

PINAL COUNTY, ARIZONA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2011



Sunset off State Route 87 by:
Heather Murphy, Communications &
Public Affairs

Pinal County government protects and enhances its citizens' quality of life by providing public services in an ethical, efficient, and responsible manner delivered by a motivated, skilled and courteous workforce.

Pinal County, Arizona
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2011

Prepared by:

Pinal County Finance Department

Victoria L. Prins, MPA, CPA, CFE, CGFM
Chief Financial Officer

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

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Introductory Section



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PINAL COUNTY, ARIZONA
2010-2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LETTER OF TRANSMITTAL

December 2, 2011

The Honorable Board of Supervisors
and the Citizens of Pinal County, Arizona:

Arizona Revised Statute (A.R.S.) § 41-1279.21 requires the Office of the Auditor General or a firm of licensed certified public accountants contracted by the Auditor General to conduct financial audits of the accounts and records of County governments. Pursuant to the statute, the Office of the Auditor General contracted with Walker & Armstrong LLP to audit the Pinal County (the County) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2011. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified (clean) opinion that the County's basic financial statements for the fiscal year ended June 30, 2011 are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is located at the front of the financial section of this report.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Pinal County Profile

The County was founded in 1875 and is located in the south-central part of the State of Arizona, bordered on the north by Maricopa County and on the south by Pima County. Florence, established in 1866 was designated and has remained the county seat. This location, approximately halfway between Phoenix to the north and Tucson to the south, the two largest cities in Arizona, presents some unique problems to the County. Generally rural in nature, the County has a smaller tax base than either Maricopa or Pima counties, yet proximity to these major metropolitan areas keeps labor and supply costs high.

The County encompasses approximately 5,400 square miles. The principal geographic features consist of mountains with elevations to 6,000 feet in the eastern portion and low desert valleys in the western portion of the County.

The June 30, 2011 population of the County was estimated to be 376,000. The communities of Mammoth, Oracle, San Manuel, and Kearny have traditionally been active in copper mining, smelting, milling and refining. Arizona City, Eloy, Maricopa, Picacho, Red Rock, and Stanfield have agriculture based economies. Apache Junction, Arizona City, Coolidge, Eloy, and particularly Casa Grande have diversified their economic base to include manufacturing, trade and services.

This expansion and diversification has been facilitated by their location in the major growth corridor between Phoenix and Tucson near the junction of I-10 and I-8, except for Apache Junction, which is to the east of Mesa. Most of the southern $\frac{3}{4}$ of Pinal County and a small area in Apache Junction are designated as Enterprise Zones.

The governing body of Pinal County is the Board of Supervisors, which sets policy for the administration of the County. The Board of Supervisors is comprised of three board members that are elected for a four-year term by the voters of the district in which each member resides. The Board of Supervisors appoints a County Manager to act as the administrative head of the County. The County Manager serves at the pleasure of the Board of Supervisors, carries out the policies established by the Board of Supervisors, directs business and administrative procedures, and recommends officers and personnel to be appointed by the Board of Supervisors. The County has several elected officials including the Assessor, Clerk of the Superior Court, Constables, County Attorney, Recorder, Sheriff, Superintendent of Schools, and the Treasurer.

The County provides a full range of services, including law enforcement and public safety, health care, sanitation, welfare programs, construction and maintenance of highways, streets and related infrastructure, recreational services and cultural activities, and education.

The financial reporting entity includes all activities of the primary government (Pinal County) and its component units. Component units are legally separate entities for which the County is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Additional information can be found in the notes to the financial statements (See Note 1.A).

The annual budget serves as the foundation for Pinal County's financial planning and control. The County maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors. Activities of the General Fund, certain Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department level. Management further controls budgets by not allowing personnel savings to be reprogrammed to supplies and services within a department. Budgets for the Enterprise Funds are set for management purposes only. Pinal County's annual budget is available on the internet at the following address: <http://www.pinalcountyz.gov/departments/budgetoffice/>.

Information Useful in Assessing Pinal County's Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Local economy. The major economic activities within Pinal County include mining, farming, and tourism. Copper mining is the chief economic activity in the eastern portion of Pinal County. BHP Copper Inc., headquartered in Tucson, has mines located in San Manuel and Superior (Pinal County) and in Miami and Pinto Valley (Gila County). ASARCO Inc., headquartered in Hayden (Gila County), has a mine in Ray (Pinal County), as well as one in Hayden at the headquarters. Both ASARCO and BHP have ceased much of their mining operations due to the low price of copper.

Irrigated farming is prevalent in the low desert valleys of the western portion of Pinal County. Principal crops grown in the area include cotton, alfalfa and grain while plantings of specialty crops, including

pecans, almonds, pistachio nuts, and vineyards, have been increasing. Cattle comprise the major livestock population, with sheep being the second-largest livestock population. In addition, horses and horse-related events are popular activities in the western-oriented life style of the County.

Tourism also impacts the local economy as a mild climate and several points of interest attract tourists and winter visitors. Attractions include the Casa Grande Valley Historical Museum, the Biosphere II (largest living laboratory in the world), the Lost Dutchman State Park, the Casa Grande Ruins National Monument near Coolidge, and the Boyce Thompson Arboretum, located just outside Superior. Additional tourist spots include the Superstition Mountains Wilderness Area, which offers hiking and exploring for visitors in search of the Lost Dutchman's gold mine; Picacho Peak State Park, offering hiking, camping and picnic areas; and the Pinal Pioneer Parkway and the Apache Trail, two scenic drives with a variety of desert vegetation. For those tourists with a desire for more action, Eloy is an international location for skydiving.

A major factor in employment in the County is the prisons, both governmental and private. The State of Arizona operates prisons in Pinal County, including the State's maximum-security prison in Florence. Corrections Corporation of America (CCA) operates several private prisons, in Florence, Eloy, and most recently La Palma. The new La Palma facility will be staffing a total of 586 people, which is the largest CCA facility in the country. Also, there is a Federal Immigration Services facility in Florence. The State is the largest employer, with approximately 3,000 employees.

Arizona's economy has been following suit with the national and most other state economies. Recession has hit Arizona harder than any state, with the exception of Nevada. Similar to the National and State economies, Pinal County follows the pattern of slow growth. Continued slow growth in the residential home market and retail sales across the state resulted in less sales tax revenue, both County and State shared.

Long – Term Financial Planning. The County's responsiveness to emerging economic challenges and its careful long-range planning have been key factors in Pinal County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid financial position for the County at the close of FY 2010-2011.

Relevant Financial Policies. Pinal County financial policies include the following:

- **Fiscal Conservatism:** Ensure the County is in a solid financial condition at all times, current revenues will be sufficient to support current operating expenditures. The County performs monthly reviews of operating budgets for all funds regardless of funding source.
- **Flexibility:** Ensure the County is in a position to respond to changes in the economy or new service challenges without undue amounts of financial stress.
- **Adherence to the Highest Accounting and Management Practices:** Comply with the Government Finance Officer's Association (GFOA) standards for reporting and budgeting, the Governmental Accounting Standards Board (GASB) and State reporting requirements.
- **Maintain Reserve:** Fund Balance coverage for the General Fund will be maintained at a minimum of 15% of General Fund expenses.

Major Initiatives. During FY 2010-2011 Pinal County continued to invest in basic government service programs and amenities. The planning parameters were Regional Leadership, Growth, Public Safety, Healthcare, Transportation, Jobs and Economic Development, and Accountability.

Initiatives to shape and maintain Pinal County as a sustainable community include:

- Focus on maintaining a strong credit rating in order to obtain desirable rates and terms for any necessary financing. On June 30, 2011, Fitch affirmed Pinal County's Certificates of Participation at A+ with a stable outlook. Fitch also issued an implied unlimited tax general obligation (ULTGO) rating of AA-. Fitch comments: Strong financial management practiced underpin the AA- implied ULTGO rating, with conservative budgeting and frequent fiscal monitoring, as well as willingness to cut spending to offset revenue losses, fostering maintenance of adequate reserves.
- Opening public health clinics in Maricopa and San Tan Valley in 2012 to improve access to vital health care, immunizations, disease prevention, nutrition, and wellness programs.

- Seeking support at state and federal level for necessary approvals for the following:
 - to allow the Resolution Copper project to move forward, creating good jobs for skilled workers in construction, engineering operations and management,
 - efforts to plan and engineer ways to reduce flooding in the Lower Santa Cruz River Watershed,
 - funding to widen Hunt Highway to reduce congestion, improve commute times, attract more businesses to the area while also reducing dust and vehicle emission in the San Tan Valley area.
 - Funding to pave dirt roads to reduce the amount of particulate matter (dust & dirt) in the air.
- The ramping down and complete elimination (effective October 1, 2011) of Pinal/Gila Long Term Care and Horizon Home Care programs.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pinal County for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This was the 15th consecutive year that Pinal County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, Pinal County published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient, effective and dedicated services of the entire staff of the Finance Department, the assistance of administrative personnel in the various departments, and through the competent service of Walker & Armstrong LLP, Certified Public Accountants and the Arizona State Auditor General's Office. I appreciate all of those who assisted in and contributed to the preparation of this report. I also wish to express my sincere appreciation to the members of the Board of Supervisors, the County Manager, and the Assistant County Manager for Administrative Services for their unfailing support in maintaining the highest standards of professionalism in the management of Pinal County's finances.

Respectfully submitted,

Victoria L. Prins
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Pinal County
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

PINAL COUNTY

Pinal County Voters

ELECTED OFFICIALS
 L. Paul Larkin, Assessor
 James P. Walsh, Attorney
 Chad Roche, Clerk of the Court
 Laura Dean-Lytle, Recorder
 Orlenda Roberts, School Superintendent
 Paul Babeu, Sheriff
 Dodie Doolittle, Treasurer
 Superior Court Justices (10)
 Adult Probation
 Juvenile Court Services
 Justices of the Peace (8)
 Constables (8)

Internal Auditor
 Lori Stripling

Clerk of the Board
 Sheri Cluff

Board of Supervisors
 Pete Rios, District 1
 Bryan Martyn, District 2
 David Snider, District 3

County Manager
 Fritz Behring

**Assistant County Manager
 Development Services**
 Ken Buchanan

**Assistant County Manager
 Administrative Services**
 Manny Gonzalez

**Assistant County Manager
 Health and Human Services**
 Lisa Garcia

Don Gabrielson, Air Quality Director
 Steve Brown, Building Safety Director
 Reg Glos, Environmental Health Director
 Jerrold Stabley, Planning &
 Development Director
 Greg Stanley, Public Works Director

Alina Mangru, Interim Budget & Research Director
 Steve Kizer, Elections Director
 Victoria Prins, Chief Financial Officer
 Michael Arnold, Human Resources Director
 Richard Jones, Information Technology Director
 Jack Flindt, Risk Manager
 Tom Celaya, Facilities Management Director
 Jack Flindt, Fleet Services Director
 Manny Gonzalez, Fairgrounds Director

Kaye Dickson, Animal Care & Control Director
 Joan Sacramento, Behavioral Health, Public
 Fiduciary Director
 Denise Keller, Library District Director
 Patricia Lilly, Interim Correctional Health Director
 Donna Valkos, Horizon Home Care Director
 Adeline Allen, Housing Director
 Susan Murphy, Long Term Care Director
 Tom Schryer, Public Health Director
 Mary Wisdom, Public Defender

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011
County Officials

Elected Officials

Supervisor, District 1	Pete Rios
Supervisor, District 2	Bryan Martyn
Supervisor, District 3	David Snider
Assessor	L. Paul Larkin
Attorney	James P. Walsh
Clerk of Superior Court	Chad A. Roche
Recorder	Laura Dean-Lytle
School Superintendent	Orlenda F. Roberts
Sheriff	Paul Babeu
Superior Court Judge, Division 1	Honorable Boyd T. Johnson
Superior Court Judge, Division 2	Honorable Gilberto V. Figueroa
Superior Court Judge, Division 3	Honorable Stephen F. McCarville
Superior Court Judge, Division 4	Honorable Janna L. Vanderpool
Superior Court Judge, Division 5	Honorable Kevin D. White
Superior Court Judge, Division 6	Honorable Joseph R. Georgini
Superior Court Judge, Division 7	Honorable Robert Carter Olson
Superior Court Judge, Division 8	Honorable Brenda E. Oldham
Superior Court Judge, Division 9	Honorable Steven J. Fuller
Superior Court Judge, Division 10	Honorable Daniel A Washburn
Treasurer	Dodie Doolittle
Justices of the Peace (8) and Constables (8)	Various

Appointed Officials

County Manager	Fritz Behring
Internal Auditor	Lori Stripling
Clerk of the Board	Sheri Cluff
Assistant County Manager, Administration	Manny Gonzalez
Assistant County Manager, Health & Human Services	Lisa Garcia
Assistant County Manager, Development Services	Ken Buchanan
Chief Financial Officer	Victoria Prins
Public Works Director	Greg Stanley
Planning & Development Director	Jerrold Stabley
Public Defender	Mary Wisdom
Library District Director	Denise Keller
Budget Director	Alina Mangru, Interim
Building Safety Director	Steve Brown
Elections Director	Steve Kizer
Facilities Management Director	Tom Celaya
Fairgrounds Director	Manny Gonzalez
Fleet Services Director	Jack Flindt
Human Resources Director	Michael Arnold
Chief Information Officer	Richard Jones
Long Term Care Director	Susan Murphy
Risk Manager	Jack Flindt
Air Quality Director	Donald Gabrielson
Animal Care & Control Director	Kaye Dickson
Horizon Home Care Director	Donna V. Valkos
Housing Director	Adeline Allen
Behavioral Health, Public Fiduciary Director	Joan Sacramento
Public Health Director	Thomas Schryer
Correctional Health Director	Patricia Lilly, Interim
Environmental Health Director	Reg Glos

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Financial Section



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Independent Auditors' Report

The Auditor General of the State of Arizona

Honorable Board of Supervisors of
Pinal County, Arizona

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 Pinal County, Arizona ("Pinal County") as of and for the year ended June 30, 2011, which collectively comprise Pinal County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Pinal County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following financial statements:

- Long term care fund, which represents 76.24 percent, 63.86 percent and 87.07 percent of the total assets, net assets and revenues, respectively, of the business-type activities opinion unit and 100 percent of the long term care fund opinion unit;
- Housing and community development fund, which represents 1.43 percent, 1.90 percent and 1.87 percent of the total assets, net assets and revenues, respectively, of the governmental activities opinion unit and .38 percent, .35 percent and .68 percent, respectively, of the total assets, fund balances/net assets and revenues and additions of the aggregate remaining fund information opinion unit;
- Employee benefit trust fund, which represents .81 percent, .60 percent and 7.14 percent of the total assets, net assets and revenues, respectively, of the governmental activities opinion unit and 1.93 percent, 1.03 percent and 2.58 percent, respectively, of the total assets, fund balances/net assets and revenues and additions of the aggregate remaining fund information opinion unit.

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the long term care, housing and community development, and employee benefit trust funds are based solely on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Pinal County as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As described in Note 1, Pinal County implemented the provisions of the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended June 30, 2011, which represents a change in accounting principle.

U.S. generally accepted accounting principles requires that Management's Discussion and Analysis (MD&A) on pages 5 through 18, the Budgetary Comparison Schedules on pages 63 through 68 and the Schedule of Agent Retirement Plans' Funding Progress on pages 69 and 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pinal County's basic financial statements. The introductory section, combining statements and individual fund schedules and statistical section listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements. The combining statements and individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors during the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, based on our audit and the reports of other auditors, such information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and 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 and do not provide any assurance on them.

In connection with our audit, nothing came to our attention that caused us to believe that Pinal County failed to use highway user revenue fund monies received by Pinal County pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by Pinal County solely for the authorized transportation purposes. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011 on our consideration of Pinal County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Board of Supervisors, management, and others within the County and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Walker & Armstrong LLP

Phoenix, Arizona
December 2, 2011

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PINAL COUNTY Management's Discussion and Analysis

As management of Pinal County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vii – x of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of fiscal year 2011 by \$470,651 (*net assets*). Of this amount, \$62,309 (*unrestricted net assets*) may be used to meet ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$13,226 partly due to increased revenues for property taxes, state sales taxes, and capital contributions related to increases in the County's capital assets. Beginning net assets were restated as part of the implementation of new accounting guidance as well as for the correction of prior year errors related to the County's capital assets and deferred revenues.
- As of June 30, 2011, the County's governmental funds reported combined fund balances of \$155,570, an increase of \$7,313 in comparison with the prior year, as restated. Approximately 29% of the combined fund balances, or \$45,324, is available for spending at the County's discretion (*assigned & unassigned fund balance*). The increase is mainly attributed to unspent debt proceeds which will be used for the construction and acquisition of two health clinics and the renovation of the County's historic courthouse. The County continues to control costs through a freeze or delayed hiring for vacant positions, through controlling expenditures for supplies and travel and through ongoing reviews and evaluations of county operations.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$42,309, or 27% of total General Fund expenditures.
- The County's total long-term liabilities as of June 30, 2011, were \$183,529. Certificates of participation, revenue bonds, and loans payable, including unamortized premiums, represent 88% of the total. The final payments on the certificates of participation are due in fiscal years 2012 and 2030. The final payments on the loans payable are due in fiscal years 2012, 2019, and 2025. The final payments for the revenue bonds are due in fiscal years 2021 and 2036.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County'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 is improving or deteriorating.

The *statement of activities* presents information showing how the County'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 result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

PINAL COUNTY Management's Discussion and Analysis

Both of the government-wide financial statements distinguish functions of the County 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*). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education. The business-type activities of the County include the Sheriff Inmate Services, Horizon Home Care (Home Health), Long Term Care, Fairgrounds, and Airport Economic Development.

The government-wide financial statements can be found on pages 19-20 of this report.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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 can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary 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.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances include a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County uses 190 individual governmental funds to satisfy legal and operating requirements. Some of these funds are combined according to their functional basis for financial reporting purposes. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Road Tax Districts, Public Works Highway, and Development Impact Fee funds. Data from the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and other governmental funds. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. These statements can be found on pages 63-67.

The basic governmental fund financial statements can be found on pages 21-24 of this report.

Proprietary funds are maintained in two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Sheriff Inmate Services, Horizon Home Care (Home Health), Long Term Care, Fairgrounds, and Airport Economic Development. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for the Employee Benefit Trust. Because the services of internal service funds predominantly benefit governmental rather than business-type activities, 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. Pinal County Long Term Care operations are considered to be a major fund of the County. Fund data for the other enterprise funds are combined into a single, aggregated presentation provided in the form of *combining statements* elsewhere in this report. The County's internal service fund is presented separately in the proprietary fund financial statements.

PINAL COUNTY
Management's Discussion and Analysis

The proprietary fund financial statements can be found on pages 25-28 of this report.

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 statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 29-30 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-61 of this report.

Required Supplementary Information is presented in addition to the basic financial statements and accompanying notes, concerning the County's progress in funding its obligation to provide pension benefits to its employees. Budgetary comparison schedules previously discussed are also included in this section. Required supplementary information can be found on pages 63-70 of this report.

Combining Statements and Other Schedules referred to earlier in connection with non-major governmental funds and non-major enterprise funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules including statistical information can be found on pages 71-158 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. County assets exceeded liabilities by \$470,651 at the close of the most recent fiscal year. The balances for governmental activities and business-type activities capital assets were restated for fiscal year 2010 to correct prior period errors, and for the implementation of new accounting guidance regarding fund balance reporting and governmental fund type definitions. Additional information on this restatement can be found in Note 4 on page 39 of this report.

Condensed Statement of Net Assets						
June 30, 2011 and 2010						
	Governmental		Business-type		Total	
	Activities		Activities		Total	
	2011	(as restated) 2010	2011	(as restated) 2010	2011	(as restated) 2010
Current and other assets	\$ 196,056	\$ 182,449	\$ 14,375	\$ 14,247	\$ 210,431	\$ 196,696
Capital assets	460,813	459,748	5,728	5,036	466,541	464,784
Total assets	<u>656,869</u>	<u>642,197</u>	<u>20,103</u>	<u>19,283</u>	<u>676,972</u>	<u>661,480</u>
Other liabilities	17,332	13,808	5,460	5,775	22,792	19,583
Long-term liabilities	181,004	181,648	2,525	2,824	183,529	184,472
Total liabilities	<u>198,336</u>	<u>195,456</u>	<u>7,985</u>	<u>8,599</u>	<u>206,321</u>	<u>204,055</u>
Net assets:						
Invested in capital assets, net of related debt	307,290	300,467	3,346	2,341	310,636	302,808
Restricted net assets	94,280	101,343	3,426	3,745	97,706	105,088
Unrestricted net assets	56,963	44,931	5,346	4,598	62,309	49,529
Total net assets	<u>\$ 458,533</u>	<u>\$ 446,741</u>	<u>\$ 12,118</u>	<u>\$ 10,684</u>	<u>\$ 470,651</u>	<u>\$ 457,425</u>

PINAL COUNTY Management's Discussion and Analysis

A significant portion of the County's net assets (66%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County'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.

An additional portion of the County's net assets (21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$62,309) may be used to meet the government's ongoing obligations to citizens and creditors.

The County's net assets increased by \$13,226 from net assets reported at June 30, 2010, as restated. The majority of this growth in net assets is due to increased revenues for property taxes, shared state sales taxes and charges for services related to the housing of inmates and seizures under the Racketeer Influenced and Corrupt Organizations Act (RICO).

Current assets increased 7% in total. Notable changes included an increase in property taxes receivables which was expected due to the high level of foreclosures, as well as the increased property taxes levied in the current year. The increase is also attributed to receivables due from other governments which are primarily due to an Intergovernmental Government Agreement with a municipal governmental entity, as well as unspent bond proceeds that will be used for construction projects.

The County's capital assets remained about the same increasing by less than 1% in total. Notable changes included additions to construction in progress. Also, there was a decrease in roads, easements, and right of ways contributed to the County consistent with the reduction of major road construction experienced in recent years.

The County's long-term liabilities remained about the same, decreasing by less than 1% in total. Notable changes included the issuance of pledged revenue obligation bonds for the construction of two public health clinics and for the renovation of the County's historic courthouse and pledged revenue refunding bonds which refinanced and defeased a large portion of the Certificates of Participation, Series 2001, saving the County about \$1.5 million in future debt service costs.

Governmental Activities

Key elements of the change in net assets from the prior year are as follows:

- General revenue property taxes increased by \$3,919 (4%) during the year. The increase is primarily due to increases in property taxes levied in the current year.
- Charges for services increased by \$2,363 (7%), primarily due to increases of fees for the housing of inmates, as well as an increase in the number of federal inmates. \$1,020 of the increase was directly related to seizures under the RICO Act.
- Operating grants and contributions decreased by \$2,907 (8%), primarily due to a reduction in Federal government emergency management and public safety grants, as well as the elimination of the Pinal County Special Education program provided by the Accommodation School.
- Capital grants and contributions are lower by \$3,344 (13%) from the prior year primarily due to a decrease of contributions of capital assets, particularly for infrastructure (roads).
- Expenses increased \$8,086 (3%) from the prior year. This increase is mostly attributed to the general government, public safety and health functions. General government increased primarily due to increases in medical insurance and retirement contributions, and utilities and energy efficiency grant expenses. Public safety expenditures increased primarily due to a reclassification of expenditures from the general government function to provide an accurate presentation of the expenditures. Also, of note was a payout of all compensatory time liabilities accrued over prior years. Health increased primarily due to increases in the County's contributions for the Arizona Health Care Cost Containment System, and the Arizona Long Term Care system.

PINAL COUNTY
Management's Discussion and Analysis

Business-type activities

Business-type activities increased the County's net assets by \$1,434.

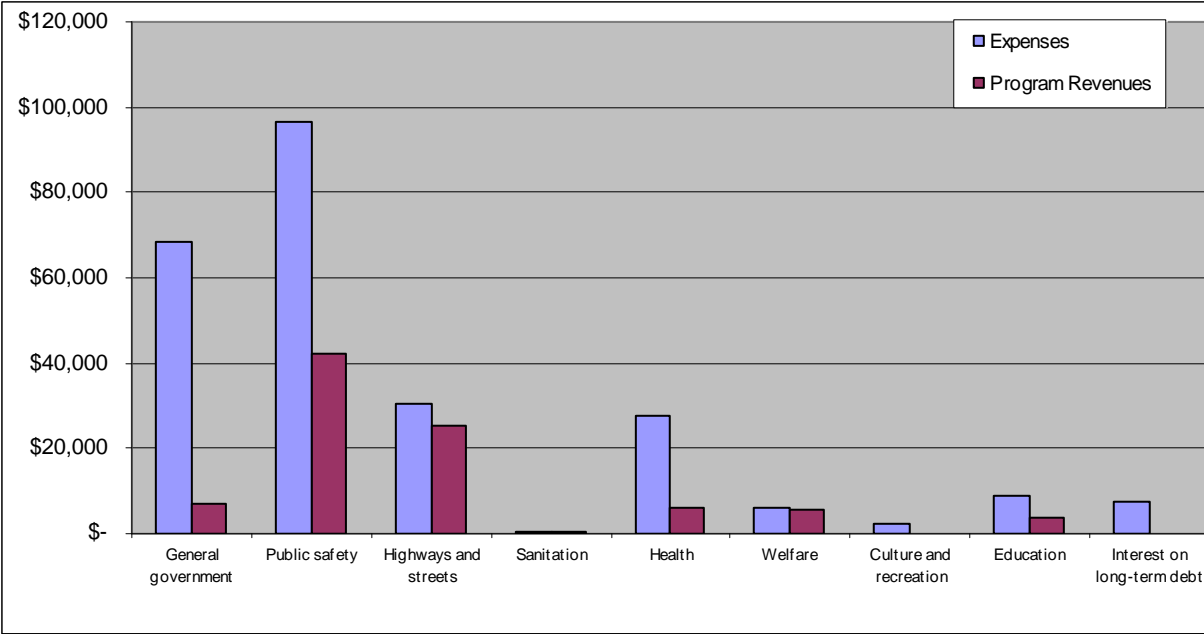
- Charges for services increased by \$2,741 (4%), while expenses increased by \$1,370 (2%) mainly due to Long Term Care Fund and Home Health activities, as a result of a higher population eligible for health care benefits and increased medical costs. These funds will have ended all operations by the end of next year. See Note 17 on page 61 for more information on the future of these funds.

The following table summarizes the changes in net assets for governmental and business-type activities. Information on the Net Assets restatement can be found in Note 4 on page 39 of this report.

