</u>	<u>(2,164,257)</u>	<u>-</u>
Net Change in Fund Balances	<u>1,284,048</u>	<u>403,507</u>	<u>(231,517)</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning	2,589,521	2,021,679	2,807,108	88,509	-
Prior period adjustment	(435,277)	274,412	-	-	-
Fund Balances - Beginning	2,154,244	2,296,091	2,807,108	88,509	-
Change in inventory on purchases method	-	-	(82,895)	-	-
Fund Balances - Ending	<u>\$ 3,438,292</u>	<u>\$ 2,699,598</u>	<u>\$ 2,492,696</u>	<u>\$ 88,509</u>	<u>\$ -</u>

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

Other Governmental Funds	Total
\$ 284,327	\$ 5,926,615
228,429	1,193,307
21,450	1,564,852
27,774	(2,282)
5,334,277	53,426,775
966,405	12,417,754
462,305	2,753,230
<u>7,324,967</u>	<u>77,280,251</u>
29,664	5,659,607
1,857,139	20,420,422
-	4,588,906
435,337	13,579,145
242,592	26,115,892
-	386,511
80,020	189,450
119,864	128,179
129,059	4,237,504
<u>2,893,675</u>	<u>75,305,616</u>
<u>4,431,292</u>	<u>1,974,635</u>
-	224,183
184,953	13,313,470
(3,873,465)	(13,313,470)
<u>(3,688,512)</u>	<u>224,183</u>
<u>742,780</u>	<u>2,198,818</u>
3,045,976	10,552,793
50,000	(110,865)
3,095,976	10,441,928
-	(82,895)
<u>\$ 3,838,756</u>	<u>\$22,999,779</u>

COUNTY OF GLENN
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2012

Net Change in Fund Balances - Total Governmental Funds	\$ 2,198,818
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.	
Expenditures for capital outlay	4,237,504
Less current year depreciation	(2,050,662)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Issuance of debt	(224,183)
Principal retirements	189,450
Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.	
Change in deferred revenue	2,332,516
Measurement focus adjustment for inventory reported using the purchases method in the governmental funds and reported using the consumption method in the Statement of Activities.	
	(82,895)
Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in interest payable	46,638
Change in prepaid costs	(54,251)
Change in compensated absences	(99,233)
Change in net OPEB obligation	(2,006,928)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	
	(33,746)
Change in Net Assets of Governmental Activities	\$ 4,453,028

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

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COUNTY OF GLENN
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Business-Type Activities			
	Enterprise Funds			
	Solid Waste Operating	Solid Waste Closure	Airport	Orland Airport
ASSETS				
Current Assets:				
Cash and investments	\$ 1,042,890	\$ 3,819,085	\$ 120,635	\$ -
Accounts receivable	108,850	-	1,726	-
Interest receivable	1,359	5,212	140	-
Prepaid costs	5,000	-	-	-
Due from other funds	22,976	-	-	-
Inventory	-	-	10,409	-
Total Current Assets	1,181,075	3,824,297	132,910	-
Noncurrent Assets:				
Capital assets:				
Nondepreciable	642,519	-	101,327	-
Depreciable, net	228,658	-	875,601	-
Total Noncurrent Assets	871,177	-	976,928	-
Total Assets	2,052,252	3,824,297	1,109,838	-
LIABILITIES				
Current Liabilities:				
Accounts payable	52,139	-	12,563	-
Accrued salaries and benefits	8,706	-	2,482	-
Due to other funds	10,439	-	2,288	-
Unearned revenue	13	-	-	-
Compensated absences	186	-	-	-
Capital lease payable	60,470	-	-	-
Loans payable	-	-	20,132	-
Total Current Liabilities	131,953	-	37,465	-
Noncurrent Liabilities:				
Advance from other funds	-	-	29,797	-
Compensated absences	28,382	-	5,787	-
Capital lease payable	434,688	-	-	-
Loans payable	-	-	56,871	-
Closure/postclosure liability	-	11,655,552	-	-
Net OPEB obligation	128,576	-	15,348	-
Total Noncurrent Liabilities	591,646	11,655,552	107,803	-
Total Liabilities	723,599	11,655,552	145,268	-
NET ASSETS				
Invested in capital assets	376,019	-	899,925	-
Unrestricted	952,634	(7,831,255)	64,645	-
Total Net Assets	\$ 1,328,653	\$ (7,831,255)	\$ 964,570	\$ -

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

<u>Willows Airport</u>	<u>Totals</u>	<u>Governmental Activities</u>
		<u>Internal Service Funds</u>
\$ -	\$ 4,982,610	\$ 1,517,484
-	110,576	72,046
-	6,711	1,926
-	5,000	26,224
-	22,976	277,209
-	10,409	47,108
-	<u>5,138,282</u>	<u>1,941,997</u>
-	743,846	-
-	<u>1,104,259</u>	<u>955,558</u>
-	1,848,105	955,558
-	<u>6,986,387</u>	<u>2,897,555</u>
-	64,702	40,914
-	11,188	71,594
-	12,727	329,689
-	13	13,977
-	186	14,947
-	60,470	11,945
-	20,132	-
-	<u>169,418</u>	<u>483,066</u>
-	29,797	-
-	34,169	203,257
-	434,688	-
-	56,871	-
-	11,655,552	-
-	143,924	-
-	<u>12,355,001</u>	<u>203,257</u>
-	<u>12,524,419</u>	<u>686,323</u>
-	1,275,944	955,558
-	<u>(6,813,976)</u>	<u>1,255,674</u>
<u>\$ -</u>	<u>\$ (5,538,032)</u>	<u>\$ 2,211,232</u>

COUNTY OF GLENN
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities			
	Enterprise Funds			
	Solid Waste Operating	Solid Waste Closure	Airport	Orland Airport
OPERATING REVENUES				
Charges for services	\$ 1,957,218	\$ 450,000	\$ 316,584	\$ -
Rents and concessions	-	-	242,177	-
Other revenues	184,042	-	5,079	-
Total Operating Revenues	2,141,260	450,000	563,840	-
OPERATING EXPENSES				
Salaries and benefits	508,781	-	68,550	-
Services and supplies	1,325,915	2,818,387	574,662	-
Depreciation	103,063	-	74,747	-
Total Operating Expenses	1,937,759	2,818,387	717,959	-
Operating Income (Loss)	203,501	(2,368,387)	(154,119)	-
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental revenues	52,000	-	25,472	-
Interest income	3,659	15,586	-	-
Interest expense	(27,445)	-	(4,558)	-
Total Non-Operating Revenues (Expenses)	28,214	15,586	20,914	-
Income (Loss) Before Transfers	231,715	(2,352,801)	(133,205)	-
Transfers in	-	-	1,097,775	-
Transfers out	-	-	-	(637,157)
Change in Net Assets	231,715	(2,352,801)	964,570	(637,157)
Total Net Assets - Beginning	1,096,938	(5,478,454)	-	637,157
Prior period adjustment	-	-	-	-
Total Net Assets - Beginning, Restated	1,096,938	(5,478,454)	-	637,157
Total Net Assets - Ending	\$ 1,328,653	\$ (7,831,255)	\$ 964,570	\$ -

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

Willows Airport	Totals	Governmental Activities
		Internal Service Funds
\$ -	\$ 2,723,802	\$ 6,321,429
-	242,177	-
-	189,121	104,311
-	3,155,100	6,425,740
-	577,331	3,930,989
-	4,718,964	2,398,767
-	177,810	204,428
-	5,474,105	6,534,184
-	(2,319,005)	(108,444)
-	77,472	66,725
-	19,245	8,982
-	(32,003)	(1,009)
-	64,714	74,698
-	(2,254,291)	(33,746)
-	1,097,775	-
(460,618)	(1,097,775)	-
(460,618)	(2,254,291)	(33,746)
460,618	(3,283,741)	2,274,758
-	-	(29,780)
460,618	(3,283,741)	2,244,978
\$ -	\$ (5,538,032)	\$ 2,211,232

COUNTY OF GLENN
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities Enterprise Funds			
	Solid Waste Operating	Solid Waste Closure	Airport	Orland Airport
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 2,235,027	\$ 450,000	\$ 562,827	\$ -
Payments to suppliers	(1,371,485)	-	(561,964)	-
Payments to employees	(505,870)	-	(64,883)	-
Net Cash Provided (Used) by Operating Activities	357,672	450,000	(64,020)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund loan repayments received	31,434	-	104,701	-
Interfund loans repayments made	(61,501)	-	(124,692)	-
Transfers in	-	-	203,640	-
Transfers out	-	-	-	(94,038)
Subsidy from government funds	52,000	-	25,472	-
Net Cash Provided (Used) by Noncapital Financing Activities	21,933	-	209,121	(94,038)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	-	-
Principal paid on capital debt	(56,590)	-	(20,064)	-
Interest paid on capital debt	(27,445)	-	(4,558)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(84,035)	-	(24,622)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	3,363	16,157	156	-
Net Cash Provided (Used) by Investing Activities	3,363	16,157	156	-
Net Increase (Decrease) in Cash and Cash Equivalents	298,933	466,157	120,635	(94,038)
Balances - Beginning of the Year	743,957	3,352,928	-	94,038
Balances - End of the Year	\$ 1,042,890	\$ 3,819,085	\$ 120,635	\$ -

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

Willows Airport	Totals	Governmental Activities
		Internal Service Funds
\$ -	\$ 3,247,854	\$ 6,469,778
-	(1,933,449)	(2,502,592)
-	(570,753)	(4,188,684)
-	743,652	(221,498)
-	136,135	313,220
-	(186,193)	(49,916)
-	203,640	-
(109,602)	(203,640)	-
-	77,472	66,725
(109,602)	27,414	330,029
-	-	(26,062)
-	(76,654)	(28,607)
-	(32,003)	(1,009)
-	(108,657)	(55,678)
-	19,676	9,143
-	19,676	9,143
(109,602)	682,085	61,996
109,602	4,300,525	1,455,488
\$ -	\$ 4,982,610	\$ 1,517,484

COUNTY OF GLENN
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities			
	Enterprise Funds			
	<u>Solid Waste Operating</u>	<u>Solid Waste Closure</u>	<u>Airport</u>	<u>Orland Airport</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 203,501	\$ (2,368,387)	\$ (154,119)	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	103,063	-	74,747	-
Decrease (increase) in:				
Accounts receivable	93,767	-	(1,013)	-
Prepaid costs	(5,000)	-	-	-
Inventory	-	-	1,932	-
Increase (decrease) in:				
Accounts payable	(40,570)	-	10,766	-
Accrued salaries and benefits	(19,905)	-	(874)	-
Unearned revenue	-	-	-	-
Compensated absences	(9,560)	-	676	-
Closure/postclosure liability	-	2,818,387	-	-
Net OPEB obligation	32,376	-	3,865	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 357,672</u>	<u>\$ 450,000</u>	<u>\$ (64,020)</u>	<u>\$ -</u>

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

Willows Airport	Totals	Governmental Activities Internal Service Funds
\$ -	\$ (2,319,005)	\$ (108,444)
-	177,810	204,428
-	92,754	38,648
-	(5,000)	(3,730)
-	1,932	(3,843)
-	(29,804)	(96,252)
-	(20,779)	(190,878)
-	-	5,390
-	(8,884)	(66,817)
-	2,818,387	-
-	36,241	-
\$ -	\$ 743,652	\$ (221,498)

COUNTY OF GLENN
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Investment Trust Funds	Private Purpose Trust Funds	Agency Funds
ASSETS			
Cash and investments	\$29,569,025	\$ 25,390	\$ 3,951,573
Taxes receivable	-	-	4,046,091
Due from other funds	1,192,489	-	344,994
Advances to other funds	257,850	-	-
	31,019,364	25,390	8,342,658
LIABILITIES			
Due to other funds	\$ 595,657	\$ -	\$ 1,563,484
Advances from other funds	464,884	-	3,501
Agency obligations	-	-	6,775,673
	1,060,541	-	8,342,658
NET ASSETS			
Net assets held in trust for investment pool participants	\$29,958,823	\$ 25,390	\$ -

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

COUNTY OF GLENN
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

	Investment Trust Funds	Private Purpose Trust Funds
ADDITIONS		
Contributions to investment pool	\$ 153,962,856	\$ -
Investment income (net)	159,218	119
Total Additions	154,122,074	119
DEDUCTIONS		
Distributions from investment pool	154,415,971	-
Total Deductions	154,415,971	-
Change in Net Assets	(293,897)	119
Net Assets - Beginning	30,252,720	25,271
Net Assets - Ending	\$ 29,958,823	\$ 25,390

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

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of County of Glenn (County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a countywide basis including law and justice, education, detention, social services and health, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

As required by GAAP, these financial statements present the County and its component units, entities for which the government is considered to be financially accountable.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Glenn, Department of Finance, 516 W. Sycamore Street, Willows, CA 95988.

