

**\$4,560,000**  
**Certificates of Participation**  
**Trinity County Public Facilities Corporation Certificates of Participation**  
**Series 2005**  
**Dated: May 20, 2005**  
**Maturity Date: January 15, 2026**  
**CUSIP No.: 896467AM9**

**DISCLOSURE NARRATIVE RELATING TO THE  
REVISED FINANCIAL STATEMENTS AND SINGLE AUDIT REPORT**

*This Disclosure Narrative Relating to the Revised Financial Statements and Single Audit Report (the "Disclosure Narrative") is provided pursuant to the provisions the Continuing Disclosure Agreement (the "Disclosure Agreement") dated as of May 1, 2005 between the County of Trinity (the "County") and Digital Assurance Certification L.L.C., as Disclosure Dissemination Agent, which was executed in connection with the delivery of the above-referenced transaction (the "Certificates"). This Disclosure Narrative summarizes the revisions made to the County's Annual Financial Report and recommendations contained in the Single Audit Report, each dated June 30, 2009.*

In accordance with the terms of the Disclosure Agreement, on March 1, 2010, the County caused to be filed its Annual Financial Report, June 30, 2009. Subsequent to that date, the County provided additional information to the County's independent auditors, Gregor Professional (the "Auditors"), which additional information had been requested earlier, but as a result of budget cuts and staff reductions and turnover, was not timely provided. Following submittal and review of the additional information, the Auditors made revisions to the financial statements on March 15, 2010 (the "Revised 2009 Financial Statements") and issued a separate report dated February 5, 2010 and revised March 15, 2010 considering the County's control over financial reporting and on its compliance with certain provisions of laws, regulations, contracts and grant agreements.

**Revised 2009 Financial Statements**

The Revised 2009 Financial Statements include, among other information, a correction to page viii of the Management's Discussion and Analysis and addition of Note 17.

Revision to Page vii of the Management's Discussion and Analysis. In the table "Capital Assets (net of Depreciation)" on page viii of the Management's Discussion and Analysis, the line item for "Infrastructure" for 2008 was misstated. The Infrastructure value for 2008 should read \$177,977,445 and the total is corrected to \$199,023,944.

Addition of Note 17. The Revised 2009 Financial Statements include new Note 17 summarizing the revisions made by the Auditors. Note 17 reads in full as follows:

Note 17: Revision of Financial Statements

The report of the independent auditors dated February 5, 2010 was revised on March 15, 2010. The revisions include the following:

- 1) Inclusion of the County's OPEB liability as a prior period adjustment in the Governmental Activities of the Statement of Net Assets in the amount of

\$43,993,199, in the balance sheet of the Solid Waste Fund in the amount of \$4,433,292, and in the balance sheet of the Transit Fund in the amount of \$454,841. These adjustments had the effect of reducing the equity of the Governmental Activities by \$43,993,199 and of Business-type Activities by \$4,888,133 for a total equity reduction in the statement of Net Assets of \$48,881,332.

- 2) Reduction of inventories in the Road Fund by \$142,425, which decreased the change in net assets and the net assets of Governmental Activities by the same amount.
- 3) Addition of budget detail in the Required Supplemental Information section of the Annual Financial Report.

Complete copies of the revised page viii to the Management's Discussion and Analysis and of the Revised 2009 Financial Statements are attached to this Disclosure Narrative as Exhibit A.

### **Internal Control Over Financial Reporting**

In addition, the Auditors issued a Single Audit Report for the Year Ended June 30, 2009, dated February 5, 2010 and revised March 15, 2010 (the "Amended Single Audit Report"), considering the County's control over financial reporting and on the tests of the Auditors of the County's compliance with certain provisions of laws, regulations, contracts and grant agreements. The Amended Single Audit Report identified certain deficiencies in internal control over financial reporting that they considered significant. A copy of the Amended Single Audit Report is attached to this Disclosure Narrative as Exhibit B.

The County is implementing the reporting protocols and findings recommended in the Amended Single Audit Report, including hiring an external Certified Public Accountant to assist the County with the preparation of the financial statements for Fiscal Year 2009-10, and is establishing data reporting and certain redundancy procedures to assure continued compliance with auditing standards, laws, regulations, contracts and grant agreements.

Dated: June \_\_, 2010

\_\_\_\_\_  
Chairman of the Board of Supervisors,  
County of Trinity, State of California

ATTEST:

\_\_\_\_\_  
County Clerk/Recorder, Ex-Officio  
Clerk of the Board of Supervisors,  
County of Trinity, State of California

APPROVED AS TO FORM AND LEGAL EFFECT:

\_\_\_\_\_  
County Counsel,  
County of Trinity, State of California

EXHIBIT A

COUNTY OF TRINITY  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2009

(Dated: February 5, 2010, Revised March 15, 2010)

EXHIBIT B

COUNTY OF TRINITY  
SINGLE AUDIT REPORT  
JUNE 30, 2009

(Dated: February 5, 2010, Revised March 15, 2010)


COUNTY OF TRINITY

**RECEIVED**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2009

APR 27 2010

COUNTY OF TRINITY

AUDITOR-CONTROLLER 

CAPITAL ASSETS  
(net of Depreciation)

	2009	2008
Land	\$1,134,686	\$1,204,464
Buildings and system improvements	16,982,983	18,380,827
Machinery and equipment	1,197,153	1,398,423
Infrastructure	147,706,131	177,977,445
Construction in progress	1,205,602	62,785
<b>Total</b>	<b>\$168,226,555</b>	<b>\$ 199,023,944</b>

**Pension Plan**

***Funding Status.***

In April 2005, the PERS Board approved changes in its actuarial to help reduce volatility in employer contributions rates. The changes included amortizing gains and losses over a rolling 30-year period; moving from a three-year to a 15-year smoothing methodology; revising the expected value "corridor" limit for establishing the actuarial value of assets to not less than 80% or more than 120%; and creation of a stabilization fund.

Complete updated inflation and actuarial assumptions can be obtained by contacting PERS at their executive office: 400 P Street, Sacramento, California 95814.

PERS - Declines in Investment Return. Developments in the financial markets have resulted in a decline in investment return for Fiscal Year 2007-08. As indicated above, in calculating the UAAL in an actuarial valuation, the PERS actuary assumes an investment return equal to 7.75%. The actual investment return for Fiscal Year 2007-08, net of expenses, was negative 5.1%. Employer contribution rates are affected by the investment return in a given Fiscal Year in the third Fiscal Year that follows. Therefore, the negative 5.1% return for Fiscal Year 2007-08 will first be reflected in employer contribution rates applicable for Fiscal Year 2010-11. However, PERS had achieved double digit investment returns in each of the four Fiscal Years prior to Fiscal Year 2007-08 which exceeded the assumed rate of investment return. Through PERS 15-year smoothing of investment returns, these previous positive returns will cushion the impact that the losses will have on employer contribution rates in Fiscal Year 2010-11. As of June 30, 2007, with the asset smoothing method, PERS had set aside approximately 14% of the stabilization fund created by PERS in 2005. The



**COUNTY OF TRINITY**  
**ANNUAL FINANCIAL REPORT**

**June 30, 2009**

**COUNTY OF TRINITY**  
**ANNUAL FINANCIAL REPORT**  
**June 30, 2009**

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**ANNUAL FINANCIAL REPORT**  
**June 30, 2009**

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*REPORT OF THE INDEPENDENT AUDITORS*

## REPORT OF THE INDEPENDENT AUDITORS

Board of Supervisors County of Trinity  
Weaverville, 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 Trinity, California, (the County), as of and for the year ended June 30, 2009, 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 did not audit the financial statements of Trinity County Waterworks District No.1, which statements reflect total assets and revenues constituting 6.10 percent and 1.3 percent, respectively, of the related primary government totals. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included in the Trinity County Waterworks District No.1 fund, is based solely on the report of the other auditors.

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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The capital asset balances of the Waterworks District No.1 have not been audited, and we were not engaged to audit the capital asset balances as part of our audit of the basic financial statements. The capital asset balances of the Waterworks District No.1 represent 79 percent and 95.7 percent of the total assets of the business-type activities and Waterworks District No.1 major fund columns, respectively.

Board of Supervisors  
County of Trinity

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the capital assets of the Waterworks District No. 1 been audited, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, and the Waterworks District No. 1 major fund of the County as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund except for the Waterworks District No. 1 major fund, and the aggregate remaining fund information of the County as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, 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 under separate cover, our report dated February 5, 2010, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

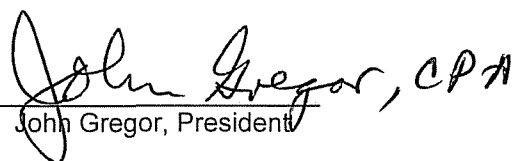
The Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. In relation to the Management's Discussion and Analysis, we have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The Schedule of Funding progress and the budgetary comparisons of the General Fund and the Major Governmental Funds as listed in the table of contents have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, such information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the County of Trinity's basic financial statements. The accompanying information identified in the table of contents as combining and individual non-major fund statements and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Board of Supervisors  
County of Trinity

The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, such information is fairly stated in all material respects in relation to the basic financial statements taken as whole. The statistical sections have not been subjected to the auditing procedures applied by us and other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

GREGOR PROFESSIONAL CORPORATION  
Certified Public Accountants

By    
John Gregor, President

Eugene, Oregon  
February 5, 2010  
Revised March 15, 2010



*MANAGEMENT'S DISCUSSION AND ANALYSIS*

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

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### Introduction

This section of the County of Trinity annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year that ended June 30, 2009

### Organization and Management

The Board of Supervisors appointed Dero Forslund as County Administrative Officer effective February 19, 2008 for a term ending June 30, 2013. Deanna Bradford, a senior member of the Assessor's Office, has been appointed Clerk/Assessor/Recorder, effective February 19, 2008.

Terri Mc Brayer Deputy Treasurer/Tax Collector was appointed the County Treasurer/Tax Collector effective November 1, 2009.

David Nelson resigned as County Auditor-Controller on November 30, 2009. On December 1, 2009, the Board appointed Marilyn Horn to serve as Auditor-Controller through the end of the unexpired term in December 31, 2010. Prior to this appointment, Mrs. Horn held the position of Behavioral Health Deputy Director of Business Services.

### Financial Highlights

- ❖ The assets of the County of Trinity exceeded its liabilities at the close of the most recent fiscal year by \$113,171,296 (*net assets*).
- ❖ The government's total net assets decreased by \$75,792,476.
- ❖ As of the close of the current fiscal year, the County of Trinity's governmental funds reported combined ending fund balances of \$20,521,606 an increase of \$2,709,192 in comparison with the prior year.
- ❖ As of June 30, 2009, the County's General Reserve Fund was \$1,213,794 a \$47,522 (representing approximately 4.1%) increase over the June 30, 2008 General Reserve Fund in the amount of \$1,166,272.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County of Trinity's basic financial statements. The County of Trinity's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

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This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the County of Trinity's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County of Trinity is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County of Trinity that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Trinity, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County of Trinity can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.



# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

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Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the road and human services funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County of Trinity adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Proprietary funds.** The County of Trinity maintains two different types of Proprietary funds.

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County of Trinity uses enterprise funds to account for the Hospital, Solid Waste, Transit, and Waterworks District #1.

*Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County of Trinity's various functions. The County of Trinity uses internal service funds to account for the copier fund, and the motor pool. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County of Trinity's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County of Trinity's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found at the end of this report.

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

### Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the County of Trinity, assets exceed liabilities by \$113,171,296 at the close of the most recent fiscal year.

By far the largest portion of the County of Trinity's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County of Trinity uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County of Trinity's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following schedules give comparative figures for 2008 and 2009.

	NET ASSETS					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	23,204,296	40,696,520	(6,210,308)	(6,105,184)	16,993,988	34,591,336
Capital Assets	156,041,786	166,261,931	12,184,769	12,762,013	168,226,555	179,023,944
<b>Total Assets</b>	<b>\$ 179,246,082</b>	<b>\$ 206,958,451</b>	<b>\$ 5,974,461</b>	<b>\$ 6,656,829</b>	<b>\$ 185,220,543</b>	<b>\$ 213,615,280</b>
Long-term liabilities	59,596,641	16,526,344	9,026,721	4,331,900	68,623,362	20,858,244
Other liabilities	2,802,279	3,050,434	623,606	742,830	3,425,885	3,793,264
<b>Total Liabilities</b>	<b>62,398,920</b>	<b>19,576,778</b>	<b>9,650,327</b>	<b>5,074,730</b>	<b>72,049,247</b>	<b>24,651,508</b>
<b>Net Assets:</b>						
Invested in capital assets						
net of related debt	144,181,786	171,416,597	11,194,001	11,508,670	155,375,787	182,925,267
Restricted	13,674,039	13,674,039	-	-	13,674,039	13,674,039
Unrestricted	(41,008,663)	2,291,037	(14,869,867)	(9,926,571)	(55,878,530)	(7,635,534)
<b>Total net assets</b>	<b>\$ 116,847,162</b>	<b>\$ 187,381,673</b>	<b>\$ (3,675,866)</b>	<b>\$ 1,582,099</b>	<b>\$ 113,171,296</b>	<b>\$ 188,963,772</b>

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

	CHANGES IN NET ASSETS					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 6,099,527	\$ 5,598,198	\$ 3,183,490	\$ 2,821,037	\$ 9,283,017	\$ 8,419,235
Operating grants, contributions	23,114,085	32,430,396	79,872	89,862	23,193,957	32,520,258
Capital grants	8,353,713	8,353,713	-	-	8,353,713	8,353,713
<b>General Revenues:</b>						
Property taxes	3,555,181	4,107,847	190,212	85,218	3,745,393	4,193,065
Sales, use and other taxes	2,746,057	2,847,565	-	4,787	2,746,057	2,852,352
Unrestricted interest and investment earnings	485,613	612,975	(57,946)	(125,373)	427,667	487,602
Miscellaneous	605,032	1,816,800	8,958	(83,686)	613,990	1,733,114
Transfers	(459,135)	(551,225)	459,135	551,225	-	-
<b>Total Revenues</b>	<b>44,500,073</b>	<b>55,216,269</b>	<b>3,863,721</b>	<b>3,343,070</b>	<b>48,363,794</b>	<b>58,559,339</b>
<b>Expenses</b>						
General government	4,986,467	6,645,690	-	-	4,986,467	6,645,690
Public Protection	10,932,558	13,260,582	-	-	10,932,558	13,260,582
Public ways and facilities	20,260,538	6,368,378	-	-	20,260,538	6,368,378
Health and sanitation	6,193,325	6,843,570	-	-	6,193,325	6,843,570
Public assistance	6,987,791	7,368,044	-	-	6,987,791	7,368,044
Education	349,531	316,584	-	-	349,531	316,584
Culture and recreation	-	-	-	-	-	-
Interest on long-term debt	1,010,408	1,070,913	-	-	1,010,408	1,070,913
Cemeteries	-	-	9,001	7,617	9,001	7,617
Hospital	-	-	-	-	-	-
Transit	-	-	324,318	295,899	324,318	295,899
Solid waste	-	-	2,364,033	3,099,765	2,364,033	3,099,765
Waterworks District No. 1	-	-	911,287	784,271	911,287	784,271
<b>Total Expense</b>	<b>50,720,618</b>	<b>41,873,761</b>	<b>3,608,639</b>	<b>4,187,552</b>	<b>54,329,257</b>	<b>46,061,313</b>
Special Item: Fund Reclassification	-	(932,380)	-	356,402	-	(575,978)
<b>Increase (decrease) in net assets</b>	<b>(6,220,545)</b>	<b>12,410,128</b>	<b>255,082</b>	<b>(488,080)</b>	<b>(5,965,463)</b>	<b>11,922,048</b>
Net assets - beginning of the year	187,381,673	174,507,036	1,582,099	2,127,314	188,963,772	176,634,350
Prior period adjustment	(64,313,966)	464,509	(5,513,047)	(57,135)	(69,827,013)	407,374
<b>Net assets - end of the year</b>	<b>\$ 116,847,162</b>	<b>\$ 187,381,673</b>	<b>\$ (3,675,866)</b>	<b>\$ 1,582,099</b>	<b>\$ 113,171,296</b>	<b>\$ 188,963,772</b>

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

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### **Financial Analysis of the Funds**

#### Governmental Funds

The General fund is the chief operating fund of the County. At the end of the current fiscal year the total fund balance was \$5,027,897. The general fund's fund balance decreased by \$701,037 during the year.

The Road fund has a total fund balance of \$1,610,360, a fund balance decrease of \$289,723 during the year.

The Human Services fund has a total fund balance of \$164,952, a fund balance increase of \$19,633 during the year.

The CDBG Rehab fund has a total fund balance of \$2,956,852, a fund balance increase of \$438,780 during the year.

#### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were relatively minor. County budget's continues to be a challenge because of the delayed budget process at the State level.

#### **Debt Administration**

*No Outstanding Short-Term General Fund Obligations* on August 5, 2008, the Board of Supervisors authorized the execution of a Tax and Revenue Anticipation Note (the 2008-09 TRAN") from Umpqua Bank in the amount of \$3 million. The maturity date for this note was May 1, 2009 at an interest rate equal to the Federal Home Loan Bank of Seattle Index plus 0.92% (or 4.124% as of June 6, 2008). The County borrowed \$3 million on the 2008-09 TRAN, which was repaid on January 27, 2009 and the 2008-09 TRAN was closed.

#### *Outstanding Long-Term General Fund Obligations*

2005 Certificates. The County has outstanding certificates of participation in the amount of \$4,560,000 (the "2005 Certificates") that are payable from the County general fund. The 2005 Certificates were issued in May 2005 and the proceeds were used to repay a \$3 million County Treasurer's temporary transfer of funds from the County Treasurer's Pool; pay the final set-aside for the 2004-05 TRANs (described below); establish a reserve fund for the 2005 Certificates; and pay certain costs associated with the execution and delivery for the 2005 Certificates. The County was a participant in the California Statewide Communities Development Authority (the "CSCDA") 2004 Tax and Revenue Anticipation

## COUNTY OF TRINITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

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Bonds financing pursuant to which CSCDA purchased \$3 million of the County's Fiscal Year 2004-05 Tax and Revenue Anticipation Notes (the "2004-05 TRANs"). The 2004-05 TRANs were repaid on June 30, 2005 with a portion of the proceeds from the 2005 Certificates. As of June 30 2009, the outstanding principal amount of the 2005 Certificates was \$4,560,000.

1998 Pension Obligation Bonds. The County has outstanding pension obligation (the "1998 POBs") that are payable from the County general fund. The 1998 POBs were issued in the original principal amount of \$9,140,000, and mature on June 1, 2017. As of June 30, 2009 the outstanding principal amount of the 1998 POBs was \$7, 110,000.

1997 Certificates. The County also has outstanding refunding certificates of participation (the "1997 COPs") that are payable from the County General Fund. The 1997 COPs were issued in the original principal amount of \$1,625,000, of which \$190,000 principal amount was outstanding as of June 30, 2009. The 1997 COPs matured and were repaid in full on October 1, 2009.

#### **Hospital District Operations**

As of July 2007 the County of Trinity is no longer responsible or liable for Hospital operations and facilities. The hospital remains open, under the management and operation of the Healthcare District, providing the same services as prior to its transfer to the Healthcare District.

#### *Status of Accumulated Hospital Fund Operating Deficit*

As a former County enterprise, the operations of the former Trinity Hospital were accounted for in a separate enterprise fund (the "Hospital Fund") in the audited financial statements of the County.

Prior to the transfer of the former Trinity Hospital to the Authority and subsequently to the Services District, the Hospital Fund had an accumulated deficit in the amount of approximately \$7.5 million which remains in the county pooled treasury.

#### **Capital Assets**

The County of Trinity's investment in capital assets for its governmental and business type activities as of June 30, 2008, amounts to \$168,222,555 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Additional information on the County of Trinity's capital assets can be found on Note 5 of the report.

## COUNTY OF TRINITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

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#### COUNTY OF TRINITY

##### CAPITAL ASSETS (net of Depreciation)

	2009	2008
Land	\$1,134,686	\$1,204,464
Buildings and system improvements	16,982,983	18,380,827
Machinery and equipment	1,197,153	1,398,423
Infrastructure	147,706,131	1,777,977,445
Construction in progress	1,205,602	62,785
Total	<u>\$168,226,555</u>	<u>\$1,799,023,944</u>

#### Pension Plan

##### *Funding Status.*

In April 2005, the PERS Board approved changes in its actuarial to help reduce volatility in employer contributions rates. The changes included amortizing gains and losses over a rolling 30-year period; moving from a three-year to a 15-year smoothing methodology; revising the expected value "corridor" limit for establishing the actuarial value of assets to not less than 80% or more than 120%; and creation of a stabilization fund.

Complete updated inflation and actuarial assumptions can be obtained by contacting PERS at their executive office: 400 P Street, Sacramento, California 95814.

PERS - Declines in Investment Return. Developments in the financial markets have resulted in a decline in investment return for Fiscal Year 2007-08. As indicated above, in calculating the UAAL in an actuarial valuation, the PERS actuary assumes an investment return equal to 7.75%. The actual investment return for Fiscal Year 2007-08, net of expenses, was negative 5.1%. Employer contribution rates are affected by the investment return in a given Fiscal Year in the third Fiscal Year that follows. Therefore, the negative 5.1% return for Fiscal Year 2007-08 will first be reflected in employer contribution rates applicable for Fiscal Year 2010-11. However, PERS had achieved double digit investment returns in each of the four Fiscal Years prior to Fiscal Year 2007-08 which exceeded the assumed rate of investment return. Through PERS 15-year smoothing of investment returns, these previous positive returns will cushion the impact that the losses will have on employer contribution rates in Fiscal Year 2010-11. As of June 30, 2007, with the asset smoothing method, PERS had set aside approximately 14% of the stabilization fund created by PERS in 2005. The

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

negative 5.1% return for Fiscal Year 2007-08, approximately 12.9% less than the 7.75% expected rate of return, uses most of the 14% stabilization fund. The estimated impact of the negative 5.1% investment return is a decrease of up to 0.1% of payroll in expected Fiscal Year 2010-11 employer rates, assuming all other actuarial assumptions are realized in aggregate. The investment return for Fiscal Year 2008-09 will first impact employer contribution rates in Fiscal Year 2011-12.

On July 21, 2009, PERS released its preliminary Fiscal Year 2008-09 investment performance, noting a decline in the market value of its assets of 23.4% for the one year period ending June 30, 2009. It was the most severe single year decline experienced by PERS. But even with this decline, PERS reported that its long-term 20-year investment return remained at a positive 7.75%.

Investment returns lower than the 7.75% expected rate of return in subsequent Fiscal Years will produce a significantly greater impact on employer contribution rates and the funded status of the plans in subsequent Fiscal Years. The extent of such impact is not yet known.

**Contribution Rates.** The following table shows the percentage of salary for which the County was responsible to contribute to PERS from Fiscal Year 2005-06 through Fiscal Year 2009-10 to satisfy its retirement funding obligations.

### SCHEDULE OF EMPLOYER CONTRIBUTION RATES

<u>Actuarial</u> <u>Report for</u> <u>Year Ended</u>	<u>Affects Contribution</u> <u>for Fiscal</u> <u>Year</u>	<u>Safety Plan</u>	<u>Miscellaneous</u> <u>Plan</u>
6/30/2003	2005-06	18.433%	16.001%
6/30/2004	2006-07	18.715	13.840
6/30/2005	2007-08	19.770	15.385
6/30/2006	2008-09	29.478	17.895
6/30/2007	2009-10	28.729	17.359
6/30/2008	2010-11	30.453	17.864

Sources: PERS Actuarial Reports for June 30, 2003 through 2008.

