

PINAL COUNTY, ARIZONA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FY 2008-2009



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.



P I N A L ♦ C O U N T Y

Wide open opportunity

Pinal County, Arizona
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2009

Prepared by:

Pinal County Finance Department

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

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Table of Contents

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	vii
GFOA Certificate of Achievement	xi
Organizational Chart	xii
List of Elected and Appointed Officials	xiii
FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Assets – Proprietary Funds.....	23
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	24
Statement of Cash Flows – Proprietary Funds	25
Statement of Fiduciary Net Assets – Fiduciary Funds.....	27
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	28
Notes to the Financial Statements:	
(1) Summary of Significant Accounting Policies.....	29
(2) Beginning Balances Restated.....	35
(3) Stewardship, Compliance, and Accountability	35
(4) Deposits and Investments.....	35
(5) Capital Assets	39
(6) Short-term Debt.....	40
(7) Long-term Liabilities	41
(8) Risk Management	46
(9) Pensions and Other Post-Employment Benefits (OPEB)	47
(10) Interfund Balances and Activity.....	52
(11) County Treasurer's Investment Pool.....	54

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Table of Contents

	Page
(12) Related Party Transactions	55
Required Supplementary Information (other than MD&A):	
Budgetary Comparison Schedule – General Fund	57
Budgetary Comparison Schedule – Road Tax Districts Fund	59
Budgetary Comparison Schedule – Development Impact Fee Fund	60
Notes to Budgetary Comparison Schedules.....	61
Schedule of Agent Retirement Plans' Funding Progress	62
Combining Statements and Individual Fund Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	65
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	66
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	78
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	89
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds	91
Combining Balance Sheet – Nonmajor Debt Service Funds	93
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds	94
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Nonmajor Special Revenue Funds:	
Adult Probation	95
Airport Economic Development	96
Air Quality	97
Animal Control	98
Attorney	99
Clerk of Courts.....	100
Old Courthouse Preservation	101
Detention Expansion.....	102
Courts	103
Health Services.....	104
Justice Courts	105
Juvenile Probation	106
Local Transport Assist Grant	107
Library Grants	108
Miscellaneous Grants	109
Public Defender	110

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Table of Contents

	Page
Public Works Highways.....	111
Public Works Roadways	112
Public Works Services	113
Sheriff	114
Treasurer	115
Housing Grants	116
Flood Control District.....	117
Library District	118
Lighting Special Districts	119
Miscellaneous Fees	120
Desert Vista Sanitation District.....	121
Public Health Services District	122
Queen Creek Domestic Water Improvement District.....	123
 Capital Project Funds:	
Public Works Special Projects	124
Superior Court Construction.....	125
Capital Projects Miscellaneous	126
Adult/Juvenile Detention Construction Fund.....	127
Public Works Gantzel Road Fund	128
 Nonmajor Debt Service Funds:	
Debt Service.....	129
Maricopa Rd Debt Service	130
 Nonmajor Enterprise Funds:	
Combining Statement of Net Assets – Nonmajor Enterprise Funds.....	131
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Nonmajor Enterprise Funds.....	132
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	133
 Trust and Agency Funds:	
Combining Statement of Fiduciary Net Assets – Investment Trust Funds	135
Combining Statement of Fiduciary Net Assets – Agency Funds	136
Combining Statement of Changes in Fiduciary Net Assets – Investment Trust Funds.....	137
Combining Statement of Changes in Assets and Liabilities – Agency Funds	138

STATISTICAL SECTION

Net Assets by Component.....	141
Changes in Net Assets	142
Fund Balances of Governmental Funds.....	144
Changes in Fund Balances of Governmental Funds	145
Assessed and Estimated Actual Value of Taxable Property	146
Taxable Assessed Value and Estimated Actual Value of Property.....	147
Direct Property Tax Rates	148
Principal Property Taxpayers	149

PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Table of Contents

	Page
Property Tax Levies and Collections	150
Ratios of Outstanding Debt by Type	151
Legal Debt Margin Information.....	152
Pledged-Revenue Coverage.....	153
Demographic and Economic Statistics	154
Principal Employers	155
Employees by Function.....	156

Page left blank intentionally

Introductory Section



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



PINAL COUNTY
wide open opportunity

PINAL COUNTY, ARIZONA
2008-2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LETTER OF TRANSMITTAL

January 28, 2010

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 to conduct financial audits of the accounts and records of County governments. Pursuant to the statute, the Office of the Auditor General audited the Pinal County Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2009 and has issued an unqualified (“clean”) opinion. 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 Pinal County. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, the management of Pinal 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 generally accepted accounting principles (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 Pinal 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. The Report on Internal Controls and Compliance, and the Single Audit Reporting Package will be issued at a future date.

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.

Pinal County Profile

Pinal 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. 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 Pinal County. Generally rural in nature, Pinal 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.

Pinal 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, 2009 population of the County was estimated to be 351,000. Located within Pinal County are the towns of Florence, Superior, Mammoth, and Kearny, and the cities of Casa Grande, Apache Junction, Coolidge and Eloy. Florence is the County seat. Apache Junction and Casa Grande are the two largest cities. Apache Junction borders on Maricopa County in the northeastern part of Pinal County. Casa Grande is located approximately halfway between Phoenix and Tucson on Interstate Highway 10 on the western side of Pinal County. No interstate highways run through the middle and eastern portions of the County. Growth in these areas has been much slower than in the more accessible western portions of the County.

The governing body of Pinal County is the Board of Supervisors, which sets policy for the administration of the County. The Board of Supervisors comprises 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 within each fund. 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.

To balance the budget, funds from the "Rainy Day" fund were used in conjunction with a hiring freeze that began February 11, 2009, travel and training freeze, elimination of vacant positions and a 2% mid-year expenditure reduction from all County departments.

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 2008-2009.

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

- **Fiscal Conservatism:** Ensure the County is in a solid financial condition at all times. Monthly reviews will be performed of operating budgets for all funds regardless of funding source. The reviews will determine cause(s) of over-expending allocated resources, identify opportunities to increase revenues, identify opportunities to reduce costs, and to identify management controls and develop recommendations to enhance controls to ensure future compliance.
- **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.
- **Capital Expenditures:** A five year Public Works capital improvement plan (CIP) has been developed and is updated annually, including anticipated funding sources.

Major Initiatives. During FY 2008-2009 Pinal County continued to invest in basic government service programs and amenities. The planning parameters were Regional Leadership, Financial Responsibility, Public Safety, Healthcare, Transportation, Growth, Jobs/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 December 20, 2007, Standards & Poor's Rating Service raised its standard long-term rating one notch to 'A' from 'A-'. On March 9, 2009, in the course of routine surveillance, Fitch Ratings affirmed the 'A' rating with a stable outlook. The 'A' rating reflects

sound fiscal management, satisfactory financial profile, ample taxing margin, and low debt burden.

- Support public safety by continuing installation of Mobile Data Terminal (MDT) units, continued funding for the ballistic vest replacement program and sheriff vehicle replacement.
- Follow through on a commitment to increase immunization rates to help the public maintain an overall better public health.
- Focusing on Regional Leadership through economic development, community development, and road improvement. To assist in the regional planning process, the Board has created a partnership with surrounding counties and cities.
- Effective and prudent planning and growth for land development through the development of the Pinal County Comprehensive Plan and use of the Pinal County Visioning Report.
- Implement the Integrated Strategic Management System to ensure County government is effective and efficient by developing individual strategic plans for each County department. An outside firm, Weidner Consulting was retained to assist the County with a fully integrated management system. Managing for Results (MFR) became a reality in Pinal County. MFR is the County's customer oriented, results-focused and data driven performance management system. It is the County's goal to develop individual strategic plans for each County department. These strategic plans will highlight performance measures that will be used to identify service opportunities and weakness, in addition to funding programs with critical needs.

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, 2008. This was the 13th 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.

In addition, Pinal County also received the GFOA's Distinguished Budget Presentation Award for its 2008-2009 annual budget document. In order to qualify for the Distinguished Budget Presentation Award, Pinal County's budget document was judged to be proficient in several categories, including a policy document, a financial plan, an operations guide, and a communications device. We believe that our current budget continues to conform to the program requirements and expect to receive this award for the fiscal year beginning July 1, 2009.

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 our independent auditors. 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 the 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, 2008

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.



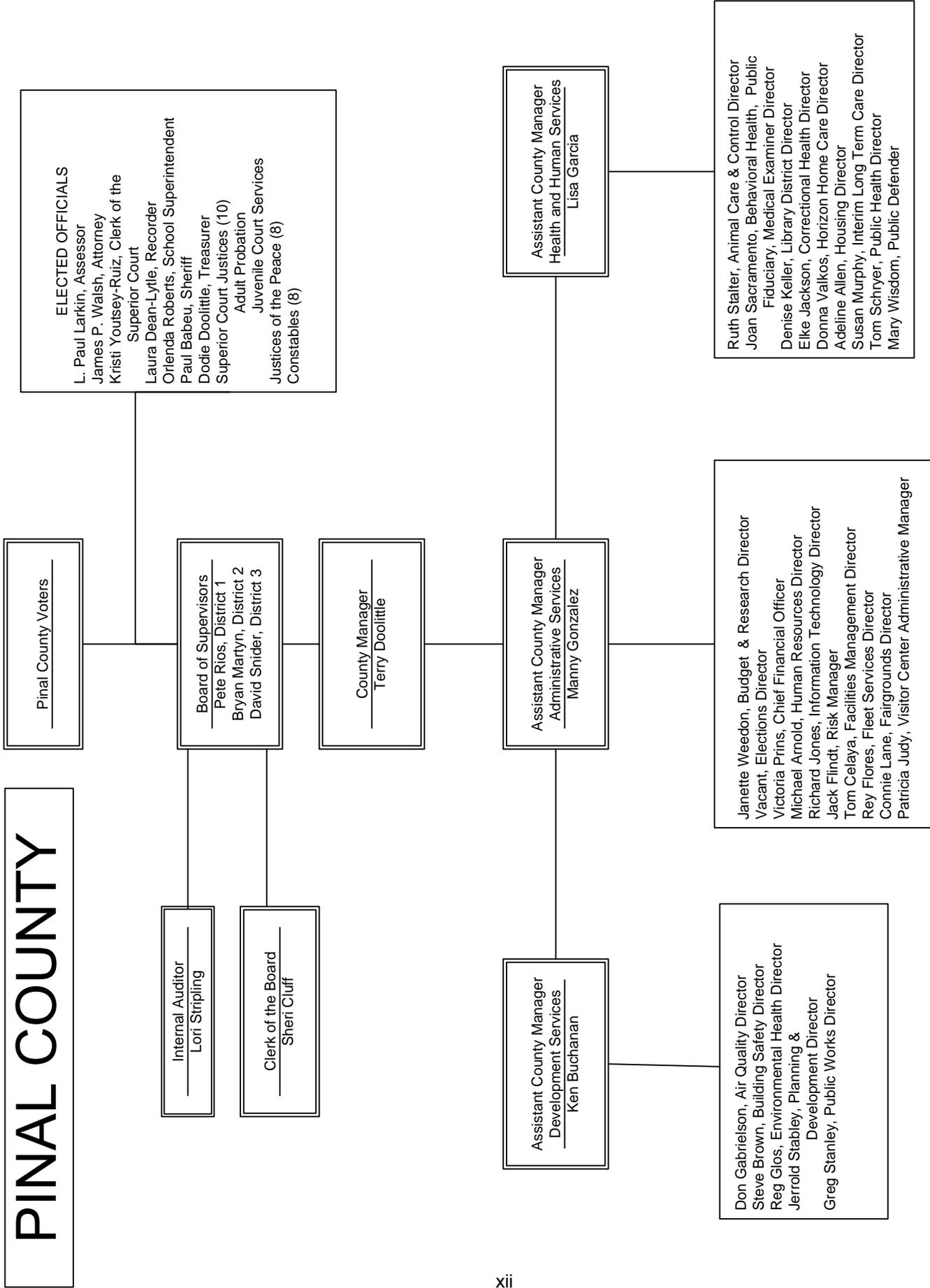
A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