The blended component units' governing bodies are substantively the same as the governing body of the primary government. Component units that are blended into the reporting activity types of the County's report are presented below:

Major Special Revenue Fund:
Community Action Agency

Nonmajor Special Revenue Funds:
Artois Fire District
Hamilton Fire District
Bayliss Fire District
Willows Rural Fire District
Storm Drain Maintenance #1
Storm Drain Maintenance #3
North Willows County Service Area
Air Pollution Control District
Olive Fruit Fly Pest District

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Glenn County Children and Families Commission is a joint governed organization. However, it has not met the criteria stated above and its financial information is not combined with that of the County. The financial statements of the Commission may be obtained by writing to the First 5 Glenn County, 1035 West Wood Street, Willows, CA 95988.

B. Basis of Presentation

Government-Wide Financial Statements

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

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include (1) charges paid by the recipients of goods and services offered by the program, (2) operating grants and contributions, and (3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories, each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, health and sanitation, public assistance and education.
- The Community Action Agency fund is a special revenue fund used to account for program operations for low income, elderly, disabled, and minority residents, providing financial assistance for shelter, housing and food. Individual and family programs protect adults and children, assist youth and families in properly handling their family conflicts and help people become employed. Victim witness services and youth mentoring programs are also provided. Funding comes primarily from state and federal grant revenues and user fees.
- The Road fund is a special revenue fund used to account for revenues and expenditures related to the maintenance of over 860 miles of County roads of which approximately 700 miles are paved, numerous storm drainage ditches and culverts, over 200 bridges, traffic control systems and a fleet of heavy construction equipment. Funding comes primarily from state and federal grants and user fees.
- The Mental Health Services Act (MHSA) fund is a special revenue fund used to account for funding to personnel and other resources to support County mental health programs provided for by the act.
- The Superior Regional Workforce Education fund is a special revenue fund used to account for funds provided to the Regional Workforce Education and Training Partnership, a partnership funded by the MHSA. Glenn County acts as a pass-through agency for fifteen northern California counties.

The County reports the following major proprietary funds:

- The Solid Waste Operating fund is an enterprise fund responsible for the operation and maintenance of the County Solid Waste Landfill operated by the County's public works department.
- The Solid Waste Closure fund is an enterprise fund used to account for revenues and expenses related to the future closure and postclosure maintenance of the landfill.
- The Airport fund is an enterprise fund used to account for revenues and expenses related to the Orland and Willows airports. During the year ended June 30, 2012, the financial accounting for the separate Orland Airport and Willows Airport funds were combined into the Airport fund.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet management services, public works services, human resource and health services administration, centralized County equipment usage, vegetation and environmental management, underground storage tanks program, the Tri-County Bee pest services and data processing services,.
- The Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of four separate funds; School Districts, Special Districts Governed by Local Boards, Courts and other funds. The County is obligated to disburse monies from these funds on demand.
- The Private Purpose Trust Funds accounts for an endowment received by the County in which the income from the principal is used for the purchase of books and supplies for the Chester Walker Memorial Library in Hamilton City.
- Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include:

County Agency Funds - Accounts for all assets under the control of County departments which are held in a fiduciary capacity.

C. Basis of Accounting and Measurement Focus

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

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

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net assets.

E. Cash, Cash Equivalents and Investments

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and the County's investment policy.

Investment transactions are recorded on the trade date. Investments are reported at fair value which is determined using selected bases annually. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate notes are valued by the safekeeping institution and by the County brokerage firm. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash, Cash Equivalents and Investments (Continued)

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2012, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General Fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

For purposes of the accompanying statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. Receivables

Accounts Receivable

Accounts receivable for governmental activities consist mainly of taxes, grants and interest. Accounts receivable in business-type activities consist mainly of user fees and interest earnings. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

G. Other Assets

Inventory

Inventories are stated at cost (first-in, first-out basis) for governmental and proprietary funds. Inventory recorded by governmental funds includes materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventory recorded by proprietary funds includes supplies for internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Loans Receivable

For the purpose of the governmental fund financial statements, special revenue fund expenditures relating to long-term loans receivable arising from mortgage subsidy programs are charged to operations upon funding and the loans receivable are recorded. The balance of the long-term receivable includes loans that may be forgiven if certain terms and conditions of the loans are met.

I. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items) are defined by the County as assets with a cost of more than \$5,000 for equipment and improvements and an estimated useful life of more than one years. Infrastructure are assets that have a cost or are valued at \$25,000 or more per project and have an estimated useful life of 40 years. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their estimated fair market value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	2-15 years
Structures and improvements	40 years
Infrastructure	40 years

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

J. Property Tax

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1 percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value, as defined by Article XIII A, and may be adjusted by no more than 2 percent per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1 percent tax levy among the County, cities, school districts, and other districts.

The County of Glenn is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Property Tax (Continued)

The County levies, bills and collects taxes as follows:

	Secured	Unsecured
Valuation/lien dates	January 1	January 1
Due Dates	November 1 (1 st installment) February 1 (2 nd installment)	July 1
Delinquent dates	December 10 (1 st installment) April 10 (2 nd installment)	August 31

K. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

L. Unearned Revenue/Deferred Revenue

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue.

Deferred revenue is recorded under the modified accrual basis of accounting when revenue which has been earned during the current period has met the measurable criteria but has not met the available criteria.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation leave. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

N. Estimates

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

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Fund Balance/Net Assets

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net assets. During the current year adjustments to net assets were required to correct a prior year misstatement of capital assets, correct deferred revenue, record loans receivable attributable to business assistance loans, and correct the prior year recording of a capital lease.

The impact of the restatements on the net assets on the government-wide financial statements as previously reported is presented below:

	Governmental Activities
Net Assets, June 30, 2011, as previously reported	\$ 37,035,145
Adjustment associated with:	
Correction of capital assets	85,341
Correction of prior year deferred revenue	(385,277)
Correction of loans receivable	274,412
Correction of capital lease	(29,780)
Total Adjustments	(55,304)
Net Assets, July 1, 2011, as restated	<u>\$ 36,979,841</u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Restatement of Fund Balance/Net Assets (Continued)

The impact of the restatements on the net assets on the internal service fund financial statements as previously reported is presented below:

	Internal Service Funds
Net Assets, June 30, 2011, as previously reported	\$ 2,274,758
Adjustment associated with:	
Correction of capital lease	(29,780)
Net Assets, July 1, 2011, as restated	\$ 2,244,978

The impact of the restatements on the fund balance on the fund financial statements as previously reported is presented below:

	General Fund	Community Action Agency	Other Governmental Funds
Fund Balance, June 30, 2011, as previously reported	\$ 2,589,521	\$ 2,021,679	\$ 3,045,976
Adjustment associated with:			
Correction of prior year deferred revenue	(435,277)	-	50,000
Correction of loans receivable	-	274,412	-
Total Adjustments	(435,277)	274,412	50,000
Fund Balance, July 1, 2011, as restated	\$ 2,154,244	\$ 2,296,091	\$ 3,095,976

B. Deficit Fund Balance/Net Assets

The following non-major governmental funds had deficit fund balances at June 30, 2012. These deficits are expected to be eliminated through future reimbursements and through cost containment.

Hospital Preparedness Grant	\$ 66,649
Memorial Hall	1,777
Micrographics Conversion fund	71
Per Capita Park Grant	6,635

The following major enterprise fund had a deficit net asset balance at June 30, 2012. This deficit is expected to be eliminated through future additional funding.

Solid Waste Closure fund	\$ 7,831,255
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The following internal service fund had deficit net assets at June 30, 2012. This deficit is expected to be eliminated through future user charges.

Human Resources	\$ 87,946
Health Services	34,283

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

C. Rebatable Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. At June 30, 2012, the County does not expect to incur a liability.

D. Gann Spending Limitation

Under Article XIII B of the California Constitution (the Gann Spending Limitation), the County is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements.

NOTE 3: CASH AND INVESTMENTS

The County Treasurer manages, in accordance with California Government Code Section 53600, money is deposited in the investment pool by the County, all County school districts, various districts, and some cities within the County. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County's investment policy govern the investment pool activity. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The pool attempts to match maturities with planned outlays and maximize the return on investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles.

The Board of Supervisors monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the Board of Supervisors and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value. All cash and investments are considered part of the investment pool.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The investments of involuntary participants in the investment pool totaled \$29,569,025 at June 30, 2012.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

A. Financial Statement Presentation

As of June 30, 2012, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 19,435,382
Investment trust funds	29,569,025
Private purpose trusts	25,390
Agency funds	<u>3,951,573</u>
Total Cash and Investments	<u>\$ 52,981,370</u>

As of June 30, 2012, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 12,280
Deposits in Treasurer's Pool (less outstanding warrants)	<u>6,992,457</u>
Total Cash	<u>7,004,737</u>
Investments:	
In Treasurer's pool	<u>45,976,633</u>
Total Investments	<u>45,976,633</u>
Total Cash and Investments	<u>\$ 52,981,370</u>

B. Cash

At year end, the carrying amount of the County's cash deposits (including amount in checking accounts and money market accounts) was \$6,992,457 and the bank balance was \$10,790,177. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the County had cash on hand of \$12,280.

Custodial Credit Risk For Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, interest bearing deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized. The County's investment policy does not further limit its deposits.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments

Under the provisions of the County's investment policy and the California Government Code, the County may invest or deposit in the following:

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund
- Mutual Funds
- Medium Term Corporate Notes
- Money Market Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements/Reverse Repurchase Agreements
- Securities of the Federal Government or its Agencies.

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The County limits its exposure to interest rate risk inherent in its portfolio by limiting individual maturities to 5 years or less.

As of June 30, 2012, the County had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
US Treasury Notes	0.375-1.250%	\$ 999,485	\$ 999,825	\$ 1,999,310	0.94
Government Agencies	0.50-4.50%	5,040,627	6,968,157	12,008,784	1.29
Corporate Bonds	0.875-6.95%	4,015,369	3,005,056	7,020,425	1.42
LAIF	Variable	20,713,814	-	20,713,814	-
CAMP	Variable	1,234,300	-	1,234,300	-
Certificates of Deposit	0.35-0.40%	3,000,000	-	3,000,000	-
Total Investments		<u>\$ 35,003,595</u>	<u>\$10,973,038</u>	<u>\$ 45,976,633</u>	<u>0.60</u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the County's investment policy, and the actual rating as of year end for each investment type.

<u>Investment Type</u>	<u>Minimum Legal Rating</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Rating</u>	<u>% of Portfolio</u>
US Treasury Notes	N/A	AA+	Aaa	4.35%
Federal Home Loan Mortgage Corp.	N/A	AA+	Aaa	10.88%
Federal Home Loan Bank	N/A	AA+	Aaa	6.59%
Federal National Mortgage Assoc.	N/A	AA+	Aaa	8.65%
Corporate Bonds	A	A	WR	2.05%
Corporate Bonds	A	A+	A2	2.10%
Corporate Bonds	A	AA+	A1	2.25%
Corporate Bonds	A	AA	Aa2	2.34%
Corporate Bonds	A	AA-	Aa3	2.19%
Corporate Bonds	A	A+	Aa3	4.35%
LAIF	N/A	Unrated	Unrated	45.05%
CAMP	N/A	Unrated	Unrated	2.68%
Certificates of Deposit	N/A	Unrated	Unrated	6.52%
Total				<u>100.00%</u>

Custodial Credit Risk for Investments - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in the name of the County. At June 30, 2012, the County's investment pool had no securities exposed to custodial credit risk.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law and the investment policy of the County contain limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2012, that represent 5 percent or more of total County investments are as follows:

<u>Percentage of Investment Type</u>	<u>Amount Invested</u>	<u>Investments</u>
Federal Home Loan Mortgage Corp.	\$ 5,001,827	10.88%
Federal Home Loan Bank	3,027,731	6.59%
Federal National Mortgage Assoc.	3,979,226	8.65%

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

D. Investment in External Investment Pools

Investment in Local Agency Investment Fund - The County of Glenn is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code and is managed by the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members as designated by State statute.

Investments in LAIF are available on demand and are stated at amortized cost, which approximates fair value. The fair value of the County's position in the pool is the same as the value of the pooled shares. At June 30, 2012 the County's investment position in LAIF was \$20,713,814. The total amount invested by all public agencies in LAIF on that day was \$60,588,263,603. Of that amount, 96.53% is invested in non-derivative financial products and 3.47% in structured notes and asset-backed securities.