**Risk Pools.** The number of participants in the Safety Plan is fewer than 100 active members. PERS requires that such smaller plans join a larger risk pool (a "Risk Pool") with other plans that have similar members receiving similar benefits (e.g. other plans for safety employees receiving 3% at 55 benefits). In a Risk Pool, assets and liabilities across employers are combined to produce large groups where the impact of a catastrophic demographic event is shared among all employers in the same Risk Pool. To equalize funding status across agencies in each Risk Pool, at the time each local agency joined the Risk Pool, a side fund

## COUNTY OF TRINITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

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was created to account for the difference between the funded status of the Risk Pool and the funded status of the pension plan of the local agency (a "Side Fund"). Risk Pools and Side Funds are subject to the actuarial assumptions and policies adopted by PERS.

PERS performs an actuarial analysis of the Risk Pool and a separate valuation of the balance (positive or negative) of each Side Fund. Based upon the actuarial report of the Risk Pool, PERS calculates the "Required Base Employer Rate" of the Risk Pool as a percentage of payroll that each participating local agency is required to pay for those employees participating in the plan. The Required Base Employer Rate includes both a "normal cost" component and an "amortization base" component where the unfunded liability if the Risk Pool is amortized.

In addition, each local agency pay a contribution (a percentage of the payroll of participating employees) to the Risk Pool to amortize any balance in the Side Fund of the local agency and/or if the local agency provides certain supplemental benefits to participating employees.

#### *Historical Funding Status.*

Once the Safety Plan became a participant in a Risk Pool, PERS no longer provided individual plan information. Information is available on a pooled basis only and can be obtained from PERS at P.O. Box 942709, Sacramento, California 94229-2709. As of the actuarial valuation for the Risk Pool dated June 30, 2007 (affecting the County contributions for Fiscal Year 2009-10), the funded ratio for the Risk Pool was 85.5% and the County Contribution amount was \$917,149. As of the actuarial valuation for the Risk Pool dated June 30, 2008 (affecting the County contributions for Fiscal Year 2010-11), the funded ratio for the Risk Pool was 85.8% and the County Contribution amount is \$926,377.

The Miscellaneous Plan is a separate, stand-alone pension plan and is not a part of a risk pool. The following table sets forth estimates for the Fiscal Years 2004-05 through 2009-10 of the amount of the total employer contributions made by the County, the UAAL and the funded ratio of the Miscellaneous Plan as of the actuarial valuation dates June 30, 2002 through 2006 based on the PERS Actuarial Reports for those years.



## COUNTY OF TRINITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

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#### HISTORICAL FUNDING STATUS (Miscellaneous Plan)

Actuarial Valuation Date <u>June 30</u>	<u>UAAL</u> <sup>(1)</sup>	<u>Funded</u> <u>Ratio</u>	<u>Affects County</u> <u>Contribution for</u> <u>Fiscal Year</u>	<u>County</u> <u>Contribution</u> <u>Amount</u> <sup>(2)</sup>
2002	\$4,059,867 <sub>3)</sub>	88.6%	2004-05	\$1,639,642
2003	10,693,251	75.7	2005-06	2,168,436
2004 <sup>(4)</sup>	11,458,582	76.1	2006-07	1,981,273
2005	11,946,950	76.8	2007-08	1,760,348
2006	14,678,487	74.5	2008-09	2,051,426
2007				

(1) Negative UAAL represents excess assets.

(2) Amounts indicated are those paid by the County to PERS in the indicated years and do not reflect all amounts paid by the County under the Safety Plan or otherwise.

(3) Reflects enhancement in PERS plan benefits during Fiscal Year 2002-03.

(4) Beginning with the June 30, 2004 actuarial valuation, rate stabilization methodologies were implemented.

Sources: PERS Actuarial Reports for June 30, 2002 through 2006.

**COUNTY OF TRINITY**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2009

A five-year schedule of the funding progress of the Miscellaneous Plan is presented in the table below.

**SCHEDULE OF FUNDING PROGRESS  
(Miscellaneous Plan)**

Actuarial Valuation Date (June 30)	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Assets (AVA) (b)	Unfunded/ (Over funded) AAL (a-b)	Funded Ratios		Annual Covered Payroll (c)	Unfunded/ (Over funded) AAL as a Percentage of Covered Payroll ((a-b)/c)
				AVA (b/a)	Market Value		
2002	\$35,666,038	\$31,606,171	\$4,059,867	88.6%		\$13,169,807	30.8%
2003	44,094,259	33,401,008	10,693,251	75.7%		13,551,879	78.9%
2004	47,863,745	36,405,163	11,458,582	76.1%	75.0%	13,006,251	88.1%
2005	51,424,266	39,477,316	11,946,950	76.8%	79.1%	10,395,385	114.9%
2006	57,542,671	42,864,184	14,678,487	74.5%	79.1%	10,810,720	135.8%

Sources: PERS Actuarial Reports for June 30, 2002 through 2006.

The following table shows the percentage of salary for which the County was responsible to contribute to PERS from Fiscal Year 2005-06 through Fiscal Year 2009-10 to satisfy its retirement funding obligations.

**SCHEDULE OF EMPLOYER CONTRIBUTION RATES**

<u>Actuarial Report for Year Ended</u>	<u>Affects Contribution for Fiscal Year</u>	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
6/30/2003	2005-06	18.433%	16.001%
6/30/2004	2006-07	18.715	13.840
6/30/2005	2007-08	19.770	15.385
6/30/2006	2008-09	29.4780	17.895
6/30/2007	2009-10	28.729	17.359

Sources: County of Trinity Audit Reports, June 30, 2005 through June 30, 2009.

**Post Retirement Health Benefits**

The County provides post-retirement medical and dental benefits to employees based upon the bargaining unit contracts. To be eligible, the retiring employee must retire within 120 days of separation from the County. The cost of the premiums associated with these benefits is recognized on a pay-as-you-go basis

## COUNTY OF TRINITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

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when the County makes the contribution. The table below summarizes contributions made by the County on behalf of retirees for the last five Fiscal Years

#### SCHEDULE OF COUNTY CONTRIBUTIONS FOR POST-RETIREMENT BENEFITS

<u>Fiscal Year</u>	<u>No of Retirees</u>	<u>Contribution Amount</u>
2004-05	214	\$882,275
2005-06	221	957,833
2006-07	232	1,157,967
2007-08	260	1,467,082
2008-09	250	1,427,910

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Sources: County of Trinity Audit Reports, June 30, 2005 through June 30, 2009.

In June 2004, the Governmental Accounting Standards Board ("GASB") issued Statement No. 45 ("GASB 45"), addressing how state and local governments should account for and report their costs and obligations related to post-employment health care and other non-pension benefits ("OPEB"). GASB 45 generally requires that employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due. The provisions of GASB 45 may be applied prospectively and do not require governments to fund their OPEB plans. An employer may establish its OPEB liability at zero as of the beginning of the initial year of implementation. However, the unfunded actuarial liability is required to be amortized over future periods on the income statement. GASB 45 also established disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time. If there are no dedicated assets or funding arrangements, the post-retirement medical plan liabilities are required to be recognized on an accounting basis. These disclosure requirements became effective for the County's Fiscal Year ending June 30, 2009.

In September, 2006, the Board of Supervisors approved the establishment of a prefunded post-retirement healthcare irrevocable trust pursuant to Section 115 of the Internal Revenue Code into which the County will contribute \$2.20 per eligible employee per month. This trust was established with Public Agency

# COUNTY OF TRINITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

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Retirement Services Trust Program ("PARS"), a multi-employer retirement program and trust administrator for more than 400 public agencies.

The County retained the services of an actuary in Fiscal Year 2006-07 to determine the County's actuarial liability as of June 30, 2007, which is equal to the present value of plan benefits earned prior to the valuation dates. The actuarial liability was calculated using the entry age normal method. The difference between the actuarial liability and the value of the plan assets as of the valuation date is the unfunded actuarial liability. The unfunded actuarial liability is amortized over a period of 30 years from July 1, 2006, with payments increasing by a payroll growth percentage of 3.25% per annum and an assumed interest rate assumption equal to 7.50%. The resulting unfunded actuarial liability is contingent upon a variety of assumptions about future events which includes demographic assumptions such as mortality, turnover, disability and retirement, economic assumptions such as rates of discount and compensation; per-capita cost assumptions. Based upon such assumption, the OPEB liability actuarial reported the County's total unfunded actuarial liability as \$48,881,332, and on that basis the GASB 45 required total contribution for Fiscal Year 2006-07 would be \$5.8 million.

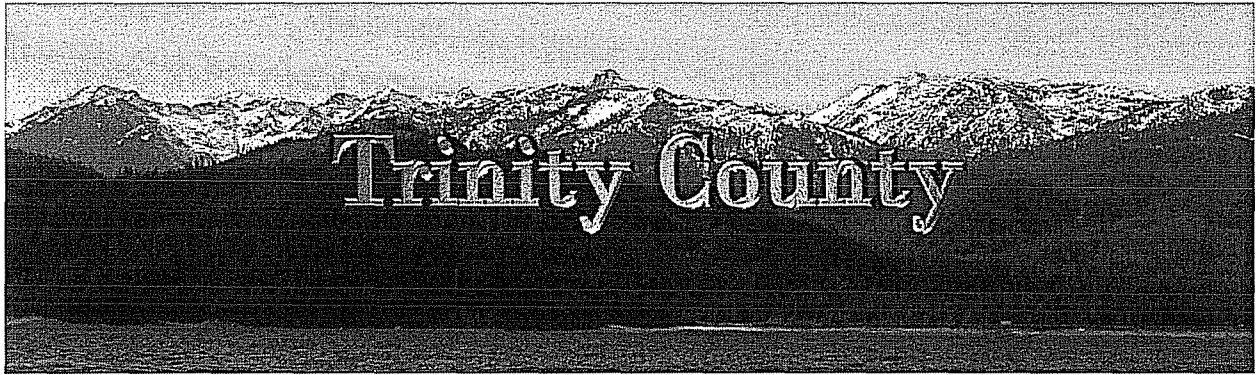
As of June 30, 2009, the County had on deposit \$241,887.52 in the PARS trust for payment of its OPEB liability. During Fiscal Year 2008-09, the PARS Trust incurred negative earnings and very little was contributed to it due to a reduction in employees. In response, the County raised the hourly contribution made by each department to \$3.25 an hour so that the County can cover the pay-as-you-go costs and continue to make deposits into the PARS trust.

### **Statistical Section**

This year we are providing a statistical section to the end of this report. The statistical section includes tables of Net Assets by Component, Tax Levies and Delinquencies, Principal Taxpayers, Outstanding Lease and Pension Bond Obligations, Taxable Retail Sales, County Employee's by Function, and Major Employers in the County.

### **Requests for Information**

This financial report is designed to provide a general overview of the County of Trinity's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County of Trinity, Auditor/Controller, and P.O. Box 1230, Weaverville, California 96093.



***BASIC FINANCIAL STATEMENTS***  
***GOVERNMENT-WIDE FINANCIAL STATEMENTS***

**COUNTY OF TRINITY**  
**STATEMENT OF NET ASSETS**

June 30, 2009

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments in Pool	\$ 5,450,384	\$ 705,710	\$ 6,156,094
Cash and investments		322,169	322,169
Restricted Assets:			
Cash & investments in pool	-	31,154	31,154
Cash & investments	-	72,054	72,054
Cash with fiscal agent	635,131	-	635,131
Imprest cash	9,475	1,450	10,925
Accounts receivable	2,112,750	137,481	2,250,231
Taxes receivable	1,465,885	-	1,465,885
Interest receivable	57,876	2,580	60,456
Due from other governments	-	-	-
Prepaid expenses	95	6,966	7,061
Loans and notes receivable	3,874,939	-	3,874,939
Deposits with others	1,057,213	-	1,057,213
Inventories	1,023,175	27,501	1,050,676
Internal balance	7,517,373	(7,517,373)	-
Capital Assets:			
Nondepreciable	2,236,473	103,815	2,340,288
Depreciable, net	153,805,313	12,080,954	165,886,267
Total Assets	\$ 179,246,082	\$ 5,974,461	\$ 185,220,543
<b>LIABILITIES</b>			
Accounts payable	1,977,442	102,924	2,080,366
Accrued salaries and benefits payable	99,158	-	99,158
Interest payable	216,771	18,389	235,160
Unearned revenue	508,526	479,041	987,567
Other liabilities	382	23,252	23,634
Long-term Liabilities:			
Portion due or payable within one year:			
Bonds and special assessment debt	720,000	11,045	731,045
Loans, notes and leases payable	-	8,529	8,529
Compensated absences	969,888	64,602	1,034,490
Contract payable	150,000	-	150,000
Portion due or payable after one year:			
Bonds and special assessment debt	11,140,000	635,114	11,775,114
Loans, notes and leases payable	-	292,868	292,868
Compensated absences	477,706	37,059	514,765
Liability for unpaid claims	346,278	-	346,278
Contract payable	1,799,570	-	1,799,570
Net OPEB obligation	43,993,199	4,888,133	48,881,332
Liability for landfill closure	-	3,089,371	3,089,371
Total Liabilities	62,398,920	9,650,327	72,049,247
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	144,181,786	11,194,001	155,375,787
Restricted for:			
Debt service	628,031	-	628,031
Public protection	139,171	-	139,171
Public ways and facilities	4,356,927	-	4,356,927
Public health and assistance	4,341,599	-	4,341,599
Community development	-	-	-
Other County programs	4,208,311	-	4,208,311
Unrestricted	(41,008,663)	(14,869,867)	(55,878,530)
Total Net Assets	116,847,162	(3,675,866)	113,171,296
Liabilities and net assets	\$ 179,246,082	\$ 5,974,461	\$ 185,220,543

The accompanying notes are an integral part of these financial statements

**COUNTY OF TRINITY**

**STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2009

	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
General government	\$ 4,986,467	\$ 2,878,858	\$ 4,160,759	\$ -
Public protection	10,932,558	1,781,417	4,647,820	-
Public ways and facilities	20,260,538	926,362	184,297	8,353,713
Health and sanitation	6,193,325	364,930	7,274,412	-
Public assistance	6,987,791	141,973	6,784,726	-
Education	349,531	5,987	5,460	-
Culture and recreation	-	-	-	-
Interest on long-term debt	1,010,408	-	56,611	-
<b>Total governmental activities</b>	<u>50,720,618</u>	<u>6,099,527</u>	<u>23,114,085</u>	<u>8,353,713</u>
<b>Business-type activities:</b>				
Cemeteries	9,001	5,416	-	-
Hospital	-	-	-	-
Transit	324,318	38,479	55,322	-
Solid Waste	2,364,033	2,696,980	24,550	-
Water Works District No. 1	911,287	442,615	-	-
<b>Total business-type activities</b>	<u>3,608,639</u>	<u>3,183,490</u>	<u>79,872</u>	<u>-</u>
<b>Total Trinity County</b>	<u>\$ 54,329,257</u>	<u>\$ 9,283,017</u>	<u>\$ 23,193,957</u>	<u>\$ 8,353,713</u>

General Revenues:

Taxes:

- Property taxes
- Sales and use taxes
- Other taxes

Interest and investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets, July 1, 2008

Prior period adjustments

Net assets--beginning, as adjusted

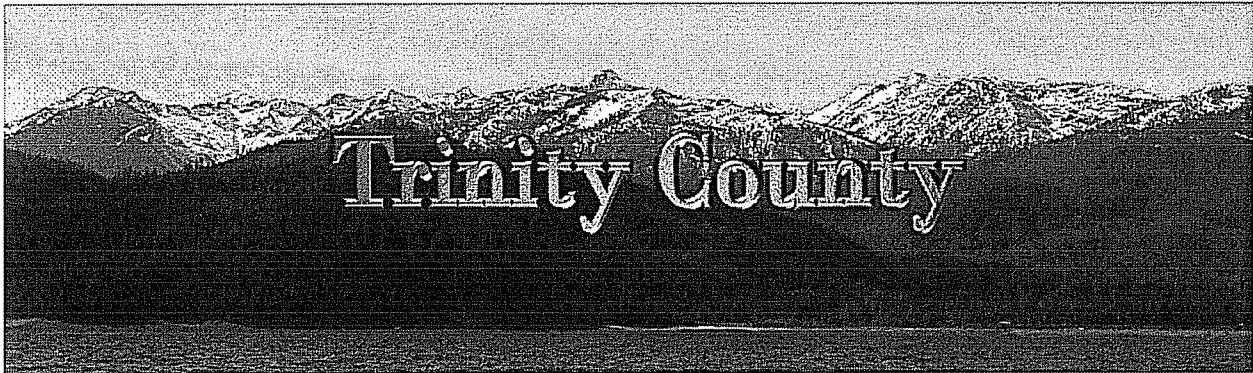
Net assets, June 30, 2009

Net (Expense) Revenue and Changes in Net Assets

Primary Government

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ 2,053,150	\$ -	\$ 2,053,150
(4,503,321)	-	(4,503,321)
(10,796,166)	-	(10,796,166)
1,446,017	-	1,446,017
(61,092)	-	(61,092)
(338,084)	-	(338,084)
-	-	-
<u>(953,797)</u>	<u>-</u>	<u>(953,797)</u>
<u>(13,153,293)</u>	<u>-</u>	<u>(13,153,293)</u>
-	(3,585)	(3,585)
-	-	-
-	(230,517)	(230,517)
-	357,497	357,497
-	<u>(468,672)</u>	<u>(468,672)</u>
-	<u>(345,277)</u>	<u>(345,277)</u>
<u>(13,153,293)</u>	<u>(345,277)</u>	<u>(13,498,570)</u>
3,555,181	190,212	3,745,393
2,441,996	-	2,441,996
304,061	-	304,061
485,613	(57,946)	427,667
605,032	8,958	613,990
<u>(459,135)</u>	<u>459,135</u>	<u>-</u>
<u>6,932,748</u>	<u>600,359</u>	<u>7,533,107</u>
<u>(6,220,545)</u>	<u>255,082</u>	<u>(5,965,463)</u>
187,381,673	1,582,099	188,963,772
<u>(64,313,966)</u>	<u>(5,513,047)</u>	<u>(69,827,013)</u>
<u>123,067,707</u>	<u>(3,930,948)</u>	<u>119,136,759</u>
<u>\$ 116,847,162</u>	<u>\$ (3,675,866)</u>	<u>\$ 113,171,296</u>





*BASIC FINANCIAL STATEMENTS*  
*FUND FINANCIAL STATEMENTS*

COUNTY OF TRINITY

Balance Sheet  
Governmental Funds  
June 30, 2009

	General	Road Fund	Human Services	CDBG Rehab	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>						
Cash and investments	\$ 289	\$ 408	\$ 18,205	\$ 34	\$ 5,324,668	\$ 5,343,604
Restricted Assets:						
Cash with fiscal agent	--	4,850	--	--	630,281	635,131
Imprest cash	9,125	200	75	--	75	9,475
Accounts receivable	216,801	387,773	336,995	--	1,171,170	2,112,739
Taxes receivable	--	--	--	--	1,465,885	1,465,885
Due from other government	--	--	--	--	--	--
Interest receivable	19,930	3,420	314	256	33,558	57,478
Loans receivable	--	--	--	2,975,254	899,685	3,874,939
Due from other funds	4,548,200	1,167,000	--	--	3,606,167	9,321,367
Deposits with others	1,057,213	--	--	--	--	1,057,213
Inventory	--	1,023,175	--	--	--	1,023,175
Total Assets	<u>\$ 5,851,558</u>	<u>\$ 2,586,826</u>	<u>\$ 355,589</u>	<u>\$ 2,975,544</u>	<u>\$ 13,131,489</u>	<u>\$ 24,901,006</u>
<b>LIABILITIES AND FUND BALANCE</b>						
Liabilities:						
Accounts payable	\$ 314,135	\$ 877,308	\$ 190,637	\$ 10,592	574,668	\$ 1,967,340
Accrued salaries and ben	--	99,158	--	--	--	99,158
Due to other funds	--	--	--	8,100	1,795,894	1,803,994
Deferred revenue	508,526	--	--	--	--	508,526
Other current liabilities	--	--	--	--	382	382
Total Liabilities	<u>822,661</u>	<u>976,466</u>	<u>190,637</u>	<u>18,692</u>	<u>2,370,944</u>	<u>4,379,400</u>
Fund Balances						
Reserved:						
Imprest Cash	9,125	200	75	--	--	9,400
Road Reserves	--	--	--	--	3,983,824	3,983,824
Inventory	--	1,023,175	--	--	--	1,023,175
Loans/advances	--	--	--	--	93,454	93,454
Unreserved, undesignated and reported in:						
General fund	5,019,772	--	--	--	--	5,019,772
Special revenue funds:	--	586,985	164,877	2,956,852	5,426,731	9,135,445
Debt service funds	--	--	--	--	1,292,368	1,292,368
Capital projects funds	--	--	--	--	(35,832)	(35,832)
Total Fund Balances	<u>5,028,897</u>	<u>1,610,360</u>	<u>164,952</u>	<u>2,956,852</u>	<u>10,760,545</u>	<u>20,521,606</u>
Total Liabilities and Fund Balances	<u>\$ 5,851,558</u>	<u>\$ 2,586,826</u>	<u>\$ 355,589</u>	<u>\$ 2,975,544</u>	<u>\$ 13,131,489</u>	<u>\$ 24,901,006</u>

The accompanying notes are an integral part of these financial statements

COUNTY OF TRINITY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS

June 30, 2009

Fund Balances - Governmental Funds	\$ 20,521,606
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.	156,041,786
Internal services funds are used by the County to charge the costs of copying and fleet services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	97,182
Long term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds payable	(11,860,000)
Notes payable	-
Interest payable	(216,771)
Claims liability	(346,278)
Compensated absences	(1,447,594)
Contract payable	(1,949,570)
Net OPEB obligation	<u>(43,993,199)</u>
Net Assets of Governmental Activities	<u>\$ 116,847,162</u>

COUNTY OF TRINITY

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Fiscal Year Ended June 30, 2009

	General	Road Fund	Human Services	CDBG Rehab	Other Governmental Funds	Total
<b>Revenues:</b>						
Taxes	\$ 6,012,472	\$ --	\$ --	\$ --	\$ 288,766	\$ 6,301,238
Licenses and permits	535,013	3,776	--	--	17,268	556,057
Fines, forfeitures and penalties	141,097	--	--	--	313,966	455,063
Use of money and property	134,706	15,593	(170)	12,443	321,372	483,944
Intergovernmental	3,516,062	7,724,881	5,818,731	--	14,408,123	31,467,797
Charges for services	3,641,548	922,586	147,357	--	202,645	4,914,136
Other revenues	426,040	44,505	42,000	1,267	88,461	602,273
<b>Total Revenues</b>	<b>14,406,938</b>	<b>8,711,341</b>	<b>6,007,918</b>	<b>13,710</b>	<b>15,640,601</b>	<b>44,780,508</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	2,990,987	--	--	--	1,232,995	4,223,982
Public protection	8,540,595	--	60,816	--	2,278,286	10,879,697
Public ways and facilities	2,579	8,131,988	--	--	1,059,580	9,194,147
Health and sanitation	2,118,093	--	--	--	4,040,929	6,159,022
Public assistance	55,800	--	6,799,071	60,510	76,789	6,992,170
Education	344,891	--	--	--	--	344,891
Recreation and culture	--	--	--	--	--	--
Debt service - principal	--	--	--	--	788,038	788,038
Debt service - interest	--	--	--	--	956,967	956,967
Capital outlay	106,148	6,499	--	--	1,313,517	1,426,164
<b>Total Expenditures</b>	<b>14,159,093</b>	<b>8,138,487</b>	<b>6,859,887</b>	<b>60,510</b>	<b>11,747,101</b>	<b>40,965,078</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>247,845</b>	<b>572,854</b>	<b>(851,969)</b>	<b>(46,800)</b>	<b>3,893,500</b>	<b>3,815,430</b>
<b>Other Financing Sources (Uses):</b>						
Transfers in	1,935,207	1,592,700	978,169	485,580	6,867,086	11,858,742
Transfers out	(2,375,815)	(2,313,852)	(109,200)	--	(7,519,010)	(12,317,877)
<b>Total Other Financing Sources (Uses)</b>	<b>(440,608)</b>	<b>(721,152)</b>	<b>868,969</b>	<b>485,580</b>	<b>(651,924)</b>	<b>(459,135)</b>
<b>Net Changes in Fund Balances</b>	<b>(192,763)</b>	<b>(148,298)</b>	<b>17,000</b>	<b>438,780</b>	<b>3,241,576</b>	<b>3,356,295</b>
Fund Balances, Beginning of Year	5,729,934	1,757,658	145,319	2,518,072	7,519,006	17,669,989
Prior Period Adjustment	(508,274)	1,000	2,633	--	(37)	(504,678)
<b>Fund Balances, End of Year</b>	<b>\$ 5,028,897</b>	<b>\$ 1,610,360</b>	<b>\$ 164,952</b>	<b>\$ 2,956,852</b>	<b>\$ 10,760,545</b>	<b>\$ 20,521,606</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF TRINITY**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2009**