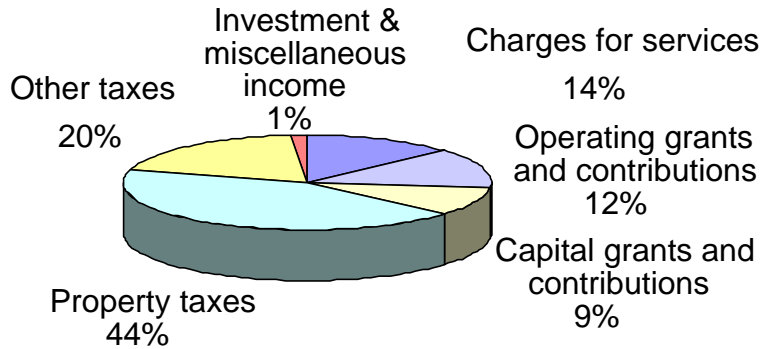
Condensed Statement of Activities Years Ended June 30, 2011 and 2010						
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues:						
Charges for services	\$ 36,650	\$ 34,287	\$ 70,235	\$ 67,494	\$ 106,885	\$ 101,781
Operating grants and contributions	31,607	34,514	705	60	32,312	34,574
Capital grants and contributions	22,157	25,501	-	-	22,157	25,501
General revenues:						
Property taxes	112,674	108,755	-	-	112,674	108,755
Other taxes	52,382	49,380	-	-	52,382	49,380
Investment earnings	995	1,504	137	198	1,132	1,702
Miscellaneous	2,007	2,302	1,055	858	3,062	3,160
Total revenues	258,472	256,243	72,132	68,610	330,604	324,853
Expenses						
General government	68,581	67,143	-	-	68,581	67,143
Public safety	96,425	93,431	-	-	96,425	93,431
Highways and streets	30,614	30,514	-	-	30,614	30,514
Sanitation	444	707	-	-	444	707
Health	27,702	24,496	-	-	27,702	24,496
Welfare	6,017	5,683	-	-	6,017	5,683
Culture and recreation	2,116	1,819	-	-	2,116	1,819
Education	9,027	8,487	-	-	9,027	8,487
Interest on long-term debt	7,408	7,968	-	-	7,408	7,968
Sheriff Inmate Services	-	-	519	633	519	633
Home Health	-	-	6,210	5,117	6,210	5,117
Long Term Care	-	-	61,555	61,404	61,555	61,404
Fairgrounds	-	-	479	520	479	520
Airport Economic Development	-	-	281	-	281	-
Total expenses	248,334	240,248	69,044	67,674	317,378	307,922
Increase in net assets before transfers	10,138	15,995	3,088	936	13,226	16,931
Transfers	1,654	2,559	(1,654)	(2,559)	-	-
Change in net assets	11,792	18,554	1,434	(1,623)	13,226	16,931
Net assets - beginning, as restated	446,741	417,608	10,684	11,182	457,425	428,790
Net assets - ending	\$ 458,533	\$ 436,162	\$ 12,118	\$ 9,559	\$ 470,651	\$ 445,721

**PINAL COUNTY
Management's Discussion and Analysis**

**Expenses and Program Revenues – Governmental Activities
Fiscal Year 2011**

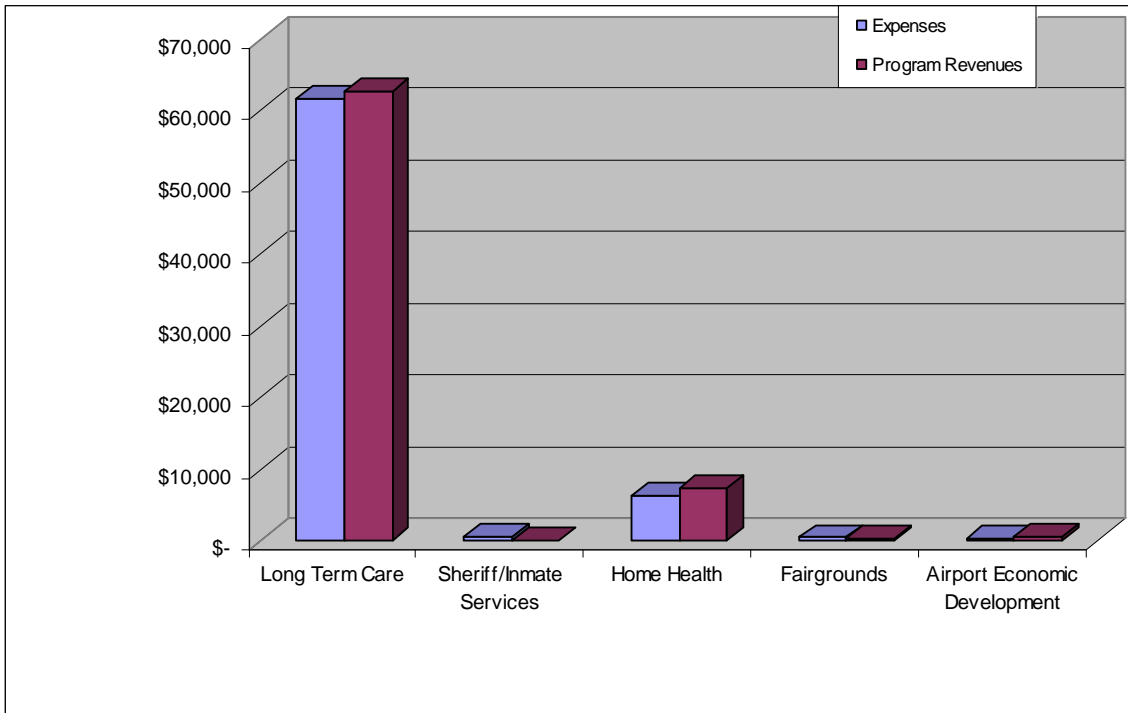


**Revenues by Source - Governmental Activities
Fiscal Year 2011**

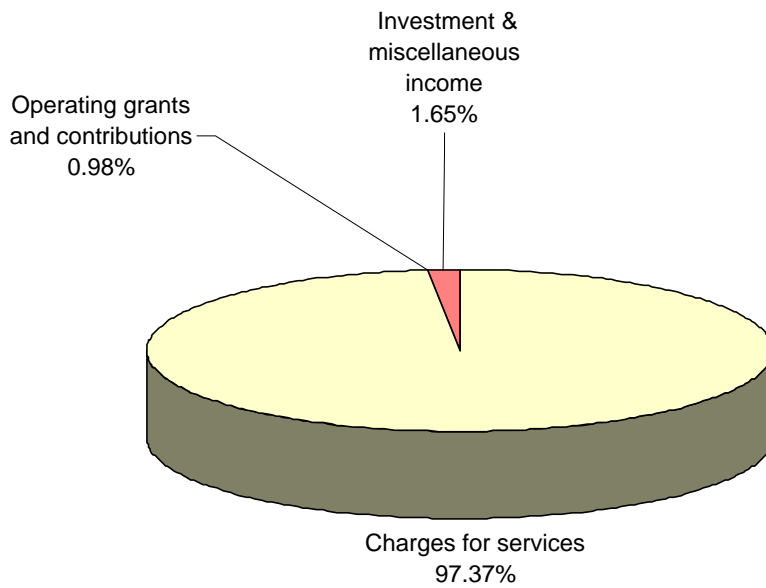


**PINAL COUNTY
Management's Discussion and Analysis**

**Expenses and Program Revenues – Business-type Activities
Fiscal Year 2011**



**Revenues by Source - Business-type Activities
Fiscal Year 2011**



PINAL COUNTY
Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2011, the County's governmental funds reported combined fund balance of \$155,570, an increase of \$7,313 in comparison with the prior year, as restated. Less than 1%, \$1,440 of the combined fund balance constitutes *nonspendable fund balance*, made up of inventories and prepaid items that do not represent available spendable resources. Approximately 67% of the combined fund balance, \$104,267 constitutes *restricted fund balance* which represents resources that are subject to external restrictions on how they may be used. The remaining 32% of the combined fund balance is comprised of unassigned fund balance of \$42,161 which is available for spending at the County's discretion, while amounts of \$4,539 and \$3,163 of committed and assigned fund balances, respectively have to be spent under the conditions specified by the Board of Supervisors and County Management.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$42,309 while total fund balance reached \$44,368. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 27% of total General Fund expenditures, while total fund balance represents 28% of that same amount.

The total fund balance of the County's General Fund increased during the fiscal year by \$790, as restated. Key factors included the increase in tax revenues and charges for services, specifically for the housing of prison inmates.

The Road Tax Districts Fund total fund balance decreased during the fiscal year by \$950. Contributing to this decrease is the reduction in grants from Arizona Department of Transportation for the construction and completion of the Kings Ranch Road Multi U.S. road project and the Hogwash Crossing at Mountain View Road project.

The Public Works Highway Fund total fund balance remained virtually unchanged as the County controlled expenditures in this fund during the year while maintaining the County's roads and road related debt service.

The Development Impact Fee Fund total fund balance decreased during the fiscal year by \$957. This reduction is due to a decrease in fees paid by developers, continuing the recent downward trend related to construction activity. The fund continued to provide money through operating transfers for debt service payments of the County's Greater Arizona Development Authority 2006 loan. A portion of the transfers was also used to fund the construction and completion of the Battaglia and Sunland Gin Road project.

Revenues for governmental funds totaled \$250,309 in fiscal year 2011, which represents an increase of 1.53% from fiscal year 2010.

PINAL COUNTY
Management's Discussion and Analysis

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Governmental Funds						
Revenues Classified by Source						
For the Years Ended June 30, 2011 and 2010						
	<u>2011</u>		<u>2010</u>		<u>Variance</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Taxes	\$ 130,923	52.30%	\$ 126,338	51.25%	\$ 4,585	3.63%
Licenses and permits	2,758	1.10%	3,330	1.35%	(572)	-17.18%
Intergovernmental	81,164	32.43%	81,699	33.14%	(535)	-0.65%
Charges for services	27,661	11.05%	27,353	11.09%	308	1.13%
Fines and forfeits	4,474	1.79%	3,381	1.37%	1,093	32.33%
Investment earnings	995	0.40%	1,504	0.61%	(509)	-33.84%
Contributions	372	0.15%	575	0.23%	(203)	-35.30%
Rentals	524	0.21%	840	0.34%	(316)	-37.62%
Micellaneous	1,438	0.57%	1,518	0.62%	(80)	-5.27%
Total revenues	<u>\$ 250,309</u>	<u>100.00%</u>	<u>\$ 246,538</u>	<u>100.00%</u>	<u>\$ 3,771</u>	<u>1.53%</u>

The following provides an explanation of revenues by source that changed significantly over the prior year.

- Taxes – the increase of \$4,585 was primarily due to an increase in property taxes revenue levied from the prior year as the primary tax rate increased by 19%, in part to pay for cost shifts from the State of Arizona.
- Licenses and permits – the decrease of \$572 is primarily due to a reduced demand for building permits issued and highway/right of way permits. The revenue decrease from the prior year is 35% and 48%, respectively.
- Intergovernmental – the decrease of \$535 is primarily due to County's Accommodation School elimination of the Pinal County Special Education program and from reduced revenues from the federal government for public safety and health related grants. Some of these reductions in grant awards were offset by a large energy efficiency grant administered during the current year.
- Charges for services – Overall, charges for services remained fairly consistent with the prior year. Charges for services increased for the boarding of Federal, State, and local prisoners, as well as for revenues received from the Immigration and Customs Enforcement (ICE) fees were offset by lower revenues from development impact fees.
- Fines and forfeits – the increase of \$1,093 is primarily due to increases in fines collected for animal control and attorney (court fines), and RICO forfeitures.
- Investment earnings – the decrease of \$509 was primarily due to lower investment returns as a result of the continued challenges faced in the financial investment markets.
- Contributions – the decrease in contributions of \$203 is primarily due to the reduction in contributions for construction road projects, specifically, the Gantzel Road project.
- Rentals – the decrease of \$316 is primarily attributed to the re-classification of the Airport Economic Development fund to a non-major enterprise fund from a governmental fund in the prior year.

PINAL COUNTY
Management's Discussion and Analysis

The following table presents expenditures by function compared to prior year amounts.

Governmental Funds Expenditures by Function For the Years Ended June 30, 2011 and 2010						
Governmental Function	2011		2010		Variance	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	\$ 66,438	25.72%	\$ 62,495	25.59%	\$ 3,943	6.31%
Public safety	96,791	37.47%	92,175	37.74%	4,616	5.01%
Highways and streets	24,157	9.36%	24,738	10.13%	(581)	-2.35%
Sanitation	444	0.17%	696	0.29%	(252)	-36.21%
Health	27,589	10.68%	24,297	9.95%	3,292	13.55%
Welfare	5,759	2.23%	6,024	2.47%	(265)	-4.40%
Culture and recreation	2,059	0.80%	2,122	0.87%	(63)	-2.97%
Education	9,027	3.50%	8,672	3.55%	355	4.09%
Capital outlay	7,009	2.71%	4,218	1.73%	2,791	66.17%
Debt service:						
Principal retirement	11,511	4.46%	10,953	4.48%	558	5.09%
Interest	7,038	2.73%	7,804	3.20%	(766)	-9.82%
Cost of issuance	440	0.17%	-	0.00%	440	N/A
Miscellaneous	4	0.00%	8	0.00%	(4)	-50.00%
Total expenditures	<u>\$258,266</u>	<u>100.00%</u>	<u>\$ 244,202</u>	<u>100.00%</u>	<u>\$ 14,064</u>	<u>5.76%</u>

The following provides an explanation of the expenditures by function that changed significantly over the prior year.

- General government – expenditures for General government increased due to increases in medical insurance and retirement contributions, and utilities and energy efficiency grant expenses. The County also prepaid the fiscal year 2012 liability insurance premium during the current year. Also, a portion of general government balances were reclassified and presented as public safety expenditures in the current year.
- Public safety – expenditures for Public safety increased primarily due to a reclassification of expenditures from the general government function to provide an accurate presentation of the expenditures. Also, the increase is due to a payout of all compensatory time liabilities accrued over prior years.
- Sanitation – expenditures for Sanitation decreased primarily due to a reduction in property services provided specifically for sewer use in the City of Casa Grande, Arizona from the Desert Vista Sanitary District. Also, the decrease is due to a reduction in salaries and wages and payroll related expenditures in the Waste Tire Fund and in the Go Green program in the General Fund.
- Health – expenditures for Health increased due to an increase in the County's contributions to the Arizona Health Care Cost Containment System (AHCCCS), and the Arizona Long Term Care System (Acute), and as the County received a reduced refund from the American Recovery and Reinvestment funding received by the state that allowed a reduction in County contributions.
- Capital outlay – Expenditures for capital outlay increased 66% primarily for three parcels of land purchased from the General Fund totaling 5.57 acres for a total value of \$1.1 million located in Maricopa, Arizona that was leased in prior years and includes County government buildings. The purchased land will continue to provide County services to residents of the County. In addition, land was purchased with a total value of \$2 million from a non-major capital projects fund for the

PINAL COUNTY
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construction of two health clinics expected to be in operation in 2012. In addition, purchased vehicles were part of the annual vehicle replacement for the Sheriff's Office.

- Cost of issuance – expenditures for the cost of issuance related to debt service increased as the County issued pledged revenue obligation bonds and pledged revenue refunding obligation bonds.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Restricted net assets of the Long Term Care Fund at the end of the year totaled \$2,996 and unrestricted net assets totaled \$2,895. Unrestricted net assets for the other nonmajor enterprise funds (Sheriff Inmate Services, Home Health, Fairgrounds, and Airport Economic Development) totaled \$2,451. The total change in net assets was also affected by the reclassification of the Airport Economic Development Fund to an Enterprise fund from a Special Revenue Fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

The following table shows actual revenues, expenses, and changes in net assets for the enterprise funds for the current fiscal year:

Enterprise Funds						
Schedule of Revenues, Expenses, and Changes in Net Assets						
For the Year Ended June 30, 2011						
	<u>Major Fund</u>	<u>Nonmajor Funds</u>				
	<u>Long- Term Care</u>	<u>Sheriff Inmate Services</u>	<u>Home Health</u>	<u>Fairgrounds</u>	<u>Airport Economic Develop- ment</u>	<u>Total</u>
Operating revenues	\$ 62,695	\$ 280	\$ 7,254	\$ 600	\$ 460	\$ 71,289
Operating expenses	60,223	519	6,207	479	281	67,709
Operating income (loss)	2,472	(239)	1,047	121	179	3,580
Nonoperating revenues (expenses), net	(1,224)	17	3	61	651	(492)
Net income (loss) before contributions and transfers	1,248	(222)	1,050	182	830	3,088
Transfers and Capital contributions, net	(1,237)	-	(419)	48	(46)	(1,654)
Change in net assets	<u>\$ 11</u>	<u>\$ (222)</u>	<u>\$ 631</u>	<u>\$ 230</u>	<u>\$ 784</u>	<u>\$ 1,434</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

- General Fund revenues were more than the final budget by \$3,137 or 1.9%, as Taxes and Intergovernmental revenue exceeded the budgeted amounts primarily due to an increase in property taxes levied and by a large energy efficiency grant administered during the current year.

General Fund expenditures were less than the budget by \$39,107 or 20%, due to the following reasons:

- The Assistant County Manager-Admin spent \$31,843 less than budgeted in the general government function primarily due to the following unspent funds: the Board has established a Financial Stability Reserve, contingency funds not being used, and the carryover of Information

PINAL COUNTY
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Technology projects. In addition, payments to AHCCCS were less than budgeted as the County received a reduced refund from the State of Arizona which resulted in a reduction in County contributions.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The County's capital assets for its governmental and business-type activities as of June 30, 2011, amounted to \$466,541 (net of accumulated depreciation). This investment in capital assets includes land and easements, infrastructure, buildings and improvements, machinery and equipment, software, and construction in progress. The total increase in the County's capital assets for the current fiscal year was .38% (.23% increase for governmental activities and a 13.7% increase for the business-type activities).

Major capital asset events during the current fiscal year included the following:

Governmental activities:

- Donations of capital assets of \$4,153, which included easements and right-of-ways, contributed to the net increase in the County's land capital assets.
- The balances for governmental and business-type activities capital assets were restated for fiscal year 2010 due to the implementation of new accounting guidance regarding fund balance reporting and governmental fund type definitions for the governmental activities and to correct prior period errors. Additional information on this restatement can be found in Note 4 on page 39 of this report.

Governmental and Business-type Activities Capital Assets (net of accumulated depreciation) June 30, 2011 and 2010						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2011	2010 <small>(as restated)</small>	2011	2010 <small>(as restated)</small>	2011	2010 <small>(as restated)</small>
Land	\$ 180,859	\$ 175,660	\$ -	\$ -	\$ 180,859	\$ 175,660
Buildings and improvements	106,346	110,844	3,982	4,146	110,328	114,990
Machinery and equipment	13,517	15,914	1,005	602	14,522	16,516
Intangible - Software	209	237	91	104	300	341
Infrastructure	150,532	152,936	-	-	150,532	152,936
Construction in progress	9,350	4,157	650	184	10,000	4,341
Total	<u>\$ 460,813</u>	<u>\$ 459,748</u>	<u>\$ 5,728</u>	<u>\$ 5,036</u>	<u>\$ 466,541</u>	<u>\$ 464,784</u>

The County's infrastructure assets are recorded at actual cost when available or estimated historical cost when actual cost is not available, with donations being reported at estimated fair value in the government-wide financial statements as required by GASB Statement No. 34. The acquisition of new infrastructure assets is reported as Highways and Streets expenditures within the Public Works Highway, Public Works Roadways, and Flood Control Funds.

Additional information on the County's capital assets can be found in Note 6 on pages 43-44 of this report.

PINAL COUNTY
Management's Discussion and Analysis

Long-term Debt

At the end of the current fiscal year, the County had total long-term debt outstanding of \$165,908 for governmental activities as compared to \$165,574 in the prior year. This amount was comprised of \$30,715 of bonds payable, including unamortized discount on the revenue bonds and unamortized premium on the refunding revenue bonds, for the construction of two health clinics, the renovation of the County's historic courthouse and to refund a large portion of the certificates of participation, Series 2001, respectively; \$6,985 of capital leases; \$62,670 of certificates of participation, including unamortized premium; and \$65,538 of loans payable, including unamortized premium, for the Ironwood/Gantzel Road project, the Thornton Road reconstruction project, the animal shelter expansion project and several County building renovation projects.

For the current fiscal year business-type activities, the County has long-term debt outstanding of \$69 of capital leases and \$2,347 for the long-term care building expansion project loan.

Long-Term Debt			
June 30, 2011 and 2010			
	Outstanding Debt		Percent
	2011	2010	Change
Governmental Activities			
Loans payable	\$ 65,538	\$ 70,091	-6.50%
Certificates of participation	62,670	84,814	-26.11%
Obligations under capital leases	6,985	10,669	-34.53%
Bonds payable	30,715	-	N/A
Total	<u>\$ 165,908</u>	<u>\$ 165,574</u>	
Business-type Activities			
Loans payable	2,347	2,592	-9.45%
Obligations under capital leases	69	103	-33.01%
Total	<u>\$ 2,416</u>	<u>\$ 2,695</u>	

Additional information on the County's long-term debt can be found in Note 9 on pages 45-51 of this report.

Economic Factors and Next Year's Budgets

- The current 2011, preliminary, seasonally adjusted, unemployment rate for the State of Arizona as of September was 9.1%.¹ The national rate at the same time was at 9.1%.¹ The average unemployment rate for Pinal County as of September was 10.6%. The State of Arizona seasonally adjusted unemployment rate fell 0.6% from one year ago and the average unemployment rate for Pinal County fell 0.4% from the prior year. Job increases exist across all fields and industries, with the exception of two fields (other services and professional and business services) reflecting improvement in the state of the economy in Pinal County.²
- The housing industry continues to be one of the largest factors affecting the State of Arizona, which ranks towards the top nationwide for residential foreclosures. As a result we expect property tax receivables to remain high, while we expect revenues from permits to remain low as new home construction is still well below numbers experienced several years ago.

¹ United States Bureau of Labor Statistics, Regional and State Employment and Unemployment – September 2011.

² <http://www.workforce.az.gov> (excluding Native American Reservations)

PINAL COUNTY
Management's Discussion and Analysis

- Rising medical costs continue to affect the County's available resources. Medical insurance costs are expected to increase next year. The County's Employee Health Benefit Trust has taken the necessary steps to ensure the Trust's viability, including an adjustment to contribution rates and employee co-pays.
- The County has projected that revenues from State and Local Sales Taxes will increase in fiscal year 2012.
- The State's continued budget difficulties have had a significant impact on the County. As a result, the County will be required to make a one-time payment of \$2.59 million to the State of Arizona in fiscal year 2012. The County's primary tax rate was adjusted accordingly based on this cost-shift.
- During fiscal year 2012, the County will be required by the State of Arizona to contribute an additional \$2.4 million to the Arizona Health Care Cost Containment System raising the annual contribution from \$16.5 million to \$18.9 million in fiscal year 2012.

All of these factors were considered in preparing the County's budget for the fiscal year 2012. Budget preparation for fiscal year 2012 continued to be conservative. The adopted fiscal year 2012 budget is \$357,097 (down 17% from fiscal year 2011). The decrease in the adopted fiscal year 2012 budget includes the elimination of the Long Term Care Fund and Home Health Fund in fiscal year 2012.

In fiscal year 2012, the Board of Supervisors maintained the primary tax rate at 3.99 cents. Maintaining the primary tax rate combined with reduced assessed valuations, puts pressure on the County's ability to provide the existing level of service to our residents.

The County continues to monitor the local, state and national economy in order to identify opportunities and threats to budgeted revenues. Slim growth in the residential home market and slowly increasing retail sales across the State resulted in more sales tax revenue, both County and State-Shared. To balance the fiscal year 2012 budget, the hiring freeze has been extended and emphasis has been placed on control over expenditures.

Requests for Information

This financial report is designed to provide a general overview of the County'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 Pinal County Finance Department, P.O. Box 1348, Florence, AZ, 85132.

Basic Financial Statements



P I N A L ♦ C O U N T Y
wide open opportunity

PINAL COUNTY
Statement of Net Assets
June 30, 2011

(Amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash, cash equivalents and investments	\$ 136,325	\$ 10,607	\$ 146,932
Cash and investments held by trustees	14,441	-	14,441
Receivables (net):			
Property taxes	9,900	-	9,900
Accounts	2,437	2,587	5,024
Internal balances	18	(18)	-
Due from other governments	30,470	-	30,470
Inventories	28	-	28
Prepaid items	1,412	43	1,455
Deferred charges	411	-	411
Cash and cash equivalents - restricted	614	1,156	1,770
Capital assets:			
Nondepreciable	190,209	650	190,859
Depreciable (net)	270,604	5,078	275,682
Total assets	<u>656,869</u>	<u>20,103</u>	<u>676,972</u>
Liabilities			
Accounts payable	7,912	333	8,245
Accrued payroll and employee benefits	1,913	159	2,072
Retainage payable	137	-	137
Contracts payable	241	-	241
Claims payable	2,437	4,942	7,379
Due to other governments	79	-	79
Deposits held for others	2,730	-	2,730
Deferred revenue	734	26	760
Interest payable	1,149	-	1,149
Noncurrent liabilities:			
Due within one year	17,528	391	17,919
Due beyond one year	163,476	2,134	165,610
Total liabilities	<u>198,336</u>	<u>7,985</u>	<u>206,321</u>
Net Assets			
Invested in capital assets, net of related debt	307,290	3,346	310,636
Restricted for:			
Public safety	14,038	430	14,468
Highways and streets	45,971	-	45,971
Health	8,590	2,996	11,586
Culture and recreation	3,076	-	3,076
Education	4,773	-	4,773
Debt service	4,976	-	4,976
General government	1,885	-	1,885
Capital projects	9,918	-	9,918
Other purposes	1,053	-	1,053
Unrestricted	56,963	5,346	62,309
Total net assets	<u>\$ 458,533</u>	<u>\$ 12,118</u>	<u>\$ 470,651</u>

PINAL COUNTY
Statement of Activities
Year Ended June 30, 2011
(Amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 68,581	\$ 4,963	\$ 218	\$ 1,777	\$ (61,623)	\$ -	\$ (61,623)
Public safety	96,425	26,923	15,108	119	(54,275)	-	(54,275)
Highways and streets	30,614	1,620	4,317	19,487	(5,190)	-	(5,190)
Sanitation	444	4	384	-	(56)	-	(56)
Health	27,702	2,359	3,843	-	(21,500)	-	(21,500)
Welfare	6,017	512	4,165	766	(574)	-	(574)
Culture and recreation	2,116	80	23	8	(2,005)	-	(2,005)
Education	9,027	189	3,549	-	(5,289)	-	(5,289)
Interest on long-term debt	7,408	-	-	-	(7,408)	-	(7,408)
Total governmental activities	248,334	36,650	31,607	22,157	(157,920)	-	(157,920)
Business-type activities							
Long Term Care	61,555	62,678	-	-	-	1,123	1,123
Sheriff Inmate Services	519	-	-	-	-	(519)	(519)
Home Health	6,210	7,253	-	-	-	1,043	1,043
Fairgrounds	479	304	60	-	-	(115)	(115)
Airport Economic Development	281	-	645	-	-	364	364
Total business-type activities	69,044	70,235	705	-	-	1,896	1,896
Total primary government	\$ 317,378	\$ 106,885	\$ 32,312	\$ 22,157	(157,920)	1,896	(156,024)

General revenues:

Taxes:			
Property taxes, levied for general purposes	102,094	-	102,094
Property taxes, levied for educational purposes	4,085	-	4,085
Property taxes, levied for flood control	3,900	-	3,900
Property taxes, levied for library district	2,595	-	2,595
Transaction privilege taxes, levied for health district	2,416	-	2,416
General county sales tax	12,104	-	12,104
Road improvement tax	4,798	-	4,798
Share of state sales taxes	20,921	-	20,921
Unrestricted share of vehicle license tax	7,915	-	7,915
Payments in lieu of taxes	3,601	-	3,601
Franchise taxes	627	-	627
Investment earnings	995	137	1,132
Miscellaneous	1,468	1,054	2,522
Gain on disposal of capital assets	539	1	540
Transfers	1,654	(1,654)	-
Total general revenues and transfers	169,712	(462)	169,250
Changes in net assets	11,792	1,434	13,226
Net assets - beginning, as restated	446,741	10,684	457,425
Net assets - ending	\$ 458,533	\$ 12,118	\$ 470,651

PINAL COUNTY
Balance Sheet
Governmental Funds
June 30, 2011

(Amounts expressed in thousands)

	Major Funds					Total
	General Fund	Road Tax Districts Fund	Public Works Highway Fund	Development Impact Fee Fund	Other Governmental Funds	
Assets						
Cash, cash equivalents and investments	\$ 34,340	\$ 13,390	\$ 6,502	\$ 10,665	\$ 66,078	\$ 130,975
Cash and investments held by trustees	-	-	-	-	14,441	14,441
Receivables (net of allowances for uncollectibles):						
Property taxes	9,238	-	-	-	662	9,900
Accounts	2,007	6	4	10	410	2,437
Due from other funds	593	-	322	-	1,127	2,042
Due from other governments	21,382	1,037	3,598	-	4,453	30,470
Inventories	-	-	-	-	28	28
Prepaid items	1,344	-	40	-	28	1,412
Restricted assets:						
Cash and cash equivalents	-	-	50	-	564	614
Total assets	<u>\$ 68,904</u>	<u>\$ 14,433</u>	<u>\$ 10,516</u>	<u>\$ 10,675</u>	<u>\$ 87,791</u>	<u>\$ 192,319</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 2,113	\$ 876	\$ 533	\$ -	\$ 4,250	\$ 7,772
Accrued payroll and employee benefits	1,470	10	177	-	256	1,913
Retainage payable	-	24	-	-	113	137
Contracts payable	241	-	-	-	-	241
Due to other funds	657	44	7	300	1,016	2,024
Due to other governments	-	-	-	-	79	79
Deposits held for others	93	-	-	2,412	225	2,730
Deferred revenue	19,962	-	-	-	1,891	21,853
Total liabilities	<u>24,536</u>	<u>954</u>	<u>717</u>	<u>2,712</u>	<u>7,830</u>	<u>36,749</u>
Fund Balances:						
Nonspendable:						
Inventories	-	-	-	-	28	28
Prepaid items	1,344	-	40	-	28	1,412
Total nonspendable	<u>1,344</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>56</u>	<u>1,440</u>
Restricted	715	13,479	9,759	7,963	72,351	104,267
Committed	-	-	-	-	4,539	4,539
Assigned	-	-	-	-	3,163	3,163
Unassigned	42,309	-	-	-	(148)	42,161
Total fund balances	<u>44,368</u>	<u>13,479</u>	<u>9,799</u>	<u>7,963</u>	<u>79,961</u>	<u>155,570</u>
Total liabilities and fund balances	<u>\$ 68,904</u>	<u>\$ 14,433</u>	<u>\$ 10,516</u>	<u>\$ 10,675</u>	<u>\$ 87,791</u>	<u>\$ 192,319</u>

PINAL COUNTY
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2011

(Amounts expressed in thousands)

Total fund balances - governmental funds (page 21) **\$ 155,570**

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 funds. The cost of the assets is \$605,057 and the accumulated depreciation is \$144,244. 460,813

Some receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 21,119

Internal Service Funds are used by management to charge the costs of central services. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Assets. 2,773

Some interest payable on long-term debt is not reported in the governmental funds because it is not due and payable. (1,149)

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Loans payable	\$ (64,458)	
Premium on loans	(1,080)	
Certificates of participation	(61,685)	
Premium on certificates of participation	(985)	
Bonds payable	(30,380)	
Net premium on bonds	(1,385)	
Deferred amount on refunding	1,050	
Unamortized deferred issuance costs	411	
Obligations under capital leases	(6,985)	
Compensated absences	(14,693)	
Estimated liabilities for claims and judgments	(403)	<u>(180,593)</u>

Net assets of governmental activities (page 19) **\$ 458,533**

PINAL COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Major Funds					Total
	General Fund	Road Tax Districts Fund	Public Works Highway Fund	Development Impact Fee Fund	Other Governmental Funds	
Revenues						
Taxes	\$ 111,324	\$ 4,798	\$ -	\$ -	\$ 14,801	\$ 130,923
Licenses and permits	1,202	-	-	-	1,556	2,758
Intergovernmental	32,679	-	19,149	-	29,336	81,164
Charges for services	19,906	-	-	1,815	5,940	27,661
Fines and forfeits	1,775	-	-	-	2,699	4,474
Investment earnings	338	99	55	73	430	995
Contributions	-	60	-	-	312	372
Rentals	141	-	-	-	383	524
Miscellaneous	476	-	37	-	925	1,438
Total revenues	<u>167,841</u>	<u>4,957</u>	<u>19,241</u>	<u>1,888</u>	<u>56,382</u>	<u>250,309</u>
Expenditures						
Current:						
General government	63,351	-	-	-	3,087	66,438
Public safety	75,640	-	-	4	21,147	96,791
Highways and streets	-	5,175	15,729	29	3,224	24,157
Sanitation	112	-	-	-	332	444
Health	17,549	-	-	-	10,040	27,589
Welfare	763	-	-	-	4,996	5,759
Culture and recreation	50	-	-	18	1,991	2,059
Education	746	-	-	-	8,281	9,027
Debt service:						
Principal retirement	-	500	1,134	-	9,877	11,511
Interest	-	24	154	-	6,860	7,038
Costs of issuance	-	-	-	-	440	440
Miscellaneous	-	-	-	-	4	4
Capital outlay	-	-	-	-	7,009	7,009
Total expenditures	<u>158,211</u>	<u>5,699</u>	<u>17,017</u>	<u>51</u>	<u>77,288</u>	<u>258,266</u>
Excess (deficiency) of revenues over expenditures	<u>9,630</u>	<u>(742)</u>	<u>2,224</u>	<u>1,837</u>	<u>(20,906)</u>	<u>(7,957)</u>
Other financing sources (uses):						
Transfers in	5,648	-	491	119	23,413	29,671
Transfers out	(15,810)	(208)	(2,759)	(2,913)	(6,315)	(28,005)
Proceeds from sale of capital assets	192	-	1	-	234	427
Insurance reimbursement	113	-	13	-	-	126
Bond proceeds	-	-	-	-	12,000	12,000
Discount on bonds	-	-	-	-	(106)	(106)
Refunding bonds	-	-	-	-	18,380	18,380
Premium on refunding bonds	-	-	-	-	1,588	1,588
Payment to refunded bond escrow agent	-	-	-	-	(19,720)	(19,720)
Total other financing sources (uses)	<u>(9,857)</u>	<u>(208)</u>	<u>(2,254)</u>	<u>(2,794)</u>	<u>29,474</u>	<u>14,361</u>
Net change in fund balances	<u>(227)</u>	<u>(950)</u>	<u>(30)</u>	<u>(957)</u>	<u>8,568</u>	<u>6,404</u>
Fund balances - beginning, as restated	43,578	14,429	9,861	8,920	71,469	148,257
Changes in nonspendable resources:						
Decrease in inventories	-	-	-	-	(5)	(5)
Increase (decrease) in prepaid items	1,017	-	(32)	-	(71)	914
Fund balances - ending	<u>\$ 44,368</u>	<u>\$ 13,479</u>	<u>\$ 9,799</u>	<u>\$ 7,963</u>	<u>\$ 79,961</u>	<u>\$ 155,570</u>

PINAL COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2011
(Amounts expressed in thousands)

Net change in fund balances - total governmental funds (page 23) \$ 6,404

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for general capital assets, infrastructure, and other related capital assets.	\$ 14,410	
Less: current year depreciation	<u>(17,421)</u>	(3,011)

In the Statement of Activities, only the gain/loss on the sale of capital assets is reported whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the book value of the capital assets sold.