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net assets and changes in net assets for the Treasurer's pool at June 30, 2012:

	Internal Participants	External Participants	Total Pool
Statement of Net Assets			
Cash on hand	\$ 12,280	\$ -	\$ 12,280
Deposits (Less outstanding warrants)	6,992,457	-	6,992,457
Investments	16,407,608	29,569,025	45,976,633
Net Assets at June 30, 2012	\$ 23,412,345	\$ 29,569,025	\$ 52,981,370
Statement of Changes in Net Assets			
Net assets at July 1, 2011	\$ 20,531,836	\$ 30,520,542	\$ 51,052,378
Net changes in investments by pool participants	2,880,509	(951,517)	1,928,992
Net Assets at June 30, 2012	\$ 23,412,345	\$ 29,569,025	\$ 52,981,370

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2012, was as follows:

	Balance <u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Adjustments/ <u>Transfers</u>	Balance <u>June 30, 2012</u>
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 420,743	\$ -	\$ -	\$ -	\$ 420,743
Construction in progress	<u>543,735</u>	<u>3,704,412</u>	<u>-</u>	<u>38,945</u>	<u>4,287,092</u>
Total Capital Assets, Not Being Depreciated	<u>964,478</u>	<u>3,704,412</u>	<u>-</u>	<u>38,945</u>	<u>4,707,835</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	22,040,668	136,484	-	92,073	22,269,225
Equipment	16,249,089	417,396	-	5,280	16,671,765
Infrastructure	<u>34,782,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,782,034</u>
Total Capital Assets, Being Depreciated	<u>73,071,791</u>	<u>553,880</u>	<u>-</u>	<u>97,353</u>	<u>73,723,024</u>
Less Accumulated Depreciation For:					
Buildings and Improvements	(11,039,729)	(407,929)	-	3,702	(11,443,956)
Equipment	(12,207,584)	(977,610)	-	(49,385)	(13,234,579)
Infrastructure	(14,532,293)	(869,551)	-	-	(15,401,844)
Total Accumulated Depreciation	<u>(37,779,606)</u>	<u>(2,255,090)</u>	<u>-</u>	<u>(45,683)</u>	<u>(40,080,379)</u>
Total Capital Assets, Being Depreciated, Net	<u>35,292,185</u>	<u>(1,701,210)</u>	<u>-</u>	<u>51,670</u>	<u>33,642,645</u>
Governmental Activities Capital Assets, Net	<u>\$ 36,256,663</u>	<u>\$ 2,003,202</u>	<u>\$ -</u>	<u>\$ 90,615</u>	<u>\$ 38,350,480</u>
	Balance <u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Adjustments/ <u>Transfers</u>	Balance <u>June 30, 2012</u>
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 107,151	\$ -	\$ -	\$ -	\$ 107,151
Construction in progress	<u>636,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>636,695</u>
Total Capital Assets, Not Being Depreciated	<u>743,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>743,846</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,734,705	-	-	-	1,734,705
Equipment	<u>2,416,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,416,071</u>
Total Capital Assets, Being Depreciated	<u>4,150,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,150,776</u>
Less Accumulated Depreciation For:					
Buildings and Improvements	(864,559)	(45,648)	-	-	(910,207)
Equipment	(2,004,148)	(132,162)	-	-	(2,136,310)
Total Accumulated Depreciation	<u>(2,868,707)</u>	<u>(177,810)</u>	<u>-</u>	<u>-</u>	<u>(3,046,517)</u>
Total Capital Assets, Being Depreciated, Net	<u>1,282,069</u>	<u>(177,810)</u>	<u>-</u>	<u>-</u>	<u>1,104,259</u>
Governmental Activities Capital Assets, Net	<u>\$ 2,025,915</u>	<u>(\$ 177,810)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,848,105</u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS (CONTINUED)

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 512,766
Public protection	284,259
Public ways and facilities	940,285
Health and sanitation	98,058
Public assistance	158,234
Education	<u>57,060</u>
Subtotal Governmental funds	2,050,662
Depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>204,428</u>
Total Depreciation Expense – Governmental Functions	<u><u>\$ 2,255,090</u></u>

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

Solid Waste Operating	\$ 103,063
Airport	<u>74,747</u>
Total Depreciation Expense – Business-Type Functions	<u><u>\$ 177,810</u></u>

Construction In Progress

Construction in progress related primarily to work performed for bridge repair and road overlays.

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2012:

	Due from Other funds	Due to Other funds
General Fund	\$ 2,538,734	\$ 1,517,916
Community Action Agency	15,408	37,916
Road Fund	22,666	95,930
Mental Health Services Act	34,657	92,787
Superior Regional Workforce Education	-	324
Nonmajor Governmental Funds	458,329	661,032
Solid Waste Operations	22,976	10,439
Airport	-	2,288
Internal Service Funds	277,209	329,689
Investment Trust Funds	1,192,489	595,657
Agency Funds	<u>344,994</u>	<u>1,563,484</u>
Total	<u><u>\$ 4,907,462</u></u>	<u><u>\$ 4,907,462</u></u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advances to/from other funds as of June 30, 2012:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
General Fund	\$ 1,411,136	\$ 788,000
Community Action Agency	-	126,242
Road Fund	207,034	-
Nonmajor Governmental Funds	-	463,596
Airport	-	29,797
Investment Trust Funds	257,850	464,884
Agency Funds	<u>-</u>	<u>3,501</u>
Total	<u>\$ 1,876,020</u>	<u>\$ 1,876,020</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, reimbursement of various County operations and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2012:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 12,744,957	\$ 6,935,589
Road Fund	383,560	340,159
Mental Health Services Act	-	2,164,257
Nonmajor Governmental Funds	184,953	3,873,465
Airport	1,097,775	-
Orland Airport	-	637,157
Willows Airport	<u>-</u>	<u>460,618</u>
Total	<u>\$ 14,411,245</u>	<u>\$ 14,411,245</u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 6: UNEARNED/DEFERRED REVENUE

At June 30, 2012, the components of unearned and deferred revenue were as follows:

	<u>Unearned</u>	<u>Deferred</u>	<u>Total</u>
Governmental Funds:			
General Fund			
Federal and state grant advances received	\$ 344,633	\$ -	\$ 344,633
State, Federal and other agency grant revenue receivable	-	2,057,807	2,057,807
Community Action Agency			
Federal and state advances received	344,898	-	344,898
State, Federal and other agency grant revenue receivable	-	22,299	22,299
Road			
State, Federal and other agency grant revenue receivable	-	125,833	125,833
Mental Health Services Act			
State grant advances received	1,184,683	-	1,184,683
Superior Regional Workforce Education			
State grant advances received	3,307,495	-	3,307,495
Non Major Governmental Funds			
Bioterrorism advance received	15,949	-	15,949
State, Federal and other agency grant revenue receivable	<u>-</u>	<u>126,577</u>	<u>126,577</u>
Total Governmental Funds	<u>\$5,197,658</u>	<u>\$ 2,332,516</u>	<u>\$ 7,530,174</u>
Proprietary Funds:			
Solid Waste Operating			
Payments received in advance	\$ 13	\$ -	\$ 13
Internal Service Fund			
Payments received in advance	<u>13,977</u>	<u>-</u>	<u>13,977</u>
Total Proprietary Funds	<u>\$ 13,990</u>	<u>\$ -</u>	<u>\$ 13,990</u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2012:

<u>Type of Indebtedness</u>	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Balance June 30, 2012</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Certificates of Participation	\$ 2,595,000	\$ -	\$ 35,000	\$ 2,560,000	\$ 35,000
Loans	395,900	224,183	-	620,083	27,820
Capital Leases	569,424	-	183,034	386,390	161,341
Compensated Absences	1,724,685	1,135,084	1,102,667	1,757,102	133,692
Net OPEB Obligation	<u>5,963,294</u>	<u>3,256,906</u>	<u>1,249,974</u>	<u>7,970,226</u>	<u>-</u>
Total Governmental Activities	<u>\$ 11,248,303</u>	<u>\$ 4,616,173</u>	<u>\$ 2,570,675</u>	<u>\$ 13,293,801</u>	<u>\$ 357,853</u>
Business-Type Activities					
Loans	\$ 96,169	\$ -	\$ 19,166	\$ 77,003	\$ 20,132
Capital Leases	552,646	-	57,488	495,158	60,470
Closure/Postclosure	8,837,165	2,818,387	-	11,655,552	-
Compensated Absences	43,239	19,237	28,121	34,355	186
Net OPEB Obligation	<u>107,683</u>	<u>58,812</u>	<u>22,571</u>	<u>143,924</u>	<u>-</u>
Total Business-Type Activities	<u>\$ 9,636,902</u>	<u>\$ 2,896,436</u>	<u>\$ 127,346</u>	<u>\$ 12,405,992</u>	<u>\$ 80,788</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The net other postemployment benefit obligation for the governmental activities is generally liquidated by the fund where the liability occurred.

Individual issues of debt payable outstanding at June 30, 2012, are as follows:

Governmental Activities

Certificates of Participation:

2005 Certificates of Participation issued September 1, 2005, in the amount of \$2,750,000 due in annual installments of \$35,000 to \$135,000, with an interest rate of 4.125% and maturity on September 1, 2045. The certificates were used to finance the construction of the new County Office of Education building in Willows.

Total Certificates of Participation

\$ 2,560,000

2,560,000

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2012, are as follows: (Continued)

Governmental Activities (Continued)

Loans:

California Department of Housing and Community Development loan issued May 2011, in the amount of \$546,450. This loan was for the purchase of and renovation to a house to be used as a Domestic Violence Shelter (Development). The County signed a Promissory Note secured by Deed of Trust. The Promissory Note has a maturity date of 10 years from the date of recordation by the County Recorder of Notice of Completion. The note specifies a simple interest rate of three percent per annum to be applied to advances from this note. Repayment of principal and interest shall be deferred as long as the Development is operated as an emergency shelter or transition housing. The note also forgives all outstanding principal and accrued interest on the maturity rate indicated. Proceeds from the loan are advanced by the State to the Trustee, Glenn County Title Company. The Trustee then makes payments for costs. As of June 30, 2012, the County had drawn down \$518,569 and became liable for that amount. 518,569

State of California Energy Resources Conservation and Development Commission Loan, issued December 15, 2012 in the amount of \$101,514, due in semi-annual installments of \$15,409, with an interest rate of 3.0% and maturity on December 22, 2015. The loan was used for the replacement of HVAC systems in County buildings. 101,514

Total Loans 620,083

Total Governmental Activities \$ 3,180,083

Business-Type Activities

Loans:

State of California Department of Transportation loan issued December 2000 in the amount of \$120,000, due in annual installments of \$12,453 with an interest rate of 5.132% and maturity in January 2016. The loan was used to finance the construction of an onsite fueling station at the Orland airport. 40,533

Department of Transportation Hangar Complex Loan, issued December 21, 2001, in the amount of \$241,000, due in annual installments of \$9,640 to \$20,431 with an interest rate of 4.788% and maturity on June 30, 2019. The loan was used to finance airport hangar construction projects. 36,470

Total Loans 77,003

Total Business-Type Activities \$ 77,003

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding the California Department of Housing and Community Development loan for which payment is deferred, compensated absences that have indefinite maturities, capital leases which are reported in Note 8, landfill postclosure costs which are reported in Note 9 and net OPEB obligation which is reported in Note 13.

Governmental Activities

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2013	\$ 35,000	\$ 116,213	\$ 151,213
2014	35,000	114,975	149,975
2015	35,000	113,738	148,738
2016	40,000	117,500	157,500
2017	45,000	116,056	161,056
2018-2022	240,000	573,006	813,006
2023-2027	285,000	575,106	860,106
2028-2032	365,000	582,100	947,100
2033-2037	430,000	576,306	1,006,306
2038-2042	535,000	576,900	1,111,900
2043-2047	515,000	463,931	978,931
Total	\$ 2,560,000	\$ 3,925,831	\$ 6,485,831

Year Ended June 30	Loans		
	Principal	Interest	Total
2013	\$ 27,820	\$ 2,998	\$ 30,818
2014	28,821	1,997	30,818
2015	29,692	1,126	30,818
2016	15,181	228	15,409
Total	\$ 101,514	\$ 6,349	\$ 107,863

Business-Type Activities

Year Ended June 30	Loans		
	Principal	Interest	Total
2013	\$ 20,132	\$ 3,642	\$ 23,774
2014	21,097	2,691	23,788
2015	22,064	1,695	23,759
2016	13,710	653	14,363
Total	\$ 77,003	\$ 8,681	\$ 85,684

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 8: LEASES

Capital Leases

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

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2012</u>
Governmental activities	3.75-5.90%	\$ 386,390
Business-Type Activities	5.00%	<u>495,158</u>
Total		<u><u>\$ 881,548</u></u>

Equipment and related accumulated depreciation under capital lease are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Construction in progress	\$ -	\$ 636,695
Buildings and improvements	515,000	-
Equipment	570,694	-
Less: accumulated depreciation	<u>(294,415)</u>	<u>-</u>
Net Value	<u>\$ 791,279</u>	<u>\$ 636,695</u>

As of June 30, 2012, capital lease annual amortization is as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2013	\$ 176,007	\$ 83,934
2014	45,989	84,032
2015	45,989	84,043
2016	45,989	83,833
2017	45,989	84,010
2018-2022	<u>68,984</u>	<u>168,052</u>
Total requirements	428,947	587,904
Less interest	<u>(42,557)</u>	<u>(92,746)</u>
Present Value of Remaining Payments	<u>\$ 386,390</u>	<u>\$ 495,158</u>

NOTE 9: CLOSURE/POSTCLOSURE

The County of Glenn has one landfill site. State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. GASB Statement No. 18 requires a portion of these closure and postclosure costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net assets date.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 9: CLOSURE/POSTCLOSURE (CONTINUED)

As of June 30, 2012, the County's estimated remaining liability for closure and postclosure maintenance costs was \$11,655,552 based on 56 percent of estimated landfill capacity used. These estimates are based on the amount that would be paid if all equipment, facilities, and services required to close and/or monitor the landfill were acquired as of June 30, 2012. The County will recognize the remaining estimated cost of closure and postclosure care of \$9,157,934 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2012. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and postclosure care costs in the future. At June 30, 2012, cash and investments of \$3,819,085 were held to fund closure costs resulting in a deficit of \$7,831,255 in the Solid Waste Closure fund. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post closure care requirements are determine (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue. The County has obtained commercial insurance for the possibility that landfill contaminants could be released into the water supply.