Net change in fund balances for all governmental funds \$ 3,356,295

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

Expenditures for capital assets	1,426,164	
Less current year's depreciation	(11,798,738)	(10,372,574)

Inventories are determined using the purchases method in governmental funds but the consumption method is used for governmental activities		(142,425)
--	--	-----------

Long-term debt proceeds provide current resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Contract payable - net		
Principal repayments:		
Certificates of participation		
Notes payable	144,303	

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 governmental funds.	635,000	
	<u>8,735</u>	788,038

Change in compensated absences		
Change in claims liability		
Change in contract payable		
Accrued interest payable	233,416	

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities.	(41,398)	
	(57,154)	
	<u>3,713</u>	138,577

Change in net assets of governmental activities		<u>11,544</u>
		<u>\$ (6,220,545)</u>

COUNTY OF TRINITY

Statement of Net Assets  
Proprietary Funds  
June 30, 2009

ASSETS	Business-type Activities - Enterprise Fund				Total Enterprise Funds	Governmental
	Hospital	Solid Waste	Waterworks District No.1	Non-major Enterprise Funds		Internal Service Funds
<b>Current assets:</b>						
Cash and investments	\$ 24	\$ 644,568	\$ 322,169	\$ 61,118	\$ 1,027,879	\$ 106,780
Imprest cash	--	1,450	--	--	1,450	--
Accounts receivable	--	110,349	26,239	893	137,481	11
Due from other funds	--	--	--	189,727	189,727	--
Interest receivable	--	1,590	--	990	2,580	398
Prepaid expenses	--	--	6,966	--	6,966	95
Inventory	--	--	27,501	--	27,501	--
Total current assets	<u>24</u>	<u>757,957</u>	<u>382,875</u>	<u>252,728</u>	<u>1,393,584</u>	<u>107,284</u>
<b>Noncurrent assets:</b>						
Restricted Assets:						
Cash and investments	--	--	103,208	--	103,208	--
Capital Assets:						
Nondepreciable	--	12,413	66,786	24,616	103,815	--
Depreciable, net	--	1,220,659	10,745,459	114,836	12,080,954	124,179
Total noncurrent assets	<u>--</u>	<u>1,233,072</u>	<u>10,915,453</u>	<u>139,452</u>	<u>12,287,977</u>	<u>124,179</u>
<b>Total Assets</b>	<u>\$ 24</u>	<u>\$ 1,991,029</u>	<u>\$ 11,298,328</u>	<u>\$ 392,180</u>	<u>\$ 13,681,561</u>	<u>\$ 231,463</u>
<b>LIABILITIES</b>						
<b>Current liabilities:</b>						
Accounts payable	\$ --	\$ 91,966	\$ 2,462	\$ 8,496	\$ 102,924	\$ 10,102
Interest payable	18,389	--	--	--	18,389	--
Due to other funds	7,707,100	--	--	--	7,707,100	--
Other current liabilities:						
Deferred Revenue	--	479,041	23,252	--	23,252	--
Current portion of long-term liabilities						
Bonds, notes and special assessment debt	--	--	11,045	--	11,045	--
Loan payable	--	--	8,529	--	8,529	--
Compensated absences	--	49,519	9,519	5,564	64,602	--
Total current liabilities	<u>7,725,489</u>	<u>620,526</u>	<u>54,807</u>	<u>14,060</u>	<u>8,414,882</u>	<u>10,102</u>
<b>Noncurrent liabilities:</b>						
Bonds, notes and special assessment debt	--	--	635,114	--	635,114	--
Loans payable	--	--	292,868	--	292,868	--
Compensated absences	--	24,759	9,518	2,782	37,059	--
Liability for landfill closure	--	3,089,371	--	--	3,089,371	--
Net OPEB obligation	--	4,433,292	--	454,841	4,888,133	--
Other long-term liabilities	--	--	--	--	--	--
Total Long-term Liabilities	<u>--</u>	<u>7,547,422</u>	<u>937,500</u>	<u>457,623</u>	<u>8,942,545</u>	<u>--</u>
<b>Total Liabilities</b>	<u>7,725,489</u>	<u>8,167,948</u>	<u>992,307</u>	<u>471,683</u>	<u>17,357,427</u>	<u>10,102</u>
<b>NET ASSETS</b>						
Investment in capital assets, net of relatoc	--	1,233,072	9,821,477	139,452	11,194,001	124,179
Restricted	--	--	103,208	--	103,208	--
Unrestricted	(7,725,465)	(7,409,991)	381,336	(218,955)	(14,973,075)	97,182
Total Net Assets	<u>(7,725,465)</u>	<u>(6,176,919)</u>	<u>10,306,021</u>	<u>(79,503)</u>	<u>(3,675,866)</u>	<u>221,361</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 24</u>	<u>\$ 1,991,029</u>	<u>\$ 11,298,328</u>	<u>\$ 392,180</u>	<u>\$ 13,681,561</u>	<u>\$ 231,463</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF TRINITY**

Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ending June 30, 2009

	Business-Type Activities - Enterprise Funds				Total	Governmental
	Hospital	Solid Waste	Waterworks District No. 1	Nonmajor Enterprise Funds		Internal Service Funds
<b>Operating Revenues:</b>						
Charges for services	\$ --	\$ 2,690,066	\$ 362,215	\$ 30,277	\$ 3,082,558	\$ 174,271
Other income	--	6,914	80,400	13,618	100,932	--
<b>Total Operating Revenues</b>	<b>--</b>	<b>2,696,980</b>	<b>442,615</b>	<b>43,895</b>	<b>3,183,490</b>	<b>174,271</b>
<b>Operating Expenses:</b>						
Salaries and benefits	--	1,192,175	164,590	164,070	1,520,835	--
Services and supplies	--	994,363	359,766	143,514	1,497,643	88,732
Depreciation	--	110,993	343,864	25,735	480,592	78,424
Closure/postclosure	--	66,502	--	--	66,502	--
<b>Total Operating Expenses</b>	<b>--</b>	<b>2,364,033</b>	<b>868,220</b>	<b>333,319</b>	<b>3,565,572</b>	<b>167,156</b>
<b>Operating Income (Loss)</b>	<b>--</b>	<b>332,947</b>	<b>(425,605)</b>	<b>(289,424)</b>	<b>(382,082)</b>	<b>7,115</b>
<b>Non-Operating Revenue (Expenses):</b>						
Investment income (expense)	(100,431)	28,627	8,396	5,462	(57,946)	1,660
Taxes	--	80,669	109,543	--	190,212	--
Intergovernmental revenues	--	24,550	--	55,322	79,872	--
Sale of capital assets	--	11,047	--	--	11,047	770
Other	--	(1,075)	(1,014)	--	(2,089)	1,999
Interest Expense	--	--	(43,067)	--	(43,067)	--
<b>Total Non-Operating Revenue (Expense)</b>	<b>(100,431)</b>	<b>143,818</b>	<b>73,858</b>	<b>60,784</b>	<b>178,029</b>	<b>4,429</b>
<b>Income (Loss) Before Transfers</b>	<b>(100,431)</b>	<b>476,765</b>	<b>(351,747)</b>	<b>(228,640)</b>	<b>(204,053)</b>	<b>11,544</b>
<b>Other Financing Sources (Uses):</b>						
Transfers in	117,246	--	--	554,997	672,243	--
Transfers out	--	(39,195)	--	(173,913)	(213,108)	--
<b>Total Other Financing Sources (Uses)</b>	<b>117,246</b>	<b>(39,195)</b>	<b>--</b>	<b>381,084</b>	<b>459,135</b>	<b>--</b>
<b>Change in net assets</b>	<b>16,815</b>	<b>437,570</b>	<b>(351,747)</b>	<b>152,444</b>	<b>255,082</b>	<b>11,544</b>
<b>Net Assets - Beginning of Year</b>	<b>(7,742,280)</b>	<b>(1,620,239)</b>	<b>10,657,768</b>	<b>286,850</b>	<b>1,582,099</b>	<b>195,628</b>
Prior period adjustment	--	(4,994,250)	--	(518,797)	(5,513,047)	14,189
<b>Net Assets - End of Year</b>	<b>\$ (7,725,465)</b>	<b>\$ (6,176,919)</b>	<b>\$ 10,306,021</b>	<b>\$ (79,503)</b>	<b>\$ (3,675,866)</b>	<b>\$ 221,361</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF TRINITY**

Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year ended June 30, 2009

	Business-type Activities - Enterprise Fund					Governmental
	Hospital	Solid Waste	Waterworks District No.1	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Cash flows from Operating Activities:</b>						
Cash receipts from customers and users	\$ --	\$ 2,648,328	\$ 372,860	\$ 44,979	\$ 3,066,167	\$ 175,406
Receipts from interfund services provided	--	--	--	--	--	--
Other receipts	--	--	80,400	--	80,400	--
Cash paid to suppliers	--	1,013,280	241,517	149,966	1,404,763	118,750
Cash paid to employees	--	1,189,574	273,150	164,853	1,627,577	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>--</b>	<b>445,474</b>	<b>(61,407)</b>	<b>(269,840)</b>	<b>114,227</b>	<b>56,656</b>
<b>Cash Flows from Investing Activities:</b>						
Interest received (paid)	(117,246)	30,836	8,396	5,643	(72,371)	--
<b>Net Cash Provided (used) by Investing Activities</b>	<b>(117,246)</b>	<b>30,836</b>	<b>8,396</b>	<b>5,643</b>	<b>(72,371)</b>	<b>1,722</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Purchase of capital assets	--	(14,291)	(1)	--	(14,292)	(46,940)
proceeds from sale of capital assets	--	--	--	--	--	770
proceeds from capital grants	--	--	--	55,322	55,322	--
Principal payments on debt	--	(242,602)	(20,330)	--	(262,932)	--
Interest payments	--	(12,194)	(43,067)	--	(55,261)	--
<b>Net Cash Provided (used) by Capital and Related Financing Activities</b>	<b>--</b>	<b>(269,087)</b>	<b>(63,398)</b>	<b>55,322</b>	<b>(277,163)</b>	<b>(46,170)</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>						
Aid from other governmental agencies	--	24,550	--	--	24,550	--
Taxes	--	80,669	109,543	--	190,212	--
Interfund loans	(900)	--	--	(138,273)	(139,173)	--
Return of unused funding	--	--	--	--	--	--
Other revenue (expense)	--	(130,695)	(1,014)	--	(131,709)	1,999
Transfers in	117,246	--	--	554,997	672,243	--
Transfers out	--	(39,195)	--	(173,913)	(213,108)	--
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>116,346</b>	<b>(64,671)</b>	<b>108,529</b>	<b>242,811</b>	<b>403,015</b>	<b>1,999</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(900)</b>	<b>142,552</b>	<b>(7,880)</b>	<b>33,936</b>	<b>167,708</b>	<b>14,207</b>
Cash and Cash Equivalents, Beginning of Year	924	503,466	433,257	27,182	964,829	92,573
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 24</b>	<b>\$ 646,018</b>	<b>\$ 425,377</b>	<b>\$ 61,118</b>	<b>\$ 1,132,537</b>	<b>\$ 106,780</b>

The accompanying notes are an integral part of these financial statements.



**COUNTY OF TRINITY**

Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year ended June 30, 2009

	Business-type Activities - Enterprise Fund					Governmental
	Hospital	Solid Waste	Waterworks District No.1	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ -	\$ 332,947	\$ (425,605)	\$ (289,424)	\$ (382,082)	\$ 7,115
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	-	110,993	343,864	25,735	480,592	78,424
Changes in assets and liabilities:						
Decrease (increase) in:						
Accounts receivable	-	26,354	10,174	1,084	37,612	1,135
Inventories	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Increase (decrease) in:						
Accounts payable	-	21,645	-	(6,452)	15,193	(30,018)
Salaries and benefits payable	-	-	-	-	-	-
Deferred revenue	-	(75,006)	-	-	(75,006)	-
Compensated absences payable	-	2,601	-	(783)	1,818	-
Other liabilities	-	(40,562)	10,160	-	(30,402)	-
Closure/postclosure liability	-	66,502	-	-	66,502	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ -</b>	<b>\$ 445,474</b>	<b>\$ (61,407)</b>	<b>\$ (269,840)</b>	<b>\$ 114,227</b>	<b>\$ 56,656</b>
<b>Recap of Cash and Cash Equivalents, as Reported on the Statements of Net Assets:</b>						
Cash and investments in pool	\$ 24	\$ 644,568	\$ 322,169	\$ 61,118	\$ 1,027,879	\$ 106,780
Imprest cash	-	1,450	-	-	1,450	-
Restricted Assets:						
Cash and investments held outside County	-	-	103,208	-	103,208	-
<b>Total</b>	<b>\$ 24</b>	<b>\$ 646,018</b>	<b>\$ 425,377</b>	<b>\$ 61,118</b>	<b>\$ 1,132,537</b>	<b>\$ 106,780</b>
<b>Supplemental Disclosure of Non-cash Capital and Related Financing Activities:</b>						
Contribution of capital assets from governmental funds	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF TRINITY**

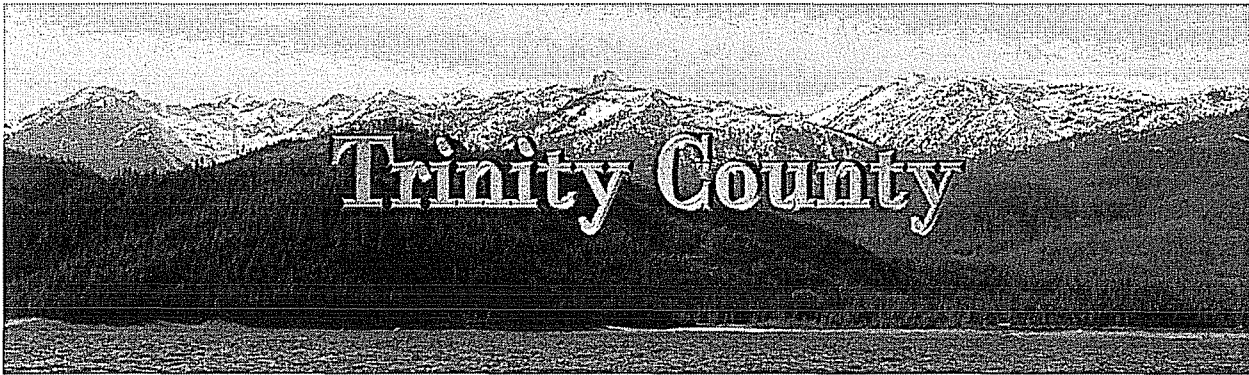
Statement of Fiduciary Net Assets  
Fuduciary Funds  
June 30 2009

	Investment Trust Funds	Agency Funds	Total Fiduciary Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS:</b>			
Cash and investments	\$ 15,126,985	\$ 3,315,623	\$ 18,442,608
Interest receivable	58,313	9,761	68,074
Taxes receivable	-	27,783	27,783
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 15,185,298</u>	<u>\$ 3,353,167</u>	<u>\$ 18,538,465</u>
<b>LIABILITIES AND NET ASSETS:</b>			
Liabilities:			
Due to other funds	\$ -	\$ 1,010,636	\$ 1,010,636
Agency obligations	-	2,342,531	2,342,531
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities	<u>-</u>	<u>3,353,167</u>	<u>3,353,167</u>
Net Assets:			
Held in trust for external participants	<u>15,185,298</u>	<u>-</u>	<u>15,185,298</u>
Total Net Assets	<u>15,185,298</u>	<u>-</u>	<u>15,185,298</u>
Total Liabilities and Net Assets	<u>\$ 15,185,298</u>	<u>\$ 3,353,167</u>	<u>\$ 18,538,465</u>

**COUNTY OF TRINITY**

Statement Changes in Fiduciary Net Assets  
Fuduciary Funds  
For the Fiscal Year Ended June 30 2009

	Investment Trust Funds
Additions:	
Net Investment earnings	\$ 298,892
Contributions to investment pool	<u>8,444,103</u>
Total Additions	<u>8,742,995</u>
Deductions:	
Distributions from investment pool	<u>8,299,056</u>
Change in Net Assets	443,939
Net Assets, Beginning of Year	14,624,607
Addition of Interest receivable at beginning of year	<u>116,752</u>
Net Assets, Beginning of Year as restated	<u>14,741,359</u>
Net Assets, End of Year	<u><u>\$ 15,185,298</u></u>



## *NOTES TO THE BASIC FINANCIAL STATEMENTS*

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a summary of significant accounting policies for the County, and other necessary disclosure of pertinent matters relating to the financial position of the County. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Description of the Reporting Entity

The County of Trinity (County), the primary government, is a political subdivision of the State of California. It is governed by an elected board of five County Supervisors. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board Statement No. 14.

The decision to include a component unit in the reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board (GASB) Statement No. 14. The basic criteria used in the determination of component units are financial accountability of the County for the component unit. Financial accountability is determined by the following:

- The County appoints a voting majority of a component unit's governing body.
- Ability of the County to impose its will on the component unit, including the ability to affect its day-to-day operations, to remove appointed members of the governing board at will, to modify or approve its budget, to modify its rates or fee charges, to veto, overrule, or modify the decisions of its governing body.
- There is a potential for the component unit to provide specific financial benefits to or impose specific financial burdens on the County.
- Fiscal dependency of the component unit on the County, including the inability of the component unit to determine its own budget, levy, taxes, set rates or charges, or issue bonded debt without the approval of the County.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with the data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30<sup>th</sup> year end.

Based on the foregoing criteria, the following entities have been classified as blended component units of the County:

Cemetery Districts  
Hayfork Lighting District  
Weaverville Lighting District Commission  
Trinity County Water Works District 1  
Trinity County Transportation  
Commission

The above component units are legally separate entities which are governed by the County's Board of Supervisors; therefore, their financial data has been combined with the County's financial data and presented as blended component units. The separate financial statements for Trinity County Transportation Commission and Trinity County Water Works District 1 may be obtained by contacting the County.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Discretely Presented Component Units* - There are no component units of the County which meet the criteria for discrete presentation.

#### B. Basis of Presentation

##### *Government-Wide Financial Statements*

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

The statement of activities demonstrates the degree to which program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

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

##### *Fund Financial Statements*

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

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

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, public ways and facilities, health and sanitation, public assistance, education and recreation services.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The *Road Fund* is used to account for the planning, design, construction, maintenance and administration of the County's roads and infrastructure.
- The *Human Services Fund* accounts for a variety of health and social services programs.
- The *CDBG Rehab Fund* is used to account for all of the County's Community Development Block Grant Rehab loans.

The County reports the following major enterprise funds:

- The *Hospital Fund* was established to account for the operation of Trinity Hospital, a County health care facility providing a full range of services including 24-hour emergency care, surgery, acute care, skilled nursing, home health and outpatient diagnostic services. During the 2006-07 fiscal year, the hospital was transferred to the Mountain Community Healthcare District. The State transferred the Hospital license from the County to MCMS-District on July 9, 2007. The fund is still maintained to account for the hospital's liabilities, which remained with the County. See Note 6 and 15 for additional information.
- The *Solid Waste Fund* accounts for the County's landfill sites, which provide a dumping site for the disposal of solid waste. Revenues are derived from fees generated for the disposal of waste at the site.
- The *Waterworks District No.1* fund accounts for the water service provided to the community of Hayfork.

The County reports the following additional fund types:

- *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.
- *Capital Projects Funds* are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).
- *Enterprise Funds* are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's council is that the costs of providing goods to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.
- *Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.
- *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for other governments. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.
- *Agency Funds* account for assets held by the County as an agent for various local governments.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### C. Basis of Accounting

The government-wide, proprietary, pension and investment trust fund financial statements are reported using the economic resources management 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. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an annual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

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

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

#### D. Cash and Investments

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

The County has implemented GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available. Interest earned on investments is allocated to all funds on the basis of monthly cash and investment balances.



# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pool funds in derivatives and similar transactions. LAIF's investments are subject to credit risk with the full faith of the State of California collateralizing these investments. In addition, these derivatives and similar transactions are subject to market risk as to change in interest rates.

#### E. Cash and Cash Equivalents

For purposes of the statements of cash flows, the enterprise and internal service funds consider 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. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a long-term liability in the government-wide financial statements. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

#### G. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, draining systems, and flood control. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Infrastructure	20 to 60 years
Structures and improvements	15 to 60 years
Equipment	3 to 20 years

Landfills, in the Enterprise Funds, are amortized over the estimated number of years that space will be available. The County has five networks of infrastructure assets roads, water/sewer, lighting, drainage, and flood control.

#### H. Interfund Transactions

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund transactions are reflected as loans, services provided reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of inter fund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). 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 fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

#### I. Other Assets

Inventory: Inventory consists of expendable supplies held for consumption. In governmental funds, inventories are valued at cost. In proprietary funds, they are valued at lower of cost or market. Cost is determined by using either the weighted average or the first-in, first-out method. The consumption method of accounting of inventory is used for the governmental fund types and the proprietary fund types. For the governmental fund types, the reserve for inventory indicates that a portion of the fund balance is not an available financial resource.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### J. Property Tax Revenue

Property taxes attach as an enforceable lien on January 1. Taxes are levied on July 1 and payable in two installments, December 10 and April 10. All general property taxes are then allocated by the County Auditor-Controller's Office to various taxing entities per the legislation implementing Proposition 13. The method of allocation used by the County is subject to review by the State of California. County property tax revenues are recognized when levied in accordance with the alternative method (Teeter Plan) of recording property taxes.