PINAL COUNTY



PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009
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 the Superior Court	Kristi Youtsey Ruiz
Recorder	Laura Dean-Lytle
School Superintendent	Orlenda Roberts
Sheriff	Paul Babeu
Superior Court Judge, Division 1	Honorable William J. O'Neil
Superior Court Judge, Division 2	Honorable Boyd T. Johnson
Superior Court Judge, Division 3	Honorable Joseph R. Georgini
Superior Court Judge, Division 4	Honorable Gilberto V. Figueroa
Superior Court Judge, Division 5	Honorable Stephen F. McCarville
Superior Court Judge, Division 6	Honorable Janna L. Vanderpool
Superior Court Judge, Division 7	Honorable Kevin D. White
Superior Court Judge, Division 8	Honorable Brenda E. Oldham
Superior Court Judge, Division 9	Honorable Robert Carter Olson
Superior Court Pro Tem	Honorable Bradley M. Soos
Treasurer	Dodie Doolittle
Justices of the Peace (8) and Constables (8)	Various

Appointed Officials

County Manager	Terry Doolittle
Internal Auditor	Lori Stripling
Clerk of the Board	Sheri Cluff
Assistant County Manager, Administrative Services	Manny Gonzalez
Assistant County Manager, Health and 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 & Research Director	Janette Weedon
Building Safety Director	Steve Brown
Elections Director	Vacant
Facilities Management Director	Tom Celaya
Fairgrounds Director	Connie Lane
Fleet Services Director	Rey Flores
Human Resources Director	Michael Arnold
Information Technology Director	Richard Jones
Interim Long Term Care Director	Susan Murphy
Risk Manager	Jack Flindt
Air Quality Director	Don Gabrielson
Animal Care & Control Director	Ruth Stalter
Horizon Home Care Director	Donna Valkos
Housing Director	Adeline Allen
Behavioral Health, Public Fiduciary, Medical Examiner Director	Joan Sacramento
Public Health Director	Thomas Schryer
Correctional Health Director	Elke Jackson
Environmental Health Director	Reg Glos
Visitor Center Administrative Manager	Patricia Judy

Page left blank intentionally

Financial Section



PINAL • COUNTY
wide open opportunity



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

Independent Auditors' Report

Members of the Arizona State Legislature

The Board of Supervisors of
Pinal County, Arizona

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of Pinal County as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Housing Department, the Employee Benefit Trust, and the Long Term Care Fund, which represent the following percentages of the assets; liabilities; revenues, additions, and other financing sources, as applicable; and expenses or expenditures, deductions, and other financing uses, as applicable, of the opinion units affected:

Opinion Unit/Department	Assets	Liabilities	Revenues/ Additions/ Other Sources	Expenses/ Expenditures/ Deductions/ Other Uses
<u>Government-wide Statements</u>				
Governmental activities:				
Housing Department	1.46%	0.09%	1.45%	1.74%
Employee Benefit Trust	1.35%	0.87%	5.33%	6.30%
Business-type activities:				
Long Term Care Fund	89.67%	92.93%	89.34%	89.92%
<u>Fund Statements</u>				
Aggregate remaining fund information:				
Housing Department	0.65%	0.69%	2.86%	3.47%
Employee Benefit Trust	2.64%	0.79%	1.65%	1.81%
Major fund:				
Long Term Care Fund	100.00%	100.00%	100.00%	100.00%

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 Housing Department, Employee Benefit Trust, and Long Term Care Fund, 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 the 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 aggregate remaining fund information of Pinal County as of June 30, 2009, 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.

The Management's Discussion and Analysis on pages 3 through 16, the Budgetary Comparison Schedules on pages 57 through 61, and the Schedule of Agent Retirement Plans' Funding Progress on pages 62 through 63 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund statements and 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 and individual fund statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, are 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 in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we will also issue our report on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. 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.

Debbie Davenport
Auditor General

January 28, 2010



PINAL COUNTY
wide open opportunity

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, 2009. 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 2009 by \$417,118 (*net assets*). Of this amount, \$36,066 (*unrestricted net assets*) may be used to meet ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$30,310 primarily due to increased revenues for property taxes and capital contributions related to increases in the County's nondepreciable capital assets.
- As of June 30, 2009, the County's governmental funds reported combined fund balances of \$140,516, an increase of \$2,265 in comparison with the prior year. Approximately 99.5% of the combined fund balances, or \$139,855, is available for spending at the County's discretion (*unreserved fund balance*). Most of the increase is attributable to loan proceeds obtained for the construction and acquisition of several County projects.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$36,260, or 23% of total General Fund expenditures.
- The County's total long-term debt as of June 30, 2009, was \$197,681. Certificates of participation and loans payable, including unamortized premiums, represent 85% of the total. The final payments on the certificates of participation are due in fiscal years 2021 and 2030. The final payments on the loans payable are due in fiscal years 2012, 2019, and 2026.

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. The *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).

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-*

PINAL COUNTY Management's Discussion and Analysis

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), Adult Day Care, Long Term Care, and the Fairgrounds.

The government-wide financial statements can be found on pages 17-18 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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. *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 189 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 Fund, Road Tax Districts Fund, and Development Impact Fee Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these nonmajor 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 57-60.

The basic governmental fund financial statements can be found on pages 19-22 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Sheriff Inmate Services, Horizon Home Care (Home Health), Adult Day Care (ceased operations in fiscal year 2009), Long Term Care, and the Fairgrounds. *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 each of the nonmajor enterprise funds is 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 23-26 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial 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 27-28 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-55 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* 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 57-63 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds and nonmajor 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 65-156 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. In the case of the County, assets exceeded liabilities by \$417,118 at the close of the most recent fiscal year. The balances for governmental activities capital assets were restated for fiscal year 2008 to correct prior period errors for the Department of Housing. Additional information on this restatement can be found in Note 2 on page 35 of this report.

Condensed Statement of Net Assets
June 30, 2009 and 2008

	Governmental		Business-type		Total	
	Activities		Activities		Total	
	2009	2008 (as restated)	2009	2008	2009	2008 (as restated)
Current and other assets	\$ 170,374	\$ 171,708	\$ 15,335	\$ 12,713	\$ 185,709	\$ 184,421
Capital assets	444,773	409,682	5,030	5,338	449,803	415,020
Total assets	<u>615,147</u>	<u>581,390</u>	<u>20,365</u>	<u>18,051</u>	<u>635,512</u>	<u>599,441</u>
Current and other liabilities	14,514	21,042	6,199	6,569	20,713	27,611
Long-term liabilities	194,587	181,861	3,094	3,135	197,681	184,996
Total liabilities	<u>209,101</u>	<u>202,903</u>	<u>9,293</u>	<u>9,704</u>	<u>218,394</u>	<u>212,607</u>
Net assets:						
Invested in capital assets, net of related debt	267,697	238,392	2,223	2,538	269,920	240,930
Restricted net assets	108,286	106,422	2,846	2,836	111,132	109,258
Unrestricted net assets	30,063	33,647	6,003	2,973	36,066	36,620
Total net assets	<u>\$ 406,046</u>	<u>\$ 378,461</u>	<u>\$ 11,072</u>	<u>\$ 8,347</u>	<u>\$ 417,118</u>	<u>\$ 386,808</u>

PINAL COUNTY Management's Discussion and Analysis

A significant portion of the County's net assets (65%) 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 (27%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$36,066) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental activities and business-type activities. The same situation held true for the prior fiscal year.

The County's net assets increased by \$30,310 from net assets reported at June 30, 2008. This growth in net assets is primarily due to increased revenues for property taxes and increases in the County's non-depreciable capital assets.

Current assets increased by 1% in total. This change is primarily attributed to the unspent loan proceeds and increases in property tax receivables, which was offset by reductions in the due from other governments receivable in the governmental activities resulting from decreases in sales tax revenues and timely payments from the Federal government for Immigration and Customs Enforcement inmates housed in County facilities.

The County's capital assets increased by 8.6% over the prior fiscal year, due mainly to the addition of roads and easements to the County's land and infrastructure capital assets. The addition includes roads and bridges constructed by the County and roads contributed to the County. A restatement of capital assets related to the County's housing grants operations also contributed to the current year increase.

Governmental Activities. Key elements of the change in net assets of \$27,585 are as follows:

- General revenue property taxes increased by \$11,927 (14%) during the year. The increase is due to increases in assessed property values.
- Charges for services decreased by \$7,100 (16%), primarily due to decreases in Impact Fees and fees collected for building and planning as a result of a decrease in development activity.
- Operating grants and contributions increased by \$3,005 (8%), primarily due to increases in tax and intergovernmental revenues for the Accommodation school.
- Capital grants and contributions increased \$18,393 (46%) from the prior year. This increase is primarily due to capital contributions of land related to infrastructure capital assets.
- Expenses increased \$14,100 (6%) from the prior year. This increase is primarily attributed to the general government, public safety and highways and streets functions. The increases in general government expenses are primarily attributed to increased personnel costs, employee benefits, and claims filed against the County. Public Safety expenses increased due to the need for additional personnel costs to accommodate the jail expansion, overtime, and professional services necessary to meet the needs of the County. Highways and streets expenses increased as a result of the construction and acquisition of several road and infrastructure projects.

Business-type activities. Business-type activities increased the County's net assets by \$2,725.

PINAL COUNTY
Management's Discussion and Analysis

- Charges for services increased \$8,149 (14%), mainly due to an overall increase in charges for services in the Long Term Care Fund, which were primarily a result of the higher population eligible for benefits in Pinal County.
- Expenses increased \$6,057 (10%) from the prior year. This increase is primarily attributed to the increased spending in the Long Term Care Fund as a result of a higher population eligible for benefits and increased medical costs.

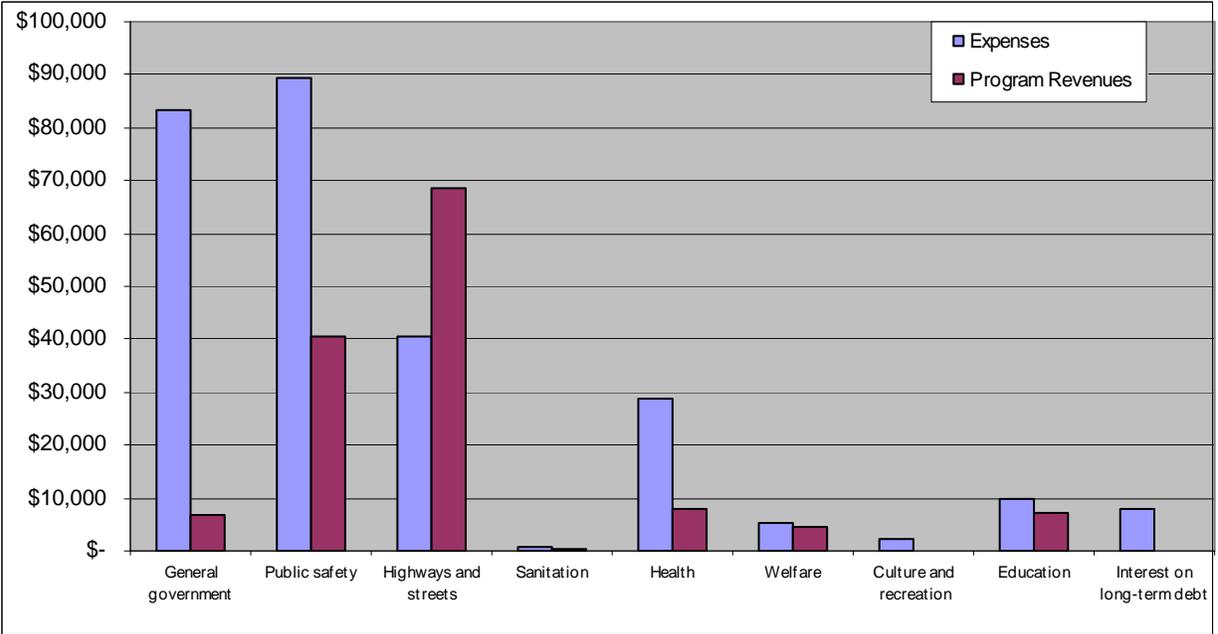
The following table summarizes the changes in net assets for governmental and business-type activities. Information on the Net Assets restatement can be found in Note 2 on page 35 of this report.