Gain on sale of capital assets	539	
Insurance reimbursement for capital assets	(126)	
Proceeds from the sale of capital assets	<u>(427)</u>	(14)

Some revenues in the Statement of Activities do not represent the collection of current financial resources and, therefore, are not reported as revenues in the governmental funds.

Donations of capital assets	4,153	
Grant contributions	514	
Charges for services	1,859	
Property taxes	1,068	
Interest earnings on amount in escrow	<u>30</u>	7,624

Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	1,147	
Change in estimated liabilities for claims and judgments	(169)	
Change in reservation of inventory balances	(5)	
Change in reservation of prepaid items balances	914	
Amortization of COPS premium	89	
Amortization of loan premium	148	
Amortization of bond premium	100	
Amortization of bond discount	(3)	
Amortization of amount on refunding	(70)	
Amortization of issuance costs	(29)	
Accrued interest	(370)	
Capital assets transferred to business-type activities	12	
Annexation of infrastructure by other governmental entities	<u>(75)</u>	1,689

Debt proceeds provide current financial 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.

Debt issued	(12,000)	
Premium on bonds	(1,588)	
Discount on bonds	106	
Proceeds on refunding bonds	(18,380)	
Payment to escrow agent for refunding	19,720	
Deferred issuance costs	440	
Principal repayments and accruals:		
Certificates of participation	3,425	
Loans payable	4,405	
Obligations under capital leases	<u>3,684</u>	(188)

Internal service funds are used by the County to charge the costs of central services. The net loss of the internal service funds is reported with governmental activities in the Statement of Activities.

(712)

Change in net assets of governmental activities (page 20) \$ 11,792

PINAL COUNTY
Statement of Net Assets
Proprietary Funds
June 30, 2011
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ 8,118	\$ 2,489	\$ 10,607	\$ 5,350
Accounts receivable (net)	1,816	771	2,587	-
Due from other funds	-	42	42	-
Prepaid items	43	-	43	-
Total current assets	<u>9,977</u>	<u>3,302</u>	<u>13,279</u>	<u>5,350</u>
Noncurrent assets:				
Restricted cash and cash equivalents	1,156	-	1,156	-
Capital assets:				
Construction in progress	-	650	650	-
Buildings and improvements	4,699	485	5,184	-
Machinery and equipment	1,456	1,168	2,624	-
Intangible - Software	-	126	126	-
Less accumulated depreciation	<u>(1,961)</u>	<u>(895)</u>	<u>(2,856)</u>	<u>-</u>
Net capital assets	<u>4,194</u>	<u>1,534</u>	<u>5,728</u>	<u>-</u>
Total noncurrent assets	<u>5,350</u>	<u>1,534</u>	<u>6,884</u>	<u>-</u>
Total assets	<u>15,327</u>	<u>4,836</u>	<u>20,163</u>	<u>5,350</u>
Liabilities				
Current liabilities:				
Accounts payable	300	33	333	140
Accrued payroll and employee benefits	-	159	159	-
Claims payable	4,942	-	4,942	2,437
Due to other funds	-	60	60	-
Deferred revenue	-	26	26	-
Loans payable	251	-	251	-
Obligations under capital leases	-	34	34	-
Compensated absences	<u>-</u>	<u>106</u>	<u>106</u>	<u>-</u>
Total current liabilities	<u>5,493</u>	<u>418</u>	<u>5,911</u>	<u>2,577</u>
Noncurrent liabilities:				
Loans payable	2,096	-	2,096	-
Obligations under capital leases	-	35	35	-
Compensated absences	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Total noncurrent liabilities	<u>2,096</u>	<u>38</u>	<u>2,134</u>	<u>-</u>
Total liabilities	<u>7,589</u>	<u>456</u>	<u>8,045</u>	<u>2,577</u>
Net Assets				
Invested in capital assets, net of related debt	1,847	1,499	3,346	-
Restricted for:				
Health	2,996	-	2,996	-
Public Safety	-	430	430	-
Unrestricted	<u>2,895</u>	<u>2,451</u>	<u>5,346</u>	<u>2,773</u>
Total net assets	<u>\$ 7,738</u>	<u>\$ 4,380</u>	<u>\$ 12,118</u>	<u>\$ 2,773</u>

PINAL COUNTY
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Operating revenues				
Charges for services	\$ 62,678	\$ 7,557	\$ 70,235	\$ 18,461
Miscellaneous	17	1,037	1,054	-
Total operating revenues	<u>62,695</u>	<u>8,594</u>	<u>71,289</u>	<u>18,461</u>
Operating expenses				
Long-term health care	53,968	-	53,968	-
Claims	-	-	-	17,374
Personal services	5,256	6,417	11,673	-
Supplies	43	272	315	-
Depreciation	378	69	447	-
Insurance	18	41	59	1,414
Repairs and maintenance	32	98	130	-
Communication	73	26	99	-
Professional services	386	405	791	423
Public utility service	8	77	85	-
Miscellaneous	61	81	142	-
Total operating expenses	<u>60,223</u>	<u>7,486</u>	<u>67,709</u>	<u>19,211</u>
Operating income (loss)	<u>2,472</u>	<u>1,108</u>	<u>3,580</u>	<u>(750)</u>
Nonoperating revenues (expenses)				
Intergovernmental	-	705	705	-
Investment earnings	108	29	137	38
Interest expense	(100)	(3)	(103)	-
Premium tax	(1,232)	-	(1,232)	-
Gain on disposal of capital assets	-	1	1	-
Total nonoperating revenues (expenses)	<u>(1,224)</u>	<u>732</u>	<u>(492)</u>	<u>38</u>
Net income (loss) before capital contributions and transfers	1,248	1,840	3,088	(712)
Capital contributions	-	12	12	-
Transfers in	-	42	42	-
Transfers out	<u>(1,237)</u>	<u>(471)</u>	<u>(1,708)</u>	<u>-</u>
Changes in net assets	11	1,423	1,434	(712)
Net assets - beginning, as restated	<u>7,727</u>	<u>2,957</u>	<u>10,684</u>	<u>3,485</u>
Net assets - ending	<u>\$ 7,738</u>	<u>\$ 4,380</u>	<u>\$ 12,118</u>	<u>\$ 2,773</u>

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Cash flows from operating activities				
Receipts from customers	\$ 61,575	\$ 7,235	\$ 68,810	\$ -
Receipts from employee contributions	-	-	-	18,461
Other receipts from operations	17	1,288	1,305	-
Payments to suppliers	(55,027)	(1,012)	(56,039)	(1,840)
Payments to employees	(5,080)	(6,365)	(11,445)	-
Payments for claims	-	-	-	(16,814)
Other payments for operations	-	(84)	(84)	-
Net cash provided by (used for) operating activities	<u>1,485</u>	<u>1,062</u>	<u>2,547</u>	<u>(193)</u>
Cash flows from noncapital financing activities				
Receipts from federal and local agencies	-	705	705	-
Cash transfers from other funds	-	42	42	-
Cash transfers to other funds	(1,237)	(471)	(1,708)	-
Premium tax payments	(1,232)	-	(1,232)	-
Net cash provided by (used for) noncapital financing activities	<u>(2,469)</u>	<u>276</u>	<u>(2,193)</u>	<u>-</u>
Cash flows from capital and related financing activities				
Payments for capital leases	-	(34)	(34)	-
Payments on loans	(245)	-	(245)	-
Purchases of capital assets	(14)	(1,105)	(1,119)	-
Proceeds from sale of capital assets	-	1	1	-
Interest paid on loans	(100)	-	(100)	-
Interest paid on capital leases	-	(3)	(3)	-
Net cash used for capital and related financing activities	<u>(359)</u>	<u>(1,141)</u>	<u>(1,500)</u>	<u>-</u>
Cash flows from investing activities				
Investment earnings received	<u>108</u>	<u>29</u>	<u>137</u>	<u>38</u>
Net cash provided by investing activities	<u>108</u>	<u>29</u>	<u>137</u>	<u>38</u>
Net increase (decrease) in cash and cash equivalents	(1,235)	226	(1,009)	(155)
Cash and cash equivalents - beginning, as restated*	<u>10,509</u>	<u>2,263</u>	<u>12,772</u>	<u>5,505</u>
Cash and cash equivalents - ending	<u>\$ 9,274</u>	<u>\$ 2,489</u>	<u>\$ 11,763</u>	<u>\$ 5,350</u>

(Continued)

*Beginning cash balances were restated for the Airport Economic Development Fund that was reclassified as a non-major enterprise fund, as of July 1, 2010.

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2011
(Concluded)
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Long Term Care Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 2,472	\$ 1,108	\$ 3,580	\$ (750)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	378	69	447	-
Changes in assets and liabilities:				
Decrease (increase) in assets:				
Accounts receivable	(1,103)	(290)	(1,393)	-
Due from other funds	-	97	97	-
Due from other governments	-	150	150	-
Prepaid items	92	4	96	-
Increase (decrease) in liabilities:				
Accounts payable	79	(16)	63	(3)
Accrued payroll and employee benefits	-	72	72	-
Claims payable	(433)	-	(433)	560
Due to other funds	-	(84)	(84)	-
Deferred revenue	-	(28)	(28)	-
Compensated absences	-	(20)	(20)	-
Total adjustments and changes	<u>(987)</u>	<u>(46)</u>	<u>(1,033)</u>	<u>557</u>
Net cash provided by (used for) operating activities	<u>\$ 1,485</u>	<u>\$ 1,062</u>	<u>\$ 2,547</u>	<u>\$ (193)</u>

Non-cash Capital and Related Financing Activities:

Home Health transferred capital assets with an original cost of \$5 and a net book value of \$0 to the County's general government.

The County's general government transferred capital assets with an original cost of \$40 and a net book value of \$6 to Home Health.

The County's general government transferred capital assets with an original cost of \$36 and a net book value of \$6 to Fairgrounds.

PINAL COUNTY
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

(Amounts expressed in thousands)

	Investment Trust Funds	Agency Funds
Assets		
Cash, cash equivalents and investments	\$ 180,815	\$ 4,851
Interest receivable	39	-
Total assets	180,854	\$ 4,851
Liabilities		
Deposits held for others	-	\$ 4,851
Total liabilities	-	\$ 4,851
Net Assets		
Held in trust for investment trust participants	\$ 180,854	

PINAL COUNTY
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Investment Trust Funds
Additions	
Contributions by participants	\$ 629,913
Investment earnings	1,899
Total additions	631,812
Deductions	
Distributions to participants	686,236
Total deductions	686,236
Change in net assets	(54,424)
Net assets - beginning	235,278
Net assets - ending	\$ 180,854

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

Note 1 - Summary of Significant Accounting Policies

The accounting policies of Pinal County (the County) conform to generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2011, the County implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 establishes standards for financial reporting, including note disclosure requirements, for fund balance classifications of the governmental funds and clarifies existing governmental fund type definitions.

A. Reporting Entity

The County is a general purpose local government that is governed by a separately elected board of three county supervisors. The accompanying financial statements present the activities of the County (the primary government) and its component units.

Component units are legally separate entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are so intertwined with the County that they are in substance part of the County's operations. Therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Each blended component unit discussed below has a June 30 year-end. The County has no discretely presented component units.

The following table describes the County's component units:

Component Unit	Description; Criteria for Inclusion	Reporting Method	For Separate Financial Statements
Pinal County Flood Control District	A tax-levying district that provides flood control systems; the County's Board of Supervisors serves as board of directors	Blended	Not available
Pinal County Library District	Provides and maintains library services for County's residents; the County's Board of Supervisors serves as board of directors	Blended	Not available
Various Street Lighting Districts	Operates and maintains street lighting in areas outside local city jurisdictions; the County's Board of Supervisors serves as board of directors	Blended	Not available
Desert Vista Sanitary District	Operates and maintains sanitation services in areas outside local city jurisdictions; the County's Board of Supervisors serves as board of directors	Blended	Not available

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
Queen Creek Domestic Water Improvement District	Formed to construct a domestic water system; the County's Board of Supervisors serves as board of directors	Blended	Not available
Pinal County Municipal Property Corporation	Formed to finance the construction of the Apache Junction County Complex, Superior Court Judicial Facility, and the Sheriff's Administration Facility	Blended	Not available
Central Arizona Public Facility Corporation	Formed to finance the construction of the Pinal County adult detention center	Blended	Not available
Pinal County Employee Benefit Trust	Created to provide and administer a partially self-insured employee benefits trust	Blended	Pinal County Employee Benefit Trust PO Box 827 Florence, AZ 85132
Public Health Services District	Provides and maintains health services for County's residents; the County's Board of Supervisors serves as board of directors	Blended	Not available

The Pinal County Municipal Property Corporation and the Central Arizona Public Facility Corporation were formed to finance various construction projects including the new Superior Court facility and Sheriff's Administration facility. Because the County's Board of Supervisors serves as the Board of Directors of each of these corporations, they are reported as blended component units of the County. These corporations issue certificates of participation that evidence undivided proportionate interests in rent payments to be made under a lease agreement, with an option to purchase, between Pinal County and the corporations. Since this debt is in substance the County's obligations, these liabilities and resulting assets are reported in the government-wide statement of net assets.

The Pinal County Employee Benefit Trust was created to provide benefits for County employees, elected officials, and eligible dependents. The Trustees are appointed by the Pinal County Board of Supervisors and may be removed by the Board of Supervisors at any time for cause or no cause. Based on these factors, the Pinal County Employee Benefit Trust is reported as a blended component unit in the accompanying financial statements.

The Public Health Services District was formed under A.R.S. §48-5802(c) as a taxing authority to provide health services to the growing population of Pinal County. The Public Health Services District is reported as a special revenue fund in the financial statements.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

Related Organization

The Industrial Development Authority of Pinal County (Authority) is a legally separate entity that was created to promote economic development and the development of affordable housing. The Authority fulfills its function through the issuance of tax-exempt or taxable revenue bonds. The County Board of Supervisors appoints the Authority's Board of Directors. The Authority's operations are completely separate from the County and the County is not financially accountable for the Authority. Therefore, the financial activities of the Authority have not been included in the accompanying financial statements.

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the County as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements—Provide information about the primary government (the County) and its component units. The statements include a statement of net assets and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses to programs or functions. Program revenues include:

- charges to customers or applicants for goods, services, or privileges provided,
- operating grants and contributions, and
- capital grants and contributions, including special assessments.

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—Provide information about the County's funds, including fiduciary funds and blended component units. Separate statements are presented for the governmental, proprietary, and fiduciary fund categories. 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 aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

Proprietary fund revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses generally result from transactions associated with the fund's principal activity. Accordingly, revenues, such as user charges, in which each party receives and gives up essentially equal values, are operating revenues. Other revenues, such as intergovernmental revenues, result from transactions in which the parties do not exchange equal values and are considered nonoperating revenues along with investment earnings and revenues generated by ancillary activities. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Other expenses, such as premium taxes, are considered to be nonoperating expenses.

The County reports the following major governmental funds:

The General Fund—is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Road Tax Districts Fund—accounts for monies from the Pinal County Transportation Excise Tax which is used to provide continued funding for the construction, reconstruction, maintenance, repair, and roadside development of county roads, streets and bridges.

The Public Works Highway Fund—accounts for monies from Highway User Revenue Fund and Vehicle License Tax that are restricted for road maintenance and operations, pavement preservation, and fleet services.

The Development Impact Fee Fund—accounts for monies from development impact fees assessed on all new developments within the unincorporated areas of Pinal County. These funds are used for parks, public safety, and streets within the Impact Fee Area collected, as determined by a Pinal County development fee ordinance.

The County reports the following major enterprise fund:

The Long Term Care Fund—accounts for health services to elderly and physically disabled clients enrolled in the State's AHCCCS (Arizona Health Care Cost Containment System) Long-Term Care program.

The County reports the following fund types:

The internal service fund—accounts for the County's participation in the Pinal County Employee Benefit Trust for providing health insurance and other benefits to eligible County employees, elected officials and their respective eligible dependents.

The investment trust funds—account for pooled and nonpooled assets held and invested by the County Treasurer on behalf of County departments and other governmental entities.

The agency funds—account for assets held by the County as an agent for the State, various local governments and individuals, and for property taxes collected and distributed to the State, cities, local school districts, community college districts, and special districts.

C. Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are presented using the economic resources measurement focus, with the exception of agency funds, and the accrual basis of accounting. The agency funds are custodial in nature and do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred,

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Under the terms of grant agreements, the County funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. The County applies grant resources to such programs before using general revenues.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after fiscal year-end. The County's major revenue sources that are susceptible to accrual are property taxes, sales taxes, licenses and permits, and intergovernmental revenues. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

The County's business-type activities and enterprise funds follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The County has chosen the option not to follow FASB Statements and Interpretations issued after November 30, 1989.

D. Cash and Investments

For purposes of its statement of cash flows, the County considers only those highly liquid investments with a maturity of 3 months or less when purchased to be cash equivalents.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest-earning investment contracts with a remaining maturity of 1 year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

E. Inventories

Inventories in the government-wide and proprietary funds' financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the lower of cost (first-in, first-out method) or market.

The County accounts for its inventories in the governmental funds using the purchase method. Inventories of the governmental funds consist of expendable supplies held for consumption and are recorded as expenditures at the time of purchase. Amounts on hand at year end are shown on the balance sheet as an asset for informational purposes only and as nonspendable fund balance to indicate that they do not constitute "available spendable resources." These inventories are stated at cost using the first-in, first-out method.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

F. Property Tax Calendar

The County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy.

G. Capital Assets

Capital assets are reported at actual cost, or estimated historical cost if historical records are not available. Donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	All	N/A	N/A
Buildings & improvements	\$25	Straight line	10-40 years
Machinery & equipment	\$5	Straight line	3-21 years
Intangibles (except right-of-ways & easements)	\$50	Straight line	10 or more years
Infrastructure	\$100	Straight line	20-50 years

The County currently has one network of infrastructure assets made up of the County's roads and bridges.

H. Investment Earnings

Investment earnings are composed of interest, dividends, and net changes in the fair value of applicable investments.

I. Compensated Absences

Compensated absences consist of vacation leave and a calculated amount of sick leave earned by employees based on services already rendered.

Employees may accumulate up to 360 hours of vacation. Any vacation hours in excess of the maximum amount that are unused at September 30 roll over and are added to an employee's sick leave balance. Upon termination of employment, all unused and unforfeited vacation benefits are paid to employees. Accordingly, vacation benefits are accrued as a liability in the financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year end.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

Employees may accumulate an unlimited number of sick leave hours. Generally, sick leave benefits provide for ordinary sick pay and are cumulative but are forfeited upon termination of employment. Because sick leave benefits do not vest with employees, a liability for sick leave benefits is not accrued in the financial statements. However, a certain percentage of sick leave can be converted to vacation leave upon retirement after an employee has worked 5 or more years for the county, and is accrued as a long-term liability.

J. Fund Balance Classifications

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors, such as through debt covenants, grantors, contributors, or laws and regulations.

The unrestricted fund balance category is comprised of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations approved in a public meeting by the County's Board of Supervisors, which is the highest level of decision-making authority within the County. The constraints placed on committed fund balances can only be removed or changed by the Board in a public meeting.

Assigned fund balances are resources constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Supervisors has authorized the County Manager, Elected Officials, and the Chief Financial Officer to make assignments of resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, it's the County's policy to use restricted fund balance first. For the disbursement of unrestricted fund balances, it's the County's policy to use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

Note 2 - Fund Balance Classifications of the Governmental Funds

The fund balance categories and classifications for governmental funds as of June 30, 2011, were as follows:

	<u>Major Funds</u>					<u>Total</u>
	<u>General Fund</u>	<u>Road Tax Districts Fund</u>	<u>Public Works Highway Fund</u>	<u>Development Impact Fee Fund</u>	<u>Other Governmental Funds</u>	
Fund balances:						
Nonspendable	\$ 1,344	\$ -	\$ 40	\$ -	\$ 56	\$ 1,440
Restricted for:						
Public safety	-	-	-	1,917	11,940	13,857
Highways and streets	-	13,479	9,759	5,400	17,042	45,680
Sanitation	-	-	-	-	296	296
Health	-	-	-	-	6,920	6,920
Welfare	-	-	-	-	631	631
Culture and recreation	-	-	-	646	2,265	2,911
Education	-	-	-	-	4,766	4,766
Debt service	-	-	-	-	4,976	4,976
Capital projects:						
Bridge construction	-	-	-	-	4,790	4,790
Building construction and renovation	-	-	-	-	8,775	8,775
Highways and streets capital projects	-	-	-	-	4,826	4,826
Other capital projects	-	-	-	-	3,502	3,502
Other purposes	715	-	-	-	1,622	2,337
Total restricted	<u>715</u>	<u>13,479</u>	<u>9,759</u>	<u>7,963</u>	<u>72,351</u>	<u>104,267</u>
Committed to:						
Landfill oversight	-	-	-	-	59	59
Drug diversion program	-	-	-	-	16	16
Prosecution cost recovery	-	-	-	-	509	509
Judicial enhancements	-	-	-	-	3,955	3,955
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,539</u>	<u>4,539</u>
Assigned to:						
Public safety	-	-	-	-	36	36
Welfare	-	-	-	-	59	59
Other capital projects and building renovations	-	-	-	-	3,047	3,047
Debt service	-	-	-	-	21	21
Total assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,163</u>	<u>3,163</u>
Unassigned	42,309	-	-	-	(148)	42,161
Total fund balances	<u>\$ 44,368</u>	<u>\$ 13,479</u>	<u>\$ 9,799</u>	<u>\$ 7,963</u>	<u>\$ 79,961</u>	<u>\$ 155,570</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

Note 3 - Stabilization Arrangements

The Board of Supervisors established a Financial Stability Reserve by resolution that is maintained in the General Fund. The reserved balance is equivalent to 15% of General Fund expenditures. Any changes to the reserve must be approved by the Board of Supervisors in a public meeting. The Financial Stability Reserve balance may be used to fund one-time supplemental funding, capital improvement projects, retirement of debt service and fiscal stabilization to offset operating revenue shortfalls due to economic downturns. For the year ended June 30, 2011, Financial Stability Reserve balance was \$23,732.

Note 4 – Beginning Balances Restated

Net assets on the government-wide Statement of Activities and fund balances and net assets on the Statements of Revenues, Expenses, and Changes in Fund Balances/Net Assets for the Airport Economic Development Fund, that was reclassified as a non-major enterprise fund, as of July 1, 2010, have been restated. This prior period adjustment is the result of the implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Additional reclassifications between governmental funds due to the implementation of GASB 54 included: (1) some limited activity shown as part of the Sheriff's Fund (\$19) and the Public Works Special Projects Fund (\$22) have been reclassified and are presented in the General Fund; (2) activity presented in the Public Works Services Fund for the Kelvin Bridge project is now presented in the Kelvin Road Bridge Construction capital projects fund. In addition, other various error adjustments have been made on the government-wide Statement of Activities and in governmental funds for prior year errors in construction in progress, infrastructure, other capital assets, and deferred revenue balances, some of which were related to intergovernmental receivables. The reconciliation below summarizes the changes.

	Governmental Activities	Enterprise Funds/ Business-Type Activities	Governmental Funds
Net assets/fund balances as of June 30, 2010 as previously reported	\$ 436,162	\$ 9,559	\$ 148,205
Restatements for GASB 54 Implementation:			
Airport Economic Development Fund:			
Beginning balance	(810)	810	(810)
Construction in progress	(174)	174	
Capital assets, net of accumulated depreciation	(126)	126	
Restatement due to errors:			
Infrastructure	1,517		
Construction in progress	(1,013)	10	
Capital assets, net of accumulated depreciation	(358)		
Deferred revenue & other errors	11,543	5	862
Net assets/fund balances as of July 1, 2010, as restated	<u>\$ 446,741</u>	<u>\$ 10,684</u>	<u>\$ 148,257</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

Note 5 – Deposits and Investments

Arizona Revised Statutes (A.R.S.) authorize the County to invest public monies in the State Treasurer's investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; and specified commercial paper, bonds, debentures, and notes issued by corporations organized and doing business in the United States. In addition, the County Treasurer may invest trust funds in fixed income securities of corporations doing business in the United States or District of Columbia.

Credit risk

Statutes have the following requirements for credit risk:

1. Commercial paper must be of prime quality and be rated within the top two ratings by a nationally recognized rating agency.
2. Corporate bonds, debentures, and notes must be rated within the top three ratings by a nationally recognized rating agency.
3. Fixed income securities must carry one of the two highest ratings by Moody's investors service and Standard and Poor's rating service. If only one of the above-mentioned services rates the security, it must carry the highest rating of that service.

Custodial credit risk

Statutes require collateral for deposits and certificates of deposit at 101 percent of all deposits not covered by federal depository insurance.

Concentration of credit risk

Statutes do not include any requirements for concentration of credit risk.

Interest rate risk

Statutes require that public monies invested in securities and deposits have a maximum maturity of 5 years. Investments in repurchase agreements must have a maximum maturity of 180 days.

Foreign currency risk

Statutes do not allow foreign investments.

Deposits—At June 30, 2011, the carrying amount of the County's deposits was \$42,030 and the bank balance was \$74,991. It is the County's investment policy to collateralize all deposits by at least 101 percent of the deposits not covered by depository insurance.

PINAL COUNTY
Notes to the Financial Statements
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(Amounts expressed in thousands)

Investments—The County's investments at June 30, 2011, were as follows:

Investment Type	Amount
State Treasurer's Investment Pools	\$ 5,369
U.S. Treasury securities	10,041
U.S. agency securities	247,282
Repurchase agreements	44,000
CD Held by County Treasurer	50
	\$ 306,742

The State Board of Investment provides oversight for the State Treasurer's pools. The fair value of a participant's position in the pool approximates the value of that participant's pool shares and the participant's shares are not identified with specific investments.

Credit Risk—The County credit risk policy states that the County will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by limiting investments to those of the highest credit quality, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the County Treasurer will do business and by diversifying the investment portfolio so that potential losses on individual securities will be minimized. At June 30, 2011, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating agency	Amount
U.S. agency securities	Aaa	Moody's	\$ 161,915
U.S. agency securities	Unrated	Not Applicable	85,367
Repurchase agreements (implicitly guaranteed)	Unrated	Not Applicable	44,000
State Treasurer's Investment Pool 7	Unrated	Not Applicable	5,369
			\$ 296,651

Custodial credit risk—For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, 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. The County policy states that the County Treasurer will conform with Arizona Revised Statutes, which currently does not address custodial credit risk for investments. At June 30, 2011, the County had \$44,000 of repurchase agreements (implicitly guaranteed), \$247,282 of U.S. agency securities, \$10,041 of U.S. Treasury securities, and \$50 Certificates of Deposits that were uninsured and held by the counterparty not in the County's name.

Concentration of credit risk—The County's investment policy states that the County Treasurer will diversify its investments by security type and institution when practical and feasible to do so. The County Treasurer will limit investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury Securities), and will invest in securities with varying maturities. The County had investments at June 30, 2011, of 5 percent or more in the Federal National Mortgage Association, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation. These investments were 9.8 percent, 38.9 percent, and 31.9 percent, respectively, of the County's total investments.

PINAL COUNTY
Notes to the Financial Statements
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Interest rate risk—The County’s investment policy states that the County Treasurer will minimize risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter term securities. At June 30, 2011, the County had the following investments in debt securities.

Investment Type	Investment Maturities		
	Amount	Less than	
	1 Year	1-5 Years	
State Treasurer's Investment Pool 7	\$ 5,369	\$ 5,369	\$ -
U.S. Treasury securities	10,041	-	10,041
U.S. agency securities	247,282	104,605	142,677
Repurchase agreements (implicitly guaranteed)	44,000	44,000	-
	\$306,692	\$ 153,974	\$152,718

At June 30, 2011, \$34,900 of the County’s investments were invested in U.S. agency step-up securities which are considered to be highly sensitive to interest rate changes. These securities can be called by the issuer on certain specified dates. If the security is not called, the interest rate is increased by a specified amount. Prevailing interest rates may go up faster than the increase in the coupon interest rate.

Foreign currency risk—The County does not have a formal investment policy with respect to foreign currency risk because State statutes do not allow foreign investments.