#### K. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the general purpose financial statements and the reported amount of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

### Note 2: Cash and Investments

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

The investment pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

The County investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, availability, and yield. The County has established a treasury oversight committee to 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 oversight committee and 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 oversight committee and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

At June 30, 2009, total County cash and investments were as follows:

	<u>Cash and Investments</u>	<u>In Treasurer's Pool</u>
<i>Cash:</i>		
Cash on Hand	\$ 2,347	\$ 2,347
Deposits	430,441	430,441
External to the treasurer's pool (Trinity Waterworks)	81,689	-
External to the Treasurer's pool (with fiscal agents)	-	-
Outstanding warrants	(1,019,932)	(1,019,932)
Imprest cash	10,925	-
Total cash	<u>(494,530)</u>	<u>(587,144)</u>
 <i>Investments:</i>		
In treasurer's pool	25,217,000	25,217,000
With fiscal agents	635,131	-
Other external to the treasurer's pool (Trinity Waterworks)	312,534	-
Total investments	<u>26,164,665</u>	<u>25,217,000</u>
 Total cash and Investments	 <u>\$ 25,670,135</u>	 <u>\$ 24,629,856</u>

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

**Note 2: Cash and Investments (continued)**

Total cash and investments at June 30, 2009 were presented on the County's financial statements as follows:

	<u>Cash and Investments</u>	<u>In Treasurer's Pool</u>
Primary Government		
Governmental activities		
Cash and investments in pool	\$ 5,450,384	\$ 5,450,384
Restricted cash with fiscal agent	635,131	-
Imprest cash	9,475	-
Business type activities		
Cash and investments in pool	705,710	705,710
Cash and investments	322,169	-
Restricted cash and investments in pool	31,154	31,154
Restricted cash and investments	72,054	-
Imprest cash	1,450	-
Investment trust funds	15,126,985	15,126,985
Agency Funds	<u>3,315,623</u>	<u>3,315,623</u>
 Total cash and investments	 <u>\$ 25,670,135</u>	 <u>\$ 24,629,856</u>

**Investments**

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity (years)</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in one Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
State of California Obligations	5 years	None	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	
Medium Term Notes	5 years	30%	None
Mutual Funds / Money Market Mutual Funds	n/a	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Collateralized Bank Deposits	5 years	None	None
Time Deposits	5 years	None	None
JPA Pools (other investment pools)	n/a	None	None

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

### Note 2: Cash and Investments (continued)

At June 30, 2009, the County had the following investments:

	Interest Rates	Maturities	Par	Cost	Fair Value	WAM (Years)
<b>Investments in Investment Pool</b>						
Local Agency Investment Fund (LAIF)	Variable	On Demand	\$ 21,717,000	\$ 21,717,000	\$ 21,717,000	-
Money Market Mutual Funds	Variable	On Demand	3,500,000	3,500,000	3,162,459	-
Total			\$ 25,217,000	25,217,000	24,879,459	
<b>Investments outside Investment Pool</b>						
<i>Investments with Fiscal Agents</i>						
Money Market Funds	Variable	On Demand	\$ 635,131	635,131	635,131	-
<i>Trinity County Water Works District N. 1</i>						
Mutual Funds	Variable	On Demand	18,222	18,222	18,222	-
Local Agency Investment Fund (LAIF)	Variable	On Demand	294,312	294,312	294,312	-
Total			\$ 312,534	312,534	312,534	
<b>Total Cost</b>				<b>\$ 26,164,665</b>		
<b>Total Fair Value</b>					<b>\$ 25,827,124</b>	
<b>% Fair value to cost</b>					<b>98.71%</b>	

### Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

### Credit Risk

State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. The County does not have minimum credit ratings for government agency securities.

### Concentration of Credit Risk

At June 30, 2009, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization, and it did not have 10% or more of its net investment in anyone money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### Note 2: Cash and Investments (continued)

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2009

	S&P	Moody's	% of Portfolio
Franklin Mutual Funds	Unrated	Unrated	6.01%
IXIS Advisor Mutual Funds	Unrated	Unrated	7.84%
Local Agency Investment Fund (LAIF)	Unrated	Unrated	86.15%
Total			<u>100.00%</u>

### Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the County's investment pool and specific investments had no securities exposed to custodial credit risk.

### Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited in LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2009, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$21,717,000, which approximates fair value and is the same as value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$50,743,268,381. Of that amount, 14.71% was invested in structured notes and asset-backed securities with the remaining 85.29% invested in other non-derivative financial products.

At June 30, 2009 the difference between the cost and fair value of cash and investments was not material (fair value was 100.22% of carrying value). Therefore, an adjustment to fair value was not required. Fair value is based on information provided by the State for the Local Agency Investment Fund and by mutual fund managers for the County's mutual fund holdings. Investments are liquid.

### Restricted Cash and Investments

Cash held with fiscal agents in the Debt Service Fund is restricted for debt service. Cash held with fiscal agents in the Waterworks District No.1 Fund is restricted for debt service.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

### Note 2: Cash and Investments (continued)

#### County Investment pool Condensed Financial Statements

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2009:

#### **Statement of Net Assets in the Treasurer's Pool**

Net assets held for pool participants	\$ 24,629,856
Equity of internal pool participants	6,187,248
Equity of external pool participants (trust and agency funds)	18,442,608
Total net assets	\$ 24,629,856

#### **Statement of Changes in Net Assets in the Treasurer's Pool**

Net investment earnings	\$ 894,738
Net contributions (withdrawals) from pool participants	649,763
Increase in Net Assets	1,544,501
Net Assets in the Treasurer's Pool at June 30, 2008	23,085,355
Net Assets in the Treasurer's Pool at June 30, 2009	\$ 24,629,856

#### **Reconciliation to financial statement amounts:**

Net Assets in the Treasurer's Pool at June 30, 2009	\$ 24,629,856
Governmental activities cash and investments in the treasurer's pool	5,450,384
Business-type activities cash and investments in the treasurer's pool	705,710
Business-type activities restricted cash in the treasurer's pool	31,154
Agency funds cash and investments in the treasurer's pool	3,315,623
Investment trust funds cash and investments in the treasurer's pool	15,126,985
Total cash and investments in treasurer's pool per financial statements	\$ 24,629,856

### Note 3: Line of Credit Payable

On August 7, 2008, the County obtained a \$3,000,000 line of credit to manage the temporary cash flow deficits that occur when the timing of required expenditures does not coincide with the timing of the collection of taxes and other revenues. The County received a draw of \$3,000,000 on August 7, 2008 in anticipation of collection of taxes and other revenues to be received during the fiscal year ended June 30, 2009. The loan was repaid with taxes and other revenues in the amounts of \$1,000,000 on January 2, 2009 and \$2,000,000 on January 27, 2009.

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

Note 3: Line of Credit Payable (continued)

Line of credit payable activity for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008	additions	Retirements	Balance July 1, 2009
Line of credit payable	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -

Note 4: Interfund Transactions

The composition of interfund balances as of June 30, 2009 is as follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$4,548,200	\$0
Major Governmental Funds	3,462,000	8,100
Non-major Governmental Funds	1,311,167	1,795,894
Major Enterprise Funds	-	7,707,100
Non-major Enterprise Funds	189,727	-
Internal Service Funds	-	-
<b>Total</b>	<b>\$ 9,511,094</b>	<b>\$ 9,511,094</b>

The above balances reflect temporary cash advances except for the transportation group of funds where the balances may represent amounts receivable or payable under funding agreements.

**Transfers**

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenue. The following schedule briefly summarizes the County's transfer activities:



**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

Note 4: Interfund Transactions (continued)

**Between Funds Within the Governmental Activities:**

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Non-Major Governmental Funds	\$ 950,973	Debt service payments
	Non-Major Governmental Funds	1,000,000	To cover deficit balances
	Non-Major Governmental Funds	307,596	Various
		<u>2,258,569</u>	
Human Services Fund	Non-Major Governmental Funds	109,200	Debt service payments
Road Fund	Non-Major Governmental Funds	2,177,970	Various
	Non-Major Governmental Funds	135,882	Debt service payments
		<u>2,313,852</u>	
Non-Major Governmental Funds	General Fund	258,144	Various
	General Fund	1,635,876	Realignment Distribuion
	Human Services Fund	932,105	Realignment Distribuion
	Road Fund	1,592,700	Budgeted transfer
	CDBG Fund	485,580	Transfer CDBG Funds
	Non-Major Governmental Funds	1,322,694	Various
	Non-Major Governmental Funds	657,319	Realignment Distribuion
	Non-Major Governmental Funds	160,896	Debt service payments
		<u>7,045,314</u>	
Subtotal Transfers		<u>11,726,935</u>	

**Between Governmental and Business-Type Activities:**

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Hospital Fund	\$ 117,246	Negative interest
Solid Waste Fund	Non-Major Governmental Funds	39,195	Debt service payments
Non-Major Enterprise Funds	Non-Major Governmental Funds	168,488	Unspent STF/STA Funds
	Non-Major Governmental Funds	5,424	Debt service payments
		<u>173,912</u>	
Non-Major Governmental Funds	Non-Major Enterprise Funds	473,697	LTF/STA Allocation
Subtotal Transfers		<u>804,050</u>	
Total Transfers In/Out		<u>\$ 12,530,985</u>	

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

**Note 5: Capital Assets**

Capital asset activity for the year ended June 30, 2009, was as follows:

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balance</u> <u>June 30, 2009</u>
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 1,073,676	\$ -	\$ -	\$ 19,981	\$ 1,093,657
Construction in Progress	-	1,142,816	-	-	1,142,816
Total Capital assets not being depreciated	<u>1,073,676</u>	<u>1,142,816</u>	<u>-</u>	<u>19,981</u>	<u>2,236,473</u>
Capital assets being depreciated					
Infrastructure	232,056,891	-	-	(11,194,679)	220,862,212
Structures and improvements	21,201,505	-	-	(764,433)	20,437,072
Equipment	10,466,670	492,877	(111,435)	(34,904)	10,813,208
Total capital assets being depreciated	<u>263,725,066</u>	<u>492,877</u>	<u>(111,435)</u>	<u>(11,994,016)</u>	<u>252,112,492</u>
Less accumulates depreciation for:					
Infrastructure	(54,079,446)	(10,903,288)	-	(8,173,347)	(73,156,081)
Structures and improvements	(14,987,337)	(430,824)	-	144,331	(15,273,830)
Equipment	(9,470,028)	(517,664)	110,424	-	(9,877,268)
Total accumulated depreciation	<u>(78,536,811)</u>	<u>(11,851,776)</u>	<u>110,424</u>	<u>(8,029,016)</u>	<u>(98,307,179)</u>
Total capital assets being depreciated net	<u>185,188,255</u>	<u>(11,358,899)</u>	<u>(1,011)</u>	<u>(20,023,032)</u>	<u>153,805,313</u>
Governmental activities capital assets net	<u>\$ 186,261,931</u>	<u>\$ (10,216,083)</u>	<u>\$ (1,011)</u>	<u>\$ (20,003,051)</u>	<u>\$ 156,041,786</u>
<b>Business-Type activities</b>					
Capital assets not being depreciated					
Land	\$ 130,788	\$ 428	\$ (90,187)	\$ -	\$ 41,029
Construction in progress	62,786	-	-	-	62,786
Total assets not being depreciated	<u>193,574</u>	<u>428</u>	<u>(90,187)</u>	<u>-</u>	<u>103,815</u>
Capital assets being depreciated:					
Structures and improvements	16,041,190	-	-	-	16,041,190
Equipment	2,191,892	14,292	(32,860)	-	2,173,324
Total capital assets being depreciated	<u>18,233,082</u>	<u>14,292</u>	<u>(32,860)</u>	<u>-</u>	<u>18,214,514</u>
Less accumulated depreciation for:					
Structures and improvements	(3,874,531)	(346,921)	3	-	(4,221,449)
Equipment	(1,790,052)	(133,672)	11,613	-	(1,912,111)
Total accumulated depreciation	<u>(5,664,583)</u>	<u>(480,593)</u>	<u>11,616</u>	<u>-</u>	<u>(6,133,560)</u>
Total capital assets being depreciated net	<u>12,568,499</u>	<u>(466,301)</u>	<u>(21,244)</u>	<u>-</u>	<u>12,080,954</u>
Business-Type activities capital assets net	<u>\$ 12,762,073</u>	<u>\$ (465,873)</u>	<u>\$ (111,431)</u>	<u>\$ -</u>	<u>\$ 12,184,769</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 666,499
Public Protection	140,086
Public Ways	11,025,495
Health and Sanitation	69,928
<b>Total</b>	<u><u>\$ 11,902,008</u></u>

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2009**

Note 5: Capital Assets (continued)

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

Transit	\$	25,735
Solid Waste		110,993
Waterworks District No. 1		343,864
Total	\$	<u>480,592</u>

Note 6: Long-Term Liabilities

Long-term debt at June 30, 2009 consisted of the following:

Governmental Activities:	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2009
Certificate of Participation - 1997 issue to refund the Trinity County Project Fixed Rate COP dated 10/2/89	1997	2010	4-5%	\$145,000-\$545,000	\$ 1,625,000	\$ 190,000
Certificate of Participation - 1998 issue to refund the County's obligations to PERS	1998	2017	5.9%-6.65%	\$115,000-\$5,255,000	9,140,000	7,110,000
Certificate of Participation - 2005 issue to repay temporary transfer from the County Pool	2005	2026	8.50%	\$145,000-\$490,000	4,560,000	4,560,000
Help II Note	1998	2009	3%	\$8,700-\$52,000	<u>835,132</u>	<u>0</u>
Total Governmental Activities					<u>\$16,160,132</u>	<u>\$ 11,860,000</u>
 Business-Type Activities:						
Loans payable - Solid Waste Fund - Landfill Closure	1999	2008	4.88%	\$230,464-\$599,160	\$ 3,190,359	\$ -
Notes Payable Davis-Grunsky - Waterworks Distri	1980	2033	2.50%	\$4,889-\$16,239	482,000	301,397
Special Assessment Debt - Waterworks District #1 - sewer system construction	1997-2000	2039	4.50%	\$9,000-\$41,066	1,103,750	626,566
Loan Payable USDA/RDC- Waterworks District #1	2004	2023	4.38%	\$904-\$1,872	<u>25,000</u>	<u>19,593</u>
Total Business Type Activities					<u>\$ 4,801,109</u>	<u>\$ 947,556</u>

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

Note 6: Long-Term Liabilities (continued)

The following is a summary of long-term liability transactions for the year ended June 30, 2009:

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009	Amounts Due Within One Year
<b>Governmental Activities</b>					
Certificate of Participation - 1997 issue	\$ 370,000	\$ -	\$ 180,000	\$ 190,000	\$ 190,000
Certificate of Participation - 1998 issue	7,565,000	-	455,000	7,110,000	530,000
Certificate of Participation - 2005 issue	4,560,000	-	-	4,560,000	-
Help II Loan	8,735	-	8,735	-	-
Compensated Absences	1,681,010	-	233,416	1,447,594	969,888
Liability for self-insurance	304,880	41,398	-	346,278	-
Contract payable	2,036,719	57,154	144,303	1,949,570	150,000
Net OPEB liability	-	43,993,199	-	43,993,199	-
<b>Total Government Activities</b>					
Long-Term Liabilities	<u>\$16,526,344</u>	<u>\$ 44,091,751</u>	<u>\$ 1,021,454</u>	<u>\$59,596,641</u>	<u>\$ 1,839,888</u>
<b>Business-type Activities</b>					
<b>Transit fund</b>					
Compensated absences	\$ 9,129		\$ 783	\$ 8,346	\$ 5,564
Net OPEB liability	-	454,841		454,841	-
<b>Solid Waste Fund</b>					
Loans payable	242,602	-	242,602	-	-
Compensated absences	70,377	3,901	-	74,278	49,519
Net OPEB liability	-	4,433,292	-	4,433,292	-
<b>Waterworks District No. 1</b>					
Compensated absences	19,037	-	-	19,037	9,519
Special assessment debt	637,066	-	10,500	626,566	10,500
Note payable	310,226	-	8,829	301,397	9,019
Loan Payable - USDA 2004	20,594	-	1,001	19,593	1,045
<b>Total Business-type Activities</b>					
Long-Term Liabilities	<u>\$ 1,309,031</u>	<u>\$ 4,892,034</u>	<u>\$ 263,715</u>	<u>\$ 5,937,350</u>	<u>\$ 85,166</u>

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

Note 6: Long-Term Liabilities (continued)

As of June 30, 2009, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30:	Governmental Activities	
	Certificates of Participation	
	Principal	Interest
2010	\$ 720,000	\$ 858,748
2011	760,000	820,343
2012	865,000	768,965
2013	980,000	708,930
2014	1,105,000	641,020
2015-2019	4,705,000	2,344,645
2020-2024	1,780,000	1,019,575
2025-2028	945,000	237,575
<b>Total</b>	<b>\$ 11,860,000</b>	<b>\$ 7,399,801</b>

As of June 30, 2009, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30:	Business Type Activities							
	Special Assessment Debt		Loans Payable		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 11,000	\$ 1,045	\$ 9,019	\$ 9,874	\$ 1,045	\$ 856	\$ 21,064	\$ 11,775
2011	11,500	1,091	9,256	9,648	1,091	811	21,847	11,550
2012	12,000	1,138	10,182	9,396	1,138	764	23,320	11,298
2013	12,500	1,188	11,200	9,166	1,188	714	24,888	11,068
2014	13,000	1,240	12,320	35,250	2,534	1,270	27,854	37,760
2015-2019	91,000	1,294	11,200	38,092	7,374	2,137	109,574	41,523
2020-2024	96,500	7,374	56,440	31,074	5,223	462	158,163	38,910
2025-2029	120,500	5,223	63,796	21,690	-	-	184,296	26,913
2030-2034	150,500	-	72,198	2,407	-	-	222,698	2,407
2035-2038	108,066	-	45,786	-	-	-	153,852	-
<b>Total</b>	<b>\$ 626,566</b>	<b>\$ 19,593</b>	<b>\$ 301,397</b>	<b>\$ 166,597</b>	<b>\$ 19,593</b>	<b>\$ 7,014</b>	<b>\$947,556</b>	<b>\$193,204</b>

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### Note 6: Long-Term Debt (continued)

Certificate of participation retirements and related interest payments are paid from a debt service fund. Loans payable retirements and related interest payments are paid from the Solid Waste Fund. Bonds payable and special assessment debt retirements and related interest payments are paid from the Waterworks District enterprise fund. Claims and judgments will be paid from the County's General Fund. Compensated absences liabilities will be paid by several of the County's funds, including the general fund, nine special revenue funds, and two enterprise funds. Historically, 84 percent of these costs have been paid from the County's governmental funds, with the remaining 16 percent paid from its proprietary funds.

### Special Assessment Debt and Sewer System Construction

On August 13, 1997, the voters in the Waterworks District No.1 approved a measure to borrow \$1,200,000 from the Rural Utilities Service (RUS) for the construction of a sewer collection and treatment system for the residents of the District. This loan is to be repaid out of annual property tax assessments. In August 2000, the District was granted a Community Block Service Grant for \$500,000 to pay off the assessments on behalf of qualified low-income households. In addition to the note listed above, the RUS had committed to a \$4,150,400 grant to the District and the State Water Control Board had granted \$3,000,000 to the District for the construction of the project.

### Contract Payable

In February 2005, the County transferred the Trinity Hospital to Mountain Community Medical Services Authority (MCMS). As stated in the project agreement, Trinity Public Utilities District (TPUD) was willing to use up to \$1.8 million of its existing reserves (up to \$2.789 million according to Amendment No.1 Project Agreement No.1) to temporarily assume responsibility to manage and direct MCMS and support hospital and health care services. The County is solely responsible for refunding TPUD for the use of these funds to help MCMS carry out its obligations and has reported an estimated liability for the amount of the reserve in the governmental activities of the Statement of Net Assets since the liability cannot be exactly determined at the report date. All TPUD reserves transferred to MCMS shall be fully reimbursed with accrued interest equal to what TPUD would have earned if the transferred amount were deposited with the Local Agency Investment Fund (LAIF) or its equivalent.

In accordance with the agreement, TPUD increased electrical rates for all electric services paid for by the County effective until TPUD's said reserves have been fully reimbursed with interest.

### Note 7: Landfill Closure and Post-closure Maintenance Costs

The County currently owns and maintains the Weaverville landfill. State and federal laws and regulations require that the County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfills, an estimated liability is being recognized based on the future closure and post-closure maintenance costs that will be incurred near or after the date the landfill no longer accepts waste.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

### Note 7: Landfill Closure and Post-closure Maintenance Costs (continued)

The recognition of the estimated liability for closure and post-closure maintenance costs is based on the estimated remaining life of the landfill. The estimated liability of all County landfill sites for closure and post-closure maintenance costs was \$ 335,038 for fiscal year 2009, and was based on approximately 73.85% usage (filled) of the landfill. It is estimated that an additional \$ 2,754,333 liability will be incurred as closure and post-closure maintenance costs between the date of the balance sheet and the date the landfills are expected to be closed. The estimated total current cost of the landfill closure and post-closure maintenance costs of \$3,089,371 is based on the amount that would be paid if all equipment, facilities and services required to close, monitor and maintain the landfills were acquired as of the balance sheet date. However, the costs for landfill closure and post-closure maintenance are based on yearly estimates, reviewed by the California Integrated Waste Management Board, as prepared by the County.

These cost estimates are subject to change based on such factors as inflation or deflation, changes in technology, or changes in federal or state landfill laws and regulations. The County is currently reviewing its plan to close the landfill.

The County is required by state and federal laws and regulations to make annual contributions to finance closure and post-closure maintenance costs. The County has established a trust fund to maintain the funds necessary to be in compliance with state and federal financial assurance requirements. The balance of the monies held in reserve to finance closure and post-closure maintenance costs at year end was \$377,585.

### Note 8: Operating Leases

The County is committed under various non-cancelable operating leases for office buildings. The minimum future lease commitments on these leases are as follows:

Fiscal Year Ending June 30	Payments
2010	308,827
2011	261,628
2012	250,764
2013	240,890
2014	82,800
Total	<u>\$ 1,144,909</u>

Rent expenditures were \$385,059 for the fiscal year ended June 30, 2009.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### Note 9: Net Assets/Fund Balances

#### Net Assets

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

- *Invested in Capital Assets, Net of Related Debt* - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Assets* - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Assets* - This category represents net assets of the County, not restricted for any project or other purpose.
- When both restricted and unrestricted net assets are available, restricted resources are used only after the unrestricted resources are depleted.

#### Fund Balances

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. As of June 30, 2009, reservations of fund balance are described below:

The term "reserved" is used to indicate that a portion of reported fund balance is (1) legally restricted to a specific use or (2) not available for appropriation or expenditure. The County's management will sometimes designate portions of unreserved (available) fund balance based on tentative future spending plans. Designated portions of fund balance represent financial resources legally available for uses other than those tentatively planned.

The County has "reserved" fund balances as follows:

- *Reserved for imprest cash* - unavailable for appropriation because the County maintains various levels of revolving funds for daily operations.
- *Reserved for road reserves* - to reflect amounts reserved by the County to cover emergencies.
- *Reserved for inventory and pre-pays* - unavailable for appropriation since the expenditure was already recognized at the time of purchase.
- *Reserved for debt repayment* - represents the portion of fund balance available to fund future long-term debt liabilities.
- *Reserved for loans/advances* - represents long-term receivables from other funds. The portion of fund balance representing the advance does not represent an available spendable resource.



**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2009

**Note 10: Prior Period Adjustments**

The special items consist of funds transferred from Miscellaneous Special Revenue Funds to the Solid Waste Fund (the Post-Closure Fund) and Funds transferred from Agency funds to Miscellaneous Special Revenue Funds (Tax Reserve fund and Tax Loss Fund).