NOTE 10: NET ASSETS

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Net Asset Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net assets are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

Net Assets Restricted by Enabling Legislation

The government-wide Statement of Net Assets reports \$11,899,264 of restricted net assets, of which \$4,084,913 is restricted by enabling legislation.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 11: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2012, fund balance for governmental funds are made up of the following:

- Nonspendable fund balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- Restricted fund balance - includes amounts that can be spent for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed fund balance - includes amounts that can only be used for the specific purposes determined by the County’s highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance, commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.
- Assigned fund balance - comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. The Board of Supervisors has by resolution authorized the Auditor-Controller to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.
- Unassigned fund balance - is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, that fund would report a negative unassigned fund balance.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 11: FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2012, were distributed as follows:

	General Fund	Community Action Agency	Road Fund	Mental Health Services Act	Superior Regional Workforce Education	Other Govern- mental Funds	Total
Nonspendable:							
Advances to other funds	\$ 1,411,136	\$ -	\$ 207,034	\$ -	\$ -	\$ -	\$ 1,618,170
Prepaid costs	152,678	1,725	207,034	-	-	3,538	157,941
Inventory	<u>103</u>	<u>216,602</u>	<u>38,611</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,316</u>
Subtotal	<u>1,563,917</u>	<u>218,327</u>	<u>245,645</u>	<u>-</u>	<u>-</u>	<u>3,538</u>	<u>2,031,427</u>
Restricted for:							
General government	184,987	-	-	-	-	225,026	410,013
Public protection	988,980	-	-	-	-	1,897,594	2,886,574
Health and sanitation	230,280	-	-	88,509	-	114,905	433,694
Public assistance	268,137	2,249,802	-	-	-	683,442	3,381,381
Education	-	-	-	-	-	444,401	444,401
Public ways and facilities	-	-	2,247,051	-	-	-	2,247,051
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>531,122</u>	<u>531,122</u>
Subtotal	<u>1,672,384</u>	<u>2,429,802</u>	<u>2,247,051</u>	<u>88,509</u>	<u>-</u>	<u>3,896,490</u>	<u>10,334,236</u>
Assigned to:							
Public assistance	-	51,469	-	-	-	-	51,469
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,359</u>	<u>16,359</u>
Subtotal	<u>-</u>	<u>51,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,359</u>	<u>67,828</u>
Unassigned	<u>201,991</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(77,631)</u>	<u>124,360</u>
Total	<u>\$ 3,438,292</u>	<u>\$2,699,598</u>	<u>\$ 2,492,696</u>	<u>\$ 88,509</u>	<u>\$ -</u>	<u>\$3,838,756</u>	<u>\$12,557,851</u>

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net assets are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications, and establishes a hierarchy of fund balance expenditures.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12: EMPLOYEES' RETIREMENT PLAN

A. Plan Description

The County contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office – 400 Q Street, Lincoln Plaza East, Sacramento, CA 95811.

B. Funding Policy

Miscellaneous plan members are required to contribute 8 percent of their annual covered salary. Safety plan members are required to contribute 9 percent of their annual covered salary. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rate for fiscal year 2011/2012 was 14,631 percent for miscellaneous employees and 33.523 percent for safety employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS. The County is required to contribute the remaining amounts necessary to fund the benefits of its members using the actuarial basis adopted by the PERS Board of Administrators.

C. Annual Pension Cost

For fiscal year 2011/2012, the County's annual pension cost of \$2,711,945 for the miscellaneous plan and \$583,695 for the safety plan for PERS was equal to the County's actual contributions. The required contributions for fiscal year 2011/2012 were determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.55 percent to 14.45 percent, depending on age, service, and type of employment, (c) 3.00 percent inflation, (d) 3.25 percent payroll growth and (e) individual salary growth based on a merit scale with assumed annual inflation of 3.00 percent and annual production growth of 0.25 percent.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

C. Annual Pension Cost (Continued)

The actuarial value of PERS assets was determined using techniques that smooth the effect of short term volatility in the market value of investments over a fifteen year period (smoothed market value). Initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. All changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methodology are amortized separately over a 20 year period. All gains or losses are tracked and amortized over a rolling 30 year period with the exception of gains and losses in fiscal years 2008-2009, 2009-2010 and 2010-2011 in which each year's gains or losses will be isolated and amortized over fixed and declining 30 year periods (as opposed to the current rolling 30 year amortization). If the plan's accrued liability exceeds the actuarial value of plan assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30 year amortization of the unfunded liability. The table below presents three year trend information.

Miscellaneous:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2010	\$ 2,397,131	100%	-
June 30, 2011	2,335,773	100%	-
June 30, 2012	2,711,945	100%	-

Safety:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2010	\$ 587,321	100%	-
June 30, 2011	536,032	100%	-
June 30, 2012	583,695	100%	-

D. Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the miscellaneous plan was 79.2 percent funded. The actuarial accrued liability for benefits was \$122,255,133 and the actuarial value of assets was \$96,784,286, resulting in an unfunded actuarial accrued liability (UAAL) of \$25,470,847. The covered payroll (annual payroll of active employees covered by the plan) was \$19,492,723, and the ratio of the UAAL to the covered payroll was 130.7 percent.

The safety plan had less than 100 active members in at least one valuation since June 30, 2003, therefore it is required to participate in a risk pool and does not present individual plan funded status.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The County offers the same cost-sharing multiple-employer medical plans to its retirees as to its active employees, with the exception that once a retiree becomes eligible for Medicare (that is, reaches 65 age), he/she must join a Medicare HMA or a Medicare Supplement plan under Public Employees' Medical and Hospital Care Act (PEMHCA). The County sets its monthly contribution rates for health insurance on behalf of active employees through negotiations with bargaining units. Non-represented employees currently receive the same County contributions as the other groups. For all employees who retire from service (either regular retirement or disability retirement), the County shall pay a portion of their medical premiums based on their respective MOU currently in effect. As of June 30, 2012, there were 411 active participants and there were 195 retired participants eligible to receive postemployment health care benefits.

B. Funding Policy

There is no requirement imposed by CalPERS to contribute any amount beyond the pay-as-you-go contributions and the County has not contributed any more than that. The cost of monthly insurance premiums may be shared between the retiree and the County. The cost sharing varies depending on: date of hire; the dependent status; and plan selected. A minimum employer monthly contribution requirement is established and may be amended by the CalPERS Board of Administration and applicable laws. Within the parameters of the law, individual contracting agencies, such as the County, are allowed to establish and amend the level of contributions made by the employer towards the monthly cost of the plans. Changes to the employer contribution amount towards retiree benefits are recorded in a resolution adopted by the County Board of Supervisors.

C. Annual OPEB Cost and Net OPEB Obligation

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

Annual Required Contributions - Governmental Activities	\$ 3,346,663
Annual Required Contributions - Business-Type Activities	<u>60,433</u>
Total Annual Required Contribution	3,407,096
Interest on Net OPEB Obligation	303,549
Amortization Adjustment to ARC	<u>(394,927)</u>
Annual OPEB Cost	3,315,718
Contributions Made	<u>(1,272,545)</u>
Increase in Net OPEB Obligation	2,043,173
Net OPEB Obligation - Beginning of Year	<u>6,070,977</u>
Net OPEB Obligation - End of Year	<u><u>\$ 8,114,150</u></u>

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

The following shows the calculation of the Annual Required Contributions for the year ended June 30, 2012:

Normal Cost at Year End	1,466,873
Amortization of UAAL	<u>1,940,223</u>
Annual Required Contribution (ARC)	<u>\$3,407,096</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior two years is as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/10	\$ 2,549,400	29.7%	\$ 3,752,289
6/30/11	3,350,082	30.8%	6,070,977
6/30/12	3,315,718	38.4%	8,114,150

D. Funded Status and Funding Progress

As of July 1, 2010, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$29,825,990 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$29,825,990. The covered payroll (annual payroll of employees covered by the plan) was \$23,288,859, and the ratio of the UAAL to the covered payroll was 128.1 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

E. Actuarial Methods and Assumptions

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

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

E. Actuarial Methods and Assumptions (Continued)

The plan's most recent actuarial valuation was performed as of July 1, 2010. In that valuation, the Projected Unit Credit (PUC) Cost Method was used. The actuarial assumptions included a 5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after 3 years. These assumptions reflect an implicit 3.0 percent general inflation assumption. The County's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years. The remaining amortization period as of June 30, 2012 was 30 years. The County's plan is considered a single-employer plan under GASB 45.

NOTE 14: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the County has entered into a Joint Powers Authority (JPA). The County and the County's special districts formed the Golden State Risk Management Authority (Authority) for the purpose of creating a common pool of funds to be used to meet obligations of the parties to provide coverage for worker's compensation and general liability exposures and to pay for the administration of the program. The Joint Powers Agreement established for its members the Golden State Risk Management Authority Liability and Workers' Compensation Plans.

As defined by GASB Statement No. 10, the Authority is a "risk-sharing pool". The Authority manages one pool for all members. The arrangement allows its member to transfer or pool risks and share in the cost of losses. The County currently reports all of its risk management activities in its General fund. Premiums due to the Plans are reported when incurred. Each member of the Plan pays an annual premium to the Authority which is evaluated each year.

The agreement for the formation of the Authority provides that the Authority will be self-sustaining through member premiums and will reinsure through a commercial company for claims in excess of self-insured retention amounts. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years and there have been no reductions in insurance coverage from the prior year.

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

The County had the following encumbrances at June 30, 2012, General fund \$40,684.

COUNTY OF GLENN
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 15: OTHER INFORMATION (CONTINUED)

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2012 through March 28, 2013, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

C. Joint Agencies

The Count is a member of the Golden State Risk Management Authority - Joint Powers Insurance Authority (JPIA). The JPIA began operations on July 1, 1979, and has continued without interruption since that time. The JPIA is composed of member agencies consisting of cemetery districts, Cities, Counties, fire districts, school districts, and special districts and is governed by a board of directors appointed by the member districts. The governing board has authority over budget and financing. The JPIA is empowered to bill for and recover the amount of any deficit at the end of the fiscal year in which it occurs should further contributions on the part of the deficit member be insufficient to cure the deficit. Complete audited financial statements can be obtained at the Authority's office: P.O. Box 706, Willows, CA 95988.

Condensed audited financial information for the JPIA for the year ended June 30, 2012 is as follows:

Total Assets	\$ 15,337,142
Total Liabilities	12,118,599
Total Net Assets	3,218,543
Total Operating Revenues	10,899,203
Total Operating Expenses	12,963,896
Nonoperating Revenues and Expenses	110,533
Increase in Net Assets	(1,954,160)

**Required Supplementary Information
(Unaudited)**

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COUNTY OF GLENN
Required Supplementary Information
For the Year Ended June 30, 2012

1. SCHEDULE OF FUNDING PROGRESS - PENSION

The Schedule of Funding Progress - Pension presents a consolidated snapshot of the County's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the pension plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

Miscellaneous Plan:

The table below shows a three-year analysis of the most recent actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the County Miscellaneous Plan.

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratios		Annual Covered Payroll	UAAL as a % of Payroll
				Actuarial Value	Market Value		
June 30, 2010	\$ 109,149,030	\$ 86,891,499	\$ 22,257,531	79.6%	58.0%	\$ 21,392,405	104.0%
June 30, 2011	113,527,955	91,984,175	21,543,780	81.0%	63.6%	20,418,320	105.5%
June 30, 2012	122,255,133	96,784,286	25,470,847	79.2%	70.0%	19,492,723	130.7%

Safety Plan:

The County specific funding information is no longer available for the Safety Plan. The County's Safety Plan participates in a risk sharing pool with other safety plans. Participation was required as of June 30, 2003 (when CalPERS set up risk sharing pools) since the plan had less than 100 active members at that time.