A reconciliation of cash, deposits, and investments to amounts shown on the Statements of Net Assets follows:

Cash, deposits, and investments:	
Cash on hand	\$ 37
Amount of deposits	42,030
Amount of investments	<u>306,742</u>
Total	<u>\$348,809</u>

	Governmental Activities	Business-Type Activities	Investment Trust Funds	Agency Funds	Total
Statement of Net Assets:					
Cash, cash equivalents and investments	\$ 136,939	\$11,763	\$180,815	\$4,851	\$334,368
Cash and investments held by trustees	14,441	-	-	-	14,441
Total	<u>\$151,380</u>	<u>\$ 11,763</u>	<u>\$180,815</u>	<u>\$4,851</u>	<u>\$348,809</u>

PINAL COUNTY
Notes to the Financial Statements
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Note 6 – Capital Assets

The July 1, 2010, balances for governmental and business-type activities capital assets were restated for fund reclassifications as a result of the implementation of GASB Statement No. 54 and to correct prior period errors. Additional information on these restatements can be found in Note 4 on page 39 of this report. Capital asset activity for the year ended June 30, 2011 was as follows:

	Balance July 1, 2010 (as restated)	Increases	Decreases	Balance June 30, 2011
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 175,660	\$ 5,204	\$ 5	\$ 180,859
Construction in progress	4,157	6,350	1,157	9,350
Total capital assets not being depreciated	179,817	11,554	1,162	190,209
Capital assets being depreciated:				
Buildings & improvements	151,061	143	-	151,204
Machinery & equipment	59,408	3,840	789	62,459
Intangible - software	258	-	-	258
Infrastructure	196,784	4,143	-	200,927
Total	407,511	8,126	789	414,848
Less accumulated depreciation for:				
Buildings & improvements	40,217	4,641	-	44,858
Machinery & equipment	43,494	6,205	757	48,942
Intangible - software	21	28	-	49
Infrastructure	43,848	6,547	-	50,395
Total	127,580	17,421	757	144,244
Total capital assets being depreciated, net	279,931	(9,295)	32	270,604
Governmental activities capital assets, net	\$ 459,748	\$ 2,259	\$ 1,194	\$ 460,813
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 184	\$ 669	\$ 203	\$ 650
Total capital assets not being depreciated	184	669	203	650
Capital assets being depreciated:				
Buildings & improvements	5,184	-	-	5,184
Machinery & equipment	1,945	728	49	2,624
Intangible - software	126	-	-	126
Total	7,255	728	49	7,934
Less accumulated depreciation for:				
Buildings & improvements	1,038	164	-	1,202
Machinery & equipment	1,343	333	57	1,619
Intangible - software	22	13	-	35
Total	2,403	510	57	2,856
Total capital assets being depreciated, net	4,852	218	(8)	5,078
Business-type activities capital assets, net	\$ 5,036	\$ 887	\$ 195	\$ 5,728

PINAL COUNTY
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Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 5,754
Public safety	2,480
Highways and streets	8,508
Health	218
Welfare	361
Culture and recreation	100
	<hr/>
Total governmental activities depreciation expense	<u>\$ 17,421</u>
Business-type activities:	
Long Term Care	\$ 378
Sheriff Inmate Services	28
Home Health	30
Fairgrounds	3
Airport Economic Development	8
	<hr/>
Total business-type activities depreciation expense	<u>\$ 447</u>

The difference of \$63 between total increases to accumulated depreciation for business-type activities and total depreciation expense for business-type activities is due to the inclusion of transfers of capital assets.

Pinal County was engaged in multiple construction projects as of June 30, 2011. The projects include street construction, the construction of the Maricopa and San Tan Health Care Facilities, the rehabilitation and renovation of the 1891 courthouse, the construction of the Kelvin Road Bridge, and the maintenance of existing streets. At June 30, 2011, the County had remaining contractual commitments of \$5,894, of which, \$1,283 was for the Maricopa Health Care Facility, \$1,472 was for the San Tan Health Care Facility, \$535 was for the 1891 courthouse rehabilitation and renovation, and \$185 for the construction of Kelvin Bridge. Amounts spent-to-date were \$249, \$107, \$533, and \$116, respectively.

Note 7 – Due from Other Governments

Amounts due from other governments at June 30, 2011, of \$21,382 reported in the governmental funds General Fund balance sheet included \$10,686 for an Intergovernmental Agreement with the City of Apache Junction. The Intergovernmental Agreement entered into by the County to share costs with the City of Apache Junction in the re-construction, re-design and improvement of Ironwood Drive within the corporate limits of the City of Apache Junction. This receivable is not expected to be collected within one year since under the terms of the Intergovernmental Agreement, payments are scheduled to commence in 2015. Accordingly, the amount has been deferred in the General Fund balance sheet. The remaining outstanding amounts are primarily due from other state and federal agencies for taxes and other outstanding contractual obligations.

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Note 8 – Short-term Debt

The County maintains a revolving line of credit with Wells Fargo to meet its short-term cash needs. At June 30, 2011, the County had an outstanding balance of \$0. Advances on the line of credit are payable on demand. The credit line is secured by the County's general taxing authority and other non-restricted revenues.

	<u>July 1, 2010</u> <u>Balance</u>	<u>Draws</u>	<u>Repayments</u>	<u>June 30, 2011</u> <u>Balance</u>
Line of credit	\$0	\$3,806	\$3,806	\$0

Note 9 – Long-term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2011:

	<u>Balance</u> <u>July 1,</u> <u>2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30,</u> <u>2011</u>	<u>Due</u> <u>within</u> <u>one</u> <u>year</u>
Governmental activities:					
Loans payable	\$ 68,863	\$ -	\$ 4,405	\$ 64,458	\$ 4,544
Premium on loans	1,228	-	148	1,080	-
Certificates of participation	83,740	-	22,055	61,685	2,785
Premium on COPS	1,074	-	89	985	-
Bonds payable	-	30,380	-	30,380	305
Premium/(original issue discount) on bonds	-	1,482	97	1,385	-
Less: deferred amount on refunding	-	(1,120)	(70)	(1,050)	-
Obligations under capital leases	10,669	-	3,684	6,985	2,606
Compensated absences	15,840	8,551	9,698	14,693	7,086
Estimated liabilities for claims and judgments	234	657	488	403	202
Total governmental activities					
Long-term liabilities	<u>\$ 181,648</u>	<u>\$ 39,950</u>	<u>\$ 40,594</u>	<u>\$ 181,004</u>	<u>\$17,528</u>
Business-type activities:					
Loans payable	\$ 2,592	\$ -	\$ 245	\$ 2,347	\$ 251
Obligations under capital leases	103	-	34	69	34
Compensated absences	129	7	27	109	106
Total business-type activities					
Long-term liabilities	<u>\$ 2,824</u>	<u>\$ 7</u>	<u>\$ 306</u>	<u>\$ 2,525</u>	<u>\$ 391</u>

PINAL COUNTY
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The Greater Arizona Development Authority Loans

On April 1, 2006, Pinal County entered into a loan agreement for \$63,220 with the Greater Arizona Development Authority (GADA) to provide funds for the construction and improvement of certain highways and streets. Interest is payable on November 15 and May 15 of each year and commenced on November 15, 2006, and is calculated based on the principal amount of the loan outstanding during such period.

On April 1, 2008, Pinal County entered into a loan agreement for \$4,495 with the GADA to provide funds to construct an animal shelter facility expansion and a long term care facility expansion. This loan has been issued for both governmental and business-type activities. Interest will be payable on January 1 and July 1 of each year commencing January 1, 2009, and is calculated based on the principal amount of the loan outstanding during such period.

On February 1, 2009, Pinal County entered into a loan agreement for \$12,795 with the GADA to provide funds to construct a Justice Court Facility construct various County facility expansions and upgrade the Sheriff's security system. Interest will be payable on January 1 and July 1 of each year commencing July 1, 2009, and is calculated based on the principal amount of the loan outstanding during such period.

The County has pledged a portion of future State Shared Revenues to repay the loans obtained from GADA, issued in fiscal year 2006 and 2008, and a portion of State Shared Revenues and Excise Taxes Revenues to repay the GADA loan issued in fiscal year 2009. Total principal and interest payments remaining on the loans is \$88,997 payable through May 2025. State shared revenues have averaged \$21.9 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged \$14.8 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were \$20,921 and \$12,104, respectively. In the current year, principal and interest payments were \$4,650 and \$3,124, respectively.

The Greater Arizona Development Authority loans outstanding at June 30, 2011 were as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Governmental activity - The Greater Arizona Development Authority Loan 2006-1	\$ 63,220	2012 - 2025	4.0%- 5.0%	\$ 51,520
Governmental activity - The Greater Arizona Development Authority Loan 2008 A	\$ 1,695	2012- 2019	4.0%- 5.0%	1,418
Business-type activity - The Greater Arizona Development Authority Loan 2008 A	\$ 2,800	2012- 2019	4.0%- 5.0%	2,347
Governmental activity - The Greater Arizona Development Authority Loan 2009 A	\$ 12,795	2012- 2019	2.25%- 4.0%	11,020
				<u>\$ 66,305</u>

PINAL COUNTY
Notes to the Financial Statements
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The Arizona Transportation HELP Loan

On December 21, 2007, Pinal County entered into a loan agreement with the Arizona Transportation Board to provide funds for the reconstruction of Thornton Road. Interest on the HELP loan will be payable on February 1 each year commencing February 1, 2009.

The HELP loan outstanding at June 30, 2011 was as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Governmental activity - HELP Loan	\$ 2,000	2012	2.35%	<u>\$ 500</u>

The County has pledged future road improvement taxes to repay the Arizona Transportation HELP loan issued in fiscal year 2008 to finance the reconstruction of Thornton road. Total principal and interest payments remaining on the loan is \$512 payable through May 2012. Road Improvement taxes have averaged \$5.5 million per year over the last 5 years. For the current year, total road improvement taxes recognized by the County were \$4,798. In the current year, the principal and interest payments were \$500 and \$24 respectively.

The following schedule details debt service requirements to maturity for the County's loans payable at June 30, 2011:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 4,544	\$ 2,876	\$ 251	\$ 95
2013	4,192	2,716	263	84
2014	4,362	2,557	273	74
2015	4,550	2,366	285	62
2016	4,751	2,164	295	49
2017-2021	23,594	7,448	980	68
2022-2025	18,465	2,146	-	-
Total	<u>\$ 64,458</u>	<u>\$ 22,273</u>	<u>\$ 2,347</u>	<u>\$ 432</u>

Certificates of Participation

On August 1, 2001, the Pinal County Municipal Property Corporation issued certificates of participation totaling \$30,800. The certificates evidence undivided proportionate interests in lease payments to be made under a lease agreement, with an option to purchase, between Pinal County and the Pinal County Municipal Property Corporation. The proceeds of the certificates were used by the County as the primary source of funding for construction of the buildings and improvements which consist of a Superior Court Judicial Facility and a Sheriff's Administration Facility. The certificates, which are callable after June 1, 2012, have interest rates ranging from 4.3 to 5.125 percent, payable semiannually on June 1 and December 1 of each year through 2021.

During the year ended June 30, 2011, the County defeased \$18,630 of the Series 2001, Certificates of Participation with interest rates ranging from 4.6% to 5.125%, maturing after June 1, 2012 to June

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1, 2021, and callable at 101% of par. The in-substance defeasance resulted in the liability being removed from the government-wide Statement of Net Assets. The issuance of refunding bonds, disclosed in a section below, resulted in an economic gain of \$1,580 and a reduction of debt service payments by \$1,952. On June 1, 2011 the \$18,630 of Certificates of Participation, Series 2001 were redeemed. \$765 of the Certificates of Participation, Series 2001 with an interest rate of 4.5% and maturity date of December 1, 2011 was not defeased as they were not callable and remains reported on the government-wide Statement of Net Assets.

On December 1, 2004, the Pinal County Municipal Property Corporation issued certificates of participation totaling \$71,615. The certificates evidence undivided proportionate interests in lease payments to be made under a lease agreement, with an option to purchase, between Pinal County and the Pinal County Municipal Property Corporation. The proceeds of the certificates were used by the County as the primary source of funding for constructing and equipping an adult detention facility expansion including improvement to an existing adult detention facility, a sheriff's training facility and firing range, and a new juvenile detention facility. The certificates, which are callable after December 1, 2014, have interest rates ranging from 3.0 to 5.25 percent, payable semiannually on June 1 and December 1 of each year through 2030.

Certificates outstanding at June 30, 2011 were as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Pinal County Municipal Property Corporation 2001	\$ 30,800	2012	4.50%	\$ 765
Pinal County Municipal Property Corporation 2004	\$ 71,615	2012-2030	3.5% to 5.25%	60,920
				<u>\$ 61,685</u>

The following schedule details debt service requirements to maturity for the County's certificates of participation payable at June 30, 2011:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 2,785	\$ 2,971
2013	2,095	2,880
2014	2,185	2,787
2015	2,295	2,675
2016	2,420	2,555
2017-2021	13,900	10,959
2022-2026	17,975	6,886
2027-2030	18,030	1,859
Total	<u>\$ 61,685</u>	<u>\$ 33,572</u>

Pledged Revenue Bonds Payable, Series 2010

On August 25, 2010, the County issued \$12,000 in Pledged Revenue Obligation Bonds, Series 2010, with an original issue discount of \$106. The net proceeds of \$11,700 (after payment of underwriting fees and other issuance costs) will be used to pay for the construction of public health clinics in San Tan Valley, Arizona and the City of Maricopa, Arizona and for renovation of Human Resources and

PINAL COUNTY
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Administrative office space. The bonds, which are callable on or after August 1, 2021, have interest rates ranging from 3.0% to 4.5%, payable semiannually on February 1 and August 1 of each year through 2035.

Pledged Revenue Refunding Bonds Payable, Series 2010

On August 25, 2010, the County issued \$18,380 in Pledged Revenue Refunding Obligation Bonds, Series 2010, with a premium of \$1,588. The net proceeds of \$19,720 (after payment of underwriting fees and other issuance costs) were deposited in an irrevocable trust to provide for the advance refunding of the Series 2001 Certificates of Participation that were callable on or after June 1, 2011. The bonds, which are not subject to redemption prior to maturity, have interest rates ranging from 2.5% to 5.0%, payable semiannually on February 1 and August 1 of each year through 2020.

The County has pledged a portion of the Pinal County General Excise Tax Revenues and a portion of the State Shared Revenues to repay both of the Series 2010 bond issuances. Total principal and interest payments remaining on the bonds are \$42,137 payable through August 2035. State shared revenues have averaged \$21.9 million per year over the last 5 years, whereas Excise Taxes Revenues have averaged \$14.8 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were \$20,921 and \$12,104, respectively. In the current year, interest payments were \$504. There were no principal payments due.

Bonds outstanding at June 30, 2011, were as follows:

<u>Description</u>	<u>Original Amount</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
Pledged Revenue Obligations, Series 2010	\$ 12,000	2012-2036	3.0% to 4.5%	\$ 12,000
Pledged Revenue Refunding Obligations, Series 2010	\$ 18,380	2012-2021	2.5% to 5.0%	18,380
				<u>\$ 30,380</u>

The following schedule details debt service requirements to maturity for the County's bonds payable at June 30, 2011:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 305	\$ 1,158
2013	1,855	1,130
2014	2,180	1,078
2015	2,255	1,016
2016	2,315	947
2017-2021	12,990	3,345
2022-2026	2,260	1,593
2027-2031	2,765	1,087
2032-2036	3,455	403
Total	<u>\$ 30,380</u>	<u>\$ 11,757</u>

PINAL COUNTY
Notes to the Financial Statements
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Capital leases

The County has acquired buildings, heavy machinery, and other machinery and equipment under the provisions of various long-term lease agreements classified as capital leases for accounting purposes because they provide for a bargain purchase option or a transfer of ownership by the end of the lease term.

At June 30, 2011, the assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Buildings and improvements	\$ 270	\$ -
Machinery and equipment	12,865	-
Intangible - Software	-	126
Subtotal	13,135	126
Less: accumulated depreciation	6,473	34
Carrying value	\$ 6,662	\$ 92

The following schedule details debt service requirements to maturity for the County's capital leases payable at June 30, 2011:

Year Ending June 30	Governmental Activities	Business -type Activities
2012	\$ 2,871	\$ 36
2013	2,475	36
2014	1,594	-
2015	179	-
2016	439	-
Total minimum lease payments	7,558	72
Less amount representing interest	573	3
Present value of net minimum lease payments	\$ 6,985	\$ 69

Landfill closure and postclosure care costs

The County has contracted with an outside agency to provide operations for its solid waste facility. The contract requires the outside agency to reserve funds in accordance with the closure plan for closure and postclosure care costs. In the event of termination of the contract, the required reserve funds are to be remitted to the Arizona Department of Environmental Quality. Consequently, no liability for landfill closure and postclosure care costs has been recorded on the basic financial statements.

PINAL COUNTY
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June 30, 2011

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Compensated absences and claims and judgments

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim. During fiscal year 2011, the County paid for governmental-type activity compensated absences as follows: 81 percent from the General Fund, 7 percent from the Public Works Highway Fund, and 12 percent from other governmental funds. The County paid for claims and judgments from the General Fund.

Note 10 – 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. For these risks of loss the County joined and is covered by two public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Worker's Compensation Pool, which are described below. Settled claims have not exceeded coverage provided in any of the past 3 fiscal years.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based on its exposure in relation to the exposure of the other participants, and a deductible of \$10 per occurrence for property claims and \$50 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period. If the pool were to become insolvent, the County would be assessed an additional contribution.

The Arizona Counties Workers' Compensation Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties with workers' compensation coverage, as required by law, and risk management services. The County is responsible for paying a premium, based on an experience-rating formula that allocates pool expenditures and liabilities among the members.

The Arizona Counties Property and Casualty Pool and the Arizona Counties Workers' Compensation Pool receive independent audits annually and an audit by the Arizona Department of Insurance every 5 years. Both pools accrue liabilities for losses that have been incurred but not reported. These liabilities are determined annually based on an independent actuarial valuation.

Pursuant to A.R.S. §11-981, the County has established the Pinal County Employee Benefit Trust, which covers medical, dental, vision, short-term disability, employee life and accidental disability, and dependent life claims. The County is responsible for paying a premium to the Trust for the costs incurred by the Trust for insurance premiums and an estimate of risk that are retained. The premiums are periodically adjusted for the difference between actual costs incurred by the Trust and the premiums paid by the County.

The liability for medical, dental, vision, and short-term disability claims of the Trust totaling \$2,437 at June 30, 2011 is the estimated ultimate cost of settling claims that have been reported but unpaid and incurred but not reported. This estimate is based on an actuarial estimate. Changes in the Trust's claims payable for the year ended June 30, 2010 and 2011 were as follows:

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	2010	2011
Claims payable, beginning of year	\$ 1,698	\$ 1,877
Current-year claims and changes in estimate	16,578	17,374
Claim payments	(16,399)	(16,814)
Claims payable, end of year	\$ 1,877	\$ 2,437

As provided by A.R.S. §23-750, the State, its political subdivisions, and any instrumentality, agency, or board of the State or political subdivision have two options for satisfying unemployment compensation obligations: 1) direct quarterly payments to the unemployment fund administered by the Arizona Department of Economic Security (ADES) based on a computed contribution rate assigned to the employer by ADES or 2) the government may elect to be liable for any unemployment compensation obligations. Pinal County has elected to be responsible for its unemployment obligations. The County does not accumulate and reserve monies for its workforce.

Note 11 – Pensions and Other Post-Employment Benefits (OPEB)

Plan Descriptions—The County contributes to four plans, three of which are described below. The Elected Officials Retirement Plan (EORP) is not described due to its relative insignificance to the County’s financial statements. Benefits are established by state statute and generally provide retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees’ average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee’s monthly compensation. Health insurance premium benefits are paid as a fixed dollar amount per month towards the retiree’s healthcare insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

The *Arizona State Retirement System (ASRS)* administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions, including general employees of the County, and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The *Public Safety Personnel Retirement System (PSPRS)* administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona and participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a seven-member board, known as The Board of Trustees, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The *Corrections Officer Retirement Plan (CORP)* administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers certain state, county, and local correction officers; dispatchers; and probation, surveillance, and juvenile detention officers as well as the *Administrative Office of the Courts (CORP-AOC)*. The CORP is governed by The Board of Trustees of PSPRS and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by writing or calling the applicable plan.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

ASRS

3300 N. Central Ave.
P.O. Box 33910
Phoenix, AZ 85067-3910
(602) 240-2000 or (800) 621-3778

PSPRS and CORP

3010 E. Camelback Rd., Suite 200
Phoenix, AZ 85016-4416
(602) 255-5575

Funding Policy—The Arizona State Legislature establishes and may amend active plan members' and the County's contribution rates.

Cost-sharing plans—For the year ended June 30, 2011 active ASRS members were required by statute to contribute at the actuarially determined rate of 9.85 percent (9.6 percent for retirement and 0.25 percent long-term disability) of the members' annual covered payroll and the County was required by statute to contribute at the actuarially determined rate of 9.85 percent (9.01 percent for retirement, 0.59 percent for health insurance premium, and 0.25 percent for long-term disability) of the members' annual covered payroll.

The County's contributions for the current and 2 preceding years, all of which were equal to the required contributions, were as follows:

Year ended June 30,	<u>ASRS</u> <u>Retirement Fund</u>	<u>Health Benefit</u> <u>Supplement Fund</u>	<u>Long-Term</u> <u>Disability Fund</u>
2011	\$ 6,832	\$ 447	\$ 190
2010	6,366	504	305
2009	6,317	759	395

Agent plans—For the year ended June 30, 2011, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll and the County was required to contribute 17.73 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 1.18 percent of covered payroll. Active CORP members (adult detention officers) were required by statute to contribute 8.41 percent of the members' annual covered payroll and the County was required to contribute 5.46 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.62 percent of covered payroll. Active CORP-AOC members were required by statute to contribute 8.41 percent of the members' annual covered payroll and the County was required to contribute 11.64 percent. The aggregate of the members' and the County's contribution is greater by an immaterial amount than the actuarially required contributions due to the County's minimum contribution rate set by statute. The health insurance premium portion of the contribution rate was actuarially set at 1.33 percent of covered payroll. Active CORP members (dispatchers) were required by statute to contribute 7.96 percent of the members' annual covered payroll and the County was required to contribute 5.00 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at .46 percent of covered payroll.

Actuarial methods and assumptions – Except for the contribution requirements which were established by state statute, the contribution requirements for the year ended June 30, 2011, were established by the June 30, 2009 actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to

PINAL COUNTY
Notes to the Financial Statements
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(Amounts expressed in thousands)

past expectations and new estimates are made. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on 1) the plans as understood by the County and plans' members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the County and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for PSPRS, CORP and CORP-AOC (Adult Detention Officers, Dispatchers and Administrative Office of the Courts) and the actuarial methods and assumptions used to establish the fiscal year 2011 contribution requirements for these, are as follows:

Actuarial valuation date	June 30, 2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent-of-pay closed
Remaining amortization period	27 years for underfunded actuarial accrued liability, 20 years for overfunded
Asset valuation method	7-year smoothed market value
Actuarial assumptions:	
Investment rate of return	8.50%
Projected salary increases	5.50% - 8.50%
Payroll growth	5.50%
Cost-of-living adjustments	None

Annual Pension/OPEB Cost—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2011, and related information follows:

<u>Plan</u>	<u>Annual pension/OPEB cost</u>	<u>Contributions made</u>
PSPRS		
Pension	\$ 2,154	\$ 2,154
Health Insurance	154	154
CORP		
Adult Detention Officers		
Pension	640	640
Health Insurance	82	82
AOC		
Pension	597	597
Health Insurance	77	77
Dispatchers		
Pension	44	44
Health Insurance	4	4

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

Trend Information—Annual pension cost information for the current and two preceding years follows for each of the agent plans.

<u>Plan</u>	<u>Year Ended June 30</u>	<u>Annual Pension/OPEB Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension/OPEB Obligation</u>
PSPRS				
Pension	2011	2,154	100%	-
Health insurance	2011	154	100%	-
Pension	2010	2,202	100%	-
Health insurance	2010	70	100%	-
Pension	2009	2,345	100%	-
Health insurance	2009	90	100%	-
CORP				
Adult Detention Officers				
Pension	2011	640	100%	-
Health insurance	2011	82	100%	-
Pension	2010	866	100%	-
Health insurance	2010	48	100%	-
Pension	2009	957	100%	-
Health insurance	2009	53	100%	-
AOC*				
Pension	2011	597	100%	-
Health Insurance	2011	77	100%	-
Pension	2010	350	100%	-
Health Insurance	2010	7	100%	-
Pension and health insurance	2009	555	100%	-
Dispatchers				
Pension	2011	44	100%	-
Health insurance	2011	4	100%	-
Pension	2010	71	100%	-
Health insurance	2010	3	100%	-
Pension	2009	64	100%	-
Health insurance	2009	3	100%	-

*The AOC pension and health insurance information was not separately available prior to fiscal year 2010. The current year break out was calculated based on available information for the plan as a whole.

Funded Status—The funded status of the plans as of the most recent available valuation date, June 30, 2010, along with the actuarial assumptions and methods used in those valuations follow. Additionally, the required schedule of funding progress, presented in the required supplementary information section following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

	Actuarial Accrued Liability (a)	Actuarial Value of Plan Assets (b)	Unfunded actuarial accrued liability (funding excess) (a-b)	Funded Ratio (b/a)	Annual Covered Payroll (c)	Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll [(a-b)/c]
PSPRS						
Pension	\$ 50,444	\$ 35,678	\$ 14,766	70.73%	\$ 13,289	111.11%
Health Insurance	1,472	-	1,472	0.00%	13,289	11.08%
CORP						
<u>Adult Detention Officers</u>						
Pension	16,452	16,456	(4)	100.02%	13,374	0.00%
Health Insurance	648	-	648	0.00%	13,374	4.85%
<u>AOC*</u>						
Pension	N/A	N/A	N/A	N/A	N/A	N/A
Health Insurance	N/A	N/A	N/A	N/A	N/A	N/A
<u>Dispatchers</u>						
Pension	1,333	1,182	151	88.67%	1,056	14.30%
Health Insurance	31	-	31	0.00%	1,056	2.94%

*The funded status information for CORP-AOC is only reported for the plan as a whole and, therefore, actuarial information for the County, as a participating government, is not available.

The actuarial methods and assumptions used are the same for all plans and related benefits, and for the most recent valuation date, are as follows:

Actuarial valuation date	June 30, 2010 (most recent actuarial report available)
Actuarial cost method	Projected unit credit
Amortization method	Level percent-of-pay closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	26 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.50%
Projected salary increases	5.50% - 8.50%
Includes inflation at	5.50%
Cost-of-living adjustments	None

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

Note 12 – Interfund Balances and Activity

Interfund receivables and payables—interfund balances at June 30, 2011 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 539
	Other Enterprise Funds	54
		<u>593</u>
Public Works Highway Fund	General Fund	11
	Road Tax District Fund	44
	Other Governmental Funds	261
	Other Enterprise Funds	6
		<u>322</u>
Other Governmental Funds	General Fund	604
	Public Works Highway Fund	7
	Development Impact Fee Fund	300
	Other Governmental Funds	216
		<u>1,127</u>
Other Enterprise Fund	General Fund	42
		<u>42</u>
Total		<u>\$ 2,084</u>

Interfund balances resulted from cash deficits in individual funds or cash transfers that had not occurred at June 30, 2011, and are expected to be repaid within one year from the date of the financial statements.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

Interfund transfers—Interfund transfers for the year ended June 30, 2011, were as follows:

<u>Transfer from</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Public Works Highway Fund	\$ 26
	Other Governmental Funds	15,742
	Other Enterprise Funds	42
		<u>15,810</u>
Road Tax Districts Fund	Public Works Highway Fund	8
	Other Governmental Funds	200
		<u>208</u>
Public Works Highway Fund	General Fund	1,502
	Other Governmental Funds	1,138
	Development Impact Fee Fund	119
		<u>2,759</u>
Development Impact Fee Fund	Other Governmental Funds	2,913
		<u>2,913</u>
Other Governmental Funds	General Fund	2,743
	Public Works Highway Fund	457
	Other Governmental Funds	3,115
		<u>6,315</u>
Long Term Care Fund	General Fund	932
	Other Governmental Funds	305
		<u>1,237</u>
Other Enterprise Funds	General Fund	471
		<u>471</u>
Total transfers		<u><u>\$29,713</u></u>

The principal purpose of interfund transfers was to provide funds to cover debt service payments, provide grant matches, provide subsidies to cover operating expenses, and to provide funds to pay for capital outlay. There were interfund transfers from the Long Term Care Fund to the General Fund totaling \$932 to cover overhead costs and support general fund operations. All other significant interfund transfers were routine and consistent with the activities of the fund making the transfer.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

Note 13 – County Treasurer’s Investment Pool

Arizona Revised Statutes require community colleges, school districts, and other local governments to deposit certain public monies with the County Treasurer. The Treasurer has a fiduciary responsibility to administer those and the County monies under her stewardship. The Treasurer invests, on a pool basis, all idle monies not specifically invested for a fund or program. In addition, the Treasurer determines the fair value of those pooled investments annually at June 30.

The County Treasurer’s investment pool is not registered with the Securities and Exchange Commission as an investment company and there is no regulatory oversight of its operations. The pool’s structure does not provide for shares and the County has not provided or obtained any legally binding guarantees to support the value of the participants’ investments.

The Treasurer allocates interest earnings to each of the pool’s participants. However, for the County’s monies in the pool the Board of Supervisors authorized \$402 of interest earned in certain other funds to be transferred to the General Fund.

Substantially, all deposits and investments of the County’s primary government are included in the County Treasurer’s investment pool, except for \$10,893 in deposits, \$5,369 of investments in the State Treasurer’s Investment Pool and \$50 in Certificates of Deposit. Therefore, the deposit and investment risks of the Treasurer’s investment pool are substantially the same as the County’s deposit and investment risks exclusive of the investments just described above. See Note 5 for disclosure of the County’s deposit and investment risks.