Adjustments resulting from errors, changes in estimates or a change to comply with provisions of accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net assets:

	Governmental Activities	Governmental Funds
<b><i>Prior period adjustments:</i></b>		
Beginning Balance July 1, 2008	\$ 187,381,673	\$ 17,812,414
<b><i>Adjustments:</i></b>		
General Fund:		
Prior year receivables	(311,974)	(311,974)
Prior year expenditures over prior year revenues	(196,300)	(196,300)
Road Fund prior year revenues	1,000	1,000
Human Services fund prior year revenues	2,633	2,633
Non-Major Governmental Funds net of revenues and expenditures	(37)	(37)
Copier fund prior period expenditures	(2,041)	-
Copier Fund net assets	141,472	-
Motor pool prior year revenues	16,230	-
Adjustment of fixed assets to client schedule	(19,971,750)	-
Net OPEB adjustment	(43,993,199)	-
Total prior period adjustments	(64,313,966)	(504,678)
Beginning balance July 1, 2008 as restated	\$ 123,067,707	\$ 18,317,092
	Business-Type Activities	
<b><i>Prior period adjustments:</i></b>		
Beginning Balance July 1, 2008	\$ 1,582,099	
<b><i>Adjustments:</i></b>		
Cemetery Fund prior year revenues	428	
Transit fund prior year interfund transfers	(64,384)	
Net OPEB adjustment	(454,841)	
Solid Waste Fund:		
Adjustment of balance sheet accounts to fund balance	(307,559)	
Adjustment of fixed assets	(100,384)	
Prior year expenses over prior year revenues	(153,015)	
Net OPEB adjustment	(4,433,292)	
Total prior period adjustments	(5,513,047)	
Beginning balance July 1, 2008 as restated	\$ (3,930,948)	

A prior period adjustment reducing the beginning balance in the Agency funds was made for cash transferred to a special district in the amount of \$30,000.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### Note 11: Deficit Fund Balance/Net Assets

The following funds had deficit fund balances/deficit net assets at June 30, 2009:

#### Non-Major Governmental Funds:

Mental health	\$277,558
Special Aviation	183,228
ADA Sheriff	1,875
National Forest Eradication	7,567
Natural Resources	285,581
WIC	34,527
Lake Patrol	12,891
Emergency Services	25,055
Capital Projects	42,070
Total Non-major Funds	<u>\$870,352</u>

#### Proprietary Funds:

Hospital	\$7,725,465
SolidWaste	6,176,919
Transit Fund	121,924
Total Proprietary Funds	<u>\$13,902,384</u>

These deficits are expected to be eliminated through receipts of grants or transfers from the General Fund over time.

### Note 12: Public Employee Retirement System

#### Plan Description

The County contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee defined benefit pension 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 state statute. Copies of PERS' annual financial reports may be obtained from their Executive Office located at 400 Q Street, Sacramento, California 95811.

#### Funding Policy

The County makes the contribution required of County employees on their behalf and for their account in the amount of 7% for miscellaneous employees and 9% for safety employees. The employee rates are set by statute and therefore generally remain unchanged from year to year. The present employer actuarially determined rates of annual covered payroll were 15.385% for miscellaneous employees and 29.478% for safety employees. For the year ended June 30, 2009, the County contributed \$3,101,290 on employees' behalf and for their account.

**COUNTY OF TRINITY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2009**

**Note 12: Public Employee Retirement System (continued)**

**Annual Pension Cost**

For fiscal year 2008-2009, the County's annual pension cost of \$2,471,838 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2005 actuarial report. The assumptions included 7.75% investment rate of return (net of administrative expenses) and projected annual salary increases that vary by duration of service and included an inflation component of 3.25%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and/or losses. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis.

**THREE-YEAR TREND INFORMATION FOR PERS**

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2007	\$ 2,054,042	100%	\$ -
6/30/2008	2,505,222	100%	-
6/30/2009	2,471,838	100%	-

**Note 13: Post-Employment Health Care Benefits**

The County provides post-employment medical, dental and life insurance benefits through the Public Employment Benefit Services (PARS) that provides retirees with health insurance through the PERS Choice health insurance plan. To qualify an employee must have attained age 50 and a minimum of 5 years of CalPERS-credited service and be eligible to retire (Service retirement through CalPERS). The County will pay the single member monthly premium but the employee is responsible for spouses and dependents.

As of June 30, 2009, the County had on deposit \$241,888 in the PARS trust for payment of its OPEB liability. The County is charging each department \$2.80 per hour for Post employment benefits. This charge funds the pay-as-you-go cost of about \$1.5 million annually. During the fiscal year 2008-09, 260 retirees received benefits at a cost of \$1, 567,900.

The funding status of the plan as of June 30, 2009 (the most recent actuarial valuation date) was as follows:

Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 48,881,332</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0.0%</u>
Covered payroll (active plan members)	<u>\$ 12,243,107</u>
UAAL as a percentage of covered payroll	<u>399.3%</u>

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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### Note 13: Post-Employment Health Care Benefits (continued)

The cost method for valuation of liabilities used for this valuation is the *entry age normal* method. This is one of a family of valuation methods known as projected benefit methods. The chief characteristic of projected benefits methods is that the actuarial present value of all plan benefits is determined as of the valuation date and then allocated between the period before and after the valuation date. The present value of the plan benefits earned prior to the valuation date is called the *actuarial liability*. The present value of plan benefits to be earned after the valuation date is called the *present value of future normal costs*.

Under the entry age normal actuarial cost method, an individual entry age normal cost ratio is determined for each participant by taking the value, as of the entry age in the plan, of the participant's projected future benefits (assuming the current plan benefit provisions had always been in existence) and dividing it by the value, as of the participant's entry age, of the participant's expected future salary. This ratio for each participant is then multiplied by the present value, as of the valuation date, of the participant's future salary. The sum of these values for all active participants is the plan's present value (as of the valuation date) of future normal costs. The excess of the present value of all plan benefits over the present value of future normal costs is the actuarial liability. The difference between the actuarial liability and the value of the plan assets as of the valuation date is the *unfunded actuarial liability*.

The unfunded actuarial liability is amortized over a period of 30 years from July 1, 2006, with payments increasing by a payroll growth assumption of 3.25% per annum. Payments are assumed to be made throughout the year. Subsequent gains and losses and benefit improvements will be amortized over the same remaining period.

### 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; injuries to employees; and natural disasters.

The County is a member of a joint powers agency (JP A) called Trindel Insurance. The County also belongs to another larger JP A called the County Supervisors Association of California Excess Insurance Authority (CSACEIA). CSACEIA along with other commercial carriers increases the coverage for general liability to \$29.9 million. Also, CSACEIA, with other commercial carriers, covers replacement cost on property to \$50 million with a \$500,000 deductible per occurrence. The County has acquired 5 million coverage through Trindel Insurance Company.

Trindel Insurance Fund is classified as a claims-servicing or account pool, wherein the County retains the risk of loss and is considered self-insured with regard to liability coverage. The County currently reports all of its risk management activities in its General Fund. Premiums due to Trindel are reported when incurred.

COUNTY OF TRINITY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2009

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Note 14: Risk Management (continued)

Changes in the balance of claims liability during the fiscal years ended June 30, 2009 and 2008 was as follows:

	2009	2008
Unpaid claims, Beginning	\$ 304,880	\$ 303,324
Incurred claims (including IBNRs) current year and adjustments	170,157	32,394
Claim payments	<u>(128,759)</u>	<u>(30,838)</u>
Unpaid claims, Ending	<u>\$ 346,278</u>	<u>\$ 304,880</u>

Note 15: Contingent Liabilities

*Federal Grants* - The County participates in several federal and state grant programs. These programs have been audited in accordance with the provisions of the federal Single Audit Act of 1984 and applicable state requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The County expects such amounts, if any, to be immaterial.

*Medi-Cal Programs* – Under Medi-Cal programs, final settlements for cost reports filed by the County Department of Mental Health is dependent upon a review by the State Department of Mental Health. Preliminary estimates of the amounts to be received from third-parties are included in the financial statements. Final determination of amounts due for services to program patients is made when the cost reports are settled, and any adjustments are made in the period such amounts are fully determined.

*Litigation* - The County is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the County Counsel, these actions when finally adjudicated will not have a material adverse effect on the financial position of the County.

*Transfer of Hospital*- As of June 30, 2009 the County's obligation to TPUD is \$2,036,719 for the advance of hospital operating cash through December 31, 2006 (see note 6). Per the Agreement with TPUD, the County commenced repayment through an electrical rate surcharge, not to exceed \$150,000 per year, starting January 1, 2006.

Additionally, pursuant to the terms of the fully executed Amendment No. 1 of Project Agreement No. 2 reflects a credit effective July 1, 2007, in the amount of \$695,800 for assessed value of parcels transferred from the County to the TPUD.

# COUNTY OF TRINITY

## NOTES TO THE BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2009

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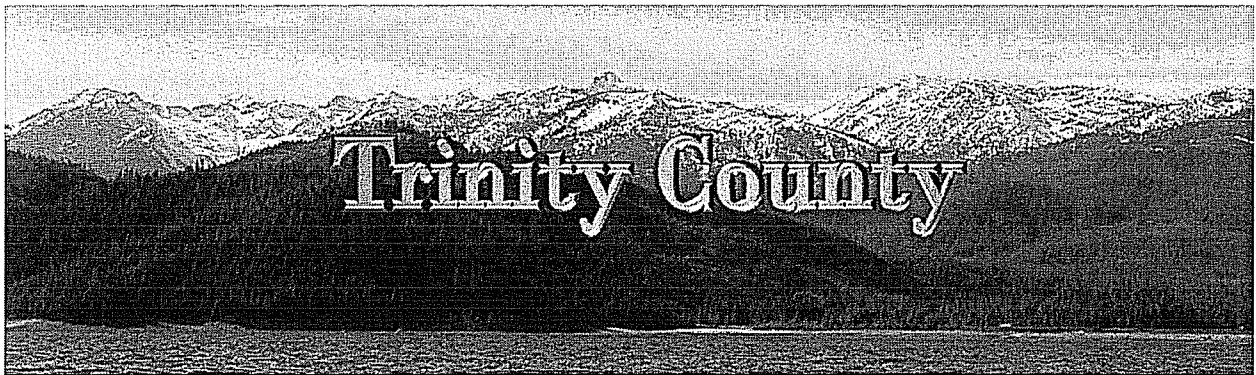
### Note 16: Subsequent Events

On October 13, 2009, the County entered into a loan agreement with a financial institution for \$3,000,000 at 3.30+%. The loan was used as part of a cash management policy to maintain the County's working capital until sufficient taxes or revenues were collected to fund the County's operations. \$1,000,000 was paid back on December 22, 2009 and the final amount of \$2,000,000 on January 19, 2010.

### Note 17: Revision of Financial Statements

The report of the independent auditors dated February 5, 2010 was revised on March 15, 2010. The revisions include the following:

- 1) Inclusion of the County's OPEB liability as a prior period adjustment in the Governmental Activities of the Statement of Net Assets in the amount of \$43,993,199, in the balance sheet of the Solid Waste Fund in the amount of \$ 4,433,292, and in the balance sheet of the Transit Fund in the amount of \$ 454,841. These adjustments had the effect of reducing the equity of the Governmental Activities by \$43,993,199 and of Business-type Activities by \$4,888,133 for a total equity reduction in the statement of Net Assets of \$48,881,332.
- 2) Reduction of inventories in the Road Fund by \$142,425, which decreased the change in net assets and the net assets of Governmental Activities by the same amount.
- 3) Addition of budget detail in the Required Supplemental Information section of the Annual Financial Report.



*REQUIRED SUPPLEMENTARY INFORMATION*

**COUNTY OF TRINITY**

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 5,913,900	\$ 5,757,500	\$ 6,012,472	\$ 254,972
Licenses and permits	586,301	521,053	535,013	13,960
Fines, forfeitures and penalties	100,850	100,850	141,097	40,247
Use of money and property	152,101	152,101	134,706	(17,395)
Intergovernmental	2,909,002	3,143,568	3,516,062	372,494
Charges for services	3,787,725	3,906,165	3,641,548	(264,617)
Other revenues	209,330	252,436	426,040	173,604
<b>Total Revenues</b>	<b>13,659,209</b>	<b>13,833,673</b>	<b>14,406,938</b>	<b>573,265</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	3,317,767	3,332,168	2,990,987	341,181
Public protection	8,913,354	8,999,220	8,540,595	458,625
Public ways and facilities	3,500	3,500	2,579	921
Health and sanitation	2,453,983	2,472,968	2,118,093	354,875
Public assistance	59,110	59,110	55,800	3,310
Education	359,558	359,254	344,891	14,363
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	--	--
Capital outlay	85,873	115,873	106,148	9,725
<b>Total Expenditures</b>	<b>15,193,145</b>	<b>15,342,093</b>	<b>14,159,093</b>	<b>1,183,000</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,533,936)	(1,508,420)	247,845	1,756,265
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,117,909	4,182,070	1,935,207	(2,246,863)
Transfers out	(938,364)	(1,105,065)	(2,375,815)	1,270,750
<b>Total Other Financing Sources (Uses)</b>	<b>1,179,545</b>	<b>3,077,005</b>	<b>(440,608)</b>	<b>(976,113)</b>
<b>Net Changes in Fund Balances</b>	<b>(354,391)</b>	<b>1,568,585</b>	<b>(192,763)</b>	<b>(1,761,348)</b>
Fund Balances, Beginning of Year	4,002,542	4,002,542	5,729,934	1,727,392
Prior Period Adjustment	--	--	(508,274)	(508,274)
<b>Fund Balances, End of Year</b>	<b>\$ 3,648,151</b>	<b>\$ 5,571,127</b>	<b>\$ 5,028,897</b>	<b>\$ (542,230)</b>



**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (continued)</b>				
Budget Unit:				
<i>Assessor</i>				
Salaries and Benefits	\$ 196,061	\$ 200,061	\$ 192,305	\$ 7,756
Services and Supplies	30,047	21,620	22,413	(793)
Interfund expense	--	--	--	--
Intrafund Expense	23,770	26,157	26,157	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<b>249,878</b>	<b>247,838</b>	<b>240,875</b>	<b>6,963</b>
<i>Delinquent collections</i>				
Salaries and Benefits	196,963	196,963	190,563	6,400
Services and Supplies	15,500	15,500	13,069	2,431
Interfund expense	--	--	--	--
Intrafund Expense	16,212	16,212	16,212	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<b>228,675</b>	<b>228,675</b>	<b>219,844</b>	<b>8,831</b>
<i>Collections</i>				
Salaries and Benefits	57,916	48,942	46,239	2,703
Services and Supplies	6,100	6,100	3,651	2,449
Interfund expense	--	--	--	--
Intrafund Expense	484	9,458	9,458	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<b>64,500</b>	<b>64,500</b>	<b>59,348</b>	<b>5,152</b>
<i>County Counsel</i>				
Salaries and Benefits	57,452	43,901	31,331	12,570
Services and Supplies	--	135,141	134,751	390
Interfund expense	115,000	--	--	--
Intrafund Expense	(56,215)	(56,215)	(52,031)	(4,184)
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<b>116,237</b>	<b>122,827</b>	<b>114,051</b>	<b>8,776</b>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (continued)</b>				
Budget Unit:				
<i>Elections Department</i>				
Salaries and Benefits	\$ 22,390	\$ 18,704	\$ 18,162	\$ 542
Services and Supplies	74,529	56,309	56,271	38
Interfund expense	--	--	--	--
Intrafund Expense	23,802	24,647	24,647	--
Other Charges	--	--	--	--
Capital Outlay	35,873	35,873	35,873	--
Total Expenditures	<u>156,594</u>	<u>135,533</u>	<u>134,953</u>	<u>580</u>
<i>General Services</i>				
Salaries and Benefits	451,964	422,925	406,399	16,526
Services and Supplies	200,186	219,683	215,883	3,800
Interfund expense	8,130	4,880	5,118	(238)
Intrafund Expense	(180,015)	(182,150)	(182,275)	125
Other Charges	--	2,135	2,135	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>480,265</u>	<u>467,473</u>	<u>447,260</u>	<u>20,213</u>
<i>Insurance General</i>				
Salaries and Benefits	99,792	99,792	88,418	11,374
Services and Supplies	227,547	227,547	187,073	40,474
Interfund expense	600	600	1,986	(1,386)
Intrafund Expense	(207,539)	(207,539)	(207,539)	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>120,400</u>	<u>120,400</u>	<u>69,938</u>	<u>50,462</u>
<i>Surveyor</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	38,960	38,960	38,920	40
Intrafund Expense	1,468	1,468	1,468	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>40,428</u>	<u>40,428</u>	<u>40,388</u>	<u>40</u>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (continued)</b>				
Budget Unit:				
<i>Information Technology</i>				
Salaries and Benefits	\$ 317,264	\$ 334,604	\$ 320,985	\$ 13,619
Services and Supplies	86,000	90,590	59,727	30,863
Interfund expense	--	3,650	527	3,123
Intrafund Expense	(241,916)	(241,916)	(241,731)	(185)
Other Charges	--	--	--	--
Capital Outlay	50,000	80,000	70,275	9,725
Total Expenditures	<u>211,348</u>	<u>266,928</u>	<u>209,783</u>	<u>57,145</u>
<i>Miscellaneous Grants</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<i>Director of General Planning</i>				
Salaries and Benefits	169,045	155,528	108,386	47,142
Services and Supplies	24,800	30,400	8,910	21,490
Interfund expense	3,000	3,000	--	3,000
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>196,845</u>	<u>188,928</u>	<u>117,296</u>	<u>71,632</u>
<i>County Advertising</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	152,998	152,998	152,998	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>152,998</u>	<u>152,998</u>	<u>152,998</u>	<u>--</u>
<b>Total General Government</b>	<u>3,403,640</u>	<u>3,448,041</u>	<u>3,097,135</u>	<u>350,906</u>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Protection</b>				
Budget Unit:				
<i>Court Services</i>				
Salaries and Benefits	\$ 700	\$ 700	\$ 672	\$ 28
Services and Supplies	13,500	13,500	13,402	98
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>14,200</u>	<u>14,200</u>	<u>14,074</u>	<u>126</u>
<i>Grand Jury</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	21,600	29,750	22,632	7,118
Interfund expense	--	11	11	--
Intrafund Expense	1,873	1,873	1,873	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>23,473</u>	<u>31,634</u>	<u>24,516</u>	<u>7,118</u>
<i>District Attorney-Public Advocate</i>				
Salaries and Benefits	574,212	592,261	555,639	36,622
Services and Supplies	49,199	49,383	41,590	7,793
Interfund expense	2,150	2,150	779	1,371
Intrafund Expense	77,877	77,877	77,121	756
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>703,438</u>	<u>721,671</u>	<u>675,129</u>	<u>46,542</u>
<i>Coroner</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	26,370	57,418	57,358	60
Interfund expense	--	--	--	--
Intrafund Expense	474	474	474	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>26,844</u>	<u>57,892</u>	<u>57,832</u>	<u>60</u>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Protection (continued)</b>				
Budget Unit:				
<i>Public Defender</i>				
Salaries and Benefits	\$ --	\$ --	\$ --	\$ --
Services and Supplies	432,000	432,000	441,227	(9,227)
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>432,000</u>	<u>432,000</u>	<u>441,227</u>	<u>(9,227)</u>
<i>Sheriff Department</i>				
Salaries and Benefits	1,631,455	1,722,238	1,674,452	47,786
Services and Supplies	219,423	234,703	203,519	31,184
Interfund expense	72,000	76,130	47,783	28,347
Intrafund Expense	308,683	308,683	308,683	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>2,231,561</u>	<u>2,341,754</u>	<u>2,234,437</u>	<u>107,317</u>
<i>Search and Rescue</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	10,320	10,320	6,009	4,311
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>10,320</u>	<u>10,320</u>	<u>6,009</u>	<u>4,311</u>
<i>Jail</i>				
Salaries and Benefits	1,335,028	1,286,161	1,204,068	82,093
Services and Supplies	263,710	263,210	241,236	21,974
Interfund expense	2,250	2,250	1,346	904
Intrafund Expense	168,354	168,354	168,354	--
Other Charges	8,000	8,000	8,100	(100)
Capital Outlay	--	--	--	--
Total Expenditures	<u>1,777,342</u>	<u>1,727,975</u>	<u>1,623,104</u>	<u>104,871</u>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Protection (continued)</b>				
Budget Unit:				
<i>Animal Control</i>				
Salaries and Benefits	\$ 145,767	\$ 147,491	\$ 133,890	\$ 13,601
Services and Supplies	15,485	15,685	15,947	(262)
Interfund expense	2,200	2,630	2,127	503
Intrafund Expense	13,774	13,774	13,774	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>177,226</u>	<u>179,580</u>	<u>165,738</u>	<u>13,842</u>
<i>Probation Department</i>				
Salaries and Benefits	749,114	709,114	658,556	50,558
Services and Supplies	168,250	168,250	144,523	23,727
Interfund expense	9,000	9,000	7,765	1,235
Intrafund Expense	110,222	110,222	110,222	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>1,036,586</u>	<u>996,586</u>	<u>921,066</u>	<u>75,520</u>
<i>Fire Protection</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	10,766	10,891	10,891	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>10,766</u>	<u>10,891</u>	<u>10,891</u>	<u>--</u>
<i>Juvenile Hall</i>				
Salaries and Benefits	828,496	868,496	825,936	42,560
Services and Supplies	115,950	97,950	72,234	25,716
Interfund expense	60,000	80,000	77,045	2,955
Intrafund Expense	88,327	86,327	86,327	--
Other Charges	5,000	5,000	4,618	382
Capital Outlay	--	--	--	--
Total Expenditures	<u>1,097,773</u>	<u>1,137,773</u>	<u>1,066,160</u>	<u>71,613</u>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Protection (continued)</b>				
Budget Unit:				
<i>Building Inspector</i>				
Salaries and Benefits	\$ 518,376	\$ 529,873	\$ 509,944	\$ 19,929
Services and Supplies	55,045	40,477	45,178	(4,701)
Interfund expense	47,200	41,590	39,732	1,858
Intrafund Expense	74,400	80,066	80,066	--
Other Charges	--	248	248	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>695,021</u>	<u>692,254</u>	<u>675,168</u>	<u>17,086</u>
<i>Agriculture Commissioner</i>				
Salaries and Benefits	188,471	187,405	178,932	8,473
Services and Supplies	21,065	26,501	25,684	817
Interfund expense	5,064	3,294	3,243	51
Intrafund Expense	15,701	15,701	15,701	--
Other Charges	8,667	8,667	8,668	(1)
Capital Outlay	--	--	--	--
Total Expenditures	<u>238,968</u>	<u>241,568</u>	<u>232,228</u>	<u>9,340</u>
<i>Recorder</i>				
Salaries and Benefits	80,674	74,274	71,618	2,656
Services and Supplies	16,845	22,400	22,397	3
Interfund expense	--	--	15	(15)
Intrafund Expense	36,328	38,573	38,573	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>133,847</u>	<u>135,247</u>	<u>132,603</u>	<u>2,644</u>
<i>LAFCO</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	7,000	7,000	7,000	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>--</u>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Protection (continued)</b>				
Budget Unit:				
<i>Planning Department</i>				
Salaries and Benefits	\$ 146,479	\$ 143,625	\$ 137,632	\$ 5,993
Services and Supplies	65,054	19,410	19,104	306
Interfund expense	36,700	46,750	45,587	1,163
Intrafund Expense	48,756	51,090	51,090	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>296,989</u>	<u>260,875</u>	<u>253,413</u>	<u>7,462</u>
<b>Total Public Protection</b>	<u>8,913,354</u>	<u>8,999,220</u>	<u>8,540,595</u>	<u>458,625</u>
<b>Public Ways and Facilities</b>				
<i>Public Works Miscellaneous</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	3,500	3,500	2,579	921
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Public Ways and Facilities	<u>3,500</u>	<u>3,500</u>	<u>2,579</u>	<u>921</u>
<b>Health and Sanitation</b>				
<i>Health Department</i>				
Salaries and Benefits	615,383	615,383	529,540	85,843
Services and Supplies	367,090	405,247	310,984	94,263
Interfund expense	496,660	476,214	403,209	73,005
Intrafund Expense	121,284	121,284	121,284	--
Other Charges	853,566	854,840	753,076	101,764
Capital Outlay	--	--	--	--
Total Expenditures	<u>2,453,983</u>	<u>2,472,968</u>	<u>2,118,093</u>	<u>354,875</u>