Condensed Statement of Activities
Years Ended June 30, 2009 and 2008

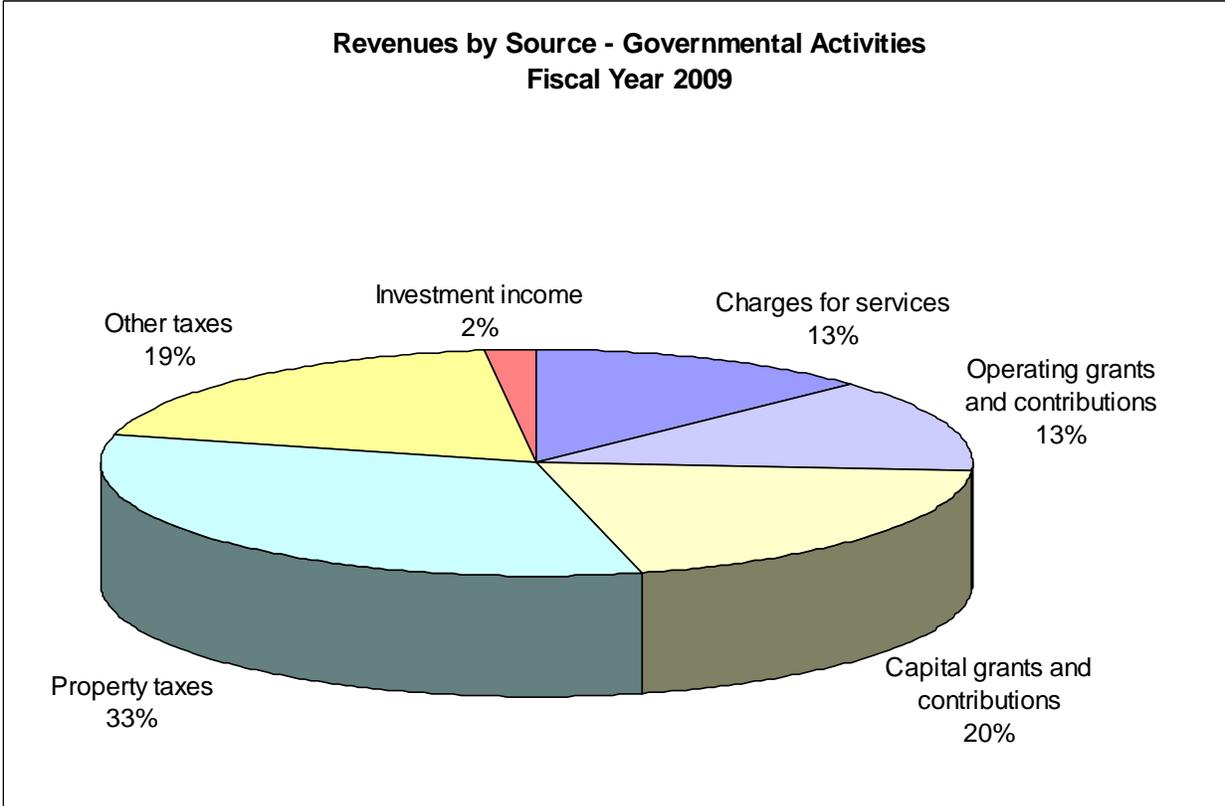
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues:						
Charges for services	\$ 37,706	\$ 44,806	\$ 68,076	\$ 59,927	\$ 105,782	\$ 104,733
Operating grants and contributions	39,364	36,359	35	91	39,399	36,450
Capital grants and contributions	58,738	40,345	8	-	58,746	40,345
General revenues:						
Property taxes	96,842	84,915	-	-	96,842	84,915
Other taxes	55,603	63,240	-	-	55,603	63,240
Investment earnings	4,178	6,584	358	514	4,536	7,098
Miscellaneous	2,120	1,307	564	561	2,684	1,868
Total revenues	294,551	277,556	69,041	61,093	363,592	338,649
Expenses						
General government	83,213	77,216	-	-	83,213	77,216
Public safety	89,530	83,808	-	-	89,530	83,808
Highways and streets	40,651	36,697	-	-	40,651	36,697
Sanitation	693	927	-	-	693	927
Health	28,741	30,530	-	-	28,741	30,530
Welfare	5,218	5,576	-	-	5,218	5,576
Culture and recreation	2,189	1,354	-	-	2,189	1,354
Education	9,901	10,371	-	-	9,901	10,371
Interest on long-term debt	8,065	7,622	-	-	8,065	7,622
Sheriff Inmate Services	-	-	408	311	408	311
Home Health	-	-	5,309	4,578	5,309	4,578
Long Term Care	-	-	58,721	53,090	58,721	53,090
Adult Day Care	-	-	-	153	-	153
Fairgrounds	-	-	643	892	643	892
Total expenses	268,201	254,101	65,081	59,024	333,282	313,125
Increase in net assets before transfers	26,350	23,455	3,960	2,069	30,310	25,524
Transfers	1,235	348	(1,235)	(348)	-	-
Change in net assets	27,585	23,803	2,725	1,721	30,310	25,524
Net assets - beginning, as restated	378,461	354,658	8,347	6,626	386,808	361,284
Net assets - ending	\$ 406,046	\$ 378,461	\$ 11,072	\$ 8,347	\$ 417,118	\$ 386,808

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

**Expenses and Program Revenues – Governmental Activities
Fiscal Year 2009**

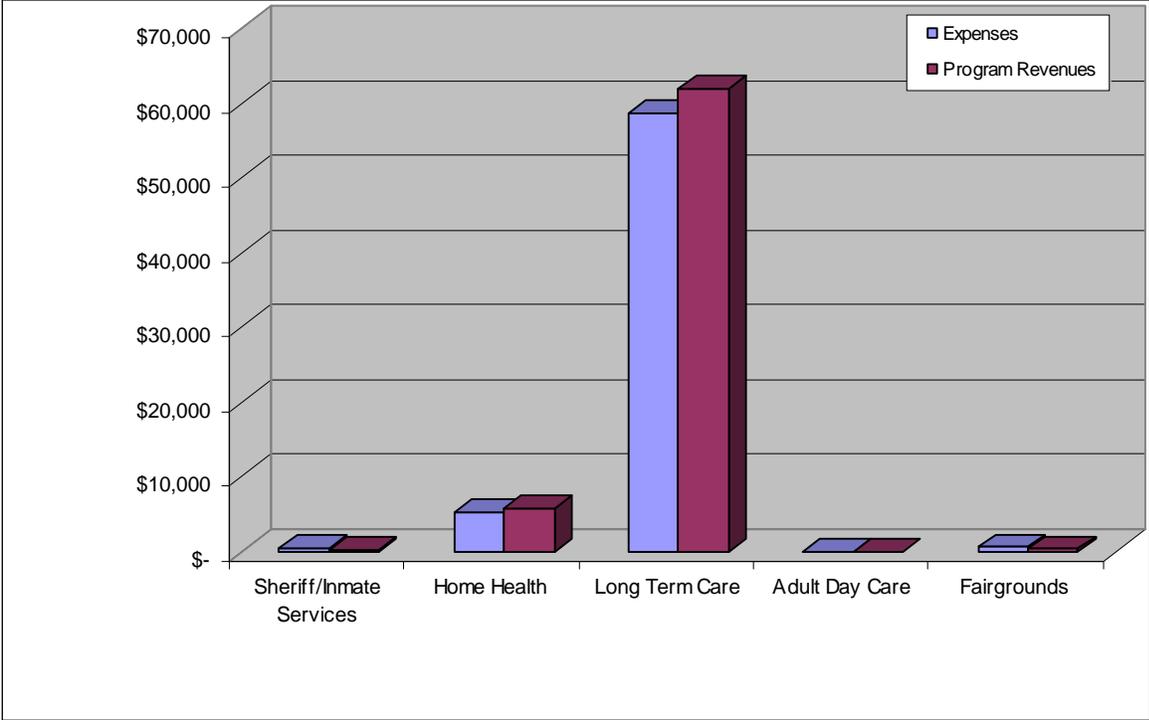


**Revenues by Source - Governmental Activities
Fiscal Year 2009**

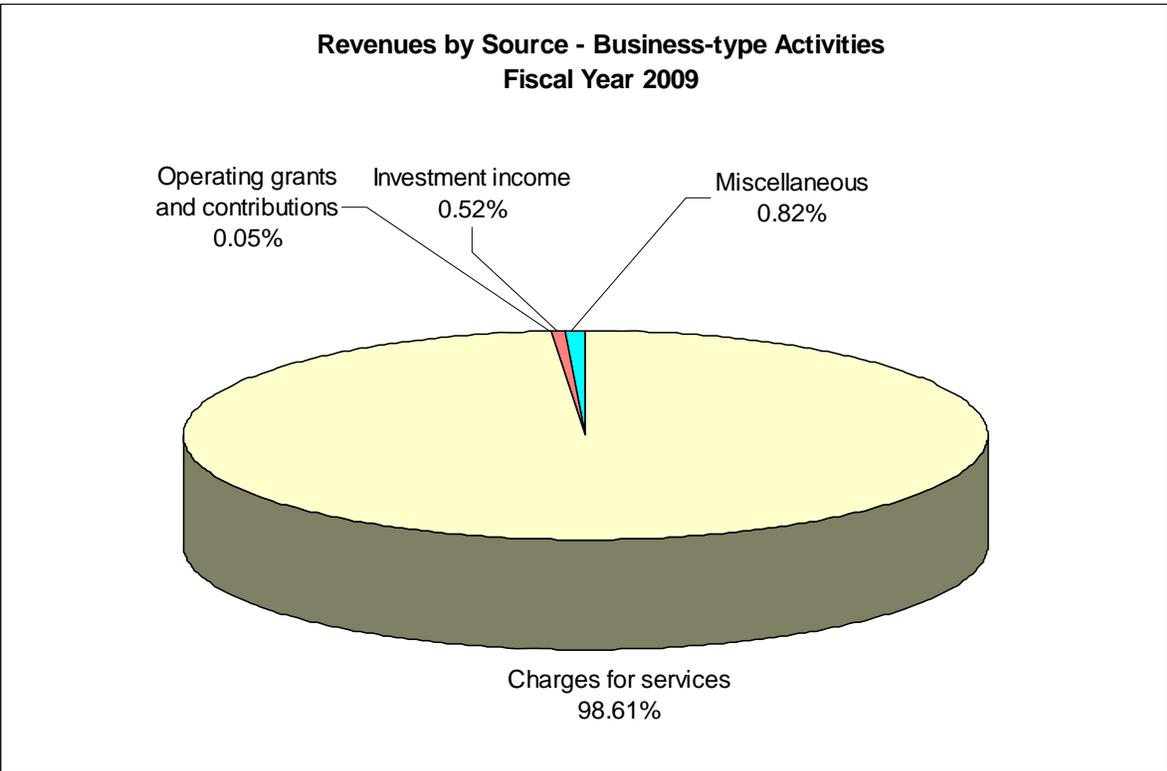


**PINAL COUNTY
Management's Discussion and Analysis**

**Expenses and Program Revenues – Business-type Activities
Fiscal Year 2009**



**Revenues by Source - Business-type Activities
Fiscal Year 2009**



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, *unreserved 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, 2009, the County's governmental funds reported combined fund balances of \$140,516, an increase of \$2,265 in comparison with the prior year. Approximately 99.5% of the combined fund balances, \$139,855 constitutes *unreserved fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to reflect inventories and prepaid items that do not represent available spendable resources (\$661).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$36,260 while total fund balance reached \$36,705. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 23% of total General Fund expenditures, while total fund balance represents 23.3% of that same amount.