Details of each major investment classification follow:

Investment Type	Principal	Interest Rates	Maturities	Amount
Repurchase Agreements (implicitly guaranteed)	\$ 44,000	0.00023	Daily	\$ 44,000
U.S. agency securities	246,717	0% -5.270%	7/11 - 4/16	247,282
U.S. Treasury securities	10,004	0%-1%	12/12	10,041

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011

(Amounts expressed in thousands)

A condensed statement of the investment pool's net assets and changes in net assets follows:

Statement of Net Assets

Assets	\$ 332,460
Liabilities	-
Net Assets	<u>\$ 332,460</u>

Net assets held in trust for:

Internal participants	\$ 151,606
External participants	<u>180,854</u>
Total net assets held in trust	<u>\$ 332,460</u>

Statement of Changes in Net Assets

Total additions	\$ 1,022,154
Total deductions	<u>(1,077,952)</u>
Net increase	<u>(55,798)</u>
Net assets held in trust:	
July 1, 2010	<u>388,258</u>
June 30, 2011	<u>\$ 332,460</u>

Note 14 – Related Party Transactions

Due to a lack of providers within Pinal County, the Pinal County Long Term Care Health Plan (Plan) contracts for services with other County operations. These operations providing medically-related services include the Pinal County Horizon Home Health Care, which provides adult day health care. For the year ended June 30, 2011, the Plan paid these operations \$6,396 for services and has claims payable to them of \$532.

In addition to medical and medically-related services, the Plan contracts with Pinal County for certain other services. During the year, the Plan paid the County \$932 for legal, finance, and other administrative services. The Plan's employees are employees of the County and are subject to all rules and regulations of Pinal County. The Plan's liability insurance is provided as part of the County's coverage.

Note 15 – Contingent Liabilities

Developer Claims

In previous years, the County entered into agreements with developers for projects located within County boundaries which contained provisions to extend the agreements. The County did not extend the agreements.

As a result, certain developers filed suit claiming breach of contract and other related claims against the County. Subsequent to year-end, a summary judgment was granted to four developers whose claims for damages could total between \$150 and \$24,500, or which \$7,000 relates to future fee payments. The County is currently appealing the judgment, and has complied with court orders to separate all money paid by any of these developers. In addition, nine developers have filed claims and/or suits claiming damages that could total approximately \$17,750 million.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2011
(Amounts expressed in thousands)

The County's legal counsel is unable to assess the likelihood of an unfavorable outcome or the amount of potential loss that will be incurred as a result of this litigation. As a result, no provision for losses related to this matter has been reported in the County's financial statements.

Note 16 – Stewardship, Compliance, and Accountability

At June 30, 2011, the following fund reported a deficit fund balance.

<u>Fund</u>	<u>Deficit</u>
Governmental Funds:	
Miscellaneous Grants	\$ 148

This deficit resulted from operations during the year, but is expected to be corrected through normal operations in fiscal year 2011-2012.

Note 17 – Subsequent Events

The Pinal County Long Term Care Health Plan (Plan) received notice in May 2011 that its AHCCCS contract that expired in September 2011, would not be renewed. The contract provided 99% of the Plan's revenue during the year ended June 30, 2011. Therefore, starting in October 2011, the Plan has limited its operations to processing and paying claims and it is anticipated that operations will cease during the year ending June 30, 2012.

The Horizon Home Health Care department also ended operations in October of 2011 as it's primary client, and main funding source, was the Plan. The County expects an inflow of residual equity from both of these activities when operations cease.

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Required Supplementary Information



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PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 109,430	\$ 109,430	\$ 111,324	\$ 1,894
Licenses and permits	1,554	1,554	1,202	(352)
Intergovernmental	30,222	30,222	32,679	2,457
Charges for services	20,194	20,111	19,906	(205)
Fines and forfeits	1,565	1,565	1,775	210
Investment earnings	1,000	1,000	338	(662)
Rentals	47	47	141	94
Miscellaneous	775	775	476	(299)
Total revenues	<u>164,787</u>	<u>164,704</u>	<u>167,841</u>	<u>3,137</u>
Expenditures				
General Government				
Assessor	2,607	2,607	2,465	142
Assistant County Manager-Admin	93,206	85,195	53,352	31,843
Assistant County Manager-Development	3,583	3,595	3,182	413
Assistant County Manager-Health	307	427	397	30
Board of Supervisors	938	938	863	75
County Manager	1,101	1,161	825	336
Recorder	1,357	1,365	1,149	216
Treasurer	1,209	1,265	1,118	147
Total General Government	<u>104,308</u>	<u>96,553</u>	<u>63,351</u>	<u>33,202</u>
Public Safety				
Assistant County Manager-Admin	905	915	878	37
Assistant County Manager-Health	5,896	5,916	5,536	380
Attorney	7,087	7,587	7,298	289
Clerk of Superior Court	3,474	3,478	3,287	191
Courts	17,837	17,795	16,941	854
Sheriff	34,827	41,693	41,700	(7)
Total Public Safety	<u>70,026</u>	<u>77,384</u>	<u>75,640</u>	<u>1,744</u>
Sanitation				
Assistant County Manager-Development	172	176	112	64
Total Sanitation	<u>172</u>	<u>176</u>	<u>112</u>	<u>64</u>

(Continued)

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2011
(Concluded)
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Health				
Assistant County Manager-Admin	\$ 16,549	\$ 16,549	\$ 13,551	\$ 2,998
Assistant County Manager-Development	1,165	1,173	936	237
Assistant County Manager-Health	3,697	3,954	3,062	892
Total Health	<u>21,411</u>	<u>21,676</u>	<u>17,549</u>	<u>4,127</u>
Welfare				
Assistant County Manager-Health	708	711	763	(52)
Total Welfare	<u>708</u>	<u>711</u>	<u>763</u>	<u>(52)</u>
Culture and Recreation				
Assistant County Manager-Admin	62	62	50	12
Total Culture and Recreation	<u>62</u>	<u>62</u>	<u>50</u>	<u>12</u>
Education				
School Superintendent	756	756	746	10
Total Education	<u>756</u>	<u>756</u>	<u>746</u>	<u>10</u>
Total general fund expenditures	<u>197,443</u>	<u>197,318</u>	<u>158,211</u>	<u>39,107</u>
Excess (deficiency) of revenues over expenditures	<u>(32,656)</u>	<u>(32,614)</u>	<u>9,630</u>	<u>42,244</u>
Other financing sources (uses):				
Transfers in	5,587	5,680	5,648	(32)
Transfers out	(13,911)	(16,847)	(15,810)	1,037
Proceeds from sale of capital assets	3	3	192	189
Capital lease agreement	2,400	2,400	-	(2,400)
Insurance reimbursement	-	-	113	113
Total other financing sources (uses)	<u>(5,921)</u>	<u>(8,764)</u>	<u>(9,857)</u>	<u>(1,093)</u>
Net change in fund balances	<u>(38,577)</u>	<u>(41,378)</u>	<u>(227)</u>	<u>41,151</u>
Fund balances - beginning, as restated	38,577	41,378	43,578	2,200
Changes in nonspendable resources:				
Increase in prepaid items	-	-	1,017	1,017
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,368</u>	<u>\$ 44,368</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Road Tax Districts Fund
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 4,025	\$ 4,798	\$ 773
Intergovernmental	657	-	(657)
Investment earnings	135	99	(36)
Contributions	-	60	60
Miscellaneous	262	-	(262)
Total revenues	<u>5,079</u>	<u>4,957</u>	<u>(122)</u>
Expenditures			
Current:			
Highways and streets	11,718	5,175	6,543
Debt service:			
Principal retirement	500	500	-
Interest	24	24	-
Total expenditures	<u>12,242</u>	<u>5,699</u>	<u>6,543</u>
Deficiency of revenues over expenditures	<u>(7,163)</u>	<u>(742)</u>	<u>6,421</u>
Other financing uses:			
Transfers out	<u>(805)</u>	<u>(208)</u>	<u>597</u>
Total other financing uses	<u>(805)</u>	<u>(208)</u>	<u>597</u>
Net change in fund balances	<u>(7,968)</u>	<u>(950)</u>	<u>7,018</u>
Fund balances - beginning	7,968	14,429	6,461
Fund balances - ending	<u>\$ -</u>	<u>\$ 13,479</u>	<u>\$ 13,479</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Public Works Highway Fund
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 18,704	\$ 18,704	\$ 19,149	\$ 445
Investment earnings	100	100	55	(45)
Miscellaneous	1,500	1,500	37	(1,463)
Total revenues	<u>20,304</u>	<u>20,304</u>	<u>19,241</u>	<u>(1,063)</u>
Expenditures				
Current:				
Highways and streets	19,938	18,521	15,729	2,792
Debt Service:				
Principal retirement	1,134	1,134	1,134	-
Interest	154	154	154	-
Total expenditures	<u>21,226</u>	<u>19,809</u>	<u>17,017</u>	<u>2,792</u>
Excess (deficiency) of revenues over expenditures	<u>(922)</u>	<u>495</u>	<u>2,224</u>	<u>1,729</u>
Other financing sources (uses):				
Transfers in	605	809	491	(318)
Transfers out	(1,138)	(2,759)	(2,759)	-
Proceeds from sale of capital assets	-	-	1	1
Insurance reimbursement	-	-	13	13
Total other financing sources (uses)	<u>(533)</u>	<u>(1,950)</u>	<u>(2,254)</u>	<u>(304)</u>
Net change in fund balances	(1,455)	(1,455)	(30)	1,425
Fund balances - beginning	1,455	1,455	9,861	8,406
Changes in nonspendable resources:				
Decrease in prepaid items	-	-	(32)	(32)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,799</u>	<u>\$ 9,799</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Development Impact Fee Fund
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 2,839	\$ 2,839	\$ 1,815	\$ (1,024)
Investment earnings	-	-	73	73
Total revenues	<u>2,839</u>	<u>2,839</u>	<u>1,888</u>	<u>(951)</u>
Expenditures				
Current:				
Public safety	480	480	4	476
Highways and streets	824	824	29	795
Culture and recreation	131	131	18	113
Total expenditures	<u>1,435</u>	<u>1,435</u>	<u>51</u>	<u>1,384</u>
Excess of revenues over expenditures	<u>1,404</u>	<u>1,404</u>	<u>1,837</u>	<u>433</u>
Other financing sources (uses):				
Transfers in	-	119	119	-
Transfers out	(5,896)	(3,431)	(2,913)	518
Total other financing sources (uses)	<u>(5,896)</u>	<u>(3,312)</u>	<u>(2,794)</u>	<u>518</u>
Net change in fund balances	(4,492)	(1,908)	(957)	951
Fund balances - beginning	<u>4,492</u>	<u>1,908</u>	<u>8,920</u>	<u>7,012</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,963</u>	<u>\$ 7,963</u>

Pinal County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2011
(Amounts expressed in thousands)

Note 1 – Budgetary Basis of Accounting

Arizona Revised Statutes (A.R.S.) requires the County to prepare and adopt a balanced budget annually for each governmental fund. The Board of Supervisors must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Board of Supervisors' approval.

The County's budget is prepared on a basis consistent with generally accepted accounting principles.

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2011
(Amounts expressed in thousands)

Public Safety Personnel Retirement System

Information presented below is as of the most recent available actuarial report available (June 30, 2010)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
Pension						
6/30/2010	\$35,678	\$50,444	(\$14,766)	70.73%	\$13,289	111.11%
6/30/2009	\$32,650	\$45,680	(\$13,030)	71.48%	\$13,140	99.16%
6/30/2008	\$28,672	\$42,371	(\$13,699)	67.67%	\$13,560	101.03%
Health Insurance						
6/30/2010	\$0	\$1,472	(\$1,472)	0.00%	\$13,289	11.08%
6/30/2009	\$0	\$1,394	(\$1,394)	0.00%	\$13,140	10.61%
6/30/2008	\$0	\$1,223	(\$1,223)	0.00%	\$13,560	9.02%

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2011

(Amounts expressed in thousands)

Corrections Officer Retirement Plan

Information presented below is as of the most recent available actuarial report available (June 30, 2010)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
<u>Adult Detention Officers</u>						
Pension						
06/30/2010	\$16,456	\$16,452	\$4	100.02%	\$13,374	0.00%
06/30/2009	\$13,801	\$14,175	(\$374)	97.36%	\$12,835	2.91%
06/30/2008	\$11,064	\$12,297	(\$1,233)	89.97%	\$12,229	10.08%
Health						
Insurance						
06/30/2010	\$0	\$648	(\$648)	0.00%	\$13,374	4.85%
06/30/2009	\$0	\$549	(\$549)	0.00%	\$12,835	4.28%
06/30/2008	\$0	\$448	(\$448)	0.00%	\$12,229	3.66%
<u>AOC*</u>						
Pension						
06/30/2010	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
Health						
Insurance						
06/30/2010	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
<u>Dispatchers</u>						
Pension						
06/30/2010	\$1,182	\$1,333	(\$151)	88.67%	\$1,056	14.30%
06/30/2009	\$1,012	\$1,281	(\$269)	79.00%	\$1,076	25.00%
06/30/2008	\$945	\$1,299	(\$354)	72.75%	\$981	36.09%
Health						
Insurance						
06/30/2010	\$0	\$31	(\$31)	0.00%	\$1,056	2.94%
06/30/2009	\$0	\$34	(\$34)	0.00%	\$1,076	3.16%
06/30/2008	\$0	\$37	(\$37)	0.00%	\$981	3.77%

*The funding progress information for CORP-AOC is only reported for the plan as a whole and, therefore, actuarial information for the County as a participating government is not available.

Combining Statements and Individual Schedules



P I N A L • C O U N T Y
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PINAL COUNTY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets				
Cash, cash equivalents and investments	\$ 49,399	\$ 16,658	\$ 21	\$ 66,078
Cash and investments held by trustees	-	9,465	4,976	14,441
Receivables (net):				
Property taxes	662	-	-	662
Accounts	404	6	-	410
Due from other funds	862	265	-	1,127
Due from other governments	4,453	-	-	4,453
Inventories	28	-	-	28
Prepaid items	28	-	-	28
Restricted assets:				
Cash and cash equivalents	564	-	-	564
Total assets	\$ 56,400	\$ 26,394	\$ 4,997	\$ 87,791
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 2,945	\$ 1,305	\$ -	\$ 4,250
Accrued payroll and employee benefits	255	1	-	256
Retainage payable	-	113	-	113
Due to other funds	1,001	15	-	1,016
Due to other governments	79	-	-	79
Deposits held for others	204	21	-	225
Deferred revenue	1,891	-	-	1,891
Total liabilities	6,375	1,455	-	7,830
Fund Balances:				
Nonspendable:				
Inventories	28	-	-	28
Prepaid items	28	-	-	28
Total nonspendable	56	-	-	56
Restricted	45,483	21,892	4,976	72,351
Committed	4,539	-	-	4,539
Assigned	95	3,047	21	3,163
Unassigned	(148)	-	-	(148)
Total fund balances	50,025	24,939	4,997	79,961
Total liabilities and fund balances	\$ 56,400	\$ 26,394	\$ 4,997	\$ 87,791

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues				
Taxes	\$ 14,801	\$ -	\$ -	\$ 14,801
Licenses and permits	1,556	-	-	1,556
Intergovernmental	29,266	70	-	29,336
Charges for services	5,940	-	-	5,940
Fines and forfeits	2,699	-	-	2,699
Investment earnings	328	96	6	430
Contributions	278	34	-	312
Rentals	383	-	-	383
Miscellaneous	913	7	5	925
Total revenues	<u>56,164</u>	<u>207</u>	<u>11</u>	<u>56,382</u>
Expenditures				
Current:				
General government	3,087	-	-	3,087
Public safety	21,147	-	-	21,147
Highways and streets	3,224	-	-	3,224
Sanitation	332	-	-	332
Health	10,040	-	-	10,040
Welfare	4,996	-	-	4,996
Culture and recreation	1,991	-	-	1,991
Education	8,281	-	-	8,281
Debt Service:				
Principal retirement	-	-	9,877	9,877
Interest	-	-	6,860	6,860
Costs of issuance	-	193	247	440
Other	-	-	4	4
Capital outlay	-	7,009	-	7,009
Total expenditures	<u>53,098</u>	<u>7,202</u>	<u>16,988</u>	<u>77,288</u>
Excess (deficiency) of revenues over expenditures	<u>3,066</u>	<u>(6,995)</u>	<u>(16,977)</u>	<u>(20,906)</u>
Other financing sources (uses):				
Transfers in	3,600	3,103	16,710	23,413
Transfers out	(3,842)	(2,473)	-	(6,315)
Proceeds from the sale of capital assets	234	-	-	234
Bond proceeds	-	12,000	-	12,000
Discount on bonds	-	(106)	-	(106)
Refunding bonds	-	-	18,380	18,380
Premium on refunding bonds	-	-	1,588	1,588
Payment to refunded bond escrow agent	-	-	(19,720)	(19,720)
Total other financing sources (uses)	<u>(8)</u>	<u>12,524</u>	<u>16,958</u>	<u>29,474</u>
Net change in fund balances	3,058	5,529	(19)	8,568
Fund balances - beginning, as restated	47,043	19,410	5,016	71,469
Changes in nonspendable resources:				
Decrease in inventories	(5)	-	-	(5)
Decrease in prepaid items	(71)	-	-	(71)
Fund balances - ending	<u>\$ 50,025</u>	<u>\$ 24,939</u>	<u>\$ 4,997</u>	<u>\$ 79,961</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Adult Probation	Air Quality
Assets		
Cash, cash equivalents and investments	\$ 237	\$ 1,025
Receivables (net):		
Property taxes	-	-
Accounts	51	-
Due from other funds	45	-
Due from other governments	19	-
Inventories	-	-
Prepaid items	-	-
Cash and cash equivalents - restricted	-	-
Total assets	\$ 352	\$ 1,025
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 30	\$ 2
Accrued payroll and employee benefits	32	16
Due to other funds	47	16
Due to other governments	-	-
Deposits held for others	-	-
Deferred revenue	-	-
Total liabilities	109	34
Fund Balances:		
Nonspendable:		
Inventories	-	-
Prepaid items	-	-
Total nonspendable	-	-
Restricted	243	991
Committed	-	-
Assigned	-	-
Unassigned	-	-
Total fund balances	243	991
Total liabilities and fund balances	\$ 352	\$ 1,025

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Assets			
Cash, cash equivalents and investments	\$ 2,110	\$ 5,546	\$ 2,422
Receivables (net):			
Property taxes	101	-	-
Accounts	1	2	47
Due from other funds	-	69	-
Due from other governments	-	483	-
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	\$ 2,212	\$ 6,100	\$ 2,469
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 26	\$ 36	\$ 3
Accrued payroll and employee benefits	13	35	-
Due to other funds	-	108	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	84	7	-
Total liabilities	123	186	3
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	2,089	5,389	859
Committed	-	525	1,607
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	2,089	5,914	2,466
Total liabilities and fund balances	\$ 2,212	\$ 6,100	\$ 2,469

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Old Courthouse Preservation	Courts	Employee Wellness
Assets			
Cash, cash equivalents and investments	\$ 113	\$ 2,690	\$ 21
Receivables (net):			
Property taxes	-	-	-
Accounts	-	78	-
Due from other funds	-	318	-
Due from other governments	-	69	-
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	\$ 113	\$ 3,155	\$ 21
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ 17	\$ 11
Accrued payroll and employee benefits	-	12	-
Due to other funds	-	112	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	1	-
Total liabilities	-	142	11
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	113	2,354	10
Committed	-	659	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	113	3,013	10
Total liabilities and fund balances	\$ 113	\$ 3,155	\$ 21

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Health Services	Justice Courts	Juvenile Probation
Assets			
Cash, cash equivalents and investments	\$ 432	\$ 2,593	\$ 876
Receivables (net):			
Property taxes	-	-	-
Accounts	-	97	9
Due from other funds	16	1	44
Due from other governments	8	84	32
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 456</u>	<u>\$ 2,775</u>	<u>\$ 961</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1	\$ 8	\$ 26
Accrued payroll and employee benefits	2	1	21
Due to other funds	-	11	50
Due to other governments	-	-	79
Deposits held for others	-	-	-
Deferred revenue	3	84	32
Total liabilities	<u>6</u>	<u>104</u>	<u>208</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	450	982	753
Committed	-	1,689	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>450</u>	<u>2,671</u>	<u>753</u>
Total liabilities and fund balances	<u>\$ 456</u>	<u>\$ 2,775</u>	<u>\$ 961</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Local Transport Assist Grant	Library Grants	Miscellaneous Grants
Assets			
Cash, cash equivalents and investments	\$ 538	\$ 2	\$ 1,012
Receivables (net):			
Property taxes	-	-	-
Accounts	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	14
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	\$ 538	\$ 2	\$ 1,026
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 683
Accrued payroll and employee benefits	4	-	-
Due to other funds	-	-	231
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	489	-	260
Total liabilities	493	-	1,174
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	-	-	-
Restricted	45	2	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(148)
Total fund balances	45	2	(148)
Total liabilities and fund balances	\$ 538	\$ 2	\$ 1,026

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	<u>Public Defender</u>	<u>Public Works Roadways</u>	<u>Public Works Services</u>
Assets			
Cash, cash equivalents and investments	\$ 179	\$ 4,936	\$ 510
Receivables (net):			
Property taxes	-	-	-
Accounts	-	2	-
Due from other funds	-	310	-
Due from other governments	5	-	-
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 184</u>	<u>\$ 5,248</u>	<u>\$ 510</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 3	\$ 85	\$ 5
Accrued payroll and employee benefits	1	10	9
Due to other funds	-	256	8
Due to other governments	-	-	-
Deposits held for others	-	122	-
Deferred revenue	-	-	-
Total liabilities	<u>4</u>	<u>473</u>	<u>22</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	180	4,775	488
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>180</u>	<u>4,775</u>	<u>488</u>
Total liabilities and fund balances	<u>\$ 184</u>	<u>\$ 5,248</u>	<u>\$ 510</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Sheriff	Treasurer	Housing Grants
Assets			
Cash, cash equivalents and investments	\$ 414	\$ 90	\$ (6)
Receivables (net):			
Property taxes	-	-	-
Accounts	-	-	90
Due from other funds	12	-	-
Due from other governments	2,340	-	272
Inventories	-	-	28
Prepaid items	-	-	28
Cash and cash equivalents - restricted	-	-	564
Total assets	<u>\$ 2,766</u>	<u>\$ 90</u>	<u>\$ 976</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,609	\$ 1	\$ 68
Accrued payroll and employee benefits	18	-	19
Due to other funds	75	-	-
Due to other governments	-	-	-
Deposits held for others	-	-	82
Deferred revenue	58	-	61
Total liabilities	<u>1,760</u>	<u>1</u>	<u>230</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	28
Prepaid items	-	-	28
Total nonspendable	<u>-</u>	<u>-</u>	<u>56</u>
Restricted	970	89	631
Committed	-	-	-
Assigned	36	-	59
Unassigned	-	-	-
Total fund balances	<u>1,006</u>	<u>89</u>	<u>746</u>
Total liabilities and fund balances	<u>\$ 2,766</u>	<u>\$ 90</u>	<u>\$ 976</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Flood Control District	Library District	Lighting Special Districts
Assets			
Cash, cash equivalents and investments	\$ 12,427	\$ 2,250	\$ 2
Receivables (net):			
Property taxes	302	198	3
Accounts	6	1	-
Due from other funds	1	-	-
Due from other governments	-	-	-
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 12,736</u>	<u>\$ 2,449</u>	<u>\$ 5</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 217	\$ 14	\$ 1
Accrued payroll and employee benefits	4	7	-
Due to other funds	1	-	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	247	165	3
Total liabilities	<u>469</u>	<u>186</u>	<u>4</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	12,267	2,263	1
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>12,267</u>	<u>2,263</u>	<u>1</u>
Total liabilities and fund balances	<u>\$ 12,736</u>	<u>\$ 2,449</u>	<u>\$ 5</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Miscellaneous Fees	Desert Vista Sanitation District	Public Health Services District
Assets			
Cash, cash equivalents and investments	\$ 1,496	\$ 37	\$ 2,707
Receivables (net):			
Property taxes	-	9	-
Accounts	19	-	1
Due from other funds	-	-	46
Due from other governments	-	-	1,127
Inventories	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Total assets	<u>\$ 1,515</u>	<u>\$ 46</u>	<u>\$ 3,881</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 6	\$ 20	\$ 73
Accrued payroll and employee benefits	3	-	48
Due to other funds	40	-	46
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	9	380
Total liabilities	<u>49</u>	<u>29</u>	<u>547</u>
Fund Balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>
Restricted	1,407	17	3,334
Committed	59	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>1,466</u>	<u>17</u>	<u>3,334</u>
Total liabilities and fund balances	<u>\$ 1,515</u>	<u>\$ 46</u>	<u>\$ 3,881</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011
(Amounts expressed in thousands)

	Queen Creek Domestic Water Imprvmnt District	Accom- modation School	Total
Assets			
Cash, cash equivalents and investments	\$ 15	\$ 4,725	\$ 49,399
Receivables (net):			
Property taxes	1	48	662
Accounts	-	-	404
Due from other funds	-	-	862
Due from other governments	-	-	4,453
Inventories	-	-	28
Prepaid items	-	-	28
Cash and cash equivalents - restricted	-	-	564
Total assets	\$ 16	\$ 4,773	\$ 56,400
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 2,945
Accrued payroll and employee benefits	-	-	255
Due to other funds	-	-	1,001
Due to other governments	-	-	79
Deposits held for others	-	-	204
Deferred revenue	1	7	1,891
Total liabilities	1	7	6,375
Fund Balances:			
Nonspendable:			
Inventories	-	-	28
Prepaid items	-	-	28
Total nonspendable	-	-	56
Restricted	15	4,766	45,483
Committed	-	-	4,539
Assigned	-	-	95
Unassigned	-	-	(148)
Total fund balances	15	4,766	50,025
Total liabilities and fund balances	\$ 16	\$ 4,773	\$ 56,400

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Adult Probation	Air Quality
Revenues		
Taxes	\$ -	\$ -
Licenses and permits	-	1,199
Intergovernmental	2,753	62
Charges for services	587	-
Fines and forfeits	-	-
Investment earnings	2	-
Contributions	-	-
Rentals	-	-
Miscellaneous	14	-
Total revenues	3,356	1,261
Expenditures		
Current:		
General government	-	-
Public safety	3,319	-
Highways and streets	-	-
Sanitation	-	-
Health	-	1,303
Welfare	-	-
Culture and recreation	-	-
Education	-	-
Total expenditures	3,319	1,303
Excess (deficiency) of revenues over expenditures	37	(42)
Other financing sources (uses):		
Transfers in	-	-
Transfers out	-	(112)
Proceeds from the sale of capital assets	-	1
Total other financing sources (uses)	-	(111)
Net change in fund balances	37	(153)
Fund balances - beginning, as restated	206	1,144
Changes in nonspendable resources:		
Decrease in inventories	-	-
Decrease in prepaid items	-	-
Fund balances - ending	\$ 243	\$ 991

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Revenues			
Taxes	\$ 1,543	\$ -	\$ -
Licenses and permits	244	-	-
Intergovernmental	43	3,022	-
Charges for services	345	63	598
Fines and forfeits	28	2,456	-
Investment earnings	12	33	15
Contributions	43	47	-
Rentals	-	-	-
Miscellaneous	30	36	-
Total revenues	<u>2,288</u>	<u>5,657</u>	<u>613</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	4,888	220
Highways and streets	-	-	-
Sanitation	-	-	-
Health	1,586	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>1,586</u>	<u>4,888</u>	<u>220</u>
Excess (deficiency) of revenues over expenditures	<u>702</u>	<u>769</u>	<u>393</u>
Other financing sources (uses):			
Transfers in	-	223	-
Transfers out	(10)	(45)	(158)
Proceeds from the sale of capital assets	5	221	-
Total other financing sources (uses)	<u>(5)</u>	<u>399</u>	<u>(158)</u>
Net change in fund balances	697	1,168	235
Fund balances - beginning, as restated	1,392	4,746	2,231
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
Fund balances - ending	<u>\$ 2,089</u>	<u>\$ 5,914</u>	<u>\$ 2,466</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Old Courthouse Preservation	Courts	Employee Wellness
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	397	-
Charges for services	-	675	-
Fines and forfeits	-	-	-
Investment earnings	-	19	-
Contributions	1	-	-
Rentals	-	-	-
Miscellaneous	-	25	31
Total revenues	1	1,116	31
Expenditures			
Current:			
General government	314	-	-
Public safety	-	1,635	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	32
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	314	1,635	32
Excess (deficiency) of revenues over expenditures	(313)	(519)	(1)
Other financing sources (uses):			
Transfers in	-	518	-
Transfers out	-	(6)	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	-	512	-
Net change in fund balances	(313)	(7)	(1)
Fund balances - beginning, as restated	426	3,020	11
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
Fund balances - ending	\$ 113	\$ 3,013	\$ 10

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Health Services	Justice Courts	Juvenile Probation
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	128	-	2,356
Charges for services	-	842	164
Fines and forfeits	-	-	-
Investment earnings	2	15	6
Contributions	1	-	3
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>131</u>	<u>857</u>	<u>2,529</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	383	2,562
Highways and streets	-	-	-
Sanitation	-	-	-
Health	339	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>339</u>	<u>383</u>	<u>2,562</u>
Excess (deficiency) of revenues over expenditures	<u>(208)</u>	<u>474</u>	<u>(33)</u>
Other financing sources (uses):			
Transfers in	305	-	8
Transfers out	-	(353)	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>305</u>	<u>(353)</u>	<u>8</u>
Net change in fund balances	97	121	(25)
 Fund balances - beginning, as restated	 353	 2,550	 778
 Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
Fund balances - ending	<u>\$ 450</u>	<u>\$ 2,671</u>	<u>\$ 753</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Local Transport Assist Grant	Library Grants	Miscellaneous Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	151	31	1,822
Charges for services	3	-	-
Fines and forfeits	-	-	-
Investment earnings	4	-	5
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	158	31	1,827
Expenditures			
Current:			
General government	-	-	2,069
Public safety	-	-	41
Highways and streets	-	-	-
Sanitation	-	-	-
Health	154	-	-
Welfare	-	-	-
Culture and recreation	-	32	-
Education	-	-	-
Total expenditures	154	32	2,110
Excess (deficiency) of revenues over expenditures	4	(1)	(283)
Other financing sources (uses):			
Transfers in	-	1	-
Transfers out	-	-	(36)
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	-	1	(36)
Net change in fund balances	4	-	(319)
Fund balances - beginning, as restated	41	2	171
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
Fund balances - ending	\$ 45	\$ 2	\$ (148)