**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Health and Sanitation (continued)</b>				
Budget Unit:				
<i>Hospital General Fund</i>				
Salaries and Benefits	\$ --	\$ --	\$ --	\$ --
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	--	--	--	--
<b>Total Health and Sanitation</b>	<b>2,453,983</b>	<b>2,472,968</b>	<b>2,118,093</b>	<b>354,875</b>
	617,944			
<b>Public Assistance</b>				
<i>Veteran's Services Office:</i>				
Salaries and Benefits	46,255	46,255	44,095	2,160
Services and Supplies	1,655	1,655	845	810
Interfund expense	90	90	--	90
Intrafund Expense	5,756	5,756	5,756	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	53,756	53,756	50,696	3,060
<i>Agency on Aging</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	5,054	5,054	5,054	--
Capital Outlay	--	--	--	--
Total Expenditures	5,054	5,054	5,054	--

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual-General Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Assistance (continued)</b>				
Budget Unit:				
<i>Commission on Aging</i>				
Salaries and Benefits	\$ --	\$ --	\$ --	\$ --
Services and Supplies	300	300	50	250
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>300</u>	<u>300</u>	<u>50</u>	<u>250</u>
<b>Total Public Assistance</b>	<u>59,110</u>	<u>59,110</u>	<u>55,800</u>	<u>3,310</u>
<b>Education</b>				
<i>Library Department:</i>				
Salaries and Benefits	176,891	176,891	168,484	8,407
Services and Supplies	40,492	37,193	33,991	3,202
Interfund expense	--	--	--	--
Intrafund Expense	83,627	86,237	86,237	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>301,010</u>	<u>300,321</u>	<u>288,712</u>	<u>11,609</u>
<i>Trinity County COOP Extension:</i>				
Salaries and Benefits	49,468	51,064	48,156	2,908
Services and Supplies	5,614	2,189	2,343	(154)
Interfund expense	--	--	--	--
Intrafund Expense	3,466	5,680	5,680	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
Total Expenditures	<u>58,548</u>	<u>58,933</u>	<u>56,179</u>	<u>2,754</u>
<b>Total Education</b>	<u>359,558</u>	<u>359,254</u>	<u>344,891</u>	<u>14,363</u>
<b>Total Expenditures General Fund</b>	<u>\$ 15,193,145</u>	<u>\$ 15,342,093</u>	<u>\$ 14,159,093</u>	<u>\$ 1,183,000</u>

**COUNTY OF TRINITY**

Schedule of Transfers - Budget and Actual - General Fund -  
Budget Units  
For the Fiscal Year Ended June 30, 2009

Schedule of Transfers	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>General Fund General</i>				
Transfer in	\$ --	\$ 893,700	\$ 7,269	\$ (886,431)
Transfer out	--	--	(1,000,000)	1,000,000
<i>Board of Supervisors</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(7,184)	7,184
<i>Administration and Personnel</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(11,514)	11,514
<i>Auditor-Controller's Office</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(18,902)	18,902
<i>Treasurer-Tax Collector</i>				
Transfer in	20,000	20,000	20,000	--
Transfer out	--	--	(8,887)	8,887
<i>Assessor</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(7,625)	7,625
<i>Delinquent collections</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(9,077)	9,077
<i>Collections</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(1,705)	1,705
<i>County Counsel</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(1,092)	1,092
<i>Elections Department</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(190)	190
<i>General Reserve</i>				
Transfer in	--	1,179,601	22,601	(1,157,000)
Transfer out	--	--	--	--
<i>General Services</i>				
Transfer in	--	3,000	3,752	752
Transfer out	--	(29,891)	(43,464)	13,573
<i>Insurance General</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(3,541)	3,541
<i>Surveyor</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Information Technology</i>				
Transfer in	--	1,640	1,640	--
Transfer out	--	--	(13,336)	13,336

COUNTY OF TRINITY

Schedule of Transfers - Budget and Actual - General Fund -  
Budget Units  
For the Fiscal Year Ended June 30, 2009

Schedule of Transfers (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Miscellaneous Grants</i>				
Transfer in	\$ --	\$ --	\$ --	\$ --
Transfer out	(476,604)	(574,806)	(563,206)	(11,600)
<i>Director of General Planning</i>				
Transfer in	62,800	--	--	--
Transfer out	--	--	(4,272)	4,272
<i>County Advertising</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Court Services</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Grand Jury</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>District Attorney-Public Advocate</i>				
Transfer in	--	--	504	504
Transfer out	--	--	(22,878)	22,878
<i>Coroner</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Public Defender</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Sheriff Department</i>				
Transfer in	6,900	6,900	54,325	47,425
Transfer out	(64,221)	(81,678)	(156,255)	74,577
<i>Search and Rescue</i>				
Transfer in	9,770	9,770	5,452	(4,318)
Transfer out	--	--	--	--
<i>Jail</i>				
Transfer in	87,655	87,655	88,159	504
Transfer out	(67,656)	(67,656)	(119,161)	51,505
<i>Animal Control</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(4,975)	4,975
<i>Probation Department</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(34,664)	34,664
<i>Fire Protection</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Juvenile Hall</i>				
Transfer in	46,000	46,000	64,682	18,682
Transfer out	--	--	(39,391)	39,391
<i>Building Inspector</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(19,999)	19,999

**COUNTY OF TRINITY**

Schedule of Transfers - Budget and Actual - General Fund -  
Budget Units  
For the Fiscal Year Ended June 30, 2009

Schedule of Transfers (continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Agriculture Commissioner</i>				
Transfer in	\$ --	\$ --	\$ --	\$ --
Transfer out	--	--	(7,323)	7,323
<i>Recorder</i>				
Transfer in	9,147	30,947	30,947	--
Transfer out	--	--	(2,421)	2,421
<i>LAFCO</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Planning Department</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(3,724)	3,724
<i>Public Works Miscellaneous</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Health Department</i>				
Transfer in	1,875,637	1,902,857	1,635,876	(266,981)
Transfer out	(12,656)	(33,807)	(55,444)	21,637
<i>Hospital General Fund</i>				
Transfer in	--	--	--	--
Transfer out	(236,767)	(236,767)	(126,014)	(110,753)
<i>Veteran's Services Office:</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(1,557)	1,557
<i>Agency on Aging</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Commission on Aging</i>				
Transfer in	--	--	--	--
Transfer out	--	--	--	--
<i>Library Department:</i>				
Transfer in	--	--	--	--
Transfer out	(80,460)	(80,460)	(86,668)	6,208
<i>Trinity County COOP Extension:</i>				
Transfer in	--	--	--	--
Transfer out	--	--	(1,346)	1,346
<b>Total Transfers General Fund</b>				
Transfer in	2,117,909	4,182,070	1,935,207	(2,246,863)
Transfer out	(938,364)	(1,105,065)	(2,375,815)	1,270,750
<b>Total Other Financing Sources (Uses)</b>				
	<u>\$ 1,179,545</u>	<u>\$ 3,077,005</u>	<u>\$ (440,608)</u>	<u>\$ (976,113)</u>

**COUNTY OF TRINITY**

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Road Fund  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	3,776	3,776
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	60,000	60,000	15,593	(44,407)
Intergovernmental	6,574,540	9,721,491	7,724,881	(1,996,610)
Charges for services	779,200	779,200	922,586	143,386
Other revenues	24,000	24,000	44,505	20,505
<b>Total Revenues</b>	<b>7,437,740</b>	<b>10,584,691</b>	<b>8,711,341</b>	<b>(1,873,350)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	--	--	--	--
Public protection	--	--	--	--
Public ways and facilities	9,094,359	9,249,987	8,131,988	1,117,999
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	--	--
Capital outlay	180,000	106,148	6,499	99,649
<b>Total Expenditures</b>	<b>9,274,359</b>	<b>9,356,135</b>	<b>8,138,487</b>	<b>1,217,648</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,836,619)</b>	<b>1,228,556</b>	<b>572,854</b>	<b>(655,702)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,854,685	2,854,685	1,592,700	(1,261,985)
Transfers out	(800,000)	(2,200,000)	(2,313,852)	113,852
<b>Total Other Financing Sources (Uses)</b>	<b>2,054,685</b>	<b>654,685</b>	<b>(721,152)</b>	<b>(1,148,133)</b>
<b>Net Changes in Fund Balances</b>	<b>218,066</b>	<b>1,883,241</b>	<b>(148,298)</b>	<b>(2,031,539)</b>
Fund Balances, Beginning of Year	1,900,084	1,900,084	1,757,658	(142,426)
Prior Period Adjustment	--	--	1,000	1,000
<b>Fund Balances, End of Year</b>	<b>\$ 2,118,150</b>	<b>\$ 3,783,325</b>	<b>\$ 1,610,360</b>	<b>\$ (2,172,965)</b>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual - Road Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Ways and Facilities</b>				
Budget Unit:				
<i>Public Works:</i>				
Salaries and Benefits	\$ 3,959,169	\$ 3,959,169	\$ 3,959,169	--
Services and Supplies	3,863,694	3,863,694	3,863,694	--
Interfund expense	258,329	258,329	258,329	--
Intrafund Expense	--	--	--	--
Other Charges	53,028	51,476	50,796	680
Capital Outlay	6,499	6,499	6,499	--
<b>Total Expenditures Road Fund</b>	<b>\$ 8,140,719</b>	<b>\$ 8,139,167</b>	<b>\$ 8,138,487</b>	<b>\$ 680</b>

COUNTY OF TRINITY

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Human Services Fund  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	(5,400)	(5,400)	(170)	5,230
Intergovernmental	5,862,170	5,979,188	5,818,731	(160,457)
Charges for services	192,641	158,669	147,357	(11,312)
Other revenues	29,800	12,300	42,000	29,700
Total Revenues	6,079,211	6,144,757	6,007,918	(136,839)
Expenditures:				
Current:				
General government	--	--	--	--
Public protection	137,581	137,581	60,816	76,765
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	--	--
Public assistance	6,978,338	7,044,034	6,799,071	244,963
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	7,115,919	7,181,615	6,859,887	321,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,036,708)	(1,036,858)	(851,969)	184,889
Other Financing Sources (Uses):				
Transfers in	1,057,581	1,057,581	978,169	(79,412)
Transfers out	(20,723)	(20,723)	(109,200)	88,477
Total Other Financing Sources (Uses)	1,036,858	1,036,858	868,969	9,065
Net Changes in Fund Balances	150	--	17,000	17,000
Fund Balances, Beginning of Year	145,316	145,316	145,319	3
Prior Period Adjustment	--	--	2,633	2,633
Fund Balances, End of Year	\$ 145,466	\$ 145,316	\$ 164,952	\$ 19,636



**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual - Human Services Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public protection</b>				
Budget Unit:				
<i>Public Guardian:</i>				
Salaries and Benefits	\$ -	\$ -	\$ -	--
Services and Supplies	5,871	6,653	5,611	1,042
Interfund expense	131,710	130,928	55,205	75,723
Intrafund Expense	--	--	--	--
Other Charges	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures Public Protection</b>	<b>137,581</b>	<b>137,581</b>	<b>60,816</b>	<b>76,765</b>
<b>Public assistance</b>				
Budget Unit:				
<i>Welfare Department:</i>				
Salaries and Benefits	2,656,991	2,648,991	2,485,274	163,717
Services and Supplies	804,649	752,149	754,104	(1,955)
Interfund expense	651,397	600,223	621,555	(21,332)
Intrafund Expense	--	--	--	--
Other Charges	241,452	116,201	93,170	23,031
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<b>4,354,489</b>	<b>4,117,564</b>	<b>3,954,103</b>	<b>163,461</b>
Budget Unit:				
<i>Categorical Aids:</i>				
Salaries and Benefits	--	--	--	--
Services and Supplies	--	--	--	--
Interfund expense	--	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	5,576,560	2,883,940	2,794,982	88,958
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<b>5,576,560</b>	<b>2,883,940</b>	<b>2,794,982</b>	<b>88,958</b>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual - Human Services Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public assistance (continued)</b>				
Budget Unit:				
<i>Indigent Care and Burial:</i>				
Salaries and Benefits	\$ --	\$ --	\$ --	\$ --
Services and Supplies	--	--	--	--
Interfund expense	150	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	90,596	52,526	49,986	2,540
Capital Outlay	--	--	--	--
Total Expenditures	<u>90,746</u>	<u>52,526</u>	<u>49,986</u>	<u>2,540</u>
<b>Total Expenditures Public Assistance</b>	<u>10,021,795</u>	<u>7,054,030</u>	<u>6,799,071</u>	<u>254,959</u>
<b>Total Expenditures Human Services Fund</b>	<u>\$ 10,159,376</u>	<u>\$ 7,191,611</u>	<u>\$ 6,859,887</u>	<u>\$ 331,724</u>
<b>Schedule of Transfers by budget unit:</b>				
<i>Public Guardian:</i>				
Transfer in	\$ 117,581	\$ 117,581	\$ 46,064	\$ (71,517)
Transfer out	--	--	--	--
<i>Welfare Department:</i>				
Transfer in	470,000	320,544	515,702	195,158
Transfer out	(20,723)	(20,723)	(109,200)	88,477
<i>Categorical Aids:</i>				
Transfer in	450,000	579,456	416,403	(163,053)
Transfer out	--	--	--	--
<i>Indigent Care and Burial:</i>				
Transfer in	20,000	40,000	--	(40,000)
Transfer out	--	--	--	--
<b>Total Transfers Human Services Fund</b>				
Transfer in	1,057,581	1,057,581	978,169	(79,412)
Transfer out	(20,723)	(20,723)	(109,200)	88,477
Total Other Financing Sources (Uses)	<u>\$ 1,036,858</u>	<u>\$ 1,036,858</u>	<u>\$ 868,969</u>	<u>\$ 9,065</u>

**COUNTY OF TRINITY**

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
CDBG Fund  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	25,000	25,000	12,443	(12,557)
Intergovernmental	--	--	--	--
Charges for services	--	--	--	--
Other revenues	1,200	1,200	1,267	67
<b>Total Revenues</b>	<b>26,200</b>	<b>26,200</b>	<b>13,710</b>	<b>(12,490)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	--	--	--	--
Public protection	--	--	--	--
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	--	--
Public assistance	156,500	156,500	60,510	95,990
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	--	--
Capital outlay	--	--	--	--
<b>Total Expenditures</b>	<b>156,500</b>	<b>156,500</b>	<b>60,510</b>	<b>95,990</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(130,300)	(130,300)	(46,800)	83,500
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,056,024	1,056,024	485,580	(570,444)
Transfers out	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>1,056,024</b>	<b>1,056,024</b>	<b>485,580</b>	<b>(570,444)</b>
<b>Net Changes in Fund Balances</b>	<b>925,724</b>	<b>925,724</b>	<b>438,780</b>	<b>(486,944)</b>
Fund Balances, Beginning of Year	2,518,073	2,518,073	2,518,072	(1)
Prior Period Adjustment	--	--	--	--
<b>Fund Balances, End of Year</b>	<b>\$ 3,443,797</b>	<b>\$ 3,443,797</b>	<b>\$ 2,956,852</b>	<b>\$ (486,945)</b>

**COUNTY OF TRINITY**

Schedule of Expenditures - Budget and Actual - CDBG Fund  
Budget Units and Object Detail by Function  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public assistance</b>				
Budget Unit:				
<i>CDBG Rehab Account:</i>				
Salaries and Benefits	\$ --	\$ --	\$ --	\$ --
Services and Supplies	--	--	--	--
Interfund expense	150	--	--	--
Intrafund Expense	--	--	--	--
Other Charges	90,596	52,526	49,986	2,540
Capital Outlay	--	--	--	--
<b>Total Expenditures CDBG Fund</b>	<b>\$ 90,746.00</b>	<b>\$ 52,526.00</b>	<b>\$ 49,986.00</b>	<b>\$ 2,540.00</b>

**COUNTY OF TRINITY**  
**Notes to the Required Supplementary Information**  
**For the Year Ended June 30, 2009**

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**BUDGETARY BASIS OF ACCOUNTING**

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 and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between object levels within the same budget unit or between departments or funds are approved by the Board of Supervisors. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The budget approved by the Board of Supervisors for the general fund includes budgeted expenditures and reimbursements for amounts disbursed on behalf of other Governmental Funds. Actual reimbursements for these items have been eliminated in the accompanying budgetary financial schedules. Accordingly, the related budgets for these items have also been eliminated in order to provide a meaningful comparison of actual and budgeted results of operations.

Budgets are adopted on a basis which materially conforms to generally accepted accounting principles. Unexpended appropriations lapse at year end.

**COUNTY OF TRINITY**  
**Notes to the Required Supplementary Information**  
**For the Year Ended June 30, 2009**

**1. SCHEDULE OF FUNDING PROGRESS - PENSION**

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 as of June 30:

**FUNDED STATUS OF MISCELLANEOUS PLAN**

Actuarial Valuation Date	(a)	(b)	(a)-(b) Underfunded	(b)/(a) Funded Ratios		Covered Payroll	[(a)-(b)]/(c) UI as a % of Payroll
	Actuarial Accrued Liability	Actuarial Asset Value (AVA)	Actuarial Accrued Liability (UL)	(AVA)	Market Value		
6/30/2005	\$ 51,424,266	\$ 39,477,316	\$11,946,950	76.8%	79.1%	\$10,395,385	114.9%
6/30/2006	57,542,671	42,864,184	14,678,487	74.5%	79.1%	10,810,720	135.8%
6/30/2007	61,399,428	46,602,645	14,796,783	75.9%	88.2%	11,401,960	129.8%

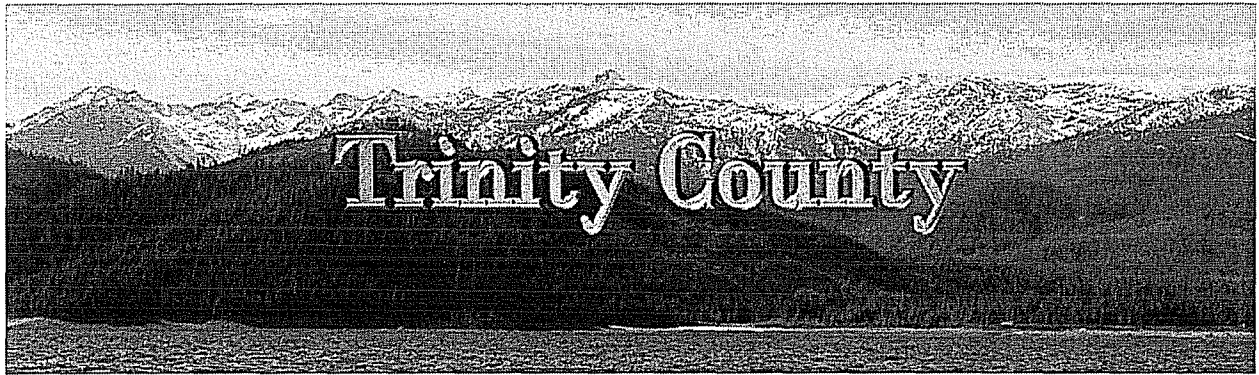
**FUNDED STATUS OF SAFETY PLAN**

This information is no longer available for the Safety Plan. Information is available on a pooled basis only and can be obtained from Cal PERS, P.O. Box 942709, Sacramento, CA 94229-2709.

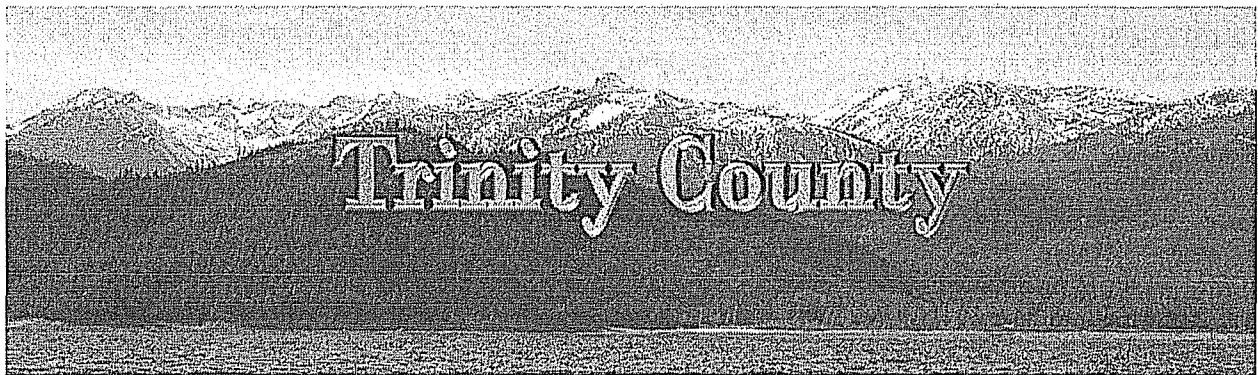
**2. SCHEDULE OF FUNDING PROGRESS - OTHER POST-EMPLOYMENT BENEFITS**

The table below shows a two year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial liability as a percentage of the annual covered payroll as of June 30, 2006 for the County Other Post-Employment Benefit Plan. As additional years are available, a three year trend analysis will be presented.