Funding information is available on a pooled-basis only and can be obtained upon request to the County or directly from CalPERS, P.O. Box 942709, Sacramento, CA 94229-2709.

2. SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Schedule of Funding Progress- Other Postemployment Benefits provides a consolidated snapshot of the County's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

COUNTY OF GLENN
Required Supplementary Information
For the Year Ended June 30, 2012

2. SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)
(CONTINUED)

The table below shows a three year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the County Other Postemployment Benefit Plan.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage Of Covered Payroll
July 1, 2008	\$ -	\$ 20,415,703	\$ 20,415,703	0.00%	\$ 23,333,466	87.5%
July 1, 2010	-	29,825,990	29,825,990	0.00%	23,288,859	128.1%

COUNTY OF GLENN
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 5,467,899	\$ 5,473,342	\$ 5,642,288	\$ 168,946
Licenses, permits, and franchises	1,057,824	1,057,824	950,785	(107,039)
Fines and forfeitures	1,598,612	1,598,612	1,543,402	(55,210)
Use of money and property	100,451	100,561	6,270	(94,291)
Intergovernmental revenues	44,102,491	41,290,649	34,692,614	(6,598,035)
Charges for services	6,315,413	6,727,913	6,538,441	(189,472)
Other revenues	817,744	1,112,326	1,694,053	581,727
Total Revenues	<u>59,460,434</u>	<u>57,361,227</u>	<u>51,067,853</u>	<u>(6,293,374)</u>
EXPENDITURES				
Current:				
General government	5,855,322	6,006,935	5,629,943	376,992
Public protection	19,737,498	20,543,107	18,563,283	1,979,824
Health and sanitation	12,969,688	13,689,286	12,933,291	755,995
Public assistance	21,886,368	22,052,368	17,817,627	4,234,741
Education	387,857	387,857	386,511	1,346
Contingencies	200,000	113,137	-	113,137
Debt service:				
Principal	-	-	-	-
Interest and other charges	95,000	95,000	-	95,000
Capital outlay	732,156	1,177,332	364,032	813,300
Total Expenditures	<u>61,863,889</u>	<u>64,065,022</u>	<u>55,694,687</u>	<u>8,370,335</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,403,455)</u>	<u>(6,703,795)</u>	<u>(4,626,834)</u>	<u>2,076,961</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	101,514	101,514
Transfers in	12,897,404	17,154,015	12,744,957	(4,409,058)
Transfers out	(9,994,094)	(10,169,175)	(6,935,589)	3,233,586
Total Other Financing Sources (Uses)	<u>2,903,310</u>	<u>6,984,840</u>	<u>5,910,882</u>	<u>(1,073,958)</u>
Net Change in Fund Balances	<u>499,855</u>	<u>281,045</u>	<u>1,284,048</u>	<u>1,003,003</u>
Fund Balances - Beginning	2,589,521	2,589,521	2,589,521	-
Prior period adjustment	-	-	(435,277)	(435,277)
Fund Balances - Beginning, Restated	<u>2,589,521</u>	<u>2,589,521</u>	<u>2,154,244</u>	<u>(435,277)</u>
Fund Balances - Ending	<u>\$ 3,089,376</u>	<u>\$ 2,870,566</u>	<u>\$ 3,438,292</u>	<u>\$ 567,726</u>

COUNTY OF GLENN
Required Supplementary Information
Budgetary Comparison Schedule
Community Action Agency - Major Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money and property	\$ 115,815	\$ 115,815	\$ (72,226)	\$ (188,041)
Intergovernmental revenues	11,215,880	11,215,880	3,650,335	(7,565,545)
Charges for services	5,457,004	5,457,004	4,183,184	(1,273,820)
Other revenues	1,698,627	1,698,627	575,218	(1,123,409)
Total Revenues	<u>18,487,326</u>	<u>18,487,326</u>	<u>8,336,511</u>	<u>(10,150,815)</u>
EXPENDITURES				
Current:				
Public assistance	18,428,237	18,428,237	8,055,673	10,372,564
Capital outlay	605,539	605,539	-	605,539
Total Expenditures	<u>19,033,776</u>	<u>19,033,776</u>	<u>8,055,673</u>	<u>10,978,103</u>
Excess of Revenues Over (Under) Expenditures	<u>(546,450)</u>	<u>(546,450)</u>	<u>280,838</u>	<u>827,288</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	546,450	122,669	(423,781)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>546,450</u>	<u>122,669</u>	<u>(423,781)</u>
Net Change in Fund Balances	<u>(546,450)</u>	<u>-</u>	<u>403,507</u>	<u>403,507</u>
Fund Balances - Beginning	2,021,679	2,021,679	2,021,679	-
Prior period adjustment	-	-	274,412	(274,412)
Fund Balances - Beginning	<u>2,021,679</u>	<u>2,021,679</u>	<u>2,296,091</u>	<u>(274,412)</u>
Fund Balances - Ending	<u>\$ 1,475,229</u>	<u>\$ 2,021,679</u>	<u>\$ 2,699,598</u>	<u>\$ 677,919</u>

COUNTY OF GLENN
Required Supplementary Information
Budgetary Comparison Schedule
Road Fund - Major Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Licenses, permits, and franchises	\$ 23,000	\$ 23,000	\$ 14,093	\$ (8,907)
Use of money and property	21,200	21,200	14,861	(6,339)
Intergovernmental revenues	12,671,792	12,671,792	7,395,814	(5,275,978)
Charges for services	445,361	445,361	729,724	284,363
Other revenues	20,000	20,000	21,654	1,654
Total Revenues	<u>13,181,353</u>	<u>13,181,353</u>	<u>8,176,146</u>	<u>(5,005,207)</u>
EXPENDITURES				
Current:				
Public ways and facilities	14,862,152	14,862,152	4,588,906	10,273,246
Debt service:				
Principal	118,000	118,000	109,430	8,570
Interest and other charges	18,000	18,000	8,315	9,685
Capital outlay	280,000	280,000	3,744,413	(3,464,413)
Total Expenditures	<u>15,278,152</u>	<u>15,278,152</u>	<u>8,451,064</u>	<u>6,827,088</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,096,799)</u>	<u>(2,096,799)</u>	<u>(274,918)</u>	<u>1,821,881</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	808,966	808,966	383,560	(425,406)
Transfers out	(808,966)	(808,966)	(340,159)	468,807
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>43,401</u>	<u>43,401</u>
Net Change in Fund Balances	<u>(2,096,799)</u>	<u>(2,096,799)</u>	<u>(231,517)</u>	<u>1,865,282</u>
Fund Balances - Beginning	2,807,108	2,807,108	2,807,108	-
Change in inventory on purchases method	<u>(82,895)</u>	<u>(82,895)</u>	<u>(82,895)</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 627,414</u>	<u>\$ 627,414</u>	<u>\$ 2,492,696</u>	<u>\$ 1,865,282</u>

COUNTY OF GLENN
Required Supplementary Information
Budgetary Comparison Schedule
Mental Health Services Act - Major Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money and property	\$ -	\$ -	\$ 7,273	\$ 7,273
Intergovernmental revenues	2,312,337	2,312,337	2,162,431	(149,906)
	-			
Total Revenues	<u>2,312,337</u>	<u>2,312,337</u>	<u>2,169,704</u>	<u>(142,633)</u>
EXPENDITURES				
Current:				
Health and sanitation	5,447	5,447	5,447	-
	-			
Total Expenditures	<u>5,447</u>	<u>5,447</u>	<u>5,447</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>2,306,890</u>	<u>2,306,890</u>	<u>2,164,257</u>	<u>(142,633)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(2,306,890)	(2,306,890)	(2,164,257)	142,633
	-			
Total Other Financing Sources (Uses)	<u>(2,306,890)</u>	<u>(2,306,890)</u>	<u>(2,164,257)</u>	<u>142,633</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning	<u>88,509</u>	<u>88,509</u>	<u>88,509</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 88,509</u>	<u>\$ 88,509</u>	<u>\$ 88,509</u>	<u>\$ -</u>

COUNTY OF GLENN
Required Supplementary Information
Budgetary Comparison Schedule
Superior Regional Workforce Education - Major Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money and property	\$ -	\$ -	\$ 13,766	\$ 13,766
Intergovernmental revenues	600,000	600,000	191,304	(408,696)
	-			
Total Revenues	<u>600,000</u>	<u>600,000</u>	<u>205,070</u>	<u>(394,930)</u>
EXPENDITURES				
Current:				
Health and sanitation	600,000	600,000	205,070	394,930
Total Expenditures	<u>600,000</u>	<u>600,000</u>	<u>205,070</u>	<u>394,930</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF GLENN
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2012

BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's general special revenue funds and capital projects funds. However, the capital projects funds adopt budgets on a project-length basis. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an appropriation ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year.

The legal level of budgetary control is established at the object (category) level within each budget unit (department). All amendments or transfers of appropriations between objects within the same budget unit of less than \$10,000 require Department of Finance approval; greater than \$10,000 requires Board approval. Transfers of appropriations between budget units, appropriation of unanticipated revenue or use of contingency require Board approval. During the year ended June 30, 2012, there was no excess of expenditures over appropriations.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year end are recorded as restricted, committed or assigned fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

Combining Nonmajor Fund Statements

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Nonmajor Governmental Funds

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COUNTY OF GLENN
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Totals
ASSETS				
Cash and investments	\$ 3,192,637	\$ 732,975	\$ 59,970	\$ 3,985,582
Due from other governmental agencies	846,685	-	-	846,685
Interest receivable	3,859	243	-	4,102
Prepaid costs	3,538	-	-	3,538
Due from other funds	458,329	-	-	458,329
Total Assets	\$ 4,505,048	\$ 733,218	\$ 59,970	\$ 5,298,236
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 117,655	\$ -	\$ -	\$ 117,655
Accrued salaries and benefits	19,202	-	-	19,202
Interest payable	-	-	43,611	43,611
Deposits payable	11,858	-	-	11,858
Due to other funds	661,032	-	-	661,032
Unearned revenue	15,949	-	-	15,949
Deferred revenue	126,577	-	-	126,577
Advances from other funds	261,500	202,096	-	463,596
Total Liabilities	1,213,773	202,096	43,611	1,459,480
Fund Balances:				
Nonspendable	3,538	-	-	3,538
Restricted	3,365,368	531,122	-	3,896,490
Assigned	-	-	16,359	16,359
Unassigned	(77,631)	-	-	(77,631)
Total Fund Balances	3,291,275	531,122	16,359	3,838,756
Total Liabilities and Fund Balances	\$ 4,505,048	\$ 733,218	\$ 59,970	\$ 5,298,236

COUNTY OF GLENN
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2012

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Totals
REVENUES				
Taxes	\$ 284,327	\$ -	\$ -	\$ 284,327
Licenses, permits, and franchises	228,429	-	-	228,429
Fines and forfeitures	21,450	-	-	21,450
Use of money and property	26,646	1,128	-	27,774
Intergovernmental revenues	5,020,974	313,303	-	5,334,277
Charges for services	966,405	-	-	966,405
Other revenues	13,984	443,000	5,321	462,305
Total Revenues	6,562,215	757,431	5,321	7,324,967
EXPENDITURES				
Current:				
General government	29,664	-	-	29,664
Public protection	1,857,139	-	-	1,857,139
Health and sanitation	435,337	-	-	435,337
Public assistance	242,592	-	-	242,592
Debt service:				
Principal	-	-	80,020	80,020
Interest and other charges	-	-	119,864	119,864
Capital outlay	129,059	-	-	129,059
Total Expenditures	2,693,791	-	199,884	2,893,675
Excess of Revenues Over (Under) Expenditures	3,868,424	757,431	(194,563)	4,431,292
OTHER FINANCING SOURCES (USES)				
Transfers in	31,442	-	153,511	184,953
Transfers out	(3,249,443)	(624,022)	-	(3,873,465)
Total Other Financing Sources (Uses)	(3,218,001)	(624,022)	153,511	(3,688,512)
Net Change in Fund Balances	650,423	133,409	(41,052)	742,780
Fund Balances - Beginning	2,590,852	397,713	57,411	3,045,976
Prior period adjustment	50,000	-	-	50,000
Fund Balances - Beginning, Restated	2,640,852	397,713	57,411	3,095,976
Fund Balances - Ending	\$ 3,291,275	\$ 531,122	\$ 16,359	\$ 3,838,756