The fund balance of the County's General Fund decreased during the fiscal year by \$5,780. A key factor in the reduction to the fund balance is the increased expenditures in the public safety function necessary to service and support the County's increased population.

The Road Tax Districts Fund balance decreased during the fiscal year by \$6,418. The decrease is primarily related to expenditures for the construction of the Thornton Road and Edwin Road improvement project. An additional factor that contributed to the decrease was an operating transfer-out for the construction of the Kelvin Bridge project.

The Development Impact Fee Fund balance decreased during the fiscal year by \$5,303. This reduction is due to operating transfers-out which were primarily used for debt service payments of the County's Greater Arizona Development Authority 2006 loan.

Revenues for governmental funds totaled \$252,484 in fiscal year 2009, which represents a decrease of 3% from fiscal year 2008.

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

Revenues by Source	FY 2009		FY 2008		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes	\$ 118,505	46.94%	\$ 109,442	41.91%	\$ 9,063	8.28%
Licenses and permits	3,732	1.48%	5,796	2.22%	(2,064)	(35.61%)
Intergovernmental	92,656	36.70%	92,114	35.27%	542	(.59%)
Charges for services	26,538	10.51%	35,285	13.51%	(8,747)	(24.79%)
Fines and forfeits	3,263	1.29%	3,464	1.33%	(201)	(5.80%)
Investment earnings	4,178	1.65%	6,584	2.52%	(2,406)	(36.54%)
Contributions	1,378	0.55%	2,608	1.00%	(1,230)	(47.16%)
Rentals	919	0.36%	791	0.31%	128	16.18%
Miscellaneous	1,315	0.52%	5,048	1.93%	(3,733)	(73.95%)
Total	\$ 252,484	100.00%	\$ 261,132	100.00%	\$ (8,648)	(3.31%)

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

- Taxes – the increase of \$9,063 was primarily due to an increase in property tax revenue levied as primary net assessed values increased by 29.6% from the previous year.
- Licenses and permits – the decrease of \$2,064 is primarily due to a decrease in the number of building permits issued and highway/right of way permits issued.
- Charges for services – the decrease of \$8,747 was primarily due to a decrease in revenues associated with the Development Impact Fee and planning and building fees. While general government revenue for charges for services decreased, the revenue associated with the Immigration and Customs Enforcement (ICE) fee increased by \$1,918.
- Investment earnings – the decrease of \$2,406 was primarily due to lower investment returns as a result of the reduction of available resources for investment activities and market conditions.
- Contributions – the decrease in contributions of \$1,230 is primarily due to the reduction in contributions for construction and acquisition of road projects including the Ironwood/Gantzel Road project.
- Miscellaneous – the decrease of \$3,733 is primarily attributed to the one-time refund received from the State of Arizona in fiscal year 2008 for a prior year payment of a right-of-way used for the Ironwood/Gantzel Road project.

PINAL COUNTY
Management's Discussion and Analysis

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

Governmental Funds
Expenditures Classified by Function

Expenditures by Function	FY 2009		FY 2008		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
General government	\$ 72,299	26.75%	\$ 72,961	26.46%	\$ (662)	(0.91%)
Public safety	88,073	32.58%	82,323	29.85%	5,750	6.98%
Highways and streets	37,498	13.87%	36,259	13.15%	1,239	3.42%
Sanitation	679	0.25%	901	0.33%	(222)	(24.64%)
Health	28,567	10.57%	30,472	11.05%	(1,905)	(6.25%)
Welfare	5,396	2.00%	5,960	2.16%	(564)	(9.46%)
Culture and recreation	2,220	0.82%	1,397	0.51%	823	58.91%
Education	9,901	3.66%	10,371	3.76%	(470)	(4.53%)
Capital outlay	4,006	1.48%	19,760	7.17%	(15,754)	(79.73%)
Debt Service:						
Principal retirement	13,664	5.06%	7,620	2.76%	6,044	79.32%
Interest	7,825	2.89%	7,633	2.77%	192	2.52%
Cost of issuance	176	0.07%	86	0.03%	90	95.56%
Miscellaneous	10	0.00%	11	0.00%	(1)	(9.09%)
Total	\$ 270,314	100.00%	\$ 275,754	100.00%	\$ (5,440)	(1.97%)

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

- Public safety – expenditures for Public safety increased due to the need for additional personnel to accommodate the jail expansion and professional services necessary to meet the needs of the County.
- Health – expenditures for Health decreased primarily due to a reduction in salaries and wages and supplies attributed to the loss of grant funding and budget reductions related to the current economic conditions.
- Capital outlay – Capital outlay expenditures decreased by 80% primarily due to the Ironwood/Gantzel Road project reaching completion with the current funding sources.
- Debt service – Principal retirement expenditures increased primarily due to additional debt service payments, due on May 15, for the Series 2006 Greater Arizona Development Authority (GADA) loan, the final payment on the 1998 Certificates of Participation and payments for new capital leases.

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 \$2,846 and unrestricted net assets totaled \$4,609. Unrestricted net assets for the other nonmajor enterprise funds (Sheriff Inmate

PINAL COUNTY
Management's Discussion and Analysis

Services, Home Health, Fairgrounds, and Adult Day Care) totaled \$1,394. 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:

	Major Fund	Nonmajor Funds				Total
	Long-Term Care	Sheriff Inmate Services	Home Health	Fairgrounds	Adult Day Care	
Operating revenues	\$ 62,018	\$ 524	\$ 5,779	\$ 327	\$ -	\$ 68,648
Operating expenses	57,358	408	5,303	643		63,712
Operating income (loss)	4,660	116	476	(316)		4,936
Nonoperating revenues (expenses), net	(1,032)	20	1	35	-	(976)
Net income (loss) before transfers	3,628	136	477	(281)		3,960
Transfers and Capital contributions, net	(1,580)	(15)	238	498	(376)	(1,235)
Change in net assets	<u>\$ 2,048</u>	<u>\$ 121</u>	<u>\$ 715</u>	<u>\$ 217</u>	<u>\$ (376)</u>	<u>\$ 2,725</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues were less than the final budget by \$6,088 or 4%, due to the following reasons:

- Tax revenues from property taxes levied and the general county sales tax increased compared to the prior year. However, due to the contraction of the economy in the County, tax revenues did not meet expectations.
- Licenses and permits revenue did not meet the budgeted amounts primarily due to the continuing decrease in planning and building permits issued, in line with the nationwide contraction of the real estate and development markets.
- Intergovernmental revenue did not meet the budgeted amounts primarily due to the reduction in state shared revenues received, which was the result of the forecasted decline in retail sales.
- Charges for services exceeded expectations primarily because the number of inmates housed by Pinal County for the Immigration and Customs Enforcement (ICE) increased, resulting in higher than expected ICE fee revenues.

General Fund expenditures were less than the budget by \$40,352 or 20%, due to the following reasons:

- In anticipation of the revenue shortfall, a hiring freeze imposed in the previous fiscal year was continued. In addition, the County reduced general fund department budgets by 2%. These savings were partially offset by a small number of one-time lump sum payouts, as the County offered a retirement incentive plan to employees eligible for retirement.
- The Assistant County Manager-Admin spent \$36,904 less than budgeted in the general government function primarily due to unspent "Rainy Day" funds and vacancy savings in employee benefits as a result of turnover, unfilled positions, and the hiring freeze.

PINAL COUNTY
Management's Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The County's capital assets for its governmental and business-type activities as of June 30, 2009, amounted to \$449,803 (net of accumulated depreciation). This investment in capital assets includes land and easements, infrastructure, buildings and improvements, machinery and equipment, and construction in progress. The total increase in the County's capital assets for the current fiscal year was 8% (a 9% increase for governmental activities and a 6% decrease for business-type activities).

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

Governmental activities:

- Construction in progress increased \$593 primarily due to renovation of the Print Shop and the Animal Care facility expansion.
- Donations of capital assets of \$39,716, which included roads and easements, produced an increase to the County's land and infrastructure capital assets.
- The balances for governmental activities capital assets were restated for fiscal year 2008 to correct prior period errors for the Department of Housing. Additional information on this restatement can be found in Note 2 on page 35 of this report.

Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2009	(as restated) 2008	2009	2008	2009	(as restated) 2008
Land	\$ 130,002	\$ 95,482	\$ -	\$ -	\$130,002	\$ 95,482
Buildings and improvements	112,387	111,542	4,177	4,346	116,564	115,888
Machinery and equipment	19,754	20,357	853	992	20,607	21,349
Infrastructure	157,393	157,657	-	-	157,393	157,657
Construction in progress	25,237	24,644	-	-	25,237	24,644
Total	\$ 444,773	\$ 409,682	\$5,030	\$5,338	\$449,803	\$415,020

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 5 on pages 39-40 of this report.

Long-term Debt. At the end of the current fiscal year, the County had total long-term debt outstanding of \$177,076 for governmental activities as compared to \$169,729 in the prior year. This amount was comprised of \$12,624 of capital leases; \$88,200 of certificates of participation, including unamortized premium; and \$76,252 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.

PINAL COUNTY
Management's Discussion and Analysis

For the current fiscal year business-type activities, the County has long-term debt outstanding of \$141 of capital leases and \$2,800 for the long-term care building expansion project.

	Outstanding Debt		Percentage Change
	2009	2008	
Governmental Activities			
Loans payable	\$ 76,252	\$ 66,311	14.99%
Certificates of participation	88,200	94,013	(6.18%)
Obligations under capital leases	12,624	9,405	34.23%
Total	<u>\$ 177,076</u>	<u>\$ 169,729</u>	
Business-type Activities			
Loans payable	\$ 2,800	\$ 2,800	0%
Obligations under capital leases	141	171	(17.54%)
Total	<u>\$ 2,941</u>	<u>\$ 2,971</u>	

Additional information on the County's long-term debt can be found in Note 7 on pages 41-45 of this report.

Economic Factors and Next Year's Budgets

- The current 2009, seasonally adjusted, unemployment rate for the State of Arizona as of November is 8.9%.¹ Historically Arizona has been first, second, or third in terms of employment growth; so far in 2009 it is 30th.¹ The average unemployment rate for Pinal County as of November is 11.0%. Significant job losses occurred across all fields and industries, reflecting the declining 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 fourth in residential foreclosures. As a result we expect property tax receivables to remain higher than in previous years. Also, we expect revenues from permits to remain depressed in the near future, as new construction is at a minimum.
- Rising medical costs continue to affect the County's available resources. The County's medical insurance costs increased by 4% in fiscal year 2009, while claims paid and prescription costs increased by 20% compared to the prior year.
- Short-falls in State and Local Sales Tax continue to be a contributing factor in Arizona's economic recession. The County has projected a potential short-fall of General Fund revenues from State and Local Sales Tax of \$3.8 - \$5.6 million in fiscal year 2010.

All of these factors were considered in preparing the County's budget for the fiscal year 2010. Budget preparation for fiscal year 2010 was extremely conservative. The adopted fiscal year 2010 budget is \$400,217 (down 10% from fiscal year 2009), including a \$372,394 operating budget (a decrease of 6% from fiscal year 2009) and a \$9,431 capital outlay budget (a decrease of 71% from fiscal year 2009). The fiscal year 2010 budget includes contingency appropriation to cover emergency expenses or revenue shortages.

In fiscal year 2009, the Board of Supervisors reduced the primary tax rate by 20 cents. Although the County approved a rate reduction, increased assessed valuations are expected to provide \$8.5 million in new property tax revenue for the General Fund in fiscal year 2010.

¹ United States Bureau of Labor Statistics, monthly rankings of unemployment for states.

² <http://www.workforce.az.gov>

PINAL COUNTY
Management's Discussion and Analysis

The County continues to monitor the local, state and national economy in order to identify opportunities and threats to budgeted revenues. Slow growth in the residential home market and retail sales across the nation resulted in less sales tax revenue, both County and State-Shared. To balance the fiscal year 2009 budget, the hiring freeze in effect in the prior fiscal year has been extended and 8% budget reductions from most County departments were implemented at the beginning of fiscal year 2010.