Actuarial Valuation Date	(a)	(b)	(a)-(b) Underfunded	(b)/(a) Funded Ratios		Covered Payroll	[(a)-(b)]/(c) UL as a % of Payroll
	Actuarial Accrued Liability	Actuarial Asset Value (AVA)	Actuarial Accrued Liability (UL)	(AVA)	Market Value		
6/30/2006	\$48,881,332	\$ -	\$ 48,881,332	0.0%	0.0%	\$ 12,243,107	399.3%



*SUPPLEMENTARY FINANCIAL INFORMATION*



## *Non-major Special Revenue Funds*

*Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.*



**COUNTY OF TRINITY**

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2009

	Special Revenue Funds	Debt Service Fund	Capital Project Funds	Total
<u>Assets</u>				
Cash and investments	\$ 5,278,888	\$ 36,589	\$ 9,191	\$ 5,324,668
Restricted Assets:				
Cash with fiscal agent	3,650	626,631	--	630,281
Imprest cash	75	--	--	75
Accounts receivable	836,931	--	334,239	1,171,170
Taxes receivable	1,465,885	--	--	1,465,885
Due from other governmental agencies	--	--	--	--
Interest receivable	31,381	2,148	29	33,558
Loans receivable	808,522	--	91,163	899,685
Due from other funds	2,979,167	627,000	--	3,606,167
Deposits with others	--	--	--	--
Inventory	--	--	--	--
Total Assets	<u>\$ 11,404,499</u>	<u>\$ 1,292,368</u>	<u>\$ 434,622</u>	<u>\$ 13,131,489</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ 574,668	--	\$ --	\$ 574,668
Accrued salaries and benefits payable	--	--	--	--
Due to other funds	1,418,894	--	377,000	1,795,894
Deferred revenue	--	--	--	--
Other current liabilities	382	--	--	382
Total Liabilities	<u>1,993,944</u>	<u>--</u>	<u>377,000</u>	<u>2,370,944</u>
<u>Fund Balances</u>				
Reserved:				
Imprest Cash	--	--	--	--
Road Reserves	3,983,824	--	--	3,983,824
Inventory	--	--	--	--
Loans/advances	--	--	93,454	93,454
Unreserved, undesignated and reported in:				
General fund	--	--	--	--
Special revenue funds:	5,426,731	--	--	5,426,731
Debt service funds	--	1,292,368	--	1,292,368
Capital projects funds	--	--	(35,832)	(35,832)
Total Fund Balances	<u>9,410,555</u>	<u>1,292,368</u>	<u>57,622</u>	<u>10,760,545</u>
 Total Liabilities and Fund Balances	 <u>\$ 11,404,499</u>	 <u>\$ 1,292,368</u>	 <u>\$ 434,622</u>	 <u>\$ 13,131,489</u>

**COUNTY OF TRINITY**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2009

	Special Revenue Funds	Debt Service Fund	Capital Project Fund	Total
<b>Revenues:</b>				
Taxes	\$ 288,766	\$ --	\$ --	\$ 288,766
Licenses and permits	17,268	--	--	17,268
Fines, forfeitures and penalties	313,966	--	--	313,966
Use of money and property	265,582	48,113	7,677	321,372
Intergovernmental	14,017,273	56,611	334,239	14,408,123
Charges for services	202,645	--	--	202,645
Other revenues	87,461	--	1,000	88,461
<b>Total Revenues</b>	<b>15,192,961</b>	<b>104,724</b>	<b>342,916</b>	<b>15,640,601</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,179,502	53,290	203	1,232,995
Public protection	2,278,286	--	--	2,278,286
Public ways and facilities	1,059,580	--	--	1,059,580
Health and sanitation	4,040,929	--	--	4,040,929
Public assistance	76,789	--	--	76,789
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	788,038	--	788,038
Debt service - interest	59,640	897,327	--	956,967
Capital outlay	1,216,040	--	97,477	1,313,517
<b>Total Expenditures</b>	<b>9,910,766</b>	<b>1,738,655</b>	<b>97,680</b>	<b>11,747,101</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>5,282,195</b>	<b>(1,633,931)</b>	<b>245,236</b>	<b>3,893,500</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	5,440,784	1,396,411	29,891	6,867,086
Transfers out	(7,509,212)	(5,158)	(4,640)	(7,519,010)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,068,428)</b>	<b>1,391,253</b>	<b>25,251</b>	<b>(651,924)</b>
<b>Net Changes in Fund Balances</b>	<b>3,213,767</b>	<b>(242,678)</b>	<b>270,487</b>	<b>3,241,576</b>
Fund Balances, Beginning of Year	6,196,825	1,535,046	(212,865)	7,519,006
Prior Period Adjustment	(37)	--	--	(37)
<b>Fund Balances, End of Year</b>	<b>\$ 9,410,555</b>	<b>\$ 1,292,368</b>	<b>\$ 57,622</b>	<b>\$ 10,760,545</b>

**COUNTY OF TRINITY**

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2009

	<u>Road Reserves</u>	<u>Road Construction Reserve</u>	<u>Tobacco Program</u>	<u>Mental Health</u>
<u>Assets</u>				
Cash and investments	\$ 100	\$ 1,670,797	\$ 50,989	\$ 224
Restricted Assets:				
Cash with fiscal agent	--	--	--	--
Imprest cash	--	--	--	75
Accounts receivable	--	--	--	56,119
Taxes receivable	--	--	--	--
Due from other governmental agencies	--	--	--	--
Interest receivable	9,520	8,407	252	(2,114)
Loans receivable	--	--	--	--
Due from other funds	2,295,000	--	--	--
Deposits with others	--	--	--	--
Inventory	--	--	--	--
Total Assets	<u>\$ 2,304,620</u>	<u>\$ 1,679,204</u>	<u>\$ 51,241</u>	<u>\$ 54,304</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ 49,637	\$ 148,862
Accrued salaries and benefits payable	--	--	--	--
Due to other funds	--	--	--	183,000
Deferred revenue	--	--	--	--
Other current liabilities	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>49,637</u>	<u>331,862</u>
<u>Fund Balances</u>				
Reserved:				
Imprest Cash	--	--	--	--
Road Reserves	2,304,620	1,679,204	--	--
Inventory	--	--	--	--
Loans/advances	--	--	--	--
Unreserved, undesignated and reported in:				
General fund	--	--	--	--
Special revenue funds:	--	--	1,604	(277,558)
Debt service funds	--	--	--	--
Capital projects funds	--	--	--	--
Total Fund Balances	<u>2,304,620</u>	<u>1,679,204</u>	<u>1,604</u>	<u>(277,558)</u>
Total Liabilities and Fund Balances	<u>\$ 2,304,620</u>	<u>\$ 1,679,204</u>	<u>\$ 51,241</u>	<u>\$ 54,304</u>

continued

**COUNTY OF TRINITY**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2009

	<u>Fish &amp; Game</u>	<u>Special Aviation</u>	<u>Non- Transit</u>	<u>Transportation Commission</u>
<u>Assets</u>				
Cash and investments	\$ 23,373	\$ 349	\$ 11,489	\$ 69,159
Restricted Assets:				
Cash with fiscal agent	--	3,650	--	--
Imprest cash	--	--	--	--
Accounts receivable	--	3,155	--	99,045
Taxes receivable	--	--	--	--
Due from other governmental agencies	--	--	--	--
Interest receivable	93	--	6	485
Loans receivable	--	--	--	--
Due from other funds	--	--	--	--
Deposits with others	--	--	--	--
Inventory	--	--	--	--
Total Assets	<u>\$ 23,466</u>	<u>\$ 7,154</u>	<u>\$ 11,495</u>	<u>\$ 168,689</u>
 <u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ 234	\$ 1,182	\$ 4,528	\$ 30,222
Accrued salaries and benefits payable	--	--	--	--
Due to other funds	--	189,200	6,967	--
Deferred revenue	--	--	--	--
Other current liabilities	--	--	--	--
Total Liabilities	<u>234</u>	<u>190,382</u>	<u>11,495</u>	<u>30,222</u>
 <u>Fund Balances</u>				
Reserved:				
Imprest Cash	--	--	--	--
Road Reserves	--	--	--	--
Inventory	--	--	--	--
Loans/advances	--	--	--	--
Unreserved, undesignated and reported in:				
General fund	--	--	--	--
Special revenue funds:	23,232	(183,228)	--	138,467
Debt service funds	--	--	--	--
Capital projects funds	--	--	--	--
Total Fund Balances	<u>23,232</u>	<u>(183,228)</u>	<u>--</u>	<u>138,467</u>
 Total Liabilities and Fund Balances	 <u>\$ 23,466</u>	 <u>\$ 7,154</u>	 <u>\$ 11,495</u>	 <u>\$ 168,689</u>

continued

**COUNTY OF TRINITY**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2009

	Community Development	TRANS Fund	Misc Grants	Hayfork Lighting District
<u>Assets</u>				
Cash and investments	\$ --	\$ 1,298	\$ 798	\$ 82,001
Restricted Assets:				
Cash with fiscal agent	--	--	--	--
Imprest cash	--	--	--	--
Accounts receivable	--	--	313,167	--
Taxes receivable	--	--	--	--
Due from other governmental agencies	--	--	--	--
Interest receivable	--	--	--	313
Loans receivable	--	--	738,250	--
Due from other funds	--	--	--	--
Deposits with others	--	--	--	--
Inventory	--	--	--	--
Total Assets	<u>\$ --</u>	<u>\$ 1,298</u>	<u>\$ 1,052,215</u>	<u>\$ 82,314</u>
 <u>Liabilities and Fund Balance</u>				
<u>Liabilities:</u>				
Accounts payable	\$ --	\$ --	\$ 235,703	\$ 698
Accrued salaries and benefits payable	--	--	--	--
Due to other funds	--	--	169,000	--
Deferred revenue	--	--	--	--
Other current liabilities	--	27	355	--
Total Liabilities	<u>--</u>	<u>27</u>	<u>405,058</u>	<u>698</u>
 <u>Fund Balances</u>				
<u>Reserved:</u>				
Imprest Cash	--	--	--	--
Road Reserves	--	--	--	--
Inventory	--	--	--	--
Loans/advances	--	--	--	--
<u>Unreserved, undesignated and reported in:</u>				
General fund	--	--	--	--
Special revenue funds:	--	1,271	647,157	81,616
Debt service funds	--	--	--	--
Capital projects funds	--	--	--	--
Total Fund Balances	<u>--</u>	<u>1,271</u>	<u>647,157</u>	<u>81,616</u>
 Total Liabilities and Fund Balances	 <u>\$ --</u>	 <u>\$ 1,298</u>	 <u>\$ 1,052,215</u>	 <u>\$ 82,314</u>

continued

**COUNTY OF TRINITY**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2009

	Weaverville Lighting District	Bioterrorism	Other Miscellaneous Special Revenue Funds	Total Nonmajor Special Revenue Funds
<u>Assets</u>				
Cash and investments	\$ 91,646	\$ 28,759	\$ 3,247,906	\$ 5,278,888
Restricted Assets:				
Cash with fiscal agent	--	--	--	3,650
Imprest cash	--	--	--	75
Accounts receivable	--	--	365,445	836,931
Taxes receivable	--	--	1,465,885	1,465,885
Due from other governmental agencies	--	--	--	--
Interest receivable	335	255	13,829	31,381
Loans receivable	--	--	70,272	808,522
Due from other funds	--	--	684,167	2,979,167
Deposits with others	--	--	--	--
Inventory	--	--	--	--
Total Assets	<u>\$ 91,981</u>	<u>\$ 29,014</u>	<u>\$ 5,847,504</u>	<u>\$ 11,404,499</u>
 <u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ 2,667	\$ 115	\$ 100,820	\$ 574,668
Accrued salaries and benefits payable	--	--	--	--
Due to other funds	--	--	870,727	1,418,894
Deferred revenue	--	--	--	--
Other current liabilities	--	--	--	382
Total Liabilities	<u>2,667</u>	<u>115</u>	<u>971,547</u>	<u>1,993,944</u>
 <u>Fund Balances</u>				
Reserved:				
Imprest Cash	--	--	--	--
Road Reserves	--	--	--	3,983,824
Inventory	--	--	--	--
Loans/advances	--	--	--	--
Unreserved, undesignated and reported in:				
General fund	--	--	--	--
Special revenue funds:	89,314	28,899	4,875,957	5,426,731
Debt service funds	--	--	--	--
Capital projects funds	--	--	--	--
Total Fund Balances	<u>89,314</u>	<u>28,899</u>	<u>4,875,957</u>	<u>9,410,555</u>
 Total Liabilities and Fund Balances	 <u>\$ 91,981</u>	 <u>\$ 29,014</u>	 <u>\$ 5,847,504</u>	 <u>\$ 11,404,499</u>

COUNTY OF TRINITY

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009

	Road Reserves	Road Construction Reserve	Tobacco Program	Mental Health
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	28,526	49,078	902	(13,226)
Intergovernmental	--	--	150,000	1,190,810
Charges for services	--	--	--	28,074
Other revenues	--	--	--	8,053
Total Revenues	<u>28,526</u>	<u>49,078</u>	<u>150,902</u>	<u>1,213,711</u>
<b>Expenditures:</b>				
Current:				
General government	--	--	--	--
Public protection	--	--	--	--
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	159,955	2,685,089
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	--	--
Capital outlay	--	--	--	42,213
Total Expenditures	<u>--</u>	<u>--</u>	<u>159,955</u>	<u>2,727,302</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>28,526</u>	<u>49,078</u>	<u>(9,053)</u>	<u>(1,513,591)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,000,000	177,970	--	1,591,134
Transfers out	(756,178)	(836,522)	--	(65,885)
Total Other Financing Sources (Uses)	<u>1,243,822</u>	<u>(658,552)</u>	<u>--</u>	<u>1,525,249</u>
Special Item: Fund reclassification	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Changes in Fund Balances	1,272,348	(609,474)	(9,053)	11,658
Fund Balances, Beginning of Year	1,032,272	2,288,678	10,657	(287,699)
Prior Period Adjustment	--	--	--	(1,517)
Fund Balances, End of Year	<u>\$ 2,304,620</u>	<u>\$ 1,679,204</u>	<u>\$ 1,604</u>	<u>\$ (277,558)</u>

continued

COUNTY OF TRINITY

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009

	Fish & Game	Special Aviation	Non- Transit	Transportation Commission
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	2,706	--	--	--
Use of money and property	477	--	201	1,964
Intergovernmental	703	500,156	--	267,000
Charges for services	--	--	--	--
Other revenues	130	30	--	942
Total Revenues	<u>4,016</u>	<u>500,186</u>	<u>201</u>	<u>269,906</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public protection	2,469	--	--	--
Public ways and facilities	--	633,479	22,378	357,075
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	<u>2,469</u>	<u>633,479</u>	<u>22,378</u>	<u>357,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,547</u>	<u>(133,293)</u>	<u>(22,177)</u>	<u>(87,169)</u>
Other Financing Sources (Uses):				
Transfers in	--	15,000	26,333	135,000
Transfers out	--	--	(4,156)	(2,874)
Total Other Financing Sources (Uses)	<u>--</u>	<u>15,000</u>	<u>22,177</u>	<u>132,126</u>
Special Item: Fund reclassification	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Changes in Fund Balances	1,547	(118,293)	--	44,957
Fund Balances, Beginning of Year	21,685	(64,935)	--	144,220
Prior Period Adjustment	--	--	--	(50,710)
Fund Balances, End of Year	<u>\$ 23,232</u>	<u>\$ (183,228)</u>	<u>\$ --</u>	<u>\$ 138,467</u>

continued



COUNTY OF TRINITY

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009

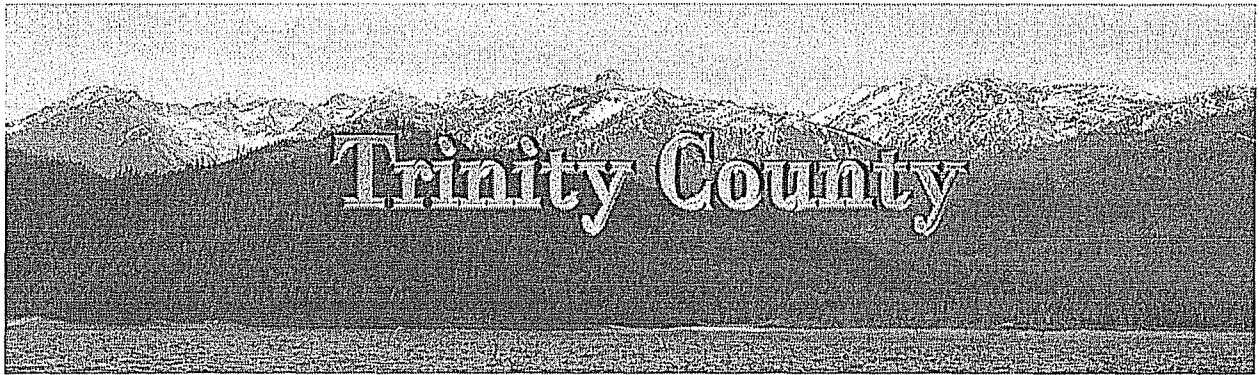
	Community Development	T.R.A.N. Fund	Miscellaneous Grants	Hayfork Lighting District
<b>Revenues:</b>				
Taxes	\$ --	\$ --	\$ --	\$ 11,558
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	752	32,635	972	1,641
Intergovernmental	--	--	2,458,676	190
Charges for services	--	--	55,780	--
Other revenues	--	--	1,398	--
Total Revenues	<u>752</u>	<u>32,635</u>	<u>2,516,826</u>	<u>13,389</u>
<b>Expenditures:</b>				
Current:				
General government	--	15,595	1,002,883	8,754
Public protection	--	--	--	--
Public ways and facilities	--	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	59,226	--	--
Capital outlay	--	--	1,045,339	--
Total Expenditures	<u>--</u>	<u>74,821</u>	<u>2,048,222</u>	<u>8,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>752</u>	<u>(42,186)</u>	<u>468,604</u>	<u>4,635</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	--	29,000	4,200	--
Transfers out	(752)	--	(491,663)	--
Total Other Financing Sources (Uses)	<u>(752)</u>	<u>29,000</u>	<u>(487,463)</u>	<u>--</u>
Special Item: Fund reclassification	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Changes in Fund Balances	--	(13,186)	(18,859)	4,635
Fund Balances, Beginning of Year	--	14,457	666,016	76,981
Prior Period Adjustment	--	--	--	--
Fund Balances, End of Year	<u>\$ --</u>	<u>\$ 1,271</u>	<u>\$ 647,157</u>	<u>\$ 81,616</u>

continued

COUNTY OF TRINITY

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009

	Weaverville Lighting District	CDC Bioterrorism	Miscellaneous Special Revenue Funds	Total
<b>Revenues:</b>				
Taxes	\$ 43,221	\$ --	\$ 233,987	\$ 288,766
Licenses and permits	--	--	17,268	17,268
Fines, forfeitures and penalties	--	--	311,260	313,966
Use of money and property	1,618	1,079	158,963	265,582
Intergovernmental	748	109,803	9,339,187	14,017,273
Charges for services	--	--	118,791	202,645
Other revenues	--	--	76,908	87,461
Total Revenues	<u>45,587</u>	<u>110,882</u>	<u>10,256,364</u>	<u>15,192,961</u>
<b>Expenditures:</b>				
Current:				
General government	32,393	--	119,877	1,179,502
Public protection	--	--	2,275,817	2,278,286
Public ways and facilities	--	--	46,648	1,059,580
Health and sanitation	--	136,745	1,059,140	4,040,929
Public assistance	--	--	76,789	76,789
Education	--	--	--	--
Recreation and culture	--	--	--	--
Debt service - principal	--	--	--	--
Debt service - interest	--	--	414	59,640
Capital outlay	--	--	128,488	1,216,040
Total Expenditures	<u>32,393</u>	<u>136,745</u>	<u>3,707,173</u>	<u>9,910,766</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>13,194</u>	<u>(25,863)</u>	<u>6,549,191</u>	<u>5,282,195</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	--	--	1,462,147	5,440,784
Transfers out	--	--	(5,351,182)	(7,509,212)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>(3,889,035)</u>	<u>(2,068,428)</u>
Special Item: Fund reclassification	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Changes in Fund Balances	13,194	(25,863)	2,660,156	3,213,767
Fund Balances, Beginning of Year	76,120	54,762	2,163,611	6,196,825
Prior Period Adjustment	--	--	52,190	(37)
Fund Balances, End of Year	<u>\$ 89,314</u>	<u>\$ 28,899</u>	<u>\$ 4,875,957</u>	<u>\$ 9,410,555</u>



## *Non-major Capital Projects Funds*

*Capital Projects Funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).*

**COUNTY OF TRINITY**

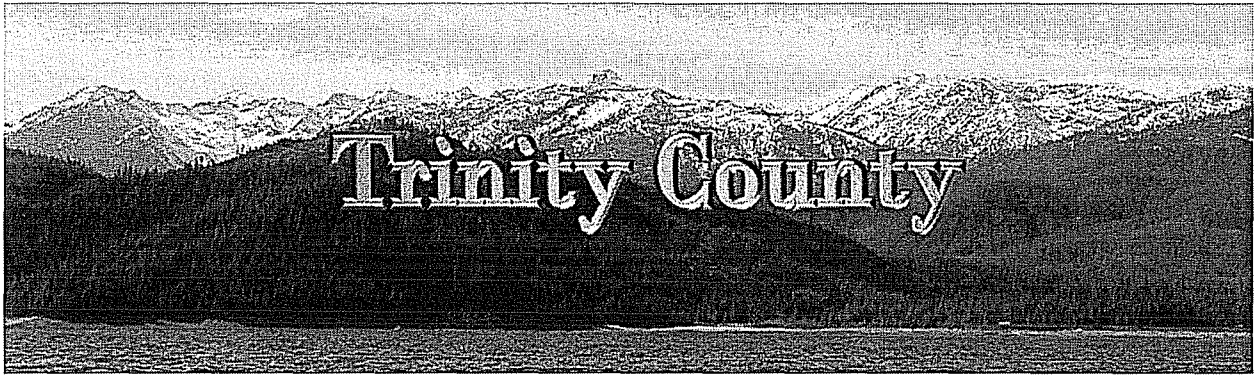
Combining Balance Sheet  
Non-Major Capital Projects Funds  
June 30, 2009

	Capital Proj Fund JDF	Capital Projects Fund	TOTAL
<u>Assets</u>			
Cash and investments	\$ 8,500	\$ 691	\$ 9,191
Restricted Assets:			
Cash with fiscal agent	--	--	--
Imprest cash	--	--	--
Accounts receivable	--	334,239	334,239
Due from other governmental agencies	--	--	--
Interest receivable	29	--	29
Loans receivable	91,163	--	91,163
Due from other funds	--	--	--
Deposits with others	--	--	--
Inventory	--	--	--
Total Assets	<u>\$ 99,692</u>	<u>\$ 334,930</u>	<u>\$ 434,622</u>
 <u>Liabilities and Fund Balance</u>			
Liabilities:			
Accounts payable	\$ --	\$ --	\$ --
Accrued salaries and benefits payable	--	--	--
Due to other funds	--	377,000	377,000
Deferred revenue	--	--	--
Other current liabilities	--	--	--
Total Liabilities	<u>--</u>	<u>377,000</u>	<u>377,000</u>
 <u>Fund Balances</u>			
Reserved:			
Imprest Cash	--	--	--
Road Reserves	--	--	--
Inventory	--	--	--
Loans/advances	104,800	(11,346)	93,454
Unreserved, undesignated and reported in:			
General fund	--	--	--
Special revenue funds:	--	--	--
Debt service funds	--	--	--
Capital projects funds	(5,108)	(30,724)	(35,832)
Total Fund Balances	<u>99,692</u>	<u>(42,070)</u>	<u>57,622</u>
 Total Liabilities and Fund Balances	 <u>\$ 99,692</u>	 <u>\$ 334,930</u>	 <u>\$ 434,622</u>

COUNTY OF TRINITY

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Non-Major Capital Project Funds  
For the Fiscal Year Ended June 30, 2009

	Capital Proj Fund JDF	Capital Projects Fund	TOTAL
Revenues:			
Taxes	\$ --	\$ --	\$ --
Licenses and permits	--	--	--
Fines, forfeitures and penalties	--	--	--
Use of money and property	7,677	--	7,677
Intergovernmental	--	334,239	334,239
Charges for services	--	--	--
Other revenues	--	1,000	1,000
Total Revenues	<u>7,677</u>	<u>335,239</u>	<u>342,916</u>
Expenditures:			
Current:			
General government	--	203	203
Public protection	--	--	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	--
Public assistance	--	--	--
Education	--	--	--
Recreation and culture	--	--	--
Debt service - principal	--	--	--
Debt service - interest	--	--	--
Capital outlay	--	97,477	97,477
Total Expenditures	<u>--</u>	<u>97,680</u>	<u>97,680</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,677</u>	<u>237,559</u>	<u>245,236</u>
Other Financing Sources (Uses):			
Transfers in	--	29,891	29,891
Transfers out	--	(4,640)	(4,640)
Total Other Financing Sources (Uses)	<u>--</u>	<u>25,251</u>	<u>25,251</u>
Net Changes in Fund Balances	7,677	262,810	270,487
Fund Balances, Beginning of Year	92,015	(304,880)	(212,865)
Prior Period Adjustment	--	--	--
Fund Balances, End of Year	<u>\$ 99,692</u>	<u>\$ (42,070)</u>	<u>\$ 57,622</u>



## *Non-Major Enterprise Funds*

*Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government’s council is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government’s council has decided that periodic determination of net income is appropriate for accountability purposes.*

COUNTY OF TRINITY

Combining Statement of Fund Net Assets  
 Non-Major Enterprise Funds  
 June 30, 2009

	Cemetery Fund	Transit Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 19,011	\$ 42,107	\$ 61,118
Imprest cash	--	--	--
Accounts receivable	76	817	893
Due from other funds	--	189,727	189,727
Interest receivable	82	908	990
Prepaid expenses	--	--	--
Inventory	--	--	--
Total current assets	<u>19,169</u>	<u>233,559</u>	<u>252,728</u>
Noncurrent assets:			
Capital Assets:			
Nondepreciable	24,616	--	24,616
Depreciable, net	--	114,836	114,836
Total noncurrent assets	<u>24,616</u>	<u>114,836</u>	<u>139,452</u>
Total Assets	<u>\$ 43,785</u>	<u>\$ 348,395</u>	<u>\$ 392,180</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 1,364	\$ 7,132	\$ 8,496
Interest payable	--	--	--
Due to other funds	--	--	--
Other current liabilities:	--	--	--
Deferred Revenue	--	--	--
Current portion of long-term liabilities			
Bonds, notes and special assessment debt	--	--	--
Loan payable	--	--	--
Compensated absences	--	5,564	5,564
Total current liabilities	<u>1,364</u>	<u>12,696</u>	<u>14,060</u>
Noncurrent liabilities:			
Bonds, notes and special assessment debt	--	--	--
Loans payable	--	--	--
Compensated absences	--	2,782	2,782
Liability for landfill closure	--	--	--
Net OPEB obligation	--	454,841	454,841
Other long-term liabilities	--	--	--
Total Long-term Liabilities	<u>--</u>	<u>457,623</u>	<u>457,623</u>
Total Liabilities	<u>1,364</u>	<u>470,319</u>	<u>471,683</u>
<b>NET ASSETS</b>			
Investment in capital assets, net of related debt	24,616	114,836	139,452
Restricted	--	--	--
Unrestricted	17,805	(236,760)	(218,955)
Total Net Assets	<u>42,421</u>	<u>(121,924)</u>	<u>(79,503)</u>
Total Liabilities and Net Assets	<u>\$ 43,785</u>	<u>\$ 348,395</u>	<u>\$ 392,180</u>