Nonmajor Governmental Funds

- **Special Revenue Funds**

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COUNTY OF GLENN
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	<u>Advertising</u>	<u>Fish and Game</u>	<u>Cal Works Incentive</u>	<u>Title III Forest Reserve</u>	<u>Building Standards Admin Fee</u>
ASSETS					
Cash and investments	\$ 6,846	\$ 34,209	\$ 130,419	\$ 200,488	\$ 927
Due from other governmental agencies	-	-	-	-	-
Interest receivable	-	47	187	287	1
Prepaid costs	-	-	-	-	-
Due from other funds	-	1,783	-	-	-
Total Assets	<u>\$ 6,846</u>	<u>\$ 36,039</u>	<u>\$ 130,606</u>	<u>\$ 200,775</u>	<u>\$ 928</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 224
Accrued salaries and benefits	-	-	-	-	-
Deposits payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deferred revenue	-	-	-	-	381
Advances from other funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>605</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	6,846	36,039	130,606	200,775	323
Unassigned	-	-	-	-	-
Total Fund Balances	<u>6,846</u>	<u>36,039</u>	<u>130,606</u>	<u>200,775</u>	<u>323</u>
Total Liabilities and Fund Balances	<u>\$ 6,846</u>	<u>\$ 36,039</u>	<u>\$ 130,606</u>	<u>\$ 200,775</u>	<u>\$ 928</u>

Surface/ Ground Water & Weed Grants	Property Characteristics	Recorders Modernization	Cal Waste Management Grant	Emergency Preparedness Grant	Prop 36	Mosquito Abatement Assessment Area	Hospital Preparedness Grant
\$ 83,932	\$ 9,778	\$ 23,653	\$ 4	\$ 64,691	\$ 1	\$ 75,730	\$ 94,908
-	-	-	-	12,940	-	-	66,650
-	19	29	-	65	-	101	27
-	-	-	-	2,499	-	-	-
-	-	13,372	-	5,752	-	9,126	21,731
<u>\$ 83,932</u>	<u>\$ 9,797</u>	<u>\$ 37,054</u>	<u>\$ 4</u>	<u>\$ 85,947</u>	<u>\$ 1</u>	<u>\$ 84,957</u>	<u>\$ 183,316</u>
\$ -	\$ -	\$ -	\$ -	\$ 550	\$ 1	\$ 373	\$ 7,147
-	-	-	-	-	-	-	1,272
-	-	-	-	-	-	-	-
19,300	-	26,372	-	16,948	-	364	15,896
-	-	-	-	15,949	-	-	-
-	-	-	-	-	-	-	66,650
-	-	-	-	52,500	-	-	159,000
<u>19,300</u>	<u>-</u>	<u>26,372</u>	<u>-</u>	<u>85,947</u>	<u>1</u>	<u>737</u>	<u>249,965</u>
-	-	-	-	2,499	-	-	-
64,632	9,797	10,682	4	-	-	84,220	-
-	-	-	-	(2,499)	-	-	(66,649)
<u>64,632</u>	<u>9,797</u>	<u>10,682</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>84,220</u>	<u>(66,649)</u>
<u>\$ 83,932</u>	<u>\$ 9,797</u>	<u>\$ 37,054</u>	<u>\$ 4</u>	<u>\$ 85,947</u>	<u>\$ 1</u>	<u>\$ 84,957</u>	<u>\$ 183,316</u>

COUNTY OF GLENN
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Health WIC Advance	Social Security Redaction	Cal Boat Launching	Vital & Health Statistics	Memorial Hall
ASSETS					
Cash and investments	\$ 193	\$ 21,516	\$ 20,258	\$ 7,335	\$ 27,128
Due from other governmental agencies	-	-	5,180	-	-
Interest receivable	-	30	32	11	38
Prepaid costs	-	-	-	-	-
Due from other funds	-	-	15	-	-
Total Assets	\$ 193	\$ 21,546	\$ 25,485	\$ 7,346	\$ 27,166
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 3,428	\$ -	\$ 2,072
Accrued salaries and benefits	-	-	-	-	-
Deposits payable	-	-	-	-	11,858
Due to other funds	-	-	14,449	-	15,013
Unearned revenue	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total Liabilities	-	-	17,877	-	28,943
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	193	21,546	7,608	7,346	-
Unassigned	-	-	-	-	(1,777)
Total Fund Balances	193	21,546	7,608	7,346	(1,777)
Total Liabilities and Fund Balances	\$ 193	\$ 21,546	\$ 25,485	\$ 7,346	\$ 27,166

Micrographics Conversion	IHSS Public Authority	SSD Stuart Foundation	Per Capita Park Grant	Superintendent of Schools	Artois Fire District	Hamilton Fire District	Bayliss Fire District
\$ 2,805	\$ 32,137	\$ 549	\$ (88,426)	\$ 438,192	\$ 234,309	\$ 151,043	\$ 66,293
-	47,884	-	81,917	-	2,424	1,418	855
3	91	1	(126)	613	344	209	97
-	-	-	-	-	-	1,039	-
9,976	10,532	-	-	5,619	2,685	11,245	926
<u>\$ 12,784</u>	<u>\$ 90,644</u>	<u>\$ 550</u>	<u>\$ (6,635)</u>	<u>\$ 444,424</u>	<u>\$ 239,762</u>	<u>\$ 164,954</u>	<u>\$ 68,171</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,703	\$ 28,189	\$ 14,836
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
12,855	3,005	-	-	23	5	25	2
-	-	-	-	-	-	-	-
-	-	-	-	-	2,424	1,418	855
-	50,000	-	-	-	-	-	-
<u>12,855</u>	<u>53,005</u>	<u>-</u>	<u>-</u>	<u>23</u>	<u>4,132</u>	<u>29,632</u>	<u>15,693</u>
-	-	-	-	-	-	1,039	-
-	37,639	550	-	444,401	235,630	134,283	52,478
(71)	-	-	(6,635)	-	-	-	-
<u>(71)</u>	<u>37,639</u>	<u>550</u>	<u>(6,635)</u>	<u>444,401</u>	<u>235,630</u>	<u>135,322</u>	<u>52,478</u>
<u>\$ 12,784</u>	<u>\$ 90,644</u>	<u>\$ 550</u>	<u>\$ (6,635)</u>	<u>\$ 444,424</u>	<u>\$ 239,762</u>	<u>\$ 164,954</u>	<u>\$ 68,171</u>

COUNTY OF GLENN
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	<u>Willows Rural Fire District</u>	<u>Storm Drain Maintenance #1</u>	<u>Storm Drain Maintenance #3</u>	<u>North Willows County Service Area</u>	<u>Air Pollution Control District</u>
ASSETS					
Cash and investments	\$ 335,493	\$ 12,650	\$ 66,632	\$ 35,764	\$ 648,602
Due from other governmental agencies	4,570	81	316	1,142	-
Interest receivable	515	23	96	52	943
Prepaid costs	-	-	-	-	-
Due from other funds	3,373	36	152	1,457	71,353
Total Assets	<u>\$ 343,951</u>	<u>\$ 12,790</u>	<u>\$ 67,196</u>	<u>\$ 38,415</u>	<u>\$ 720,898</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,305	\$ -	\$ -	\$ 302	\$ 32,210
Accrued salaries and benefits	-	-	-	-	9,440
Deposits payable	-	-	-	-	-
Due to other funds	8	20	53	54	43,015
Unearned revenues	-	-	-	-	-
Deferred revenue	4,570	81	316	1,142	-
Advances from other funds	-	-	-	-	-
Total Liabilities	<u>6,883</u>	<u>101</u>	<u>369</u>	<u>1,498</u>	<u>84,665</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	337,068	12,689	66,827	36,917	636,233
Unassigned	-	-	-	-	-
Total Fund Balances	<u>337,068</u>	<u>12,689</u>	<u>66,827</u>	<u>36,917</u>	<u>636,233</u>
Total Liabilities and Fund Balances	<u>\$ 343,951</u>	<u>\$ 12,790</u>	<u>\$ 67,196</u>	<u>\$ 38,415</u>	<u>\$ 720,898</u>

Olive Fruit Fly Pest District	Local Revenue Fund	Local Revenue - Health	Local Revenue - Human Services	Totals
\$ 77,496	\$ 162,320	\$ 7,935	\$ 206,827	\$ 3,192,637
-	66,492	30,830	523,986	846,685
124	-	-	-	3,859
-	-	-	-	3,538
3,521	-	-	285,675	458,329
<u>\$ 81,141</u>	<u>\$ 228,812</u>	<u>\$ 38,765</u>	<u>\$ 1,016,488</u>	<u>\$ 4,505,048</u>
\$ 966	\$ 23,349	\$ -	\$ -	\$ 117,655
-	8,490	-	-	19,202
-	-	-	-	11,858
-	10,701	29,823	453,101	661,032
-	-	-	-	15,949
-	-	-	48,740	126,577
-	-	-	-	261,500
<u>966</u>	<u>42,540</u>	<u>29,823</u>	<u>501,841</u>	<u>1,213,773</u>
-	-	-	-	3,538
80,175	186,272	8,942	514,647	3,365,368
-	-	-	-	(77,631)
<u>80,175</u>	<u>186,272</u>	<u>8,942</u>	<u>514,647</u>	<u>3,291,275</u>
<u>\$ 81,141</u>	<u>\$ 228,812</u>	<u>\$ 38,765</u>	<u>\$ 1,016,488</u>	<u>\$ 4,505,048</u>

COUNTY OF GLENN
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2012

	<u>Advertising</u>	<u>Fish and Game</u>	<u>Cal Works Incentive</u>	<u>Title III Forest Reserve</u>	<u>Building Standards Admin Fee</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	-	-
Fines and forfeitures	-	8,899	-	-	-
Use of money and property	-	145	646	822	4
Intergovernmental revenues	-	-	-	30,108	-
Charges for services	5,000	-	-	-	83
Other revenues	-	-	-	-	-
Total Revenues	<u>5,000</u>	<u>9,044</u>	<u>646</u>	<u>30,930</u>	<u>87</u>
EXPENDITURES					
Current:					
General government	6,500	-	-	-	-
Public protection	-	7,952	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>6,500</u>	<u>7,952</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,500)</u>	<u>1,092</u>	<u>646</u>	<u>30,930</u>	<u>87</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(1,500)</u>	<u>1,092</u>	<u>646</u>	<u>30,930</u>	<u>87</u>
Fund Balances - Beginning	8,346	34,947	129,960	169,845	236
Prior period adjustment	-	-	-	-	-
Fund Balances - Beginning, Restated	<u>8,346</u>	<u>34,947</u>	<u>129,960</u>	<u>169,845</u>	<u>236</u>
Fund Balances - Ending	<u>\$ 6,846</u>	<u>\$ 36,039</u>	<u>\$ 130,606</u>	<u>\$ 200,775</u>	<u>\$ 323</u>

Surface/ Ground Water & Weed Grants	Property Characteristics	Recorders Modernization	Cal Waste Management Grant	Emergency Preparedness Grant	Prop 36	Mosquito Abatement Assessment Area	Hospital Preparedness Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11,350	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	52	75	5	166	-	331	76
133,510	-	-	14,187	163,783	-	-	81,982
-	9,992	28,324	-	5,440	-	183,414	11,188
-	-	-	-	10,251	-	14	357
<u>144,860</u>	<u>10,044</u>	<u>28,399</u>	<u>14,192</u>	<u>179,640</u>	<u>-</u>	<u>183,759</u>	<u>93,603</u>
-	-	-	-	-	-	-	-
87,247	-	-	-	-	-	-	-
-	-	-	44	66,817	-	185,333	183,143
-	-	-	-	-	-	-	-
-	-	-	-	55,700	-	-	13,923
<u>87,247</u>	<u>-</u>	<u>-</u>	<u>44</u>	<u>122,517</u>	<u>-</u>	<u>185,333</u>	<u>197,066</u>
<u>57,613</u>	<u>10,044</u>	<u>28,399</u>	<u>14,148</u>	<u>57,123</u>	<u>-</u>	<u>(1,574)</u>	<u>(103,463)</u>
-	-	-	-	-	-	-	31,442
-	(8,000)	(26,000)	(14,144)	(58,090)	-	-	-
-	(8,000)	(26,000)	(14,144)	(58,090)	-	-	31,442
<u>57,613</u>	<u>2,044</u>	<u>2,399</u>	<u>4</u>	<u>(967)</u>	<u>-</u>	<u>(1,574)</u>	<u>(72,021)</u>
7,019	7,753	8,283	-	967	-	85,794	5,372
-	-	-	-	-	-	-	-
<u>7,019</u>	<u>7,753</u>	<u>8,283</u>	<u>-</u>	<u>967</u>	<u>-</u>	<u>85,794</u>	<u>5,372</u>
<u>\$ 64,632</u>	<u>\$ 9,797</u>	<u>\$ 10,682</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,220</u>	<u>\$ (66,649)</u>