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Public Defender	Public Works Roadways	Public Works Services
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	97	-
Intergovernmental	53	333	525
Charges for services	-	121	4
Fines and forfeits	-	-	-
Investment earnings	2	30	3
Contributions	-	13	-
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>55</u>	<u>594</u>	<u>532</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	157	-	487
Highways and streets	-	635	105
Sanitation	-	-	290
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>157</u>	<u>635</u>	<u>882</u>
Excess (deficiency) of revenues over expenditures	<u>(102)</u>	<u>(41)</u>	<u>(350)</u>
Other financing sources (uses):			
Transfers in	98	712	450
Transfers out	-	(256)	(198)
Proceeds from the sale of capital assets	-	4	-
Total other financing sources (uses)	<u>98</u>	<u>460</u>	<u>252</u>
Net change in fund balances	(4)	419	(98)
Fund balances - beginning, as restated	184	4,356	586
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
Fund balances - ending	<u>\$ 180</u>	<u>\$ 4,775</u>	<u>\$ 488</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Sheriff	Treasurer	Housing Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	6,203	-	4,870
Charges for services	1,082	34	-
Fines and forfeits	215	-	-
Investment earnings	9	-	-
Contributions	-	-	-
Rentals	-	-	383
Miscellaneous	-	-	68
Total revenues	7,509	34	5,321
Expenditures			
Current:			
General government	-	2	-
Public safety	7,455	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	4,996
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	7,455	2	4,996
Excess (deficiency) of revenues over expenditures	54	32	325
Other financing sources (uses):			
Transfers in	78	-	-
Transfers out	(40)	(1)	(44)
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	38	(1)	(44)
Net change in fund balances	92	31	281
Fund balances - beginning, as restated	914	58	541
Changes in nonspendable resources:			
Decrease in inventories	-	-	(5)
Decrease in prepaid items	-	-	(71)
Fund balances - ending	\$ 1,006	\$ 89	\$ 746

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Flood Control District	Library District	Lighting Special Districts
Revenues			
Taxes	\$ 3,934	\$ 2,615	\$ 16
Licenses and permits	16	-	-
Intergovernmental	7	61	-
Charges for services	19	-	-
Fines and forfeits	-	-	-
Investment earnings	80	25	-
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	255	53	-
Total revenues	<u>4,311</u>	<u>2,754</u>	<u>16</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	2,465	-	19
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	1,959	-
Education	-	-	-
Total expenditures	<u>2,465</u>	<u>1,959</u>	<u>19</u>
Excess (deficiency) of revenues over expenditures	<u>1,846</u>	<u>795</u>	<u>(3)</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(45)	(2,131)	-
Proceeds from the sale of capital assets	-	2	-
Total other financing sources (uses)	<u>(45)</u>	<u>(2,129)</u>	<u>-</u>
Net change in fund balances	1,801	(1,334)	(3)
Fund balances - beginning, as restated	10,466	3,597	4
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
Fund balances - ending	<u>\$ 12,267</u>	<u>\$ 2,263</u>	<u>\$ 1</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Miscellaneous Fees	Desert Vista Sanitation District	Public Health Services District
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ -	\$ 32	\$ 2,416
Licenses and permits	-	-	-
Intergovernmental	-	-	2,966
Charges for services	993	-	221
Fines and forfeits	-	-	-
Investment earnings	8	-	16
Contributions	-	-	104
Rentals	-	-	-
Miscellaneous	-	-	75
	<u>1,001</u>	<u>32</u>	<u>5,798</u>
Total revenues			
Expenditures			
Current:			
General government	686	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	-	42	-
Health	-	-	6,626
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
	<u>686</u>	<u>42</u>	<u>6,626</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>315</u>	<u>(10)</u>	<u>(828)</u>
Other financing sources (uses):			
Transfers in	-	-	1,207
Transfers out	(172)	-	(235)
Proceeds from the sale of capital assets	-	-	1
	<u>(172)</u>	<u>-</u>	<u>973</u>
Total other financing sources (uses)			
Net change in fund balances	143	(10)	145
Fund balances - beginning, as restated	1,323	27	3,189
Changes in nonspendable resources:			
Decrease in inventories	-	-	-
Decrease in prepaid items	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,466</u>	<u>\$ 17</u>	<u>\$ 3,334</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011
(Amounts Expressed in thousands)

	Queen Creek Domestic Water Imprvmnt District	Accom- modation School	Total
Revenues			
Taxes	\$ 16	\$ 4,229	\$ 14,801
Licenses and permits	-	-	1,556
Intergovernmental	-	3,483	29,266
Charges for services	-	189	5,940
Fines and forfeits	-	-	2,699
Investment earnings	-	42	328
Contributions	-	66	278
Rentals	-	-	383
Miscellaneous	-	326	913
Total revenues	<u>16</u>	<u>8,335</u>	<u>56,164</u>
Expenditures			
Current:			
General government	16	-	3,087
Public safety	-	-	21,147
Highways and streets	-	-	3,224
Sanitation	-	-	332
Health	-	-	10,040
Welfare	-	-	4,996
Culture and recreation	-	-	1,991
Education	-	8,281	8,281
Total expenditures	<u>16</u>	<u>8,281</u>	<u>53,098</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>54</u>	<u>3,066</u>
Other financing sources (uses):			
Transfers in	-	-	3,600
Transfers out	-	-	(3,842)
Proceeds from the sale of capital assets	-	-	234
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(8)</u>
Net change in fund balances	-	54	3,058
Fund balances - beginning, as restated	15	4,712	47,043
Changes in nonspendable resources:			
Decrease in inventories	-	-	(5)
Decrease in prepaid items	-	-	(71)
Fund balances - ending	<u>\$ 15</u>	<u>\$ 4,766</u>	<u>\$ 50,025</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2011
(Amounts expressed in thousands)

	Capital Projects Miscellaneous	Public Works Gantzel Road Fund	Kelvin Road Bridge Construction
Assets			
Cash, cash equivalents and investments	\$ 4,544	\$ 4,846	\$ 4,803
Cash and investments held by trustees	-	-	-
Receivables (net):			
Accounts	-	3	2
Due from other funds	265	-	-
Total assets	\$ 4,809	\$ 4,849	\$ 4,805
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 943	\$ 2	\$ 15
Accrued payroll and employee benefits	-	-	-
Retainage payable	103	-	-
Due to other funds	15	-	-
Deposits held for others	-	21	-
Total liabilities	1,061	23	15
Fund Balances:			
Restricted	3,501	4,826	4,790
Assigned	247	-	-
Total fund balances	3,748	4,826	4,790
Total liabilities and fund balances	\$ 4,809	\$ 4,849	\$ 4,805

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2011
(Amounts expressed in thousands)

	<u>Health Clinics and Courthouse Capital Projects</u>	<u>Total</u>
Assets		
Cash, cash equivalents and investments	\$ 2,465	\$ 16,658
Cash and investments held by trustees	9,465	9,465
Receivables (net):		
Accounts	1	6
Due from other funds	-	265
	<u>11,931</u>	<u>26,394</u>
Total assets	<u>\$ 11,931</u>	<u>\$ 26,394</u>
 Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 345	\$ 1,305
Accrued payroll and employee benefits	1	1
Retainage payable	10	113
Due to other funds	-	15
Deposits held for others	-	21
	<u>356</u>	<u>1,455</u>
Total liabilities	<u>356</u>	<u>1,455</u>
 Fund Balances:		
Restricted	8,775	21,892
Assigned	2,800	3,047
	<u>11,575</u>	<u>24,939</u>
Total fund balances	<u>11,575</u>	<u>24,939</u>
Total liabilities and fund balances	<u>\$ 11,931</u>	<u>\$ 26,394</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Capital Projects Miscellaneous	Public Works Gantzel Road Fund	Kelvin Road Bridge Construction
Revenues			
Intergovernmental	\$ 9	\$ -	\$ 61
Investment earnings	-	53	35
Contributions	-	34	-
Miscellaneous	2	-	-
Total revenues	<u>11</u>	<u>87</u>	<u>96</u>
Expenditures			
Capital outlay	3,157	793	120
Debt Service:			
Costs of issuance	-	-	-
Total expenditures	<u>3,157</u>	<u>793</u>	<u>120</u>
Excess (deficiency) of revenues over expenditures	<u>(3,146)</u>	<u>(706)</u>	<u>(24)</u>
Other financing sources (uses):			
Transfers in	303	-	-
Transfers out	(8)	(2,465)	-
Bond proceeds	-	-	-
Discount on bonds	-	-	-
Total other financing sources (uses)	<u>295</u>	<u>(2,465)</u>	<u>-</u>
Net change in fund balances	(2,851)	(3,171)	(24)
Fund balances - beginning, as restated	<u>6,599</u>	<u>7,997</u>	<u>4,814</u>
Fund balances - ending	<u><u>\$ 3,748</u></u>	<u><u>\$ 4,826</u></u>	<u><u>\$ 4,790</u></u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Health Clinics and Courthouse Capital Projects	Total
Revenues		
Intergovernmental	\$ -	\$ 70
Investment earnings	8	96
Contributions	-	34
Miscellaneous	5	7
Total revenues	13	207
Expenditures		
Capital outlay	2,939	7,009
Debt Service:		
Costs of issuance	193	193
Total expenditures	3,132	7,202
Excess (deficiency) of revenues over expenditures	(3,119)	(6,995)
Other financing sources (uses):		
Transfers in	2,800	3,103
Transfers out	-	(2,473)
Bond proceeds	12,000	12,000
Discount on bonds	(106)	(106)
Total other financing sources (uses)	14,694	12,524
Net change in fund balances	11,575	5,529
Fund balances - beginning, as restated	-	19,410
Fund balances - ending	\$ 11,575	\$ 24,939

PINAL COUNTY
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2011

(Amounts expressed in thousands)

	Debt Service	Total
Assets		
Cash, cash equivalents and investments	\$ 21	\$ 21
Cash and investments held by trustees	4,976	4,976
Total assets	\$ 4,997	\$ 4,997
Fund Balance		
Liabilities:		
Loan payable	\$ -	\$ -
Interest payable	-	-
Total liabilities	-	-
Fund Balance:		
Restricted	4,976	4,976
Assigned	21	21
Total fund balance	4,997	4,997
Total liabilities and fund balances	\$ 4,997	\$ 4,997

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Debt Service	Total
Revenues		
Investment earnings	\$ 6	\$ 6
Miscellaneous	5	5
Total revenues	11	11
Expenditures		
Debt Service:		
Principal retirement	9,877	9,877
Interest	6,860	6,860
Costs of issuance	247	247
Miscellaneous	4	4
Total expenditures	16,988	16,988
Deficiency of revenues over expenditures	(16,977)	(16,977)
Other financing sources (uses):		
Transfers in	16,710	16,710
Refunding bonds	18,380	18,380
Premium on refunding bonds	1,588	1,588
Payment to refunded bond escrow agent	(19,720)	(19,720)
Total other financing sources	16,958	16,958
Net change in fund balances	(19)	(19)
Fund balances - beginning	5,016	5,016
Fund balances - ending	\$ 4,997	\$ 4,997

PINAL COUNTY
Special Revenue Funds - Adult Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

ADULT PROBATION	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,854	\$ 3,032	\$ 2,753	\$ (279)
Charges for services	520	520	587	67
Investment earnings	-	-	2	2
Miscellaneous	-	-	14	14
Total revenues	<u>3,374</u>	<u>3,552</u>	<u>3,356</u>	<u>(196)</u>
Expenditures				
Current:				
Public safety	3,549	3,742	3,319	423
Total expenditures	<u>3,549</u>	<u>3,742</u>	<u>3,319</u>	<u>423</u>
Excess (deficiency) of revenues over expenditures	<u>(175)</u>	<u>(190)</u>	<u>37</u>	<u>227</u>
Other financing sources (uses):				
Transfers in	506	521	-	(521)
Transfers out	(506)	(506)	-	506
Total other financing sources (uses)	<u>-</u>	<u>15</u>	<u>-</u>	<u>(15)</u>
Net change in fund balances	<u>(175)</u>	<u>(175)</u>	<u>37</u>	<u>212</u>
Fund balances, beginning	175	175	206	31
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243</u>	<u>\$ 243</u>

PINAL COUNTY
Special Revenue Funds - Air Quality
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

AIR QUALITY	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Licenses and permits	\$ 996	\$ 1,199	\$ 203
Intergovernmental	132	62	(70)
Total revenues	<u>1,128</u>	<u>1,261</u>	<u>133</u>
Expenditures			
Current:			
Health	1,408	1,303	105
Total expenditures	<u>1,408</u>	<u>1,303</u>	<u>105</u>
Deficiency of revenues over expenditures	<u>(280)</u>	<u>(42)</u>	<u>238</u>
Other financing sources (uses):			
Transfers In	47	-	(47)
Transfers Out	(159)	(112)	47
Proceeds from sale of capital assets	-	1	1
Total other financing sources (uses)	<u>(112)</u>	<u>(111)</u>	<u>1</u>
Net change in fund balances	<u>(392)</u>	<u>(153)</u>	<u>239</u>
Fund balances, beginning	392	1,144	752
Fund balances, ending	<u>\$ -</u>	<u>\$ 991</u>	<u>\$ 991</u>

PINAL COUNTY
Special Revenue Funds - Animal Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

ANIMAL CONTROL	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 1,530	\$ 1,543	\$ 13
Licenses and permits	153	244	91
Intergovernmental	-	43	43
Charges for services	158	345	187
Fines and forfeits	60	28	(32)
Investment earnings	-	12	12
Contributions	21	43	22
Miscellaneous	-	30	30
Total revenues	1,922	2,288	366
Expenditures			
Current:			
Health	1,912	1,586	326
Total expenditures	1,912	1,586	326
Excess of revenues over expenditures	10	702	692
Other financing sources (uses):			
Transfers out	(10)	(10)	-
Proceeds from the sale of capital assets	-	5	5
Total other financing sources (uses)	(10)	(5)	5
Net change in fund balances	-	697	697
Fund balances, beginning	-	1,392	1,392
Fund balances, ending	\$ -	\$ 2,089	\$ 2,089

PINAL COUNTY
Special Revenue Funds - Attorney
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

ATTORNEY	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 3,360	\$ 3,549	\$ 3,022	\$ (527)
Charges for services	57	57	63	6
Fines and forfeits	1,358	1,337	2,456	1,119
Investment earnings	21	24	33	9
Contributions	-	-	47	47
Miscellaneous	18	38	36	(2)
Total revenues	<u>4,814</u>	<u>5,005</u>	<u>5,657</u>	<u>652</u>
Expenditures				
Current:				
Public safety	5,123	5,805	4,888	917
Total expenditures	<u>5,123</u>	<u>5,805</u>	<u>4,888</u>	<u>917</u>
Excess (deficiency) of revenues over expenditures	<u>(309)</u>	<u>(800)</u>	<u>769</u>	<u>1,569</u>
Other financing sources (uses):				
Transfers in	568	714	223	(491)
Transfers out	(389)	(537)	(45)	492
Proceeds from the sale of capital assets	20	20	221	201
Total other financing sources (uses)	<u>199</u>	<u>197</u>	<u>399</u>	<u>202</u>
Net change in fund balances	<u>(110)</u>	<u>(603)</u>	<u>1,168</u>	<u>1,771</u>
Fund balances, beginning	110	603	4,746	4,143
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,914</u>	<u>\$ 5,914</u>

PINAL COUNTY
Special Revenue Funds - Clerk of Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

CLERK OF COURTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 481	\$ 481	\$ 598	\$ 117
Investment earnings	18	18	15	(3)
Total revenues	<u>499</u>	<u>499</u>	<u>613</u>	<u>114</u>
Expenditures				
Current:				
General Government	-	3	-	3
Public Safety	387	508	220	288
Total expenditures	<u>387</u>	<u>511</u>	<u>220</u>	<u>291</u>
Excess (deficiency) of revenues over expenditures	<u>112</u>	<u>(12)</u>	<u>393</u>	<u>405</u>
Other financing sources (uses):				
Transfers in	-	3	-	(3)
Transfers out	(165)	(167)	(158)	9
Total other financing sources (uses)	<u>(165)</u>	<u>(164)</u>	<u>(158)</u>	<u>6</u>
Net change in fund balances	<u>(53)</u>	<u>(176)</u>	<u>235</u>	<u>411</u>
Fund balances, beginning	53	176	2,231	2,055
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,466</u>	<u>\$ 2,466</u>

PINAL COUNTY
Special Revenue Funds - Old Courthouse Preservation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

OLD COURTHOUSE PRESERVATION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Contributions	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures			
Current:			
General government	410	314	96
Total expenditures	<u>410</u>	<u>314</u>	<u>96</u>
Deficiency of revenues over expenditures	<u>(410)</u>	<u>(313)</u>	<u>97</u>
Net change in fund balances	(410)	(313)	97
Fund balances, beginning	410	426	16
Fund balances, ending	<u>\$ -</u>	<u>\$ 113</u>	<u>\$ 113</u>

PINAL COUNTY
Special Revenue Funds - Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

COURTS	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 601	\$ 601	\$ 397	\$ (204)
Charges for services	390	547	675	128
Investment earnings	24	24	19	(5)
Miscellaneous	9	9	25	16
Total revenues	<u>1,024</u>	<u>1,181</u>	<u>1,116</u>	<u>(65)</u>
Expenditures				
Current:				
Public safety	3,721	3,932	1,635	2,297
Total expenditures	<u>3,721</u>	<u>3,932</u>	<u>1,635</u>	<u>2,297</u>
Deficiency of revenues over expenditures	<u>(2,697)</u>	<u>(2,751)</u>	<u>(519)</u>	<u>2,232</u>
Other financing sources (uses):				
Transfers in	620	723	518	(205)
Transfers out	(28)	(92)	(6)	86
Total other financing sources (uses)	<u>592</u>	<u>631</u>	<u>512</u>	<u>(119)</u>
Net change in fund balances	<u>(2,105)</u>	<u>(2,120)</u>	<u>(7)</u>	<u>2,113</u>
Fund balances, beginning	<u>2,105</u>	<u>2,120</u>	<u>3,020</u>	<u>900</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,013</u>	<u>\$ 3,013</u>

PINAL COUNTY
Special Revenue Funds - Employee Wellness
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

EMPLOYEE WELLNESS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Miscellaneous	\$ 31	\$ 31	\$ -
Total revenues	<u>31</u>	<u>31</u>	<u>-</u>
Expenditures			
Current:			
Health	<u>35</u>	<u>32</u>	<u>3</u>
Total expenditures	<u>35</u>	<u>32</u>	<u>3</u>
Deficiency of revenues over expenditures	<u>(4)</u>	<u>(1)</u>	<u>3</u>
Net change in fund balances	(4)	(1)	3
Fund balances, beginning	4	11	7
Fund balances, ending	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>

PINAL COUNTY
Special Revenue Funds - Health Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

HEALTH SERVICES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 96	\$ 128	\$ 32
Investment earnings	-	2	2
Contributions	-	1	1
Total revenues	<u>96</u>	<u>131</u>	<u>35</u>
Expenditures			
Current:			
Health	453	339	114
Total expenditures	<u>453</u>	<u>339</u>	<u>114</u>
Deficiency of revenues over expenditures	<u>(357)</u>	<u>(208)</u>	<u>149</u>
Other financing sources:			
Transfers in	305	305	-
Total other financing sources	<u>305</u>	<u>305</u>	<u>-</u>
Net change in fund balances	(52)	97	149
Fund balances, beginning	52	353	301
Fund balances, ending	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 450</u>

PINAL COUNTY
Special Revenue Funds - Justice Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

JUSTICE COURTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 222	\$ 75	\$ -	\$ (75)
Charges for services	795	996	842	(154)
Investment earnings	-	-	15	15
Total revenues	<u>1,017</u>	<u>1,071</u>	<u>857</u>	<u>(214)</u>
Expenditures				
Current:				
Public safety	767	782	383	399
Total expenditures	<u>767</u>	<u>782</u>	<u>383</u>	<u>399</u>
Excess of revenues over expenditures	<u>250</u>	<u>289</u>	<u>474</u>	<u>185</u>
Other financing sources (uses):				
Transfers in	-	15	-	(15)
Transfers out	(326)	(395)	(353)	42
Total other financing sources (uses)	<u>(326)</u>	<u>(380)</u>	<u>(353)</u>	<u>27</u>
Net change in fund balances	(76)	(91)	121	212
Fund balances, beginning	76	91	2,550	2,459
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,671</u>	<u>\$ 2,671</u>

PINAL COUNTY
Special Revenue Funds - Juvenile Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

JUVENILE PROBATION	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,633	\$ 2,449	\$ 2,356	\$ (93)
Charges for services	110	110	164	54
Investment earnings	-	-	6	6
Contributions	4	8	3	(5)
Total revenues	<u>2,747</u>	<u>2,567</u>	<u>2,529</u>	<u>(38)</u>
Expenditures				
Current:				
Public safety	3,275	3,100	2,562	538
Total expenditures	<u>3,275</u>	<u>3,100</u>	<u>2,562</u>	<u>538</u>
Deficiency of revenues over expenditures	<u>(528)</u>	<u>(533)</u>	<u>(33)</u>	<u>500</u>
Other financing sources (uses):				
Transfers in	10	15	8	(7)
Transfers out	-	(5)	-	5
Total other financing sources (uses)	<u>10</u>	<u>10</u>	<u>8</u>	<u>(2)</u>
Net change in fund balances	<u>(518)</u>	<u>(523)</u>	<u>(25)</u>	<u>498</u>
Fund balances, beginning	518	523	778	255
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753</u>	<u>\$ 753</u>

PINAL COUNTY
Special Revenue Funds - Local Transport Assist Grant
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

LOCAL TRANSPORT ASSIST GRANT	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 151	\$ 151
Charges for services	2	15	3	(12)
Investment earnings	5	5	4	(1)
Total revenues	<u>7</u>	<u>20</u>	<u>158</u>	<u>138</u>
Expenditures				
Current:				
Health	137	150	154	(4)
Total expenditures	<u>137</u>	<u>150</u>	<u>154</u>	<u>(4)</u>
Excess (deficiency) of revenues over expenditures	<u>(130)</u>	<u>(130)</u>	<u>4</u>	<u>134</u>
Net change in fund balances	(130)	(130)	4	134
Fund balances, beginning	130	130	41	(89)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 45</u>

PINAL COUNTY
Special Revenue Funds - Library Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

LIBRARY GRANTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 23	\$ 31	\$ 31	\$ -
Total revenues	<u>23</u>	<u>31</u>	<u>31</u>	<u>-</u>
Expenditures				
Current:				
Culture and recreation	24	32	32	-
Total expenditures	<u>24</u>	<u>32</u>	<u>32</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>
Other financing sources:				
Transfers in	1	1	1	-
Total other financing sources	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning	-	-	2	2
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>

PINAL COUNTY
Special Revenue Funds - Miscellaneous Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

MISCELLANEOUS GRANTS	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,094	\$ 2,376	\$ 1,822	\$ (554)
Investment earnings	-	-	5	5
Miscellaneous	-	-	-	-
Total revenues	<u>2,094</u>	<u>2,376</u>	<u>1,827</u>	<u>(549)</u>
Expenditures				
Current:				
General Government	2,417	2,710	2,069	641
Public Safety	<u>76</u>	<u>76</u>	<u>41</u>	<u>35</u>
Total expenditures	<u>2,493</u>	<u>2,786</u>	<u>2,110</u>	<u>676</u>
Deficiency of revenues over expenditures	<u>(399)</u>	<u>(410)</u>	<u>(283)</u>	<u>127</u>
Other financing uses:				
Transfers out	<u>(36)</u>	<u>(36)</u>	<u>(36)</u>	-
Total other financing uses	<u>(36)</u>	<u>(36)</u>	<u>(36)</u>	-
Net change in fund balances	(435)	(446)	(319)	127
Fund balances, beginning	435	446	171	(275)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (148)</u>	<u>\$ (148)</u>

PINAL COUNTY
Special Revenue Funds - Public Defender
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

PUBLIC DEFENDER	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 71	\$ 53	\$ (18)
Investment earnings	1	2	1
Total revenues	<u>72</u>	<u>55</u>	<u>(17)</u>
Expenditures			
Current:			
Public safety	220	157	63
Total expenditures	<u>220</u>	<u>157</u>	<u>63</u>
Deficiency of revenues over expenditures	<u>(148)</u>	<u>(102)</u>	<u>46</u>
Other financing sources:			
Transfers in	100	98	(2)
Total other financing sources	<u>100</u>	<u>98</u>	<u>(2)</u>
Net change in fund balances	<u>(48)</u>	<u>(4)</u>	<u>44</u>
Fund balances, beginning	48	184	136
Fund balances, ending	<u>\$ -</u>	<u>\$ 180</u>	<u>\$ 180</u>

PINAL COUNTY
Special Revenue Funds - Public Works Roadways
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

PUBLIC WORKS ROADWAYS	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 241	\$ 241	\$ 97	\$ (144)
Intergovernmental	-	-	333	333
Charges for services	940	940	121	(819)
Investment earnings	50	50	30	(20)
Contributions	100	100	13	(87)
Total revenues	<u>1,331</u>	<u>1,331</u>	<u>594</u>	<u>(737)</u>
Expenditures				
Current:				
Highways and streets	<u>2,639</u>	<u>2,664</u>	<u>635</u>	<u>2,029</u>
Total expenditures	<u>2,639</u>	<u>2,664</u>	<u>635</u>	<u>2,029</u>
Deficiency of revenues over expenditures	<u>(1,308)</u>	<u>(1,333)</u>	<u>(41)</u>	<u>1,292</u>
Other financing sources (uses):				
Transfers in	1,187	1,212	712	(500)
Transfers out	-	-	(256)	(256)
Proceeds from the sale of capital assets	-	-	4	4
Total other financing sources (uses)	<u>1,187</u>	<u>1,212</u>	<u>460</u>	<u>(752)</u>
Net change in fund balances	<u>(121)</u>	<u>(121)</u>	<u>419</u>	<u>540</u>
Fund balances, beginning	<u>121</u>	<u>121</u>	<u>4,356</u>	<u>4,235</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,775</u>	<u>\$ 4,775</u>

PINAL COUNTY
Special Revenue Funds - Public Works Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

PUBLIC WORKS SERVICES	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 710	\$ 710	\$ 525	\$ (185)
Charges for services	4	4	4	-
Investment earnings	33	3	3	-
Total revenues	<u>747</u>	<u>717</u>	<u>532</u>	<u>(185)</u>
Expenditures				
Current:				
Public Safety	600	600	487	113
Highway and streets	3,421	201	105	96
Sanitation	367	367	290	77
Total expenditures	<u>4,388</u>	<u>1,168</u>	<u>882</u>	<u>286</u>
Deficiency of revenues over expenditures	<u>(3,641)</u>	<u>(451)</u>	<u>(350)</u>	<u>101</u>
Other financing sources (uses):				
Transfers in	450	450	450	-
Transfers out	-	(198)	(198)	-
Total other financing sources (uses)	<u>450</u>	<u>252</u>	<u>252</u>	<u>-</u>
Net change in fund balances	<u>(3,191)</u>	<u>(199)</u>	<u>(98)</u>	<u>101</u>
Fund balances, beginning, as restated	3,191	199	586	387
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 488</u>	<u>\$ 488</u>

PINAL COUNTY
Special Revenue Funds - Sheriff
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

SHERIFF	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 791	\$ 6,372	\$ 6,203	\$ (169)
Charges for services	5,821	1,172	1,082	(90)
Fines and forfeits	150	215	215	-
Investment earnings	14	14	9	(5)
Total revenues	<u>6,776</u>	<u>7,773</u>	<u>7,509</u>	<u>(264)</u>
Expenditures				
Current:				
Public safety	<u>7,637</u>	<u>8,793</u>	<u>7,455</u>	<u>1,338</u>
Total expenditures	<u>7,637</u>	<u>8,793</u>	<u>7,455</u>	<u>1,338</u>
Excess (deficiency) of revenues over expenditures	<u>(861)</u>	<u>(1,020)</u>	<u>54</u>	<u>1,074</u>
Other financing sources (uses):				
Transfers in	187	272	78	(194)
Transfers out	<u>(106)</u>	<u>(231)</u>	<u>(40)</u>	<u>191</u>
Total other financing sources (uses)	<u>81</u>	<u>41</u>	<u>38</u>	<u>(3)</u>
Net change in fund balances	<u>(780)</u>	<u>(979)</u>	<u>92</u>	<u>1,071</u>
Fund balances, beginning, as restated	780	979	914	(65)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,006</u>	<u>\$ 1,006</u>

PINAL COUNTY
Special Revenue Funds - Treasurer
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

TREASURER	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 30	\$ 34	\$ 4
Total revenues	<u>30</u>	<u>34</u>	<u>4</u>
Expenditures			
Current:			
General government	34	2	32
Total expenditures	<u>34</u>	<u>2</u>	<u>32</u>
Excess (deficiency) of revenues over expenditures	<u>(4)</u>	<u>32</u>	<u>36</u>
Other financing uses:			
Transfers out	(1)	(1)	\$ -
Total other financing uses	<u>(1)</u>	<u>(1)</u>	<u>-</u>
Net change in fund balance	(5)	31	36
Fund balances, beginning	5	58	53
Fund balances, ending	<u>\$ -</u>	<u>\$ 89</u>	<u>\$ 89</u>

PINAL COUNTY
Special Revenue Funds - Housing Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

HOUSING GRANTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 4,156	\$ 4,156	\$ 4,870	\$ 714
Rentals	-	-	383	383
Miscellaneous	1,237	1,237	68	(1,169)
Total revenues	<u>5,393</u>	<u>5,393</u>	<u>5,321</u>	<u>(72)</u>
Expenditures				
Current:				
Welfare	5,392	5,512	4,996	516
Total expenditures	<u>5,392</u>	<u>5,512</u>	<u>4,996</u>	<u>516</u>
Excess (deficiency) of revenues over expenditures	<u>1</u>	<u>(119)</u>	<u>325</u>	<u>444</u>
Other financing sources (uses):				
Transfers in	-	120	-	(120)
Transfers out	(44)	(44)	(44)	-
Total other financing sources (uses)	<u>(44)</u>	<u>76</u>	<u>(44)</u>	<u>(120)</u>
Net change in fund balance	<u>(43)</u>	<u>(43)</u>	<u>281</u>	<u>324</u>
Fund balances, beginning	43	43	541	498
Changes in nonspendable resources:				
Decrease in inventories	-	-	(5)	(5)
Decrease in prepaid items	-	-	(71)	(71)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 746</u>	<u>\$ 746</u>