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, 2009

(Amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash, cash equivalents and investments	\$ 138,020	\$ 12,029	\$ 150,049
Cash and investments held by trustees	5,001	-	5,001
Receivables (net):			
Property taxes	7,086	-	7,086
Accounts	1,173	2,264	3,437
Internal balances	126	(126)	-
Due from other governments	17,774	-	17,774
Inventories	29	-	29
Prepaid items	632	12	644
Restricted assets:			
Cash and cash equivalents	533	1,156	1,689
Capital assets:			
Nondepreciable	155,239	-	155,239
Depreciable (net)	289,534	5,030	294,564
Total assets	<u>615,147</u>	<u>20,365</u>	<u>635,512</u>
Liabilities			
Accounts payable	6,907	363	7,270
Accrued payroll and employee benefits	1,685	78	1,763
Retainage payable	91	-	91
Claims payable	1,698	5,714	7,412
Due to other governments	59	-	59
Deposits held for others	2,081	44	2,125
Interest payable	1,993	-	1,993
Noncurrent liabilities:			
Due within one year	18,930	303	19,233
Due beyond one year	175,657	2,791	178,448
Total liabilities	<u>209,101</u>	<u>9,293</u>	<u>218,394</u>
Net Assets			
Invested in capital assets, net of related debt	267,697	2,223	269,920
Restricted for:			
Public safety	22,977	-	22,977
Highways and streets	59,447	-	59,447
Health	5,195	2,846	8,041
Culture and recreation	3,252	-	3,252
Education	3,633	-	3,633
Debt service	7,525	-	7,525
Other purposes	6,257	-	6,257
Unrestricted	30,063	6,003	36,066
Total net assets	<u>\$ 406,046</u>	<u>\$ 11,072</u>	<u>\$ 417,118</u>

PINAL COUNTY
Statement of Activities
Year Ended June 30, 2009
(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	\$ 83,213	\$ 5,844	\$ 682	\$ 112	\$ (76,575)	\$ -	\$ (76,575)
Public safety	89,530	22,649	17,382	388	(49,111)	-	(49,111)
Highways and streets	40,651	5,909	4,519	58,004	27,781	-	27,781
Sanitation	693	3	363	-	(327)	-	(327)
Health	28,741	2,231	5,775	-	(20,735)	-	(20,735)
Welfare	5,218	553	3,670	234	(761)	-	(761)
Culture and recreation	2,189	128	23	-	(2,038)	-	(2,038)
Education	9,901	389	6,950	-	(2,562)	-	(2,562)
Interest on long-term debt	8,065	-	-	-	(8,065)	-	(8,065)
Total governmental activities	<u>268,201</u>	<u>37,706</u>	<u>39,364</u>	<u>58,738</u>	<u>(132,393)</u>	<u>-</u>	<u>(132,393)</u>
Business-type activities							
Long Term Care	58,721	61,971	-	-	-	3,250	3,250
Sheriff Inmate Services	408	-	-	-	-	(408)	(408)
Home Health	5,309	5,778	-	8	-	477	477
Fairgrounds	643	327	35	-	-	(281)	(281)
Total business-type activities	<u>65,081</u>	<u>68,076</u>	<u>35</u>	<u>8</u>	<u>-</u>	<u>3,038</u>	<u>3,038</u>
Total primary government	<u>\$ 333,282</u>	<u>\$ 105,782</u>	<u>\$ 39,399</u>	<u>\$ 58,746</u>	<u>(132,393)</u>	<u>3,038</u>	<u>(129,355)</u>

General revenues:

Taxes:			
Property taxes, levied for general purposes	85,514	-	85,514
Property taxes, levied for educational purposes	3,219	-	3,219
Property taxes, levied for debt service	1	-	1
Property taxes, levied for flood control	4,723	-	4,723
Property taxes, levied for library district	3,385	-	3,385
Transaction privilege taxes, levied for health district	2,823	-	2,823
General county sales tax	14,103	-	14,103
Road improvement tax	5,220	-	5,220
Share of state sales taxes	20,496	-	20,496
Unrestricted share of vehicle license tax	8,425	-	8,425
Payments in lieu of taxes	3,751	-	3,751
Franchise taxes	785	-	785
Unrestricted share of state lottery	431	-	431
Investment earnings	4,178	358	4,536
Miscellaneous	1,315	572	1,887
Gain (loss) on disposal of capital assets	374	(8)	366
Transfers	1,235	(1,235)	-
Total general revenues and transfers	<u>159,978</u>	<u>(313)</u>	<u>159,665</u>
Changes in net assets	27,585	2,725	30,310
Net assets - beginning, as restated	378,461	8,347	386,808
Net assets - ending	<u>\$ 406,046</u>	<u>\$ 11,072</u>	<u>\$ 417,118</u>

PINAL COUNTY
Balance Sheet
Governmental Funds
June 30, 2009

(Amounts expressed in thousands)

	Major Funds				Total
	General Fund	Road Tax Districts Fund	Development Impact Fee Fund	Other Governmental Funds	
Assets					
Cash, cash equivalents and investments	\$ 27,815	\$ 14,779	\$ 17,453	\$ 69,642	\$ 129,689
Cash and investments held by trustees	-	-	-	5,001	5,001
Receivables (net of allowances for uncollectibles):					
Property taxes	6,263	-	-	823	7,086
Accounts	642	55	52	424	1,173
Due from other funds	937	-	17	4,430	5,384
Due from other governments	9,691	814	-	7,269	17,774
Inventories	-	-	-	29	29
Prepaid items	445	78	-	109	632
Restricted assets:					
Cash and cash equivalents	-	-	-	533	533
Total assets	<u>\$ 45,793</u>	<u>\$ 15,726</u>	<u>\$ 17,522</u>	<u>\$ 88,260</u>	<u>\$ 167,301</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 2,320	\$ 475	\$ 10	\$ 3,973	\$ 6,778
Accrued payroll and employee benefits	1,222	-	-	463	1,685
Retainage payable	-	47	-	44	91
Due to other funds	384	75	3,713	1,086	5,258
Due to other governments	-	-	-	59	59
Deposits held for others	182	-	1,525	374	2,081
Loans payable	-	-	-	2,335	2,335
Interest payable	-	-	-	1,378	1,378
Deferred revenue	4,980	-	-	2,140	7,120
Total liabilities	<u>9,088</u>	<u>597</u>	<u>5,248</u>	<u>11,852</u>	<u>26,785</u>
Fund Balances:					
Reserved for:					
Inventories	-	-	-	29	29
Prepaid items	445	78	-	109	632
Unreserved, reported in:					
General fund	36,260	-	-	-	36,260
Special revenue funds	-	15,051	12,274	52,995	80,320
Capital projects funds	-	-	-	18,085	18,085
Debt service funds	-	-	-	5,190	5,190
Total fund balances	<u>36,705</u>	<u>15,129</u>	<u>12,274</u>	<u>76,408</u>	<u>140,516</u>
Total liabilities and fund balances	<u>\$ 45,793</u>	<u>\$ 15,726</u>	<u>\$ 17,522</u>	<u>\$ 88,260</u>	<u>\$ 167,301</u>

PINAL COUNTY
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2009

(Amounts expressed in thousands)

Total fund balances - governmental funds (page 19) \$ 140,516

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 \$571,070 and the accumulated depreciation is \$126,297. 444,773

Some receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 7,120

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. 6,504

Some interest payable on long-term debt is not reported in the governmental funds because it is not due and payable. (615)

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

Loans payable	\$ (72,470)	
Premium on loans	(1,447)	
Certificates of participation	(87,035)	
Premium on certificates of participation	(1,165)	
Obligations under capital leases	(12,624)	
Compensated absences	(15,309)	
Estimated liabilities for claims and judgments	(2,202)	<u>(192,252)</u>

Net assets of governmental activities (page 17) \$ 406,046

PINAL COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Major Funds				Total
	General Fund	Road Tax Districts Fund	Development Impact Fee Fund	Other Governmental Funds	
Revenues					
Taxes	\$ 98,351	\$ 5,220	\$ -	\$ 14,934	\$ 118,505
Licenses and permits	1,757	-	-	1,975	3,732
Intergovernmental	33,686	252	4,055	54,663	92,656
Charges for services	19,056	1,616	-	5,866	26,538
Fines and forfeits	1,894	-	-	1,369	3,263
Investment earnings	2,196	461	397	1,124	4,178
Contributions	-	-	-	1,378	1,378
Rentals	56	-	-	863	919
Miscellaneous	566	56	-	693	1,315
Total revenues	<u>157,562</u>	<u>7,605</u>	<u>4,452</u>	<u>82,865</u>	<u>252,484</u>
Expenditures					
Current:					
General government	70,721	-	-	1,578	72,299
Public safety	66,882	-	40	21,151	88,073
Highways and streets	-	9,778	64	27,656	37,498
Sanitation	361	-	-	318	679
Health	17,952	-	-	10,615	28,567
Welfare	817	-	-	4,579	5,396
Culture and recreation	232	-	30	1,958	2,220
Education	749	-	-	9,152	9,901
Debt service:					
Principal retirement	10	500	-	13,154	13,664
Interest	1	45	-	7,779	7,825
Costs of issuance	176	-	-	-	176
Miscellaneous	-	-	-	10	10
Capital outlay	-	-	-	4,006	4,006
Total expenditures	<u>157,901</u>	<u>10,323</u>	<u>134</u>	<u>101,956</u>	<u>270,314</u>
Excess (deficiency) of revenues over expenditures	<u>(339)</u>	<u>(2,718)</u>	<u>4,318</u>	<u>(19,091)</u>	<u>(17,830)</u>
Other financing sources (uses):					
Transfers in	4,011	-	17	28,305	32,333
Transfers out	(12,752)	(3,700)	(9,638)	(5,021)	(31,111)
Proceeds from sale of capital assets	72	-	-	302	374
Capital lease agreements	2,107	-	-	3,976	6,083
Loan proceeds	1,179	-	-	11,616	12,795
Insurance reimbursement	121	-	-	-	121
Premium on new loan	39	-	-	-	39
Total other financing sources (uses)	<u>(5,223)</u>	<u>(3,700)</u>	<u>(9,621)</u>	<u>39,178</u>	<u>20,634</u>
Net change in fund balances	(5,562)	(6,418)	(5,303)	20,087	2,804
Fund balances - beginning, as restated	42,485	21,547	17,577	56,616	138,225
Change in reserve for inventories	(218)	-	-	(295)	(513)
Fund balances - ending	<u>\$ 36,705</u>	<u>\$ 15,129</u>	<u>\$ 12,274</u>	<u>\$ 76,408</u>	<u>\$ 140,516</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, 2009
(Amounts expressed in thousands)

Net change in fund balances - total governmental funds (page 21) \$ 2,804

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.	\$ 19,758	
Less: current year depreciation	(18,933)	825

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	374	
Insurance reimbursement for capital assets	(121)	
Proceeds from the sale of capital assets	(374)	(121)

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	39,716	
Capital assets transferred from business-type activities, net	13	
Grant contributions	1,492	
Property taxes	485	41,706

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	(3,749)	
Change in estimated liabilities for claims and judgments	(1,630)	
Change in reservation of inventory balances	(513)	
Amortization of COPS premium	93	
Amortization of loan premium	148	
Accrued interest	(240)	
Annexation of infrastructure by other governmental entities	(5,342)	(11,233)

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.