**COUNTY OF TRINITY**

Combining Statement of Revenues, Expenses and Changes in Net Assets  
Non-Major Enterprise Funds

For the Fiscal Year Ended June 30,2009

	Cemetery Fund	Transit Fund	Total
Operating Revenues:			
Charges for services	\$ 4,933	\$ 25,344	\$ 30,277
Other income	483	13,135	13,618
Total Operating Revenues	<u>5,416</u>	<u>38,479</u>	<u>43,895</u>
Operating Expenses:			
Salaries and benefits	--	164,070	164,070
Services and supplies	9,001	134,513	143,514
Depreciation	--	25,735	25,735
Closure/postclosure	--	--	--
Total Operating Expenses	<u>9,001</u>	<u>324,318</u>	<u>333,319</u>
Operating Income (Loss)	<u>(3,585)</u>	<u>(285,839)</u>	<u>(289,424)</u>
Non-Operating Revenue (Expenses):			
Investment income (expense)	459	5,003	5,462
Taxes	--	--	--
Intergovernmental revenues	--	55,322	55,322
Sale of capital assets	--	--	--
Other	--	--	--
Interest Expense	--	--	--
Total Non-Operating Revenue (Expenses)	<u>459</u>	<u>60,325</u>	<u>60,784</u>
Income (Loss) Before Transfers	(3,126)	(225,514)	(228,640)
Other Financing Sources (Uses):			
Transfers in	0	554,997	554,997
Transfers out	0	(173,913)	(173,913)
Total Other Financing Sources (Uses)	<u>--</u>	<u>381,084</u>	<u>381,084</u>
Change in net assets	(3,126)	155,570	152,444
Net Assets - Beginning of Year	45,119	241,731	286,850
Prior period adjustment	428	(519,225)	(518,797)
Net Assets - End of Year	<u>\$ 42,421</u>	<u>\$ (121,924)</u>	<u>\$ (79,503)</u>



COUNTY OF TRINITY

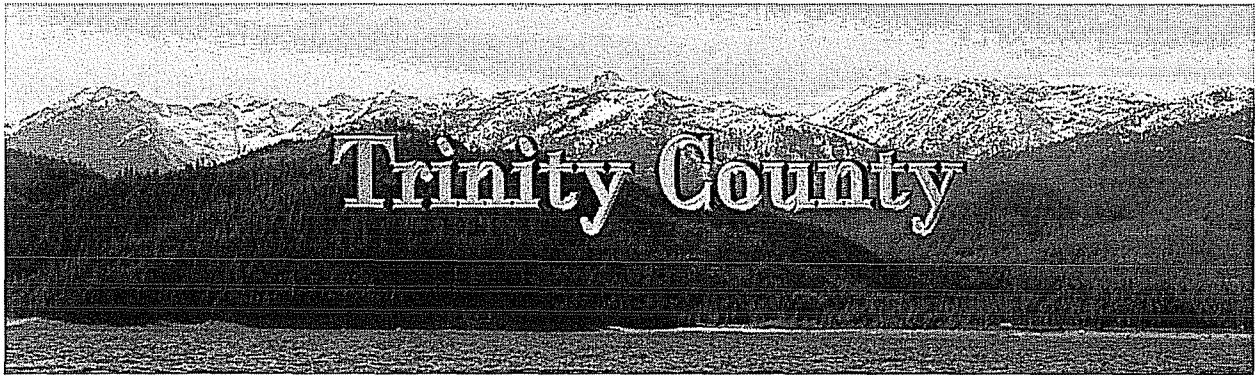
Statement of Cash Flows  
 Non-Major Enterprise Funds  
 For the Fiscal Year ended June 30, 2009

	Cemetery Fund	Transit Fund	Total
<b>Cash flows from Operating Activities:</b>			
Cash receipts from customers and users	\$ 5,790	\$ 39,189	\$ 44,979
Receipts from interfund services provided	--	--	--
Other receipts	--	--	--
Cash paid to suppliers	10,259	139,707	149,966
Cash paid to employees	--	164,853	164,853
	<u>(4,469)</u>	<u>(265,371)</u>	<u>(269,840)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>			
<b>Cash Flows from Investing Activities:</b>			
Interest received (paid)	545	5,098	5,643
	<u>545</u>	<u>5,098</u>	<u>5,643</u>
<b>Net Cash Provided (used) by Investing Activities</b>			
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Purchase of capital assets	--	--	--
proceeds from sale of capital assets	--	--	--
proceeds from capital grants	--	55,322	55,322
Principal payments on debt	--	--	--
Interest payments	--	--	--
	<u>--</u>	<u>55,322</u>	<u>55,322</u>
<b>Net Cash Provided (used) by Capital and Related Financing Activities</b>			
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Aid from other governmental agencies	--	--	--
Taxes	--	--	--
Interfund loans	--	(138,273)	(138,273)
Return of unused funding	--	--	--
Other revenue (expense)	--	--	--
Transfers in	--	554,997	554,997
Transfers out	--	(173,913)	(173,913)
	<u>--</u>	<u>242,811</u>	<u>242,811</u>
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>			
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(3,924)</b>	<b>37,860</b>	<b>33,936</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>22,935</b>	<b>4,247</b>	<b>27,182</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 19,011</b>	<b>\$ 42,107</b>	<b>\$ 61,118</b>

**COUNTY OF TRINITY**

Statement of Cash Flows  
 Non-Major Enterprise Funds  
 For the Fiscal Year ended June 30, 2009

	Cemetery Fund	Transit Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (3,585)	\$ (285,839)	\$ (289,424)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	--	25,735	25,735
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	374	710	1,084
Inventories	--	--	--
Prepaid expenses	--	--	--
Increase (decrease) in:			
Accounts payable	(1,258)	(5,194)	(6,452)
Salaries and benefits payable	--	--	--
Deferred revenue	--	--	--
Compensated absences payable	--	(783)	(783)
Other liabilities	--	--	--
Closure/postclosure liability	--	--	--
 Net Cash Provided (Used) by Operating Activities	 \$ (4,469)	 \$ (265,371)	 \$ (269,840)



## *Internal Service Funds*

*Internal Service Funds are used to account for the financing of goods and services provided by one agency or department to other departments or agencies of the government units on a cost reimbursement basis.*

**COUNTY OF TRINITY**

Combining Statement of Fund Net Assets  
Internal Service Funds  
June 30, 2009

<u>ASSETS</u>	<u>Copier</u>	<u>Motor Pool</u>	<u>Total</u>
<b>Current assets:</b>			
Cash and investments	\$ 63,019	\$ 43,761	\$ 106,780
Imprest cash	--	--	--
Accounts receivable	11	--	11
Due from other funds	--	--	--
Interest receivable	286	112	398
Prepaid expenses	95	--	95
Inventory	--	--	--
<b>Total current assets</b>	<u>63,411</u>	<u>43,873</u>	<u>107,284</u>
<b>Noncurrent assets:</b>			
<b>Capital Assets:</b>			
Nondepreciable	--	--	--
Depreciable, net	94,528	29,651	124,179
<b>Total noncurrent assets</b>	<u>94,528</u>	<u>29,651</u>	<u>124,179</u>
<b>Total Assets</b>	<u>\$ 157,939</u>	<u>\$ 73,524</u>	<u>\$ 231,463</u>
 <u>LIABILITIES</u>			
<b>Current liabilities:</b>			
Accounts payable	\$ 10,102	\$ --	\$ 10,102
Interest payable	--	--	--
Due to other funds	--	--	--
<b>Total current liabilities</b>	<u>10,102</u>	<u>--</u>	<u>10,102</u>
<b>Total Liabilities</b>	<u>10,102</u>	<u>--</u>	<u>10,102</u>
 <u>NET ASSETS</u>			
Investment in capital assets, net of related debt	94,528	29,651	124,179
Restricted	--	--	--
Unrestricted	53,309	43,873	97,182
<b>Total Net Assets</b>	<u>147,837</u>	<u>73,524</u>	<u>221,361</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 157,939</u>	<u>\$ 73,524</u>	<u>\$ 231,463</u>

**COUNTY OF TRINITY**

Combining Statement of Revenues, Expenses and Changes in Net Assets  
Internal Service Funds  
For the Fiscal Year Ended June 30,2009

	Copier	Motor Pool	Total
Operating Revenues:			
Charges for services	\$ 56,590	\$ 117,681	\$ 174,271
Other income	--	--	--
Total Operating Revenues	56,590	117,681	174,271
Operating Expenses:			
Services and supplies	40,454	48,278	88,732
Depreciation	27,226	51,198	78,424
Total Operating Expenses	67,680	99,476	167,156
Operating Income (Loss)	(11,090)	18,205	7,115
Non-Operating Revenue (Expenses):			
Investment income (expense)	1,709	(49)	1,660
Sale of capital assets	--	770	770
Other	--	1,999	1,999
Interest Expense	--	0	--
Total Non-Operating Revenue (Expenses)	1,709	2,720	4,429
Income (Loss) Before Transfers	(9,381)	20,925	11,544
Other Financing Sources (Uses):			
Transfers in	--	--	--
Transfers out	--	--	--
Total Other Financing Sources (Uses)	--	--	--
Change in net assets	(9,381)	20,925	11,544
Net Assets - Beginning of Year	159,259	36,369	195,628
Prior period adjustment	(2,041)	16,230	14,189
Net Assets - End of Year	\$ 147,837	\$ 73,524	\$ 221,361

**COUNTY OF TRINITY**

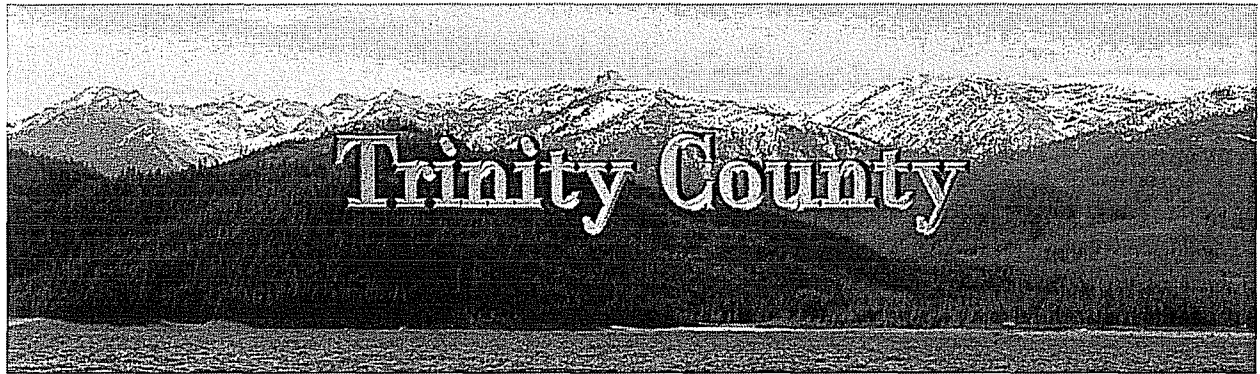
Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year ended June 30, 2009

	<u>Copier</u>	<u>Motor Pool</u>	<u>Total</u>
<b>Cash flows from Operating Activities:</b>			
Cash receipts from customers and users	\$ 56,593	\$ 118,813	\$ 175,406
Receipts from interfund services provided	--		--
Other receipts	--		--
Cash paid to suppliers	69,922	48,828	118,750
Cash paid to employees	--		--
	<hr/>	<hr/>	<hr/>
Net Cash Provided (Used) by Operating Activities	(13,329)	69,985	56,656
	<hr/>	<hr/>	<hr/>
<b>Cash Flows from Investing Activities:</b>			
Interest received (paid)	2,302	(580)	1,722
Net Cash Provided (used) by Investing Activities	<hr/>	<hr/>	<hr/>
	2,302	(580)	1,722
	<hr/>	<hr/>	<hr/>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Purchase of capital assets	(46,940)	--	(46,940)
proceeds from sale of capital assets	--	770	770
proceeds from capital grants	--	--	--
Principal payments on debt	--	--	--
Interest payments	--	--	--
	<hr/>	<hr/>	<hr/>
Net Cash Provided (used) by Capital and Related Financing Activities	(46,940)	770	(46,170)
	<hr/>	<hr/>	<hr/>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Aid from other governmental agencies	--	--	--
Taxes	--	--	--
Interfund loans	29,000	(29,000)	--
Return of unused funding	--		--
Other revenue (expense)	--	1,999	1,999
Transfers in	--	--	--
Transfers out	--	--	--
	<hr/>	<hr/>	<hr/>
Net Cash Provided (Used) by Noncapital Financing Activities	29,000	(27,001)	1,999
	<hr/>	<hr/>	<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	(28,967)	43,174	14,207
Cash and Cash Equivalents, Beginning of Year	91,986	587	92,573
	<hr/>	<hr/>	<hr/>
Cash and Cash Equivalents, End of Year	\$ 63,019	\$ 43,761	\$ 106,780
	<hr/>	<hr/>	<hr/>

**COUNTY OF TRINITY**

Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year ended June 30, 2009

	<u>Copier</u>	<u>Motor Pool</u>	<u>Total</u>
<b>Reconciliation of operating income (loss)</b>			
<b>to net cash provided (used) by</b>			
<b>operating activities:</b>			
Operating income (loss)	\$ (11,090)	\$ 18,205	\$ 7,115
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	27,226	51,198	78,424
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	3	1,132	1,135
Inventories	--	--	--
Prepaid expenses	--	--	--
Increase (decrease) in:			
Accounts payable	(29,468)	(550)	(30,018)
Salaries and benefits payable	--	--	--
Deferred revenue	--	--	--
Compensated absences payable	--	--	--
Other liabilities	--	--	--
Closure/postclosure liability	--	--	--
Net Cash Provided (Used)			
by Operating Activities	<u>\$ (13,329)</u>	<u>\$ 69,985</u>	<u>\$ 56,656</u>



*STATISTICAL SECTION*



**COUNTY OF TRINITY**

Net assets by Component

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
<b>Governmental Activities</b>						
Invested in capital assets, net of related debt	180,692,794	172,234,670	175,571,795	164,498,571	171,513,586	144,181,786
Restricted	9,224,525	9,660,319	10,337,778	10,686,922	13,674,039	13,674,039
Unrestricted	(1,773,418)	2,298,501	969,568	(678,457)	2,291,030	(41,008,663)
<b>Total governmental activities net assets</b>	<b>\$ 188,143,901</b>	<b>\$ 184,193,490</b>	<b>\$ 186,879,141</b>	<b>\$ 174,507,036</b>	<b>\$ 187,478,655</b>	<b>\$ 116,847,162</b>
<b>Business-type activities</b>						
Invested in capital assets, net of related debt	16,392,766	13,134,041	11,502,722	11,578,253	11,508,670	11,194,001
Restricted	5,643	94,765			0	0
Unrestricted	(4,221,778)	(8,852,203)	(8,589,577)	(9,450,939)	(9,926,571)	(14,869,867)
<b>Total business-type activities net assets</b>	<b>\$ 12,176,631</b>	<b>\$ 4,376,603</b>	<b>\$ 2,913,145</b>	<b>\$ 2,127,314</b>	<b>\$ 1,582,099</b>	<b>\$ (3,675,866)</b>
<b>Primary government</b>						
Invested in capital assets, net of related debt	197,085,560	185,368,711	187,074,517	176,076,824	183,022,256	155,375,787
Restricted	9,230,168	9,755,084	10,337,778	10,686,922	13,674,039	13,674,039
Unrestricted	(5,995,196)	(6,553,702)	(7,620,009)	(10,129,396)	(7,635,541)	(55,878,530)
<b>Total primary government activities net assets</b>	<b>\$ 200,320,532</b>	<b>\$ 188,570,093</b>	<b>\$ 189,792,286</b>	<b>\$ 176,634,350</b>	<b>\$ 189,060,754</b>	<b>\$ 113,171,296</b>

## COUNTY OF TRINITY

### Assessed Value of Taxable Property

Fiscal Year (June 30)	Total Assessed Valuation	Secured Property Tax Levy	Prior Delinquent Tax Collections	Percent of Current Levy Collected	Current Delinquent Taxes
2002	\$736,577,003	\$7,168,524	\$466,391	95.78%	\$ 302,368
2003	761,878,872	7,521,690	475,900	95.93%	306,038
2004	798,515,473	7,847,883	543,041	96.54%	271,807
2005	850,484,419	8,400,834	385,203	96.46%	297,775
2006	915,117,545	9,033,639	644,000	96.68%	300,015
2007	972,922,502	9,946,350	894,493	96.52%	346,505
2008	1,047,595,619	10,907,357	439,744	95.97%	439,451
2009	1,124,412,781	11,268,016	449,404	98.10%	214,909
2010	1,183,242,938	11,824,135	N/A	N/A	N/A

*figures for 2010 are estimates*

*Source: Trinity County Auditors Office*

**COUNTY OF TRINITY**

Ten Principal Property Taxpayers

<u>Owner</u>	<u>2009/2010 Secured Tax</u>			<u>2008/2009 Secured Tax</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Assessed Value</u>
SIERRA PACIFIC INDUSTRIES, INC	\$ 19,102,434	1	1.61%	\$ 16,451,096	1	1.46%
PACIFIC GAS & ELEC CO	15,745,513	2	1.33%	14,917,497	2	1.33%
TRINITY RIVER LUMBER COMPANY	14,063,680	3	1.19%	11,186,536	3	0.99%
VERIZON CALIFORNIA, INC.	6,995,070	4	0.59%	9,081,432	4	0.81%
RYAN PARTNERSHIP	4,046,163	5	0.34%	4,516,340	5	0.40%
U.S.DEPARTMENT OF INTERIOR	2,654,055	6	0.22%	2,432,150	10	0.22%
WEAVERVILLE INVESTMENT GROUP	2,051,217	7	0.17%	3,353,968	6	0.30%
KAMPGROUNDS OF AMERICA, INC	1,925,443	8	0.16%	3,188,485	7	0.28%
HODGES, D L & R G TSTES	1,705,498	9	0.14%	2,602,016	9	0.23%
DOSHAY, DAVID & SUSAN	1,559,447	10		2,788,851	8	0.25%
	<u>\$ 69,848,520</u>		<u>5.77%</u>	<u>\$ 70,518,371</u>		<u>6.27%</u>

Source: Trinity County Tax Collectors Office

## COUNTY OF TRINITY

### Outstanding Lease and Pension Bond Obligations

#### Governmental Activities

Fiscal Year (June 30)	Certificates of Participation		Notes	Total
	General	Pension	Payable	
2009	\$581,465	\$950,290	\$190,313	\$1,722,068
2010	582,350	996,398	190,313	1,769,061
2011	532,600	1,047,743	190,313	1,770,656
2012	530,275	1,103,690	190,313	1,824,278
2013	532,100	1,156,830	190,313	1,879,243
2014	532,650	1,213,370	190,313	1,936,333
2015	531,925	1,272,650	190,313	1,994,888
2016	529,925	1,334,010	190,313	2,054,248
2017	531,650	1,401,790	190,313	2,123,753
2018	531,675		190,313	721,988
2019	530,000		150,000	680,000

#### Business- Type Activities

Fiscal Year (June 30)	Special	Loans	Notes	Total
	Assessments	Payable	Payable	
2009	\$39,454	\$256,451	\$18,893	\$314,798
2010	39,470	1,922	18,904	60,296
2011	39,464	1,922	18,909	60,295
2012	39,436	1,922	18,909	60,267
2013	39,436	1,922	18,903	60,261
2014	39,436	1,922	18,891	60,249
2015	39,436	1,922	18,921	60,279
2016	39,436	1,922	18,896	60,254
2017	39,436	1,922	18,913	60,271
2018	39,436	1,922	18,922	60,280
2019	39,436	1,922	18,877	60,235

Fiscal Year (June 30)	Total	Ratio	Per Capita
	Primary Government	Per Tax levy	
2009	\$2,036,866	18.08%	\$146.85
2010	1,829,357	15.72%	132
2011	1,830,951	15.23%	132
2012	1,884,545	15.17%	136
2013	1,939,504	15.11%	139
2014	1,996,582	15.06%	143
2015	2,055,167	15.00%	148
2016	2,114,502	14.94%	152
2017	2,184,024	14.94%	157
2018	782,268	5.18%	56
2019	740,235	4.75%	53

*Pension COP matures in 2017*  
*Source: Trinity County Auditors Office*

## COUNTY OF TRINITY

### County Taxable Retail Sales and Total Taxable Sales (\$ Thousands)

<u>Calender Year</u>	<u>Retail Sales</u>	<u>Total Taxable Sales</u>
1990	\$ 34,667	\$ 53,102
1991	35,423	50,765
1992	33,981	51,776
1993	32,601	47,939
1994	33,364	50,523
1995	32,977	52,712
1996	34,040	58,249
1997	32,819	55,214
1998	32,611	53,297
1999	36,647	63,134
2000	37,573	60,693
2001	37,749	62,627
2002	39,201	66,526
2003	39,876	67,552
2004	42,737	73,813
2005	44,650	72,880
2006	46,869	75,783
2007	48,184	76,265

*Source: Center for Economic Development; Trinity County 2009-10  
Economic and Demographic Profile*

## COUNTY OF TRINITY

### Full Time Equivalent by Function

	<u>2009</u>	<u>2008</u>	<u>2005</u>	<u>2000</u>
General government	40.3	53.3	77.0	64.8
Public protection	26.3	16.3	29.0	28.1
District Attorney	10.0	10.0	13.0	12.9
Probation	30.0	27.0	29.0	16.0
Sheriff	54.8	52.8	52.8	54.0
court Srvs.				15.5
Public ways and facilities	46.0	54.0	67.0	79.0
Health and sanitation	10.0	10.0	13.2	17.0
Solid waste	28.0	26.0	25.0	22.5
Behavioral health	35.0	35.0	35.0	27.0
Hospital				164.5
Public assistance	48.0	48.0	42.0	51.5
Education	4.0	4.0	8.0	7.5
Total	<u>332.4</u>	<u>336.4</u>	<u>391.0</u>	<u>560.3</u>

Source: Trinity County Budget Book

## COUNTY OF TRINITY

### Major Employers Fiscal Year 2008-09

<u>Firm</u>	<u>Product or Service</u>	<u>Estimated Employment</u>
Trinity County Schools	K-12 Education	743
Trinity County	Government Services	332.35
Mountain Community Health Care District	Hospital	145
Trinity River Lumber	Lumber Mill	145
Top's Market	Grocery	70
U.S. Forest Service, Hayfork	Federal Forest	60
J & K Logging, Inc.	Hayfork	55
Hayfork Fire Protection District	Hayfork	43
Jefferson State Forest Products	Wood Manufacturing	42
Firestrom Wildland Fire	Weaverville	40
J & A Food Service	Restaurant	33
Southern Trinity Volunteer	Mad River	32

*Sources: Trinity County Auditors office, Trinity County Office of Education, Superior California Economic Development, Dun & Bradstreet, and listed individual employers.*