PINAL COUNTY
Special Revenue Funds - Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

FLOOD CONTROL DISTRICT	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 4,600	\$ 4,600	\$ 3,934	\$ (666)
Licenses and permits	-	-	16	16
Intergovernmental	-	-	7	7
Charges for services	-	-	19	19
Investment earnings	40	40	80	40
Miscellaneous	-	-	255	255
Total revenues	<u>4,640</u>	<u>4,640</u>	<u>4,311</u>	<u>(329)</u>
Expenditures				
Current:				
Highways and streets	<u>7,255</u>	<u>7,230</u>	<u>2,465</u>	<u>4,765</u>
Total expenditures	<u>7,255</u>	<u>7,230</u>	<u>2,465</u>	<u>4,765</u>
Excess (deficiency) of revenues over expenditures	<u>(2,615)</u>	<u>(2,590)</u>	<u>1,846</u>	<u>4,436</u>
Other financing uses:				
Transfers out	<u>(20)</u>	<u>(45)</u>	<u>(45)</u>	<u>-</u>
Total other financing uses	<u>(20)</u>	<u>(45)</u>	<u>(45)</u>	<u>-</u>
Net change in fund balances	<u>(2,635)</u>	<u>(2,635)</u>	<u>1,801</u>	<u>4,436</u>
Fund balances, beginning	<u>2,635</u>	<u>2,635</u>	<u>10,466</u>	<u>7,831</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,267</u>	<u>\$ 12,267</u>

PINAL COUNTY
Special Revenue Funds - Library District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

LIBRARY DISTRICT	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,515	\$ 2,515	\$ 2,615	\$ 100
Intergovernmental	20	20	61	41
Investment earnings	19	19	25	6
Miscellaneous	50	50	53	3
Total revenues	<u>2,604</u>	<u>2,604</u>	<u>2,754</u>	<u>150</u>
Expenditures				
Current:				
Culture and recreation	<u>2,523</u>	<u>2,523</u>	<u>1,959</u>	<u>564</u>
Total expenditures	<u>2,523</u>	<u>2,523</u>	<u>1,959</u>	<u>564</u>
Excess of revenues over expenditures	<u>81</u>	<u>81</u>	<u>795</u>	<u>714</u>
Other financing sources (uses):				
Transfers out	(2,107)	(2,131)	(2,131)	-
Proceeds from the sale of capital assets	-	-	2	2
Total other financing sources (uses)	<u>(2,107)</u>	<u>(2,131)</u>	<u>(2,129)</u>	<u>2</u>
Net change in fund balances	<u>(2,026)</u>	<u>(2,050)</u>	<u>(1,334)</u>	<u>716</u>
Fund balances, beginning	<u>2,026</u>	<u>2,050</u>	<u>3,597</u>	<u>1,547</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,263</u>	<u>\$ 2,263</u>

PINAL COUNTY
Special Revenue Funds - Lighting Special Districts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

LIGHTING SPECIAL DISTRICTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 18	\$ 16	\$ (2)
Total revenues	<u>18</u>	<u>16</u>	<u>(2)</u>
Expenditures			
Current:			
Highway and streets	<u>23</u>	<u>19</u>	<u>4</u>
Total expenditures	<u>23</u>	<u>19</u>	<u>4</u>
Deficiency of revenues over expenditures	<u>(5)</u>	<u>(3)</u>	<u>2</u>
Net change in fund balance	(5)	(3)	2
Fund balances, beginning	<u>5</u>	<u>4</u>	<u>(1)</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>

PINAL COUNTY
Special Revenue Funds - Miscellaneous Fees
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

MISCELLANEOUS FEES	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 944	\$ 944	\$ 993	\$ 49
Investment earnings	-	-	8	8
Total revenues	<u>944</u>	<u>944</u>	<u>1,001</u>	<u>57</u>
Expenditures				
Current:				
General government	1,071	1,071	686	385
Total expenditures	<u>1,071</u>	<u>1,071</u>	<u>686</u>	<u>385</u>
Excess (deficiency) of revenues over expenditures	<u>(127)</u>	<u>(127)</u>	<u>315</u>	<u>442</u>
Other financing uses:				
Transfers out	(132)	(172)	(172)	-
Total other financing uses	<u>(132)</u>	<u>(172)</u>	<u>(172)</u>	<u>-</u>
Net change in fund balances	<u>(259)</u>	<u>(299)</u>	<u>143</u>	<u>442</u>
Fund balances, beginning	259	299	1,323	1,024
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,466</u>	<u>\$ 1,466</u>

PINAL COUNTY
Special Revenue Funds - Desert Vista Sanitation District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

DESERT VISTA SANITATION DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 36	\$ 32	\$ (4)
Total revenues	<u>36</u>	<u>32</u>	<u>(4)</u>
Expenditures			
Current:			
Sanitation	<u>66</u>	<u>42</u>	<u>24</u>
Total expenditures	<u>66</u>	<u>42</u>	<u>24</u>
Deficiency of revenues over expenditures	<u>(30)</u>	<u>(10)</u>	<u>20</u>
Net change in fund balance	(30)	(10)	20
Fund balances, beginning	<u>30</u>	<u>27</u>	<u>(3)</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 17</u>

PINAL COUNTY
Special Revenue Funds - Public Health Services District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

<u>PUBLIC HEALTH SERVICES DISTRICT</u>	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,460	\$ 2,460	\$ 2,416	\$ (44)
Intergovernmental	3,166	3,733	2,966	(767)
Charges for services	158	158	221	63
Investment earnings	10	10	16	6
Contributions	133	133	104	(29)
Rentals	5	5	-	(5)
Miscellaneous	-	-	75	75
Total revenues	<u>5,932</u>	<u>6,499</u>	<u>5,798</u>	<u>(701)</u>
Expenditures				
Current:				
Health	<u>7,223</u>	<u>7,790</u>	<u>6,626</u>	<u>1,164</u>
Total expenditures	<u>7,223</u>	<u>7,790</u>	<u>6,626</u>	<u>1,164</u>
Deficiency of revenues over expenditures	<u>(1,291)</u>	<u>(1,291)</u>	<u>(828)</u>	<u>463</u>
Other financing sources (uses):				
Transfers in	1,366	1,395	1,207	(188)
Transfers out	(394)	(423)	(235)	188
Proceeds from the sale of capital assets	-	-	1	1
Total other financing sources (uses)	<u>972</u>	<u>972</u>	<u>973</u>	<u>1</u>
Net change in fund balances	<u>(319)</u>	<u>(319)</u>	<u>145</u>	<u>464</u>
Fund balances, beginning	319	319	3,189	2,870
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,334</u>	<u>\$ 3,334</u>

PINAL COUNTY
Special Revenue Funds - Queen Creek
Domestic Water Improvement District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

QUEEN CREEK DOMESTIC WATER IMPROVEMENT DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 17	\$ 16	\$ (1)
Total revenues	<u>17</u>	<u>16</u>	<u>(1)</u>
Expenditures			
Current:			
General Government	<u>26</u>	<u>16</u>	<u>10</u>
Total expenditures	<u>26</u>	<u>16</u>	<u>10</u>
Deficiency of revenues over expenditures	<u>(9)</u>	<u>-</u>	<u>9</u>
Net change in fund balance	(9)	-	9
Fund balances, beginning	<u>9</u>	<u>15</u>	<u>6</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 15</u>	<u>\$ 15</u>

PINAL COUNTY
Capital Projects Miscellaneous
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

CAPITAL PROJECTS MISCELLANEOUS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 80	\$ 9	\$ (71)
Miscellaneous	-	2	2
Total revenues	<u>80</u>	<u>11</u>	<u>(69)</u>
Expenditures			
Capital outlay	7,165	3,157	4,008
Total expenditures	<u>7,165</u>	<u>3,157</u>	<u>4,008</u>
Deficiency of revenues over expenditures	<u>(7,085)</u>	<u>(3,146)</u>	<u>3,939</u>
Other financing sources (uses):			
Transfers in	303	303	-
Transfers out	(8)	(8)	-
Total other financing sources (uses)	<u>295</u>	<u>295</u>	<u>-</u>
Net change in fund balances	(6,790)	(2,851)	3,939
Fund balances, beginning	<u>6,790</u>	<u>6,599</u>	<u>(191)</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 3,748</u>	<u>\$ 3,748</u>

PINAL COUNTY
Capital Projects - Public Works Gantzel Road Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

PUBLIC WORKS GANTZEL ROAD FUND	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 53	\$ 53
Contributions	-	-	34	34
Total revenues	<u>-</u>	<u>-</u>	<u>87</u>	<u>87</u>
Expenditures				
Capital outlay	2,975	2,975	793	2,182
Total expenditures	<u>2,975</u>	<u>2,975</u>	<u>793</u>	<u>2,182</u>
Deficiency of revenues over expenditures	<u>(2,975)</u>	<u>(2,975)</u>	<u>(706)</u>	<u>2,269</u>
Other financing uses:				
Transfers out	-	(2,465)	(2,465)	-
Total other financing uses	<u>-</u>	<u>(2,465)</u>	<u>(2,465)</u>	<u>-</u>
Net change in fund balances	(2,975)	(5,440)	(3,171)	2,269
Fund balances, beginning	2,975	5,440	7,997	2,557
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,826</u>	<u>\$ 4,826</u>

PINAL COUNTY
Capital Projects - Kelvin Road Bridge Construction
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

KELVIN ROAD BRIDGE CONSTRUCTION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 61	\$ 61
Investment Earnings	30	35	5
Total revenues	<u>30</u>	<u>96</u>	<u>66</u>
Expenditures			
Capital outlay	3,220	120	3,100
Total expenditures	<u>3,220</u>	<u>120</u>	<u>3,100</u>
Deficiency of revenues over expenditures	<u>(3,190)</u>	<u>(24)</u>	<u>3,166</u>
Net change in fund balances	(3,190)	(24)	3,166
Fund balances, beginning - as restated	<u>3,190</u>	<u>4,814</u>	<u>1,624</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 4,790</u></u>	<u><u>\$ 4,790</u></u>

PINAL COUNTY
Capital Projects - Health Clinics and Courthouse
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

HEALTH CLINICS AND COURTHOUSE	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Investment Earnings	\$ -	\$ -	\$ 8	\$ 8
Miscellaneous	-	-	5	5
Total revenues	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>
Expenditures				
Capital outlay	13,140	3,464	2,939	525
Debt Service:				
Costs of issuance	-	193	193	-
Total expenditures	<u>13,140</u>	<u>3,657</u>	<u>3,132</u>	<u>525</u>
Deficiency of revenues over expenditures	<u>(13,140)</u>	<u>(3,657)</u>	<u>(3,119)</u>	<u>538</u>
Other financing sources (uses):				
Transfers in	-	2,800	2,800	-
Bond proceeds	15,640	12,000	12,000	-
Discount on bonds	-	(107)	(106)	1
Total other financing sources (uses)	<u>15,640</u>	<u>14,693</u>	<u>14,694</u>	<u>1</u>
Net change in fund balances	2,500	11,036	11,575	539
Fund balances, beginning	<u>(2,500)</u>	<u>(11,036)</u>	<u>-</u>	<u>11,036</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,575</u>	<u>\$ 11,575</u>

PINAL COUNTY
Debt Service
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2011
(Amounts expressed in thousands)

DEBT SERVICE	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ -	\$ -	\$ 6	\$ 6
Miscellaneous	-	-	5	5
Total revenues	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
Expenditures				
Debt Service				
Principal retirement	10,567	10,156	9,877	279
Interest	7,414	7,918	6,860	1,058
Costs of issuance	-	-	247	(247)
Miscellaneous	5	5	4	1
Total expenditures	<u>17,986</u>	<u>18,079</u>	<u>16,988</u>	<u>1,091</u>
Deficiency of revenues over expenditures	<u>(17,986)</u>	<u>(18,079)</u>	<u>(16,977)</u>	<u>1,102</u>
Other financing sources (uses):				
Transfers in	17,986	18,079	16,710	(1,369)
Refunding bonds	-	18,978	18,380	(598)
Premium on refunding bonds	-	-	1,588	1,588
Payment to refunded bond escrow agent	-	-	(19,720)	(19,720)
Total other financing sources (uses)	<u>17,986</u>	<u>37,057</u>	<u>16,958</u>	<u>(20,099)</u>
Net change in fund balances	-	18,978	(19)	(18,997)
Fund balances, beginning	-	(18,978)	5,016	23,994
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,997</u>	<u>\$ 4,997</u>

PINAL COUNTY
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2011
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fairgrounds	Airport Economic Development	Total
Assets					
Current assets:					
Cash, cash equivalents and investments	\$ 443	\$ 878	\$ 257	\$ 911	\$ 2,489
Accounts receivable (net)	-	768	3	-	771
Due from other funds	-	-	42	-	42
Total current assets	<u>443</u>	<u>1,646</u>	<u>302</u>	<u>911</u>	<u>3,302</u>
Noncurrent assets:					
Capital assets:					
Construction in progress	-	-	-	650	650
Buildings and improvements	-	-	322	163	485
Machinery and equipment	462	140	129	437	1,168
Intangible - Software	-	126	-	-	126
Less accumulated depreciation	(60)	(154)	(448)	(233)	(895)
Total noncurrent assets	<u>402</u>	<u>112</u>	<u>3</u>	<u>1,017</u>	<u>1,534</u>
Total assets	<u>845</u>	<u>1,758</u>	<u>305</u>	<u>1,928</u>	<u>4,836</u>
Liabilities					
Current liabilities:					
Accounts payable	2	21	3	7	33
Accrued payroll and employee benefits	3	151	3	2	159
Due to other funds	-	-	59	1	60
Deferred revenues	-	26	-	-	26
Obligations under capital leases	-	34	-	-	34
Compensated absences	7	92	-	7	106
Total current liabilities	<u>12</u>	<u>324</u>	<u>65</u>	<u>17</u>	<u>418</u>
Noncurrent liabilities:					
Obligations under capital leases	-	35	-	-	35
Compensated absences	1	-	-	2	3
Total noncurrent liabilities	<u>1</u>	<u>35</u>	<u>-</u>	<u>2</u>	<u>38</u>
Total liabilities	<u>13</u>	<u>359</u>	<u>65</u>	<u>19</u>	<u>456</u>
Net Assets					
Invested in capital assets, net of related debt	402	77	3	1,017	1,499
Restricted for public safety	430	-	-	-	430
Unrestricted	-	1,322	237	892	2,451
Total net assets	<u>\$ 832</u>	<u>\$ 1,399</u>	<u>\$ 240</u>	<u>\$ 1,909</u>	<u>\$ 4,380</u>

PINAL COUNTY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fairgrounds	Airport Economic Development	Total
Operating revenues					
Charges for services	\$ -	\$ 7,253	\$ 304	\$ -	\$ 7,557
Miscellaneous	280	1	296	460	1,037
Total operating revenues	280	7,254	600	460	8,594
Operating expenses					
Personal services	217	5,880	165	155	6,417
Supplies	146	41	19	66	272
Depreciation	28	30	3	8	69
Insurance	-	41	-	-	41
Repairs and maintenance	20	29	46	3	98
Communication	8	16	2	-	26
Professional services	88	116	169	32	405
Public utility service	-	-	67	10	77
Miscellaneous	12	54	8	7	81
Total operating expenditures	519	6,207	479	281	7,486
Operating income (loss)	(239)	1,047	121	179	1,108
Nonoperating revenues					
Intergovernmental	-	-	60	645	705
Investment earnings	17	5	1	6	29
Interest expense	-	(3)	-	-	(3)
Gain on disposal of capital assets	-	1	-	-	1
Total nonoperating revenues	17	3	61	651	732
Net income (loss) before contributions and transfers	(222)	1,050	182	830	1,840
Capital contributions	-	6	6	-	12
Transfers in	-	-	42	-	42
Transfers out	-	(425)	-	(46)	(471)
Changes in net assets	(222)	631	230	784	1,423
Net assets - beginning, as restated	1,054	768	10	1,125	2,957
Net assets - ending	\$ 832	\$ 1,399	\$ 240	\$ 1,909	\$ 4,380

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fair- gounds	Airport Economic Develop- ment	Total
Cash flows from operating activities					
Receipts from customers	\$ -	\$ 6,934	\$ 301	\$ -	\$ 7,235
Other receipts from operations	282	1	409	596	1,288
Payments to suppliers	(295)	(290)	(310)	(117)	(1,012)
Payments to employees	(225)	(5,814)	(180)	(146)	(6,365)
Other payments from operations	(5)	(2)	(71)	(6)	(84)
Net cash provided by (used for) operating activities	<u>(243)</u>	<u>829</u>	<u>149</u>	<u>327</u>	<u>1,062</u>
Cash flows from noncapital financing activities					
Receipts from federal and local agencies	-	-	60	645	705
Cash transfers from other funds	-	-	42	-	42
Cash transfers to other funds	-	(425)	-	(46)	(471)
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>(425)</u>	<u>102</u>	<u>599</u>	<u>276</u>
Cash flows from capital and related financing activities					
Payments for capital leases	(2)	(32)	-	-	(34)
Purchases of capital assets	(395)	-	-	(710)	(1,105)
Proceeds from sale of capital assets	-	1	-	-	1
Interest paid on capital leases	-	(3)	-	-	(3)
Net cash used for capital and related financing activities	<u>(397)</u>	<u>(34)</u>	<u>-</u>	<u>(710)</u>	<u>(1,141)</u>
Cash flows from investing activities					
Investment earnings received	17	5	1	6	29
Net cash provided by investing activities	<u>17</u>	<u>5</u>	<u>1</u>	<u>6</u>	<u>29</u>
Net increase (decrease) in cash and cash equivalents	(623)	375	252	222	226
Cash and cash equivalents - beginning, as restated	1,066	503	5	689	2,263
Cash and cash equivalents - ending	<u>\$ 443</u>	<u>\$ 878</u>	<u>\$ 257</u>	<u>\$ 911</u>	<u>\$ 2,489</u>

(Continued)

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2011
(Concluded)
(Amounts expressed in thousands)

	<u>Sheriff Inmate Services</u>	<u>Home Health</u>	<u>Fair- grounds</u>	<u>Airport Economic Develop- ment</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ (239)	\$ 1,047	\$ 121	\$ 179	\$ 1,108
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	28	30	3	8	69
Changes in assets and liabilities:					
Decrease (increase) in assets:					
Accounts receivable	2	(291)	(3)	2	(290)
Due from other funds	-	-	97	-	97
Due from other governments	-	-	16	134	150
Prepaid items	-	4	-	-	4
Increase (decrease) in liabilities:					
Accounts payable	(21)	3	1	1	(16)
Accrued payroll and employee benefits	(4)	76	-	-	72
Due to other funds	(5)	(2)	(71)	(6)	(84)
Deferred revenue	-	(28)	-	-	(28)
Compensated absences	(4)	(10)	(15)	9	(20)
Total adjustments	<u>(4)</u>	<u>(218)</u>	<u>28</u>	<u>148</u>	<u>(46)</u>
Net cash provided by (used for) operating activities	<u>\$ (243)</u>	<u>\$ 829</u>	<u>\$ 149</u>	<u>\$ 327</u>	<u>\$ 1,062</u>

Non-cash Capital and Related Financing Activities:

Home Health transferred capital assets with an original cost of \$5 and a net book value of \$0 to the County's general government.

The County's general government transferred capital assets with an original cost of \$40 and a net book value of \$6 to Home Health.

The County's general government transferred capital assets with an original cost of \$36 and a net book value of \$6 to Fairgrounds.

PINAL COUNTY
Combining Statement of Fiduciary Net Assets
Investment Trust Funds
June 30, 2011

(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Assets			
Cash, cash equivalents and investments	\$ 180,423	\$ 392	\$ 180,815
Interest receivable	39	-	39
Total assets	180,462	392	180,854
Liabilities			
Deposits held for others	-	-	-
Total liabilities	-	-	-
Net Assets			
Held in trust for investment participants	\$ 180,462	\$ 392	\$ 180,854

PINAL COUNTY
Combining Statement of Fiduciary Net Assets
Agency Funds
June 30, 2011

(Amounts expressed in thousands)

	Special Purpose	Other Agency	Total
Assets			
Cash, cash equivalents and investments	\$ 856	\$ 3,995	\$ 4,851
Liabilities			
Deposits held for others	\$ 856	\$ 3,995	\$ 4,851

PINAL COUNTY
Combining Statement of Changes in Fiduciary Net Assets
Investment Trust Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Additions			
Contributions by participants	\$ 629,913	\$ -	\$ 629,913
Investment earnings	1,899	-	1,899
Total additions	<u>631,812</u>	<u>-</u>	<u>631,812</u>
Deductions			
Distributions to participants	684,187	2,049	686,236
Total distributions	<u>684,187</u>	<u>2,049</u>	<u>686,236</u>
Change in net assets	(52,375)	(2,049)	(54,424)
Net assets - beginning	232,837	2,441	235,278
Net assets - ending	<u>\$ 180,462</u>	<u>\$ 392</u>	<u>\$ 180,854</u>

PINAL COUNTY
Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2011
(Amounts expressed in thousands)

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Special Purpose:				
Assets				
Cash, cash equivalents and investments	<u>\$ 1,156</u>	<u>\$ 2,119</u>	<u>\$ 2,419</u>	<u>\$ 856</u>
Liabilities				
Deposits held for others	<u>\$ 1,156</u>	<u>\$ 2,119</u>	<u>\$ 2,419</u>	<u>\$ 856</u>
Other Agency:				
Assets				
Cash, cash equivalents and investments	<u>\$ 4,025</u>	<u>\$ 55,823</u>	<u>\$ 55,853</u>	<u>\$ 3,995</u>
Liabilities				
Deposits held for others	<u>\$ 4,025</u>	<u>\$ 55,823</u>	<u>\$ 55,853</u>	<u>\$ 3,995</u>
Total - All Agency Funds				
Assets				
Cash, cash equivalents and investments	<u>\$ 5,181</u>	<u>\$ 57,942</u>	<u>\$ 58,272</u>	<u>\$ 4,851</u>
Liabilities				
Deposits held for others	<u>\$ 5,181</u>	<u>\$ 57,942</u>	<u>\$ 58,272</u>	<u>\$ 4,851</u>

Statistical Section



P I N A L • C O U N T Y
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STATISTICAL SECTION

This part of the Pinal County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends – Schedules on pages 141 thru 145

Financial trend schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity – Schedules on pages 146 thru 150

Revenue capacity schedules present information to help the reader assess the County's most significant local revenue, the property tax.

Debt Capacity – Schedules on pages 151 thru 153

Debt capacity schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt.

Demographic and Economic Information – Schedules on pages 154 thru 155

Demographic and Economic information schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information – Schedule on page 156 thru 158

Operating information schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The County implemented GASB Statement 34 in fiscal year 2002; schedules presenting government-wide information include information beginning in that year.

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PINAL COUNTY
Net Assets by Component
Last Ten Fiscal Years

(Accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
		(as restated)	(as restated)							
Governmental Activities										
Invested in capital assets, net of related debt	\$ 307,290	\$ 300,467	\$ 281,244	\$ 232,081	\$ 207,480	\$ 180,340	\$ 44,832	\$ 41,578	\$ 33,615	\$ 25,732
Restricted	94,280	101,343	105,962	106,422	102,515	67,584	39,872	28,679	20,917	18,547
Unrestricted	56,963	44,931	30,402	33,673	38,378	36,054	31,359	20,408	6,195	3,922
Total governmental activities net assets	<u>\$ 458,533</u>	<u>\$ 446,741</u>	<u>\$ 417,608</u>	<u>\$ 372,176</u>	<u>\$ 348,373</u>	<u>\$ 283,978</u>	<u>\$ 116,063</u>	<u>\$ 90,665</u>	<u>\$ 60,727</u>	<u>\$ 48,201</u>
Business-type Activities										
Invested in capital assets, net of related debt	\$ 3,346	\$ 2,341	\$ 2,331	\$ 2,538	\$ 2,787	\$ 2,379	\$ 949	\$ 442	\$ 93	\$ 81
Restricted	3,426	3,745	2,846	2,836	2,576	255	1,651	2,150	2,208	1,912
Unrestricted	5,346	4,598	6,005	2,973	1,263	1,196	965	1,579	1,262	984
Total business-type activities net assets	<u>\$ 12,118</u>	<u>\$ 10,684</u>	<u>\$ 11,182</u>	<u>\$ 8,347</u>	<u>\$ 6,626</u>	<u>\$ 3,830</u>	<u>\$ 3,565</u>	<u>\$ 4,171</u>	<u>\$ 3,563</u>	<u>\$ 2,977</u>
Net Assets										
Invested in capital assets, net of related debt	\$ 310,636	\$ 302,808	\$ 283,575	\$ 234,619	\$ 210,267	\$ 182,719	\$ 45,781	\$ 42,020	\$ 33,708	\$ 25,813
Restricted	97,706	105,088	108,808	109,258	105,091	67,839	41,523	30,829	23,125	20,459
Unrestricted	62,309	49,529	36,407	36,646	39,641	37,250	32,324	21,987	7,457	4,906
Total net assets	<u>\$ 470,651</u>	<u>\$ 457,425</u>	<u>\$ 428,790</u>	<u>\$ 380,523</u>	<u>\$ 354,999</u>	<u>\$ 287,808</u>	<u>\$ 119,628</u>	<u>\$ 94,836</u>	<u>\$ 64,290</u>	<u>\$ 51,178</u>

Note: FY 2010 Net Asset amounts were restated due to the implementation of GASB 54 in FY 2011 and for correction of prior year errors. See Note 4, on page 39 for details.