Capital lease financing	(6,083)	
Principal repayments and accruals:		
Certificates of participation	5,720	
Loans payable	5,080	
Obligations under capital leases	2,864	7,581

The governmental funds report loans issued as an other financing source, instead of increases to the long-term liabilities in the Statement of Net Assets. Also, governmental funds report the effect of premiums, discounts, and similar items when first issued, whereas these amounts are deferred and amortized in the Statement of Activities. (12,834)

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. (1,143)

Change in net assets of governmental activities (page 18) **\$ 27,585**

PINAL COUNTY
Statement of Net Assets
Proprietary Funds
June 30, 2009

(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	\$ 10,433	\$ 1,596	\$ 12,029	\$ 8,331
Receivables (net):				
Accounts	1,840	424	2,264	-
Due from other funds	-	35	35	-
Prepaid items	12	-	12	-
Total current assets	<u>12,285</u>	<u>2,055</u>	<u>14,340</u>	<u>8,331</u>
Noncurrent assets:				
Restricted cash and cash equivalents	1,156	-	1,156	-
Capital assets:				
Buildings and improvements	4,699	376	5,075	-
Machinery and equipment	1,639	375	2,014	-
Less accumulated depreciation	<u>(1,373)</u>	<u>(686)</u>	<u>(2,059)</u>	<u>-</u>
Net capital assets	<u>4,965</u>	<u>65</u>	<u>5,030</u>	<u>-</u>
Total noncurrent assets	<u>6,121</u>	<u>65</u>	<u>6,186</u>	<u>-</u>
Total assets	<u>18,406</u>	<u>2,120</u>	<u>20,526</u>	<u>8,331</u>
Liabilities				
Current liabilities:				
Accounts payable	272	91	363	129
Accrued payroll and employee benefits	-	78	78	-
Claims payable	5,714	-	5,714	1,698
Due to other funds	-	161	161	-
Deposits held for others	-	44	44	-
Loans payable	208	-	208	-
Total current liabilities	<u>6,194</u>	<u>374</u>	<u>6,568</u>	<u>1,827</u>
Noncurrent liabilities:				
Loans payable	2,592	-	2,592	-
Obligations under capital leases	-	141	141	-
Compensated absences	-	153	153	-
Total noncurrent liabilities	<u>2,592</u>	<u>294</u>	<u>2,886</u>	<u>-</u>
Total liabilities	<u>8,786</u>	<u>668</u>	<u>9,454</u>	<u>1,827</u>
Net Assets				
Invested in capital assets, net of related debt	2,165	58	2,223	-
Restricted for health	2,846	-	2,846	-
Unrestricted	4,609	1,394	6,003	6,504
Total net assets	<u>\$ 9,620</u>	<u>\$ 1,452</u>	<u>\$ 11,072</u>	<u>\$ 6,504</u>

PINAL COUNTY
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2009
(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	\$ 61,971	\$ 6,105	\$ 68,076	\$ 15,541
Miscellaneous	47	525	572	-
Total operating revenues	<u>62,018</u>	<u>6,630</u>	<u>68,648</u>	<u>15,541</u>
Operating expenses				
Long-term health care	51,169	-	51,169	-
Claims	-	-	-	15,053
Personal services	5,069	5,284	10,353	-
Supplies	71	263	334	-
Depreciation	397	46	443	-
Insurance	10	63	73	908
Repairs and maintenance	30	99	129	-
Communication	71	38	109	-
Professional services	467	362	829	944
Public utility service	8	67	75	-
Miscellaneous	66	132	198	-
Total operating expenses	<u>57,358</u>	<u>6,354</u>	<u>63,712</u>	<u>16,905</u>
Operating income (loss)	<u>4,660</u>	<u>276</u>	<u>4,936</u>	<u>(1,364)</u>
Nonoperating revenues (expenses)				
Intergovernmental	-	35	35	-
Investment earnings	331	27	358	221
Interest expense	(141)	(6)	(147)	-
Premium tax	(1,222)	-	(1,222)	-
Loss on disposal of capital assets	-	(8)	(8)	-
Total nonoperating revenues (expenses)	<u>(1,032)</u>	<u>48</u>	<u>(984)</u>	<u>221</u>
Net income (loss) before contributions and transfers	3,628	324	3,952	(1,143)
Capital contributions	-	8	8	-
Transfers in	-	739	739	-
Transfers out	<u>(1,580)</u>	<u>(394)</u>	<u>(1,974)</u>	<u>-</u>
Changes in net assets	2,048	677	2,725	(1,143)
Net assets - beginning	<u>7,572</u>	<u>775</u>	<u>8,347</u>	<u>7,647</u>
Net assets - ending	<u>\$ 9,620</u>	<u>\$ 1,452</u>	<u>\$ 11,072</u>	<u>\$ 6,504</u>

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2009
(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	\$ 61,210	\$ 6,210	\$ 67,420	\$ -
Receipts from employee contributions	-	-	-	15,541
Other receipts from operations	47	(5)	42	-
Payments to suppliers	(52,296)	(974)	(53,270)	(1,860)
Payments to employees	(4,850)	(5,425)	(10,275)	-
Payments for claims	-	-	-	(14,866)
Net cash provided by (used for) operating activities	<u>4,111</u>	<u>(194)</u>	<u>3,917</u>	<u>(1,185)</u>
Cash flows from noncapital financing activities				
Receipts from federal and local agencies	-	35	35	-
Cash transfers from other funds	-	731	731	-
Cash transfers to other funds	(1,580)	(381)	(1,961)	-
Advances from other funds	-	151	151	-
Payments of advances received from other funds	-	(317)	(317)	-
Premium tax payments	(1,222)	-	(1,222)	-
Net cash provided by (used for) noncapital financing activities	<u>(2,802)</u>	<u>219</u>	<u>(2,583)</u>	<u>-</u>
Cash flows from capital and related financing activities				
Payments for capital leases	-	(30)	(30)	-
Purchases of capital assets	(127)	(18)	(145)	-
Interest paid on capital leases	(141)	(6)	(147)	-
Net cash used for capital and related financing activities	<u>(268)</u>	<u>(54)</u>	<u>(322)</u>	<u>-</u>
Cash flows from investing activities				
Investment earnings received	<u>331</u>	<u>27</u>	<u>358</u>	<u>221</u>
Net cash provided by investing activities	<u>331</u>	<u>27</u>	<u>358</u>	<u>221</u>
Net increase (decrease) in cash and cash equivalents	1,372	(2)	1,370	(964)
Cash and cash equivalents - beginning	<u>10,217</u>	<u>1,598</u>	<u>11,815</u>	<u>9,295</u>
Cash and cash equivalents - ending	<u>\$ 11,589</u>	<u>\$ 1,596</u>	<u>\$ 13,185</u>	<u>\$ 8,331</u>

(Continued)

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2009
(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)	\$ 4,660	\$ 276	\$ 4,936	\$ (1,364)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	397	46	443	-
Changes in assets and liabilities:				
Decrease (increase) in assets:				
Accounts receivable	(1,840)	(402)	(2,242)	-
Due from other funds	-	(25)	(25)	-
Due from other governments	1,079	-	1,079	-
Inventories	-	26	26	-
Prepaid items	76	-	76	-
Increase (decrease) in liabilities:				
Accounts payable	(270)	26	(244)	(8)
Accrued payroll and employee benefits	-	(130)	(130)	-
Claims payable	9	-	9	187
Compensated absences	-	(11)	(11)	-
Total adjustments and changes	<u>(549)</u>	<u>(470)</u>	<u>(1,019)</u>	<u>179</u>
Net cash provided by (used for) operating activities	<u>\$ 4,111</u>	<u>\$ (194)</u>	<u>\$ 3,917</u>	<u>\$ (1,185)</u>

Other Enterprise Funds transferred capital assets with a net book value of \$13 to the County's general government.

Capital assets with a net book value of \$8 were transferred between Other Enterprise Funds.

PINAL COUNTY
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

(Amounts expressed in thousands)

	Investment Trust Funds	Agency Funds
Assets		
Cash, cash equivalents and investments	\$ 216,236	\$ 4,158
Interest receivable	602	-
Total assets	216,838	\$ 4,158
Liabilities		
Deposits held for others	-	\$ 4,158
Total liabilities	-	\$ 4,158
Net Assets		
Held in trust for investment trust participants	\$ 216,838	

PINAL COUNTY
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Investment Trust Funds
Additions	
Contributions by participants	\$ 794,573
Investment earnings	9,212
Total additions	803,785
Deductions	
Distributions to participants	811,859
Total deductions	811,859
Change in net assets	(8,074)
Net assets - beginning	224,912
Net assets - ending	\$ 216,838

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

Note 1 - Summary of Significant Accounting Policies

The accounting policies of Pinal 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, 2009, the County implemented the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. GASB Statement No. 49 establishes standards for accounting and financial reporting, including note disclosure requirements, for pollution remediation obligations. The implementation of this Statement did not have a material effect on the County's financial statements.

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 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:

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
Pinal County Flood Control District	A tax-levying district that provides flood control systems; County Board of Supervisors serves as board of directors	Blended	Not available
Pinal County Library District	Provides and maintains library services for County's residents; County 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; County Board of Supervisors serves as board of directors	Blended	Not available

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009

(Amounts expressed in thousands)

<u>Component Unit</u>	<u>Description; Criteria for Inclusion</u>	<u>Reporting Method</u>	<u>For Separate Financial Statements</u>
Desert Vista Sanitary District	Operates and maintains sanitation services in areas outside local city jurisdictions; County Board of Supervisors serves as board of directors	Blended	Not available
Queen Creek Domestic Water Improvement District	Formed to construct a domestic water system; County 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
Maricopa Road Public Improvement Corporation	Formed to finance completion of improvements to Maricopa Road	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; County Board of Supervisors serves as board of directors	Blended	Not available

The Pinal County Municipal Property Corporation, the Central Arizona Public Facility Corporation, and the Maricopa Road Public Improvement Corporation were formed to finance various construction projects including the new Superior Court facility and Sheriff's Administration facility. Because the County 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.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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.

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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.

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 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 and various local governments, and for property taxes collected and distributed to the State, cities, local school districts, community college districts, and special districts.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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, 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.

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.

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.

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

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 are offset by a fund balance reserve 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, 2009
(Amounts expressed in thousands)

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.

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	\$5	Straight line	10-40 years
Machinery & equipment	\$1	Straight line	3-21 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 is 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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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.

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.

Note 2 – Beginning Balances Restated

Net assets on the government-wide Statement of Activities as of July 1, 2008, have been restated. This prior period adjustment is the result of the correction of various errors in the Department of Housing's capital assets. Also, other various error adjustments have been made to the Department of Housing's fund balances as of July 1, 2008. This prior period adjustment is reported on the Statement of Revenues, Expenditures and Changes in Fund Balances for the Housing Grants Fund, a nonmajor governmental fund. The reconciliation below summarizes the changes.

	Governmental Activities	Other Governmental Funds*
Net assets/fund balances as of June 30, 2008, as previously reported	\$372,176	\$56,642
Land	142	-
Construction in progress	635	-
Capital assets, net of accumulated depreciation	5,534	-
Other various errors - Housing Grants Fund	(26)	(26)
	<hr/>	<hr/>
Net assets/fund balances as of July 1, 2008, as restated	<u>\$378,461</u>	<u>\$56,616</u>

*The fund balances for the Other Governmental Funds includes the Public Works Highway Fund, which was reported as a major governmental fund for the year ended June 30, 2008.

Note 3 – Stewardship, Compliance, and Accountability

After fiscal year end, the County determined that Greater Arizona Development Authority (GADA) 2006 loan debt service payments were being paid in January and July each fiscal year in accordance with invoices received from the Depository Trustee, rather than the maturity schedule in the loan agreement entered into by the County on April 1, 2006, with GADA. The loan agreement with GADA requires the County to pay principal and interest on November 15 and May 15 each fiscal year. This discrepancy on the dates payments were made did not result in any penalties to the County. The County has taken corrective action to ensure that all future payments are made on the scheduled due dates in accordance with the loan agreement. Also, the County recorded payables of \$3,713 in the Other Governmental Funds on the Balance Sheet for the May 15th payment outstanding at year-end.

Note 4 – 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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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 rated P1 by Moody's investors service or A1 or better by Standard and Poor's rating service.
2. Corporate bonds, debentures, and notes must be rated "A" or better by Moody's investors service or Standard and Poor's rating service.
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 demand deposits, certificates of deposit, and repurchase agreements 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 and that public operating fund monies invested in securities and deposits have a maximum maturity of 3 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, 2009, the carrying amount of the County's deposits was \$10,073 and the bank balance was \$22,171. It is the County's investment policy to collateralize all deposits by at least 101 percent of the deposits not covered by depository insurance.

At June 30, 2009, \$11 of the County's bank balance was exposed to custodial credit risk.