COUNTY OF GLENN
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2012

	<u>Health WIC Advance</u>	<u>Social Security Redaction</u>	<u>Cal Boat Launching</u>	<u>Vital & Health Statistics</u>	<u>Memorial Hall</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	13,836	-	-
Fines and forfeitures	-	-	401	-	-
Use of money and property	-	86	95	32	14,685
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	4,832	-	2,631	-
Other revenues	-	-	-	-	-
Total Revenues	<u>-</u>	<u>4,918</u>	<u>14,332</u>	<u>2,663</u>	<u>14,685</u>
EXPENDITURES					
Current:					
General government	-	-	13,822	-	9,342
Public protection	-	-	-	1,124	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>13,822</u>	<u>1,124</u>	<u>9,342</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>4,918</u>	<u>510</u>	<u>1,539</u>	<u>5,343</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(14,000)	-	(15,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(14,000)</u>	<u>-</u>	<u>(15,000)</u>
Net Change in Fund Balances	<u>-</u>	<u>4,918</u>	<u>(13,490)</u>	<u>1,539</u>	<u>(9,657)</u>
Fund Balances - Beginning	193	16,628	21,098	5,807	7,880
Prior period adjustment	-	-	-	-	-
Fund Balances - Beginning, Restated	<u>193</u>	<u>16,628</u>	<u>21,098</u>	<u>5,807</u>	<u>7,880</u>
Fund Balances - Ending	<u>\$ 193</u>	<u>\$ 21,546</u>	<u>\$ 7,608</u>	<u>\$ 7,346</u>	<u>\$ (1,777)</u>

Micrographics Conversion	IHSS Public Authority	SSD Stuart Foundation	Per Capita Park Grant	Superintendent of Schools	Artois Fire District	Hamilton Fire District	Bayliss Fire District
\$ -	\$ -	\$ -	\$ -	\$ 155,272	\$ 35,906	\$ 17,559	\$ 8,957
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6	238	19	(389)	1,866	1,508	616	337
-	174,706	-	-	2,329	2,525	5,355	736
5,047	55,811	-	-	-	27,797	216,982	12,063
-	-	-	-	-	2,057	891	-
<u>5,053</u>	<u>230,755</u>	<u>19</u>	<u>(389)</u>	<u>159,467</u>	<u>69,793</u>	<u>241,403</u>	<u>22,093</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	50,450	231,248	21,076
-	-	-	-	-	-	-	-
-	230,755	11,837	-	-	-	-	-
-	-	-	-	-	12,670	3,699	43,067
<u>-</u>	<u>230,755</u>	<u>11,837</u>	<u>-</u>	<u>-</u>	<u>63,120</u>	<u>234,947</u>	<u>64,143</u>
<u>5,053</u>	<u>-</u>	<u>(11,818)</u>	<u>(389)</u>	<u>159,467</u>	<u>6,673</u>	<u>6,456</u>	<u>(42,050)</u>
-	-	-	-	-	-	-	-
(5,128)	-	-	-	(107,522)	-	-	-
<u>(5,128)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(107,522)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(75)	-	(11,818)	(389)	51,945	6,673	6,456	(42,050)
4	37,639	12,368	(6,246)	392,456	228,957	128,866	94,528
-	-	-	-	-	-	-	-
<u>4</u>	<u>37,639</u>	<u>12,368</u>	<u>(6,246)</u>	<u>392,456</u>	<u>228,957</u>	<u>128,866</u>	<u>94,528</u>
<u>\$ (71)</u>	<u>\$ 37,639</u>	<u>\$ 550</u>	<u>\$ (6,635)</u>	<u>\$ 444,401</u>	<u>\$ 235,630</u>	<u>\$ 135,322</u>	<u>\$ 52,478</u>

COUNTY OF GLENN
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2012

	Willows Rural Fire District	Storm Drain Maintenance #1	Storm Drain Maintenance #3	North Willows County Service Area	Air Pollution Control District
REVENUES					
Taxes	\$ 47,815	\$ 992	\$ 4,242	\$ 13,584	\$ -
Licenses, permits, and franchises	-	-	-	-	203,243
Fines and forfeitures	-	-	-	-	12,150
Use of money and property	1,551	108	290	195	2,659
Intergovernmental revenues	5,114	15	64	202	403,763
Charges for services	34,286	-	-	19,602	273,486
Other revenues	-	109	-	196	80
Total Revenues	88,766	1,224	4,596	33,779	895,381
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public protection	80,939	21,894	2,414	43,019	922,067
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	80,939	21,894	2,414	43,019	922,067
Excess of Revenues Over (Under) Expenditures	7,827	(20,670)	2,182	(9,240)	(26,686)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	7,827	(20,670)	2,182	(9,240)	(26,686)
Fund Balances - Beginning	329,241	33,359	64,645	46,157	612,919
Prior period adjustment	-	-	-	-	50,000
Fund Balances - Beginning, Restated	329,241	33,359	64,645	46,157	662,919
Fund Balances - Ending	\$ 337,068	\$ 12,689	\$ 66,827	\$ 36,917	\$ 636,233

Olive Fruit Fly Pest District	Local Revenue Fund	Local Revenue - Health	Local Revenue - Human Services	Totals
\$ -	\$ -	\$ -	\$ -	\$ 284,327
-	-	-	-	228,429
-	-	-	-	21,450
422	-	-	-	26,646
-	477,447	273,710	3,251,438	5,020,974
70,427	-	-	-	966,405
29	-	-	-	13,984
<u>70,878</u>	<u>477,447</u>	<u>273,710</u>	<u>3,251,438</u>	<u>6,562,215</u>
-	-	-	-	29,664
96,534	291,175	-	-	1,857,139
-	-	-	-	435,337
-	-	-	-	242,592
-	-	-	-	129,059
<u>96,534</u>	<u>291,175</u>	<u>-</u>	<u>-</u>	<u>2,693,791</u>
<u>(25,656)</u>	<u>186,272</u>	<u>273,710</u>	<u>3,251,438</u>	<u>3,868,424</u>
-	-	-	-	31,442
-	-	(264,768)	(2,736,791)	(3,249,443)
-	-	(264,768)	(2,736,791)	(3,218,001)
<u>(25,656)</u>	<u>186,272</u>	<u>8,942</u>	<u>514,647</u>	<u>650,423</u>
105,831	-	-	-	2,590,852
-	-	-	-	50,000
<u>105,831</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,640,852</u>
<u>\$ 80,175</u>	<u>\$ 186,272</u>	<u>\$ 8,942</u>	<u>\$ 514,647</u>	<u>\$ 3,291,275</u>

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Nonmajor Governmental Funds

- **Capital Projects Funds**

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COUNTY OF GLENN
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2012

	Accumulated Capital Outlay	Building	Totals
ASSETS			
Cash and investments	\$ 11,619	\$ 721,356	\$ 732,975
Interest receivable	17	226	243
Total Assets	\$ 11,636	\$ 721,582	\$ 733,218
LIABILITIES AND FUND BALANCES			
Liabilities:			
Advances from other funds	\$ -	\$ 202,096	\$ 202,096
Total Liabilities	-	202,096	202,096
Fund Balances:			
Restricted	11,636	519,486	531,122
Total Fund Balances	11,636	519,486	531,122
Total Liabilities and Fund Balances	\$ 11,636	\$ 721,582	\$ 733,218

COUNTY OF GLENN
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2012

	Courthouse Construction	Criminal Justice Construction	Totals
REVENUES			
Use of money and property	\$ 51	\$ 1,077	\$ 1,128
Intergovernmental revenue	-	313,303	313,303
Other revenue	-	443,000	443,000
Total Revenues	51	757,380	757,431
EXPENDITURES			
Current:			
General government	-	-	-
Capital outlay	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	51	757,380	757,431
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(624,022)	(624,022)
Total Other Financing Sources (Uses)	-	(624,022)	(624,022)
Net Change in Fund Balances	51	133,358	133,409
Fund Balances - Beginning	11,585	386,128	397,713
Fund Balances - Ending	\$ 11,636	\$ 519,486	\$ 531,122

Nonmajor Governmental Funds

- **Debt Service Funds**

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COUNTY OF GLENN
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2012

	Debt Service	Total
ASSETS		
Cash and investments	\$ 59,970	\$ 59,970
Total Assets	\$ 59,970	\$ 59,970
LIABILITIES AND FUND BALANCES		
Liabilities		
Interest payable	\$ 43,611	\$ 43,611
Total Liabilities	43,611	43,611
Fund Balances		
Assigned	16,359	16,359
Total Fund Balances	16,359	16,359
Total Liabilities and Fund Balances	\$ 59,970	\$ 59,970

COUNTY OF GLENN
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended June 30, 2012

	Debt Service	Total
REVENUES		
Other revenues	\$ 5,321	\$ 5,321
Total Revenues	5,321	5,321
EXPENDITURES		
Debt service		
Principal	80,020	80,020
Interest and other charges	119,864	119,864
Total Expenditures	199,884	199,884
Excess (Deficiency) of Revenues Over Expenditures	(194,563)	(194,563)
OTHER FINANCING SOURCES (USES)		
Transfers in	153,511	153,511
Transfers out	-	-
Total Other Financing Sources (Uses)	153,511	153,511
Net Change in Fund Balances	(41,052)	(41,052)
Fund Balances - Beginning	57,411	57,411
Fund Balances - Ending	\$ 16,359	\$ 16,359

Internal Service Funds

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COUNTY OF GLENN
Combining Statement of Net Assets
Internal Service Funds
June 30, 2012

	<u>Service Center</u>	<u>Public Works</u>	<u>Human Resources</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 1,146,090	\$ 68,843	\$ 16,811
Accounts receivable	29,226	-	42,820
Interest receivable	1,539	64	-
Prepaid costs	-	4,389	8,625
Due from other funds	2,362	86,447	18,074
Inventory	30,167	-	-
Total Current Assets	<u>1,209,384</u>	<u>159,743</u>	<u>86,330</u>
Noncurrent Assets:			
Capital assets:			
Depreciable, net	810,928	127,613	-
Total Noncurrent Assets	<u>810,928</u>	<u>127,613</u>	<u>-</u>
Total Assets	<u>2,020,312</u>	<u>287,356</u>	<u>86,330</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	7,298	3,038	24,073
Accrued salaries and benefits	5,398	11,112	33,539
Due to other funds	4,760	86,497	4,297
Unearned revenue	-	908	10,569
Compensated absences	-	3,958	7,764
Capital lease payable	5,635	6,310	-
Total Current Liabilities	<u>23,091</u>	<u>111,823</u>	<u>80,242</u>
Noncurrent Liabilities:			
Compensated absences	15,982	52,856	94,034
Capital lease payable	-	-	-
Total Noncurrent Liabilities	<u>15,982</u>	<u>52,856</u>	<u>94,034</u>
Total Liabilities	<u>39,073</u>	<u>164,679</u>	<u>174,276</u>
NET ASSETS			
Invested in capital assets	810,928	127,613	-
Unrestricted	1,170,311	(4,936)	(87,946)
Total Net Assets	<u>\$ 1,981,239</u>	<u>\$ 122,677</u>	<u>\$ (87,946)</u>

<u>Health Services</u>	<u>Central Services</u>	<u>Vegetation and Environmental Management</u>	<u>Underground Storage Tanks</u>	<u>Tri-County Bee</u>	<u>Data Processing</u>	<u>Totals</u>
\$ 43,007	\$ 521	\$ 59,912	\$ 179,979	\$ 1,571	\$ 750	\$ 1,517,484
-	-	-	-	-	-	72,046
-	-	54	262	6	1	1,926
13,210	-	-	-	-	-	26,224
168,830	1,496	-	-	-	-	277,209
-	-	16,941	-	-	-	47,108
<u>225,047</u>	<u>2,017</u>	<u>76,907</u>	<u>180,241</u>	<u>1,577</u>	<u>751</u>	<u>1,941,997</u>
-	-	-	-	-	17,017	955,558
-	-	-	-	-	17,017	955,558
<u>225,047</u>	<u>2,017</u>	<u>76,907</u>	<u>180,241</u>	<u>1,577</u>	<u>17,768</u>	<u>2,897,555</u>
4,282	1,654	-	550	19	-	40,914
21,545	-	-	-	-	-	71,594
187,393	-	-	46,742	-	-	329,689
2,500	-	-	-	-	-	13,977
3,225	-	-	-	-	-	14,947
-	-	-	-	-	-	11,945
<u>218,945</u>	<u>1,654</u>	<u>-</u>	<u>47,292</u>	<u>19</u>	<u>-</u>	<u>483,066</u>
40,385	-	-	-	-	-	203,257
-	-	-	-	-	-	-
<u>40,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>203,257</u>
<u>259,330</u>	<u>1,654</u>	<u>-</u>	<u>47,292</u>	<u>19</u>	<u>-</u>	<u>686,323</u>
-	-	-	-	-	17,017	955,558
<u>(34,283)</u>	<u>363</u>	<u>76,907</u>	<u>132,949</u>	<u>1,558</u>	<u>751</u>	<u>1,255,674</u>
<u>\$ (34,283)</u>	<u>\$ 363</u>	<u>\$ 76,907</u>	<u>\$ 132,949</u>	<u>\$ 1,558</u>	<u>\$ 17,768</u>	<u>\$ 2,211,232</u>