PINAL COUNTY
Changes in Net Assets
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses										
Governmental activities										
General government	\$ 68,581	\$ 67,143	\$ 83,213	\$ 77,216	\$ 54,818	\$ 56,542	\$ 48,091	\$ 44,020	\$ 36,822	\$ 34,188
Public safety	96,425	93,431	89,530	83,808	73,643	60,481	46,396	37,958	37,732	32,487
Highways and streets	30,614	30,514	40,651	36,697	32,702	25,978	18,206	14,590	13,398	11,627
Sanitation	444	707	693	927	719	645	640	854	673	481
Health	27,702	24,496	28,741	30,530	27,321	24,982	22,846	20,202	19,574	19,146
Welfare	6,017	5,683	5,218	5,576	5,064	4,670	5,207	4,836	4,880	4,413
Culture and recreation	2,116	1,819	2,189	1,354	881	860	714	613	552	576
Education	9,027	8,487	9,901	10,371	10,861	8,379	7,571	7,235	6,327	6,395
Interest on long-term debt	7,408	7,968	8,065	7,622	8,738	5,134	141	183	221	253
Total governmental activities expenses	<u>248,334</u>	<u>240,248</u>	<u>268,201</u>	<u>254,101</u>	<u>214,747</u>	<u>187,671</u>	<u>149,812</u>	<u>130,491</u>	<u>120,179</u>	<u>109,566</u>
Business-type activities										
Long Term Care	61,555	61,404	58,721	53,090	45,116	45,629	40,597	35,611	32,570	26,466
Sheriff Inmate Services	519	633	408	311	214	182	176	151	130	83
Home Health	6,210	5,117	5,309	4,578	4,177	4,438	3,920	3,565	2,961	2,772
Fairgrounds	479	520	643	892	737	692	651	586	556	514
Adult Day Care	-	-	-	153	32	37	28	29	-	-
Airport Economic Development(1)	281	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>69,044</u>	<u>67,674</u>	<u>65,081</u>	<u>59,024</u>	<u>50,276</u>	<u>50,978</u>	<u>45,372</u>	<u>39,942</u>	<u>36,217</u>	<u>29,835</u>
Total primary government expenses	<u>\$ 317,378</u>	<u>\$ 307,922</u>	<u>\$ 333,282</u>	<u>\$ 313,125</u>	<u>\$ 265,023</u>	<u>\$ 238,649</u>	<u>\$ 195,184</u>	<u>\$ 170,433</u>	<u>\$ 156,396</u>	<u>\$ 139,401</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 4,963	\$ 5,211	\$ 5,844	\$ 8,898	\$ 12,723	\$ 17,708	\$ 16,125	\$ 12,109	\$ 8,066	\$ 3,003
Public Safety	26,923	22,596	22,649	21,401	14,318	9,846	9,481	7,115	7,783	7,834
Other activities	4,764	6,480	9,213	14,507	12,249	6,833	5,493	5,151	3,505	1,280
Operating grants and contributions	31,607	34,514	39,364	36,359	37,422	34,611	39,071	40,233	36,668	21,833
Capital grants and contributions	22,157	25,501	58,738	40,345	79,158	35,146	10,763	6,143	1,265	14,597
Total governmental activities program revenues	<u>90,414</u>	<u>94,302</u>	<u>135,808</u>	<u>121,510</u>	<u>155,870</u>	<u>104,144</u>	<u>80,933</u>	<u>70,751</u>	<u>57,287</u>	<u>48,547</u>

(continued)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Business-type activities										
Charges for Services										
Long Term Care	62,678	61,588	61,971	55,389	48,201	43,875	40,174	36,576	33,347	25,885
Home Health	7,253	5,599	5,778	4,039	3,992	4,482	3,980	3,634	3,148	3,009
Other activities	304	307	327	499	595	530	457	446	302	259
Operating grants and contributions	705	60	35	91	40	39	38	40	33	33
Capital grants and contributions	-	-	8	-	-	17	-	-	-	-
Total business-type activities program revenues	<u>70,940</u>	<u>67,554</u>	<u>68,119</u>	<u>60,018</u>	<u>52,828</u>	<u>48,943</u>	<u>44,649</u>	<u>40,696</u>	<u>36,830</u>	<u>29,186</u>
Total primary government program revenues	<u>\$ 161,354</u>	<u>\$ 161,856</u>	<u>\$ 203,927</u>	<u>\$ 181,528</u>	<u>\$ 208,698</u>	<u>\$ 153,087</u>	<u>\$ 125,582</u>	<u>\$ 111,447</u>	<u>\$ 94,117</u>	<u>\$ 77,733</u>
Net (expense)/revenue										
Governmental activities	\$ (157,920)	\$ (145,946)	\$ (132,393)	\$ (132,591)	\$ (58,877)	\$ (83,527)	\$ (68,879)	\$ (59,740)	\$ (62,892)	\$ (61,019)
Business-type activities	1,896	(120)	3,038	994	2,552	(2,035)	(723)	754	613	(649)
Total primary government net expenses	<u>\$ (156,024)</u>	<u>\$ (146,066)</u>	<u>\$ (129,355)</u>	<u>\$ (131,597)</u>	<u>\$ (56,325)</u>	<u>\$ (85,562)</u>	<u>\$ (69,602)</u>	<u>\$ (58,986)</u>	<u>\$ (62,279)</u>	<u>\$ (61,668)</u>
General Revenues and Other Changes in Net Assets										
Government Activities										
Taxes:										
Property taxes	\$ 112,674	\$ 108,755	\$ 96,842	\$ 84,915	\$ 69,978	\$ 61,354	\$ 68,386	\$ 65,725	\$ 52,533	\$ 48,321
General county sales tax	12,104	12,065	14,103	17,222	18,545	17,540	12,316	-	-	-
Share of State sales taxes	20,921	18,812	20,496	24,012	25,114	21,868	17,266	15,014	13,374	12,459
Road improvement tax	4,798	4,481	5,220	6,308	6,713	7,260	-	-	-	-
Other taxes	14,559	14,022	15,784	15,056	12,764	9,878	-	-	5,368	4,609
Unrestricted share of State lottery	-	304	431	642	464	561	-	-	-	-
Investment earnings:										
Interest on investments	995	1,504	4,178	6,584	6,931	4,611	1,671	493	1,009	1,267
Net decrease in the fair value of investments	-	-	-	-	-	-	-	-	(908)	-
Miscellaneous	2,007	1,998	1,689	1,307	2,090	989	699	1,579	3,747	7,199
Transfers	1,654	2,559	1,235	348	379	(1,660)	276	423	295	413
Total governmental activities	<u>169,712</u>	<u>164,500</u>	<u>159,978</u>	<u>156,394</u>	<u>142,978</u>	<u>122,401</u>	<u>100,614</u>	<u>83,234</u>	<u>75,418</u>	<u>74,268</u>
Business-type activities:										
Investment earnings:										
Interest on investments	137	198	358	514	260	192	124	72	91	128
Miscellaneous	1,055	858	564	561	363	448	269	205	177	243
Transfers	(1,654)	(2,559)	(1,235)	(348)	(379)	1,660	(276)	(423)	(295)	(413)
Total business-type activities	<u>(462)</u>	<u>(1,503)</u>	<u>(313)</u>	<u>727</u>	<u>244</u>	<u>2,300</u>	<u>117</u>	<u>(146)</u>	<u>(27)</u>	<u>(42)</u>
Total primary government	<u>\$ 169,250</u>	<u>\$ 162,997</u>	<u>\$ 159,665</u>	<u>\$ 157,121</u>	<u>\$ 143,222</u>	<u>\$ 124,701</u>	<u>\$ 100,731</u>	<u>\$ 83,088</u>	<u>\$ 75,391</u>	<u>\$ 74,226</u>
Change in Net Assets										
Governmental Activities	\$ 11,792	\$ 18,554	\$ 27,585	\$ 23,803	\$ 84,101	\$ 38,874	\$ 31,735	\$ 23,494	\$ 12,526	\$ 13,249
Business-type Activities	1,434	(1,623)	2,725	1,721	2,796	265	(606)	608	586	(691)
Total Primary Government	<u>\$ 13,226</u>	<u>\$ 16,931</u>	<u>\$ 30,310</u>	<u>\$ 25,524</u>	<u>\$ 86,897</u>	<u>\$ 39,139</u>	<u>\$ 31,129</u>	<u>\$ 24,102</u>	<u>\$ 13,112</u>	<u>\$ 12,558</u>

(1) Airport Economic Development was reclassified with the implementation of GASB 54 in FY 2011 from governmental activities to business-type activities. See Note 4, page 39 for details.

PINAL COUNTY
Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2011	2010 <small>(as restated)</small>	2009 <small>(as restated)</small>	2008	2007	2006	2005	2004	2003	2002
General Fund(1)										
Reserved		\$ 327	\$ 445	\$ 952	\$ 519	\$ 482	\$ 6,866	\$ 1,688	\$ 1,613	\$ 1,601
Unreserved		43,210	36,260	41,533	46,078	45,614	31,755	25,618	13,301	11,312
Nonspendable:	\$ 1,344									
Restricted	715									
Unassigned	42,309									
Total general fund	<u>\$ 44,368</u>	<u>\$ 43,537</u>	<u>\$ 36,705</u>	<u>\$ 42,485</u>	<u>\$ 46,597</u>	<u>\$ 46,096</u>	<u>\$ 38,621</u>	<u>\$ 27,306</u>	<u>\$ 14,914</u>	<u>\$ 12,913</u>
All Other Governmental Funds(1)										
Reserved		\$ 207	\$ 216	\$ 455	\$ 359	\$ 379	\$ 509	\$ 2,110	\$ 13,152	\$ 29,839
Unreserved, reported in:										
Special revenue funds		84,879	80,331	80,187	63,979	43,192	37,617	28,143	20,377	17,417
Capital projects funds		14,618	18,085	9,973	25,981	65,853	48,224	60	60	124
Debt service funds		5,016	5,190	5,151	5,189	8,640	-	-	-	-
Nonspendable:	\$ 96									
Restricted	103,552									
Committed	4,539									
Assigned	3,163									
Unassigned	(148)									
Total all other governmental funds	<u>\$ 111,202</u>	<u>\$ 104,720</u>	<u>\$ 103,822</u>	<u>\$ 95,766</u>	<u>\$ 95,508</u>	<u>\$ 118,064</u>	<u>\$ 86,350</u>	<u>\$ 30,313</u>	<u>\$ 33,589</u>	<u>\$ 47,380</u>

(1) Starting with f/y 2011, fund balance presentation has changed, due to implementation of GASB 54. See Note 2, page 38 for details.

Note: FY 2010 fund balance amounts were restated due to the implementation of GASB 54 in FY 2011 and for correction of prior year errors. See Note 4, on page 39 for details.

PINAL COUNTY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Taxes	\$ 130,923	\$ 126,338	\$ 118,505	\$ 109,442	\$ 95,048	\$ 85,688	\$ 70,407	\$ 62,057	\$ 53,217	\$ 45,983
Licenses and permits	2,758	3,330	3,732	5,796	9,000	12,094	12,769	9,629	6,313	4,139
Intergovernmental	81,164	81,699	92,656	92,114	92,324	82,964	67,226	60,807	55,536	52,491
Charges for services	27,661	27,353	26,538	35,285	26,718	19,370	14,637	12,350	10,400	9,889
Fines and forfeits	4,474	3,381	3,263	3,464	4,905	2,586	3,032	2,396	2,641	2,228
Investment earnings	995	1,504	4,178	6,584	6,931	4,611	1,671	493	1,009	1,267
Net decrease in the fair value of investments	-	-	-	-	-	-	-	-	(908)	-
Contributions	372	575	1,378	2,608	8,041	10,846	9,571	4,863	-	-
Rentals	524	840	919	791	750	740	661	-	-	-
Miscellaneous	1,438	1,518	1,315	5,048	1,921	787	699	1,579	3,747	3,060
Total revenues	250,309	246,538	252,484	261,132	245,638	219,686	180,673	154,174	131,955	119,057
Expenditures										
Current:										
General government	66,438	62,495	72,299	72,961	59,789	48,842	55,602	46,973	39,187	32,064
Public safety	96,791	92,175	88,073	82,323	71,114	57,111	43,783	37,297	37,071	32,449
Highways and streets	24,157	24,738	37,498	36,259	30,721	27,712	27,677	24,661	18,246	16,125
Sanitation	444	696	679	901	680	583	568	887	805	495
Health	27,589	24,297	28,567	30,472	27,299	24,606	23,180	20,228	19,477	18,558
Welfare	5,759	6,024	5,396	5,960	5,027	4,636	5,192	4,898	4,877	4,400
Culture and recreation	2,059	2,122	2,220	1,397	879	823	825	600	547	526
Education	9,027	8,672	9,901	10,371	10,861	8,379	7,571	7,235	6,324	6,391
Capital outlay	7,009	4,218	4,006	19,760	49,181	62,471	22,422	11,254	16,472	3,576
Debt service:										
Principal retirement	11,511	10,953	13,664	7,620	6,131	5,890	1,075	1,040	1,000	835
Interest and fiscal charges	7,038	7,804	7,825	7,633	8,352	5,134	141	183	221	253
Cost of issuance	440	-	176	86	-	-	-	-	-	-
Other	4	8	10	11	13	1,316	-	-	-	-
Total expenditures	258,266	244,202	270,314	275,754	270,047	247,503	188,036	155,256	144,227	115,672
Excess (deficiency) of revenues over expenditures	(7,957)	2,336	(17,830)	(14,622)	(24,409)	(27,817)	(7,363)	(1,082)	(12,272)	3,385
Other financing sources (uses):										
Transfers in	29,671	28,383	32,333	20,519	22,698	25,337	6,531	6,470	5,886	6,801
Transfers out	(28,005)	(25,824)	(31,111)	(20,171)	(22,315)	(25,519)	(6,255)	(6,047)	(5,591)	(6,388)
Proceeds from sale of capital assets	427	426	374	357	303	321	522	458	187	217
Capital lease agreements	-	2,098	6,083	6,109	1,668	1,096	980	2,873	-	308
Loan proceeds	-	-	12,795	3,695	-	-	-	-	-	-
Insurance reimbursement	126	255	121	98	-	-	-	-	-	-
Bond proceeds	12,000	-	-	-	-	-	-	-	-	-
Discount on bonds	(106)	-	-	-	-	-	-	-	-	-
Refunding bonds	18,380	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(19,720)	-	-	-	-	-	-	-	-	-
Premium on new debt issued	1,588	-	39	135	-	-	-	-	-	-
Loan issued	-	-	-	-	-	64,886	73,163	-	-	30,800
Total other financing sources (uses)	14,361	5,338	20,634	10,742	2,354	66,121	74,941	3,754	482	31,738
Net change in fund balances	\$ 6,404	\$ 7,674	\$ 2,804	\$ (3,880)	\$ (22,055)	\$ 38,304	\$ 67,578	\$ 2,672	\$ (11,790)	\$ 35,123
Debt Service as a percentage of noncapital expenditures	7.6%	8.1%	8.7%	6.4%	7.4%	7.1%	0.7%	0.9%	1.0%	1.0%

PINAL COUNTY
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Type	Net Assessed Value	Estimated Actual Value	Percent of Net Assessed Value to Estimated Actual Value
2001/02	Primary	701,712	5,569,699	12.6%
	Secondary	738,563	5,855,392	12.6%
2002/03	Primary	816,902	6,502,309	12.6%
	Secondary	863,865	6,916,354	12.5%
2003/04	Primary	951,824	7,674,857	12.4%
	Secondary	1,021,719	7,674,857	13.3%
2004/05	Primary	1,061,159	8,633,604	12.3%
	Secondary	1,130,024	9,137,421	12.4%
2005/06	Primary	1,212,971	10,125,096	12.0%
	Secondary	1,277,269	10,600,989	12.0%
2006/07	Primary	1,472,160	12,523,363	11.8%
	Secondary	1,547,005	13,075,849	11.8%
2007/08	Primary	1,908,802	16,552,287	11.5%
	Secondary	2,334,827	20,071,892	11.6%
2008/09	Primary	2,473,500	21,583,423	11.5%
	Secondary	3,449,599	29,689,328	11.6%
2009/10	Primary	2,880,552	25,251,970	11.4%
	Secondary	3,398,761	29,107,137	11.7%
2010/11	Primary	2,546,949	22,166,148	11.5%
	Secondary	2,673,415	22,958,054	11.6%

Source: County assessment records

PINAL COUNTY
Taxable Assessed Value and Estimated Actual Value of Property
Last Ten Tax Years
(\$ Amounts expressed in thousands)

<u>Tax Year</u>	<u>Commercial Property</u>	<u>Residential Property</u>	<u>Vacant/Ag Land</u>	<u>Other</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Limited Value</u>	<u>Assessed Value as a Percentage of Limited Value</u>
2001	260,990	315,201	122,255	3,266	701,712	4.8433%	5,569,699	12.60%
2002	272,409	406,616	133,068	4,809	816,902	4.8386%	6,502,309	12.56%
2003	311,126	482,277	153,496	4,925	951,824	4.8287%	7,674,857	12.40%
2004	326,002	559,659	172,334	3,164	1,061,159	4.8295%	8,633,604	12.29%
2005	340,847	672,221	196,997	2,906	1,212,971	4.8188%	10,125,096	11.98%
2006	367,878	872,284	225,673	6,324	1,472,160	4.6900%	12,523,363	11.76%
2007	406,589	1,186,738	308,491	6,984	1,908,802	4.4036%	16,552,287	11.53%
2008	471,977	1,526,547	467,028	7,948	2,473,500	3.8522%	21,583,423	11.46%
2009	550,729	1,789,488	530,360	9,975	2,880,552	3.6684%	25,251,970	11.41%
2010	561,560	1,470,541	504,035	10,813	2,546,949	4.3213%	22,166,148	11.49%

Source: Pinal County Assessor's Office/AZDOR Abstract of Assessment Roll

Notes: Property in Pinal County is assessed annually with values being set by either the County Assessor or the Arizona Department of Revenue. The values are the basis for Primary Taxes and annual changes therein are restricted by the State Constitution. Assessment ratios are set by the legislature for individual property types. The taxable assessed value is arrived at by multiplying an assessment ratio that has varied from ten percent for residential property, to twenty-five percent for commercial property. Tax rates are per \$100 of assessed value.

PINAL COUNTY
Direct Property Tax Rates
Last Ten Fiscal Years
(\$ Amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>County Primary Rate</u>	<u>Library</u>	<u>Flood</u>	<u>Fire</u>	<u>Mary C. O'Brien School</u>	<u>Total</u>
2001/02	701,712	4.4532	0.0570	0.0900	0.1000	0.1431	4.8433
2002/03	816,902	4.4532	0.0570	0.0900	0.0953	0.1431	4.8386
2003/04	951,824	4.4532	0.0570	0.0900	0.0854	0.1431	4.8287
2004/05	1,061,159	4.4532	0.0570	0.0900	0.0862	0.1431	4.8295
2005/06	1,212,971	4.4532	0.0570	0.0900	0.0855	0.1331	4.8188
2006/07	1,472,159	4.3035	0.0570	0.1100	0.0864	0.1331	4.6900
2007/08	1,908,802	4.0183	0.0770	0.1300	0.0522	0.1261	4.4036
2008/09	2,473,500	3.4355	0.0970	0.1500	0.0438	0.1259	3.8522
2009/10	2,880,552	3.2316	0.0970	0.1700	0.0439	0.1259	3.6684
2010/11	2,546,949	3.9999	0.0970	0.1700	0.0544	N/A	4.3213

Source: County Tax Records

Note: As of fiscal year 2010/11 the Mary C. O'Brien School rate is included in the County's Primary Rate.

PINAL COUNTY
Principal Property Taxpayers
Current Year and Nine Years Ago
(\$ Amounts expressed in thousands)

<u>Taxpayer</u>	2011			2002		
	<u>Primary Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Value</u>	<u>Primary Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Value</u>
Arizona Public Service Company	\$ 89,409	1	3.51%	\$ 40,870	1	5.82%
ASARCO LLC / Ray Copper Complex	58,429	2	2.29%	16,784	2	2.39%
CCA Properties of Arizona LLC	37,900	3	1.49%	11,870	5	1.69%
El Paso Natural Gas Co.	22,467	4	0.88%	5,979	8	0.85%
Wal-Mart Stores Inc. & East LP	21,385	5	0.84%			
Transwestern Pipeline Co. LLC	15,299	6	0.60%			
Qwest Corporation	12,222	7	0.48%	14,115	4	2.01%
Southwest Gas Corp. (T&D)	12,046	8	0.47%	7,815	6	1.11%
Arizona Water Co.	10,481	9	0.41%	4,625	9	0.66%
WP Casa Grande Retail LLC	9,323	10	0.37%			
BHP Copper Inc/San Manuel Division				14,749	3	2.10%
SFPP LP DBA Kinder Morgan Energy Pttrs L				6,789	7	0.97%
Union Pacific Railroad				4,175	10	0.59%
Total	<u>\$ 288,961</u>		<u>11.34%</u>	<u>\$ 127,771</u>		<u>18.19%</u>
Total Assessed Value	<u>\$ 2,546,949</u>			<u>\$ 701,712</u>		

Source: County Treasurer Tax Records

PINAL COUNTY
Property Tax Levies and Collections
Last Ten Fiscal Years

(\$ Amounts expressed in thousands)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	32,214	29,223	90.72%	1,499	30,722	95.37%
2003	38,659	32,805	84.86%	1,377	34,182	88.42%
2004	43,845	39,052	89.07%	1,146	40,198	91.68%
2005	49,894	44,200	88.59%	1,284	45,484	91.16%
2006	56,915	50,854	89.35%	1,793	52,647	92.50%
2007	66,916	59,670	89.17%	2,337	62,007	92.66%
2008	81,141	73,935	91.12%	3,509	77,444	95.44%
2009	93,096	85,640	91.99%	4,552	90,192	96.88%
2010	101,628	95,122	93.60%	4,025	99,147	97.56%
2011	109,076	98,065	89.91%	-	98,065	89.91%

Source: County financial records

PINAL COUNTY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(Amounts expressed in thousands, except per capita amount)

Fiscal Year	General Bonded Debt			Other Governmental Activities Debt			
	Pledged Revenue Bonds	Percentage of Actual Taxable Value of Property ¹	Per Capita ²	Certificates of Participation	Special Assessment Bonds	Capital Leases	Loans
2001/2002	-	N/A	N/A	40,905	5,405	2,814	-
2002/2003	-	N/A	N/A	38,675	4,405	1,634	-
2003/2004	-	N/A	N/A	36,375	3,365	4,215	-
2004/2005	-	N/A	N/A	105,590	2,290	4,332	-
2005/2006	-	N/A	N/A	101,480	1,165	4,323	63,220
2006/2007	-	N/A	N/A	97,200	-	4,538	63,220
2007/2008	-	N/A	N/A	92,755	-	9,405	64,755
2008/2009	-	N/A	N/A	87,035	-	12,624	74,805
2009/2010	-	N/A	N/A	83,740	-	10,669	68,863
2010/2011	30,380	1.19%	81	61,685	-	6,985	64,458

Fiscal Year	Business -Type Activities			Percentage of Personal Income ²	
	Capital Leases	Loans	Total Primary Government	Per Capita ²	
2001/2002	-	-	49,124	1.37%	263
2002/2003	-	-	44,714	1.17%	229
2003/2004	-	-	43,955	1.07%	215
2004/2005	-	-	112,212	2.49%	522
2005/2006	-	-	170,188	3.40%	689
2006/2007	-	-	164,958	2.73%	550
2007/2008	171	2,800	169,886	2.37%	518
2008/2009	141	2,800	177,405	2.25%	505
2009/2010	103	2,592	165,967	2.01%	466
2010/2011	69	2,347	165,924	N/A	441

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

¹See Total Taxable assessed Value in the Taxable Assessed Value and Estimated Actual Value of Property schedule on page 147.

²See the Schedule of Demographic and Economic Statistics on page 154 for personal income and population data.

PINAL COUNTY
Legal Debt Margin Information
Last Ten Fiscal Years

(Amounts expressed in thousands)

	Fiscal Year									
	<u>2001/2002</u>	<u>2002/2003</u>	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>
Debt Limit	\$ 44,314	\$ 51,832	\$ 61,303	\$ 67,801	\$ 76,636	\$ 92,820	\$ 140,090	\$ 206,976	\$ 203,926	\$ 160,405
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 44,314</u>	<u>\$ 51,832</u>	<u>\$ 61,303</u>	<u>\$ 67,801</u>	<u>\$ 76,636</u>	<u>\$ 92,820</u>	<u>\$ 140,090</u>	<u>\$ 206,976</u>	<u>\$ 203,926</u>	<u>\$ 160,405</u>
Total net debt applicable to the limit as a percentage of the debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2010/2011

Assessed Value:

Secondary 2,673,415

Debt Limit 160,405
(6% of total assessed value)

Debt applicable to limit:

General Obligation Bonds -

Less: Amount available in Debt Service Fund -

Total net debt applicable to limit -

Legal debt margin 160,405

Note: General obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assesement.
As of the current fiscal year, the county did not have any outstanding general obligation debt.

PINAL COUNTY
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Special Assessment Bonds				HELP Transportation Loan					
	Special Assessment Collections	Debt Service		Coverage	Road Improvements Sales Tax	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
		Principal	Interest					Principal	Interest	
2001/02	1,007	835	253	92.56%	N/A	N/A	N/A	N/A	N/A	N/A
2002/03	1,139	1,000	221	93.28%	N/A	N/A	N/A	N/A	N/A	N/A
2003/04	1,280	1,040	183	104.66%	N/A	N/A	N/A	N/A	N/A	N/A
2004/05	1,192	1,075	141	98.03%	N/A	N/A	N/A	N/A	N/A	N/A
2005/06	1,187	1,125	96	97.22%	N/A	N/A	N/A	N/A	N/A	N/A
2006/07	1,197	1,165	50	98.52%	N/A	N/A	N/A	N/A	N/A	N/A
2007/08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2008/09	N/A	N/A	N/A	N/A	5,220	4,675	545	500	45	100.00%
2009/10	N/A	N/A	N/A	N/A	4,480	3,945	535	500	35	100.00%
2010/11	N/A	N/A	N/A	N/A	4,798	4,274	524	500	24	100.00%

GADA Loans and Pledged Revenue Bonds

Fiscal Year	State Shared Sales Tax						
	Gross State Shared Sales Tax Revenue(1)	Less: AHCCCS/ALTCS Contributions	Net Available State Shared Sales Tax	County Excise Tax Revenue(1)	Debt Service		Coverage
					Principal	Interest	
2001/02	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2002/03	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2003/04	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2004/05	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2005/06	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2006/07	25,114	10,483	14,631	N/A	-	3,462	422.62%
2007/08	24,012	11,415	12,597	N/A	2,160	2,854	251.24%
2008/09	20,496	13,358	7,138	14,103	4,580	3,135	275.32%
2009/10	18,812	7,385	11,427	12,065	3,315	3,208	360.14%
2010/11	20,921	10,836	10,085	12,104	4,150	3,605	286.13%

Source: County financial and tax records

(1) See Note 9 - Long Term Liabilities, page 45 for details.

PINAL COUNTY
Demographic and Economic Statistics
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Population¹	Personal Income²	Per Capita Income²	Unemployment Rate¹
2001/02	187	3,594,050	19	7.3%
2002/03	195	3,806,125	20	7.0%
2003/04	204	4,107,473	20	5.9%
2004/05	215	4,500,589	21	5.5%
2005/06	247	5,001,332	20	5.0%
2006/07	300	6,041,934	23	4.8%
2007/08	328	7,164,122	24	4.7%
2008/09	351	7,892,358	24	6.6%
2009/10	356	8,259,897	24	12.1%
2010/11	376	N/A	N/A	11.9%

¹ Population data through 2009/10 and Unemployment data through 2010/11 is obtained from the Arizona Department of Commerce, Arizona Workforce Informer. For 2010/11 the population data is from the U.S. Census Bureau, American FactFinder for the 2010 census.

² Personal income and per capita income data is obtained from the Arizona Department of Economic Security, Arizona Regional Economic Profile through 2006/07 and from the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts for 2007/08 through 2009/10.

N/A - Data was not available at the time this report was published.

**PINAL COUNTY
Principal Employers
Current Year and Nine Years Ago**

Employer	2011			2002		
	Employees¹	Rank	Percentage of Total County Employment	Employees¹	Rank	Percentage of Total County Employment
State of Arizona	2,910	1	2.57%	2,950	1	4.20%
County of Pinal	2,471	2	2.18%	1,385	3	1.97%
Corrections Corporation of America	2,430	3	2.14%	1,202	4	1.71%
Gila River Indian Community	2,050	4	1.81%			
Walmart	1660	5	1.46%			
Pinal County Community College	910	6	0.80%			
Ray Mines Plant	830	7	0.73%			
Hu Hu Kam Memorial Hospital	820	8	0.72%			
Federal Government	820	9	0.72%			
Casa Grande Regional Medical Center	790	10	0.70%	790	6	1.12%
Casa Grande Elementary School District				625	7	0.89%
TRW Inc.				1,700	2	2.42%
ASARCO Inc. (Groupo Mexico)				900	5	1.28%
Desert Valley Care Center				520	8	0.74%
Hexcel Corporation				500	9	0.71%
Arch Chemicals; Frito Lay; Mobile Mini*				400	10	0.57%

¹Estimated number of full-time equivalent employees
2011 Source: Central Arizona Association of Governments
2002 Source: FY01-02 Pinal County CAFR

*In 2002, 3 companies employed the same number of people

PINAL COUNTY
Employees by Function
Last Nine Fiscal Years

Function/Program	Employees by Function as of June 30								
	2011	2010	2009	2008	2007	2006	2005	2004	2003 (1)
Governmental activities									
General government	350	409	448	419	384	333	300	279	274
Public safety	1,257	1,313	1,453	1,434	1,356	1,076	929	937	874
Highways and streets	181	184	241	224	219	214	170	181	182
Sanitation	6	7	8	8	7	8	-	-	1
Health	150	167	258	247	205	188	174	177	141
Welfare	36	36	43	45	46	44	38	44	47
Culture and recreation	12	11	10	9	9	9	8	8	9
Education	69	75	65	60	69	52	51	52	52
Total governmental activities	<u>2,061</u>	<u>2,202</u>	<u>2,526</u>	<u>2,446</u>	<u>2,295</u>	<u>1,924</u>	<u>1,670</u>	<u>1,678</u>	<u>1,580</u>
Business-type activities									
Long Term Care	73	80	83	82	79	72	66	71	55
Sheriff/Inmate Services	3	3	2	2	2	2	4	2	2
Home Health	328	257	152	178	172	249	199	212	204
Fairgrounds	4	12	7	6	5	7	7	7	7
Adult Day Care	-	-	-	5	1	-	-	-	-
Airport Economic Development	2								
Total business-type activities	<u>410</u>	<u>352</u>	<u>244</u>	<u>273</u>	<u>259</u>	<u>330</u>	<u>276</u>	<u>292</u>	<u>268</u>
Total	<u>2,471</u>	<u>2,554</u>	<u>2,770</u>	<u>2,719</u>	<u>2,554</u>	<u>2,254</u>	<u>1,946</u>	<u>1,970</u>	<u>1,848</u>

Source:

2009 and prior: County Budget Office projected FTEs and Mary C O'Brien Accommodation School

2010 and after: Pinal County Payroll Records and Mary C O'Brien Accommodation School

*Numbers have been rounded up to accommodate 1/2 employees

(1) Ten years of data is not available, but will be accumulated over time.

PINAL COUNTY
Operating Indicators by Function/Program
Current Fiscal Year
(\$ Amounts expressed in thousands)

Function/Program	Fiscal Year 2010/11 (1)
<u>General Government</u>	
County Assessor	
Number of parcels assessed	221,390
County Recorder	
Documents recorded	113,844
Development Services	
Building permits issued	2,817
Elections	
Active registered voters	161,813
Elections held	4
Ballots cast and counted	204,199
Facilities	
Work order requests	15,240
Fleet	
Work Orders completed	6,325
<u>Public Safety</u>	
County Attorney	
Adult felonies charged	2,386
Child support collected	\$ 22,600
Victim Restitution for bad checks collected	\$ 105
Sheriff	
Sworn Deputies	140
Service calls	88,706
Total bookings	15,592
Adult Probation	
Probationers (includes absconders)	3,511
Community work service hours	16,817
Victim resolution collected	\$ 348
Flood Control District	
Floodplain use permit applications received	45
ALERT gauge installations	4
<u>Health</u>	
Behavioral Health	
Court ordered evaluations	174
Forensic Mental Health clients	159
Public Health	
Birth certificates issued	5,520
Death certificates issued	8,187
Community health services clients	19,758
Immunization visits	10,080
WIC clients	97,186
<u>Culture and Recreation</u>	
Library District	
Circulation	1,558,678
Website visits	579,853
Active Borrowers	60,696
<u>Welfare</u>	
Public Fiduciary clients	279
<u>Education</u>	
Superintendent of Schools	
School districts in Pinal County	19

Source: County offices of elected officials and departments

(1) Ten years of data is not available, but will be accumulated over time.

PINAL COUNTY
Capital Asset Statistics by Function/Program
Current Fiscal Year

<u>Function/Program</u>	<u>Fiscal Year</u>
	<u>2010/11 (1)</u>
<u>General Government</u>	
Facilities	
Square footage maintained	1,111,174
Fleet	
Vehicles maintained	11
Superior Court	
Divisions	10
<u>Public Safety</u>	
Sheriff	
Patrol Vehicles	160
Fleet	
Vehicles maintained	390
Flood Control	
Flood ALERT stations	23
<u>Highways and Streets</u>	
Fleet	
Vehicles maintained	130
Heavy Equipment maintained	237
Public Works	
Miles of paved roads	1,018
Miles of gravel roads	1,050
<u>Sanitation</u>	
Leased Landfill	1
<u>Health</u>	
Animal Control	
Vehicles used in operations	14
Fleet	
Med Examiner Vehicles Maintained	2
Public Health	
Health facilities	11
Mobile clinic	1
<u>Culture and Recreation</u>	
Parks and recreation	
County parks	5

Source: County offices of elected officials and departments
Some information presented as of most recent date available for the fiscal year.
(1) Ten years of data is not available, but will be accumulated over time.