Investments—The County's investments at June 30, 2009, were as follows:

Investment Type	Amount
State Treasurer's investment pools	\$ 7,417
U.S. agency securities	288,029
Interest earning investment	10,000
Repurchase agreements (implicitly guaranteed)	61,558
Money market funds	20
	<u>\$367,024</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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, broker's/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, 2009, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
U.S. agency securities	Aaa	Moody's	\$243,035
U.S. agency securities	Unrated	Not applicable	44,994
Repurchase agreements (implicitly guaranteed)	Unrated	Not applicable	61,558
State Treasurer's investment pools	Unrated	Not applicable	7,417
Money market funds	Unrated	Not applicable	<u>20</u>
			<u>\$357,024</u>

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. At June 30, 2009, the County had \$61,558 of repurchase agreements (implicitly guaranteed), \$288,029 of U.S. agency securities, \$4,978 of investments with the State Treasurer, and \$20 of money market funds 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, 2009, of 5 percent or more in the Federal Fund Credit Banks, the Federal National Mortgage Association, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation. These investments were 6.5 percent, 24.1 percent, 32.5 percent, and 11.1 percent, respectively, of the County's total investments.

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, 2009, the County had the following investments in debt securities.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009

(Amounts expressed in thousands)

Investment Type	Investment Maturities		
	Amount	Less than 1 Year	1-5 Years
State Treasurer's investment pool	\$ 7,417	\$ 7,417	\$ -
U.S. agency securities	288,029	106,313	181,716
Repurchase agreements (implicitly guaranteed)	61,558	61,558	
Money market funds	20	20	
	\$357,024	\$175,308	\$181,716

At June 30, 2009, \$25,450 of the U.S. agency securities were considered to be highly sensitive to interest rate changes:

U.S. agency step-up securities – where on certain specified dates, the issuer can call the security. 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. \$ 20,452

U.S. agency floating rate security – where the coupon rate is tied to London Interbank Offered Rate plus a fixed basis point amount which resets quarterly, the issuer can call the security on a specified date, or the security is not called, the interest rate is reset at a specified amount. Prevailing interest rates may go up faster than the increase in the coupon interest rate. 4,998

Total \$ 25,450

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	\$ 36
Amount of deposits	10,073
Amount of investments	<u>367,024</u>
Total	<u>\$377,133</u>

	Governmental Activities	Business-Type Activities	Investments Trust Funds	Agency Funds	Total
Statement of Net Assets:					
Cash, cash equivalents and investments	\$ 138,553	\$13,185	\$216,236	\$4,158	\$372,132
Cash and investments held by trustees	5,001				5,001
Total	<u>\$143,554</u>	<u>\$ 13,185</u>	<u>\$216,236</u>	<u>\$4,158</u>	<u>\$377,133</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

Note 5 – Capital Assets

The July 1, 2008, balances for governmental activities capital assets were restated to correct prior period errors for the Department of Housing. Additional information on this restatement can be found in Note 2 on page 35 of this report. Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008 (as restated)	Increases	Decreases	Balance June 30, 2009
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 95,482	\$ 34,612	\$ 92	\$ 130,002
Construction in progress	24,644	9,829	9,236	25,237
Total capital assets not being depreciated	<u>120,126</u>	<u>44,441</u>	<u>9,328</u>	<u>155,239</u>
Capital assets being depreciated:				
Buildings & improvements	142,874	5,388	-	148,262
Machinery & equipment	67,465	7,694	4,867	70,292
Infrastructure	192,088	11,200	6,011	197,277
Total	<u>402,427</u>	<u>24,282</u>	<u>10,878</u>	<u>415,831</u>
Less accumulated depreciation for:				
Buildings & improvements	31,332	4,543	-	35,875
Machinery & equipment	47,108	8,176	4,746	50,538
Infrastructure	34,431	6,214	761	39,884
Total	<u>112,871</u>	<u>18,933</u>	<u>5,507</u>	<u>126,297</u>
Total capital assets being depreciated, net	<u>289,556</u>	<u>5,349</u>	<u>5,371</u>	<u>289,534</u>
Governmental activities capital assets, net	<u>\$ 409,682</u>	<u>\$ 49,790</u>	<u>\$ 14,699</u>	<u>\$ 444,773</u>
Business-type activities:				
Capital assets being depreciated:				
Buildings & improvements	\$ 5,080	\$ 1	\$ 6	\$ 5,075
Machinery & equipment	1,902	164	52	2,014
Total	<u>6,982</u>	<u>165</u>	<u>58</u>	<u>7,089</u>
Less accumulated depreciation for:				
Buildings & improvements	734	164	-	898
Machinery & equipment	910	279	28	1,161
Total	<u>1,644</u>	<u>443</u>	<u>28</u>	<u>2,059</u>
Total capital assets being depreciated, net	<u>5,338</u>	<u>(278)</u>	<u>30</u>	<u>5,030</u>
Business-type activities capital assets, net	<u>\$ 5,338</u>	<u>\$ (278)</u>	<u>\$ 30</u>	<u>\$ 5,030</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 6,885
Public safety	2,795
Highways and streets	8,658
Sanitation	14
Health	409
Welfare	48
Culture and recreation	124
Total governmental activities depreciation expense	\$ 18,933
Business-type activities:	
Long Term Care	\$ 397
Sheriff Inmate Services	8
Home Health	21
Fairgrounds	17
Total business-type activities depreciation expense	\$ 443

Pinal County was engaged in various major construction projects as of June 30, 2009. These projects include the construction of a two-lane road at Germann and Ironwood roads which includes traffic signals. At June 30, 2009, the County had remaining contractual commitments of \$532 for the Germann Road project, with amounts spent-to-date of \$418. The Germann road project is being funded with Impact Fees.

Note 6 – Short-term Debt

LINE OF CREDIT

The County maintains a revolving line of credit with Wells Fargo to meet its short-term cash needs. At June 30, 2009, 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.

	July 1, 2008			June 30, 2009
	<u>Balance</u>	<u>Draws</u>	<u>Repayments</u>	<u>Balance</u>
Line of credit	\$0	\$8,441	\$8,441	\$0

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

Note 7 – Long-term Liabilities

The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2009:

	Balance July 1, 2008	Additions	Reductions	Balance June 30, 2009	Due within one year
Governmental activities:					
Loans payable	\$ 64,755	\$ 12,795	\$ 2,745	\$ 74,805	\$ 5,942
Premium on loans	1,556	39	148	1,447	-
Certificates of participation	92,755	-	5,720	87,035	3,295
Premium on COPS	1,258	-	93	1,165	-
Obligations under capital leases	9,405	6,083	2,864	12,624	3,615
Compensated absences	11,560	11,248	7,499	15,309	5,782
Estimated liabilities for claims and judgments	572	1,821	191	2,202	296
Total governmental activities long-term liabilities	\$ 181,861	\$ 31,986	\$ 19,260	\$ 194,587	\$18,930
Business-type activities					
Loans payable	\$ 2,800	\$ -	\$ -	\$ 2,800	\$ 208
Obligations under capital leases	171	-	30	141	37
Compensated absences	164	117	128	153	58
Total business-type activities long-term liabilities	\$ 3,135	\$ 117	\$ 158	\$ 3,094	\$ 303

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 Sheriffs security system. Interest will be payable on January 1 and July 1 of each year

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009

(Amounts expressed in thousands)

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 loan obtained from GADA issued in fiscal year 2009. The loans are being used to finance the construction and improvement of certain highways and streets, the construction of a Justice Court facility, the expansion to existing County owned facilities and the upgrade of the Sheriffs security system. Total principal and interest payments remaining on the loans is \$106,483 payable through May 2025. State shared revenues have averaged \$21.8 million per year over the last 5 years, whereas, Excise Taxes Revenues have averaged \$15.9 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were \$20,496 and \$14,103, respectively. In the current year, principal and interest payments were \$2,245 and \$2,943, respectively.

The Greater Arizona Development Authority loans outstanding at June 30, 2009 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	2009 - 2025	4.0%- 5.0%	\$ 58,815
Governmental activity - The Greater Arizona Development Authority Loan 2008 A	\$ 1,695	2009-2019	3.0%- 5.0%	1,695
Business-type activity - The Greater Arizona Development Authority Loan 2008 A	\$ 2,800	2009-2019	3.0%- 5.0%	2,800
Governmental activity - The Greater Arizona Development Authority Loan 2009 A	\$ 12,795	2009-2019	2.0%- 4.0%	12,795
				<u>\$ 76,105</u>

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, 2009 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	2009 - 2012	2.35%	\$ 1,500
				<u>\$ 1,500</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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 \$1,571 payable through May 2012. Road Improvement taxes have averaged \$6.2 million per year over the last 5 years. For the current year, total road improvement taxes recognized by the County were \$5,220. In the current year, the principal and interest payments were \$500 and \$45 respectively.

The following schedule details debt service requirements to maturity for the County's loans payable at June 30, 2009:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 5,942	\$ 4,511	\$ 208	\$ 110
2011	4,405	3,021	245	103
2012	4,544	2,876	251	95
2013	4,192	2,716	263	84
2014	4,362	2,557	273	74
2015-2019	24,910	9,668	1,560	179
2020-2024	21,515	4,233	-	-
2025-2026	4,935	222	-	-
Total	\$ 74,805	\$ 29,804	\$ 2,800	\$ 645

Certificates of Participation

On December 1, 1998, the Pinal County Municipal Property Corporation issued certificates of participation totaling \$11,640. 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 for the refinancing of the Series 1994 certificates of participation, which were legally defeased in 2002. The indenture provided for the establishment and maintenance of a Reserve Fund. The County has deposited the required monies, which were used only for the purpose of making up deficiencies in the Rent Payment Fund for principal and interest payments. The certificates were generally noncallable with interest rates from 4.4 to 4.5 percent, payable semiannually on June 1 and December 1 of each year through the current year. The final payment for the certificates was made in the current fiscal year.

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 are generally noncallable with interest rates from 4.3 to 5.125 percent, payable semiannually on June 1 and December 1 of each year through 2021.

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009

(Amounts expressed in thousands)

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 are generally non-callable with interest rates 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, 2009 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	2009-2021	4.3 % to 5.125%	\$ 22,290
Pinal County Municipal Property Corporation 2004	\$ 71,615	2009-2030	3.0% to 5.25%	64,745
				<u>\$ 87,035</u>

The following schedule details debt service requirements to maturity for the County's certificates of participation payable at June 30, 2009:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 3,295	\$ 4,175
2011	3,425	4,046
2012	3,565	3,904
2013	3,715	3,760
2014	3,875	3,590
2015-2019	22,490	14,860
2020-2024	20,890	8,965
2025-2029	20,930	3,933
2030	4,850	121
Total	<u>\$ 87,035</u>	<u>\$ 47,354</u>

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.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

At June 30, 2009, the assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Buildings and improvements	\$ 1,365	\$ -
Machinery and equipment	17,938	1
Subtotal	19,303	1
Less: accumulated depreciation	5,855	0
Carrying value	\$ 13,448	\$ 1

The following schedule details debt service requirements to maturity for the County's capital leases payable at June 30, 2009:

Year Ending June 30	Governmental Activities	Business -type Activities
2010	\$ 4,106	\$ 41
2011	3,638	38
2012	2,429	36
2013	2,032	36
2014	1,151	-
2015-2016	618	-
Total minimum lease payments	13,974	151
Less amount representing interest	1,350	10
Present value of net minimum lease payments	\$ 12,624	\$ 141

Landfill closure and postclosure care costs

The County has contracted with an outside agency to provide operations for its solid waste facilities. 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.

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 2009, the County paid for governmental-type activity compensated absences as follows: 74 percent from the General Fund, 11 percent from the Public Works Highway Fund, and 15 percent from other governmental funds. The County paid for claims and judgments from the General Fund.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

Note 8 – Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage 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 not liable for medical, dental, vision, short-term disability, employee life and accidental liability, and dependent life insurance claims of the Trust. However, the County is responsible for paying a premium to the Trust. The Trust and its insurance company are liable for claims up to \$2,000 for each covered employee. Settled claims have not exceeded coverage provided in any of the past three fiscal years.