COUNTY OF GLENN
Combining Statement of Revenues, Expenses, and
Changes in Net Assets
Internal Service Funds
For the Year Ended June 30, 2012

	<u>Service Center</u>	<u>Public Works</u>	<u>Human Resources</u>
OPERATING REVENUES			
Charges for services	\$ 790,533	\$ 1,279,703	\$ 2,985,376
Other revenues	27,984	45,155	-
Total Operating Revenues	<u>818,517</u>	<u>1,324,858</u>	<u>2,985,376</u>
OPERATING EXPENSES			
Salaries and benefits	274,434	865,786	1,765,430
Services and Supplies	415,771	497,709	1,173,495
Depreciation	179,801	14,562	-
Total Operating Expenses	<u>870,006</u>	<u>1,378,057</u>	<u>2,938,925</u>
Operating Income (Loss)	<u>(51,489)</u>	<u>(53,199)</u>	<u>46,451</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenues	-	-	-
Interest income	7,750	251	-
Interest expense	(379)	(630)	-
Total Non-Operating Revenues (Expenses)	<u>7,371</u>	<u>(379)</u>	<u>-</u>
Change in Net Assets	<u>(44,118)</u>	<u>(53,578)</u>	<u>46,451</u>
Total Net Assets - Beginning	2,025,357	206,035	(134,397)
Prior period adjustment	-	(29,780)	-
Total Net Assets - Beginning, Restated	<u>2,025,357</u>	<u>176,255</u>	<u>(134,397)</u>
Total Net Assets - Ending	<u>\$ 1,981,239</u>	<u>\$ 122,677</u>	<u>\$ (87,946)</u>

Health Services	Central Services	Vegetation and Environmental Management	Underground Storage Tanks	Tri-County Bee	Data Processing	Totals
\$ 1,019,270	\$ 4,189	\$ 81,397	\$ 155,211	\$ 5,750	\$ -	\$ 6,321,429
-	28,342	-	2,830	-	-	104,311
1,019,270	32,531	81,397	158,041	5,750	-	6,425,740
1,025,339	-	-	-	-	-	3,930,989
-	31,850	83,832	190,350	5,760	-	2,398,767
3,471	-	2,340	-	-	4,254	204,428
1,028,810	31,850	86,172	190,350	5,760	4,254	6,534,184
(9,540)	681	(4,775)	(32,309)	(10)	(4,254)	(108,444)
-	-	-	66,725	-	-	66,725
-	-	243	718	14	6	8,982
-	-	-	-	-	-	(1,009)
-	-	243	67,443	14	6	74,698
(9,540)	681	(4,532)	35,134	4	(4,248)	(33,746)
(24,743)	(318)	81,439	97,815	1,554	22,016	2,274,758
-	-	-	-	-	-	(29,780)
(24,743)	(318)	81,439	97,815	1,554	22,016	2,244,978
\$ (34,283)	\$ 363	\$ 76,907	\$ 132,949	\$ 1,558	\$ 17,768	\$ 2,211,232

COUNTY OF GLENN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2012

	<u>Service Center</u>	<u>Public Works</u>	<u>Human Resources</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 820,340	\$ 1,324,858	\$ 3,025,091
Payments to suppliers	(416,488)	(515,025)	(1,212,759)
Payments to employees	(321,371)	(904,143)	(1,915,889)
Net Cash Provided (Used) by Operating Activities	<u>82,481</u>	<u>(94,310)</u>	<u>(103,557)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund loan repayments received	118,710	116,100	10,710
Interfund loans repayments made	(18,014)	(14,954)	-
Subsidy from government funds	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>100,696</u>	<u>101,146</u>	<u>10,710</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(20,786)	(5,276)	-
Principal paid on capital debt	(16,324)	(12,283)	-
Interest paid on capital debt	(379)	(630)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(37,489)</u>	<u>(18,189)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	7,857	228	-
Net Cash Provided (Used) by Investing Activities	<u>7,857</u>	<u>228</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	153,545	(11,125)	(92,847)
Balances - Beginning of the Year	992,545	79,968	109,658
Balances - End of the Year	<u>\$ 1,146,090</u>	<u>\$ 68,843</u>	<u>\$ 16,811</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (51,489)	\$ (53,199)	\$ 46,451
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	179,801	14,562	-
Decrease (increase) in:			
Accounts receivable	1,823	-	36,825
Prepaid costs	-	532	(2,451)
Inventory	4,849	-	-
Increase (decrease) in:			
Accounts payable	(5,566)	(17,848)	(36,813)
Accrued salaries and benefits	(25,443)	(33,418)	(104,008)
Unearned revenue	-	-	2,890
Compensated absences	(21,494)	(4,939)	(46,451)
Net Cash Provided (Used) by Operating Activities	<u>\$ 82,481</u>	<u>\$ (94,310)</u>	<u>\$ (103,557)</u>

Health Services	Central Services	Vegetation and Environmental Management	Underground Storage Tanks	Tri-County Bee	Data Processing	Totals
\$ 1,021,770	\$ 32,531	\$ 81,397	\$ 158,041	\$ 5,750	\$ -	\$ 6,469,778
(7,786)	(38,063)	(95,559)	(189,881)	(5,760)	(21,271)	(2,502,592)
(1,047,281)	-	-	-	-	-	(4,188,684)
(33,297)	(5,532)	(14,162)	(31,840)	(10)	(21,271)	(221,498)
56,431	5,837	37	5,395	-	-	313,220
(16,948)	-	-	-	-	-	(49,916)
-	-	-	66,725	-	-	66,725
39,483	5,837	37	72,120	-	-	330,029
-	-	-	-	-	-	(26,062)
-	-	-	-	-	-	(28,607)
-	-	-	-	-	-	(1,009)
-	-	-	-	-	-	(55,678)
-	-	305	720	16	17	9,143
-	-	305	720	16	17	9,143
6,186	305	(13,820)	41,000	6	(21,254)	61,996
36,821	216	73,732	138,979	1,565	22,004	1,455,488
<u>\$ 43,007</u>	<u>\$ 521</u>	<u>\$ 59,912</u>	<u>\$ 179,979</u>	<u>\$ 1,571</u>	<u>\$ 750</u>	<u>\$ 1,517,484</u>
\$ (9,540)	\$ 681	\$ (4,775)	\$ (32,309)	\$ (10)	\$ (4,254)	\$ (108,444)
3,471	-	2,340	-	-	4,254	204,428
-	-	-	-	-	-	38,648
(1,811)	-	-	-	-	-	(3,730)
-	95	(8,787)	-	-	-	(3,843)
(5,975)	(6,308)	(2,940)	469	-	(21,271)	(96,252)
(28,009)	-	-	-	-	-	(190,878)
2,500	-	-	-	-	-	5,390
6,067	-	-	-	-	-	(66,817)
<u>\$ (33,297)</u>	<u>\$ (5,532)</u>	<u>\$ (14,162)</u>	<u>\$ (31,840)</u>	<u>\$ (10)</u>	<u>\$ (21,271)</u>	<u>\$ (221,498)</u>

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Fiduciary Funds

- **Trust and Agency Funds**

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COUNTY OF GLENN
Combining Statement of Fiduciary Net Assets
Investment Trust Funds
June 30, 2012

	<u>School Districts</u>	<u>Special Districts Governed by Local Boards</u>	<u>Courts</u>	<u>Other Investment Trust Funds</u>	<u>Total Investment Trust Funds</u>
ASSETS					
Cash and investments	\$ 21,995,252	\$ 5,262,785	\$ 1,003,649	\$ 1,307,339	\$ 29,569,025
Due from other funds	515,598	47,041	66,375	563,475	1,192,489
Advances to other funds	-	-	-	257,850	257,850
Total Assets	<u>\$ 22,510,850</u>	<u>\$ 5,309,826</u>	<u>\$ 1,070,024</u>	<u>\$ 2,128,664</u>	<u>\$ 31,019,364</u>
LIABILITIES					
Due to other funds	\$ 2,258	\$ 1,135	\$ 171,696	\$ 420,568	\$ 595,657
Advances from other funds	-	-	-	464,884	464,884
Total Liabilities	<u>2,258</u>	<u>1,135</u>	<u>171,696</u>	<u>885,452</u>	<u>1,060,541</u>
NET ASSETS					
Net assets held in trust for investment pool participants	<u>\$ 22,508,592</u>	<u>\$ 5,308,691</u>	<u>\$ 898,328</u>	<u>\$ 1,243,212</u>	<u>\$ 29,958,823</u>

COUNTY OF GLENN
Combining Statement of Changes in Fiduciary Net Assets
Investment Trust Funds
For the Year Ended June 30, 2012

	<u>School Districts</u>	<u>Special Districts Governed by Local Boards</u>	<u>Courts</u>	<u>Other Investment Trust Funds</u>	<u>Total Investment Trust Funds</u>
ADDITIONS					
Contributions to investment pool	\$ 142,432,812	\$ 2,443,447	\$ 4,063,874	\$ 5,022,723	\$ 153,962,856
Investment income (net)	129,260	23,318	1,187	5,453	159,218
Total Additions	<u>142,562,072</u>	<u>2,466,765</u>	<u>4,065,061</u>	<u>5,028,176</u>	<u>154,122,074</u>
DEDUCTIONS					
Distributions from investment pool	143,192,610	2,697,931	4,377,177	4,148,253	154,415,971
Total Deductions	<u>143,192,610</u>	<u>2,697,931</u>	<u>4,377,177</u>	<u>4,148,253</u>	<u>154,415,971</u>
Change in Net Assets	(630,538)	(231,166)	(312,116)	879,923	(293,897)
Net Assets - Beginning	<u>23,139,130</u>	<u>5,539,857</u>	<u>1,210,444</u>	<u>363,289</u>	<u>30,252,720</u>
Net Assets - Ending	<u>\$ 22,508,592</u>	<u>\$ 5,308,691</u>	<u>\$ 898,328</u>	<u>\$ 1,243,212</u>	<u>\$ 29,958,823</u>

COUNTY OF GLENN
Combining Statement of Fiduciary Net Assets
Private Purpose Trust Funds
June 30, 2012

	<u>Freda Walker Library Trust</u>	<u>Total</u>
ASSETS		
Cash and investments	\$ 25,390	\$ 25,390
Total Assets	<u>\$ 25,390</u>	<u>\$ 25,390</u>
LIABILITIES		
Accounts payable	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
NET ASSETS		
Net assets held in trust	<u>\$ 25,390</u>	<u>\$ 25,390</u>

COUNTY OF GLENN
Combining Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds
For the Year Ended June 30, 2012

	Freda Walker Library Trust	Total
ADDITIONS		
Investment income (net)	\$ 119	\$ 119
Total Additions	119	119
DEDUCTIONS		
Distributions from investment pool	-	-
Total Deductions	-	-
Change in Net Assets	119	119
Net Assets - Beginning	25,271	25,271
Net Assets - Ending	\$ 25,390	\$ 25,390

COUNTY OF GLENN
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2012

	Accrued County Trust Funds	Total Agency Funds
ASSETS		
Cash and investments	\$ 3,951,573	\$ 3,951,573
Taxes receivable	4,046,091	4,046,091
Due from other funds	344,994	344,994
Total Assets	\$ 8,342,658	\$ 8,342,658
LIABILITIES		
Due to other funds	\$ 1,563,484	\$ 1,563,484
Advances from other funds	3,501	3,501
Agency obligations	6,775,673	6,775,673
Total Liabilities	\$ 8,342,658	\$ 8,342,658

COUNTY OF GLENN
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2012</u>
ACCRUED COUNTY TRUST FUNDS				
ASSETS				
Cash and investments	\$ 4,193,638	\$ 443,941	\$ 686,006	\$ 3,951,573
Cash with fiscal agent	1,052,753	-	1,052,753	-
Accounts receivable	206,974	-	206,974	-
Interest receivable	16,964	-	16,964	-
Taxes receivable	2,903,562	4,046,091	2,903,562	4,046,091
Due from other funds	14,524	344,994	14,524	344,994
Due from other governments	51,746	-	51,746	-
Other assets	102,455	-	102,455	-
Total Assets	<u>\$ 8,542,616</u>	<u>\$ 4,835,026</u>	<u>\$ 5,034,984</u>	<u>\$ 8,342,658</u>
LIABILITIES				
Accounts payable	\$ 1,434,956	\$ -	\$ 1,434,956	\$ -
Due to other governments	139,947	-	139,947	-
Due to other funds	267,437	1,563,484	267,437	1,563,484
Advances from other funds	3,501	-	-	3,501
Agency obligations	6,696,775	3,271,542	3,192,644	6,775,673
Total Liabilities	<u>\$ 8,542,616</u>	<u>\$ 4,835,026</u>	<u>\$ 5,034,984</u>	<u>\$ 8,342,658</u>