The liability for medical, dental, vision, and short-term disability claims of the Trust totaling \$1,698 at June 30, 2009, 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, 2008 and 2009, were as follows:

	2008	2009
Claims payable, beginning of year	\$ 1,591	\$ 1,511
Current-year claims and changes in estimate	12,452	15,053
Claim payments	<u>(12,532)</u>	<u>(14,866)</u>
Claims payable, end of year	<u>\$ 1,511</u>	<u>\$ 1,698</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

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 9 – 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 generally 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 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 or participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five-member board, known as The Fund Manager, 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 employees of the State of Arizona's Department of Corrections and Department of Juvenile Corrections, and county employees whose primary duties require direct inmate contact as well as the *Administrative Office of the Courts* (CORP-AOC). The CORP is governed by The Fund Manager 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, 2009
(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, 2009, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.45 percent (8.95 percent retirement and 0.5 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 9.45 percent (7.99 percent for retirement, .96 percent for health insurance premium, and 0.5 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>
2009	\$ 6,317	\$ 759	\$ 395
2008	6,175	805	384
2007	5,385	840	362

Agent plans—For the year ended June 30, 2009, 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 18.68 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.69 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 7.96 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.42 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 9.25 percent. The contribution rates for 2009 were established by state statute and did not separate the retirement and health insurance premium contribution rates. 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 6.71 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.32 percent of covered payroll.

Actuarial methods and assumptions – Except for the contribution requirements for CORP-AOC, which were established by state statute, the contribution requirements for the year ended June 30, 2009, were established by the June 30, 2007, 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
June 30, 2009

(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 and CORP (Adult Detention and Dispatchers) and the actuarial methods and assumptions used to establish the fiscal year 2009 contribution requirements for PSPRS and CORP (Adult Detention and Dispatchers), are as follows:

Actuarial valuation date	June 30, 2007
Actuarial cost method	Projected unit credit
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	29 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	Smoothed market value
Actuarial assumptions:	
Investment rate of return	8.50%
Projected salary increases	5.50% - 8.50%
Includes inflation at	5.00%

Annual Pension/OPEB Cost—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2009, and related information follows:

	<u>PSPRS</u>		<u>CORP</u>					
			<u>Adult Detention</u>		<u>AOC</u>	<u>Dispatchers</u>		
	<u>Pension</u>	<u>Health Insurance</u>	<u>Pension</u>	<u>Health Insurance</u>	<u>Pension and Health Insurance</u>	<u>Pension</u>	<u>Health Insurance</u>	
Annual pension/OPEB cost	\$ 2,345	\$ 90	\$ 957	\$ 53	\$ 555	\$ 64	\$ 3	
Contributions made	2,345	90	957	53	555	64	3	

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009

(Amounts expressed in thousands)

Trend Information—Annual pension cost information for the current and two preceding years follows for each of the agent plans. Separately reported OPEB cost information for the last year of the required trend information will be reported next year when it becomes available.

<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	2009	2,345	100%	-
Health insurance	2009	90	100%	-
Pension	2008	1,892	100%	-
Health insurance	2008	80	100%	-
Pension and health insurance	2007	1,398	100%	-
CORP				
Adult Detention Officers				
Pension	2009	957	100%	-
Health insurance	2009	53	100%	-
Pension	2008	608	100%	-
Health insurance	2008	57	100%	-
Pension and health insurance	2007	397	100%	-
AOC*				
Pension and health insurance	2009	555	100%	-
	2008	520	100%	-
	2007	N/A	N/A	N/A
Dispatchers				
Pension	2009	64	100%	-
Health insurance	2009	3	100%	-
Pension	2008	38	100%	-
Health insurance	2008	3	100%	-
Pension and health insurance	2007	31	100%	-

*The AOC began in 2008, therefore, previous years' cost information is not applicable.

Funded Status—The funded status of the plans, as of the most recent valuation date, June 30, 2009, 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, 2009
(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	\$ 45,680	\$ 32,650	\$ 13,030	71.48%	\$ 13,140	99.16%
Health						
Insurance	1,394	-	1,394	0.00%	13,140	10.61%
CORP						
<u>Adult</u>						
<u>Detention</u>						
<u>Officers</u>						
Pension	14,175	13,801	374	97.36%	12,835	2.91%
Health						
Insurance	549	-	549	0.00%	12,835	4.28%
<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	1,281	1,012	269	79.00%	1,076	25.00%
Health						
Insurance	34	-	34	0.00%	1,076	3.16%

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(Amounts expressed in thousands)

Note 10 – Interfund Balances and Activity

Interfund receivables and payables—interfund balances at June 30, 2009, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	\$ 809
	Other Enterprise Fund	128
		937
Development Impact Fee Fund	General Fund	17
		17
Other Enterprise Fund	General Fund	2
	Other Enterprise Fund	33
		35
Other Governmental Funds	General Fund	365
	Development Impact Fee Fund	3,713
	Road Tax District Fund	75
	Other Governmental Funds	277
		4,430
Total		\$ 5,419

Interfund balances resulted from cash deficits in individual funds or cash transfers that had not occurred at June 30, 2009, 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, 2009
(Amounts expressed in thousands)

Interfund transfers—Interfund transfers for the year ended June 30, 2009, were as follows:

<u>Transfer from</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$12,236
	Development Impact Fee Fund	17
	Other Enterprise Funds	499
		<u>12,752</u>
Road Tax District Fund	Other Governmental Funds	<u>3,700</u> <u>3,700</u>
Development Impact Fee Fund	Other Governmental Funds	<u>9,638</u> <u>9,638</u>
Other Governmental Funds	General Fund	2,855
	Other Governmental Funds	2,166
		<u>5,021</u>
Long Term Care Fund	General Fund	1,018
	Other Governmental Funds	562
		<u>1,580</u>
Nonmajor Enterprise Funds	General Fund	138
	Other Governmental Funds	3
	Other Enterprise Funds	240
		<u>381</u>
Total transfers in		<u>33,072</u>
Transfers of capital assets:		
Nonmajor Enterprise Funds	Governmental Activities	<u>13</u>
Total transfers out		<u>\$33,085</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 was a one-time interfund transfer from the Long Term Care to the General Fund for \$761. 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, 2009
(Amounts expressed in thousands)

Note 11 – 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 \$196 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 \$1,486 in deposits, \$20 of investments in money market funds, and \$7,417 of investments in State Treasurer’s Investment Pools. 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 investments in the State Treasurer’s investment pools. See Note 4 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)	\$ 61,558	4-5.9%	Daily	\$ 61,558
U.S. Agency securities	286,720	1.125-5.270%	7/09-6/14	288,029
Interest earning investment	10,000	.2%	11/09	10,000

PINAL COUNTY
Notes to the Financial Statements
June 30, 2009
(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	\$ 368,503
Liabilities	-
Net assets	<u>\$ 368,503</u>
Net assets held in trust for:	
Internal participants	\$ 154,104
External participants	214,399
Total net assets held in trust	<u>\$ 368,503</u>
Statement of Changes in Net Assets	
Total additions	\$ 1,221,743
Total deductions	<u>(1,222,721)</u>
Net increase	<u>(978)</u>
Net assets held in trust:	
July 1, 2008	369,481
June 30, 2009	<u>\$ 368,503</u>

Note 12 – 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, 2009, the Plan paid these operations \$4,408 for services and has claims payable to them of \$403.

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 \$257 for rent, 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.

Page left blank intentionally

Required Supplementary Information



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

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 100,437	\$ 100,437	\$ 98,351	\$ (2,086)
Licenses and permits	3,037	3,037	1,757	(1,280)
Intergovernmental	37,481	37,481	33,686	(3,795)
Charges for services	17,813	17,813	19,056	1,243
Fines and forfeits	1,879	1,867	1,894	27
Investment earnings	1,407	1,407	2,196	789
Contributions	2	2	-	(2)
Rentals	35	35	56	21
Miscellaneous	1,559	1,571	566	(1,005)
Total revenues	163,650	163,650	157,562	(6,088)
Expenditures				
General Government				
Assessor	2,965	2,906	2,808	98
Assistant County Manager-Admin	90,871	91,187	54,283	36,904
Assistant County Manager-Development	5,081	4,957	4,396	561
Assistant County Manager-Health	1,119	1,050	818	232
Board of Supervisors	1,231	1,294	1,206	88
Clerk of Superior Court	3,466	3,396	3,391	5
County Manager	1,360	1,420	1,262	158
Recorder	1,486	1,458	1,275	183
Treasurer	1,316	1,295	1,282	13
Total General Government	108,895	108,963	70,721	38,242
Public Safety				
Assistant County Manager-Admin	743	824	826	(2)
Assistant County Manager-Health	6,190	6,160	6,305	(145)
Attorney	6,973	6,936	6,537	399
Courts	18,086	18,179	17,632	547
Sheriff	36,635	36,461	35,582	879
Total Public Safety	68,627	68,560	66,882	1,678
Sanitation				
Solid Waste	395	387	361	26
Total Sanitation	395	387	361	26

(Continued)

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2009

(Concluded)

(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Health				
Assistant County Manager-Admin	\$ 16,073	\$ 16,073	\$ 16,073	\$ -
Assistant County Manager-Development	1,122	1,113	997	116
Assistant County Manager-Health	1,331	1,338	882	456
Total Health	<u>18,526</u>	<u>18,524</u>	<u>17,952</u>	<u>572</u>
Welfare				
Housing Administration	872	833	817	16
Total Welfare	<u>872</u>	<u>833</u>	<u>817</u>	<u>16</u>
Culture and Recreation				
Parks and Ground Maintenance	189	234	232	2
Total Culture and Recreation	<u>189</u>	<u>234</u>	<u>232</u>	<u>2</u>
Education				
School Superintendent	749	746	749	(3)
Total Education	<u>749</u>	<u>746</u>	<u>749</u>	<u>(3)</u>
Debt service:				
Principal retirement	-	5	10	(5)
Interest	-	1	1	0
Costs of issuance	-	-	176	(176)
Total general fund expenditures	<u>198,253</u>	<u>198,253</u>	<u>157,901</u>	<u>40,352</u>
Excess (deficiency) of revenues over expenditures	<u>(34,603)</u>	<u>(34,603)</u>	<u>(339)</u>	<u>34,264</u>
Other financing sources (uses)				
Transfers in	3,577	3,577	4,011	434
Transfers out	(13,135)	(13,135)	(12,752)	383
Proceeds from sale of capital assets	10	10	72	62
Capital lease agreements	2,628	2,628	2,107	(521)
Loan proceeds	-	-	1,179	1,179
Insurance reimbursement	-	-	121	121
Premium on new debt issued	-	-	39	39
Total other financing uses	<u>(6,920)</u>	<u>(6,920)</u>	<u>(5,223)</u>	<u>1,697</u>
Net change in fund balances	<u>(41,523)</u>	<u>(41,523)</u>	<u>(5,562)</u>	<u>35,961</u>
Fund balances - beginning	<u>41,523</u>	<u>41,523</u>	<u>42,485</u>	<u>962</u>
Change in reserve for inventories	-	-	(218)	(218)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,705</u>	<u>\$ 36,705</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Road Tax Districts Fund
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 6,396	\$ 6,396	\$ 5,220	\$ (1,176)
Intergovernmental	1,089	-	252	252
Charges for services		1,089	1,616	527
Investment earnings	325	325	461	136
Contributions	300	300	-	(300)
Miscellaneous	-	-	56	56
Total revenues	<u>8,110</u>	<u>8,110</u>	<u>7,605</u>	<u>(505)</u>
Expenditures				
Current:				
Highways and streets	19,038	19,038	9,778	9,260
Debt service:				
Principal retirement	500	500	500	-
Interest	45	45	45	-
Total expenditures	<u>19,583</u>	<u>19,583</u>	<u>10,323</u>	<u>9,260</u>
Excess (deficiency) of revenues over expenditures	<u>(11,473)</u>	<u>(11,473)</u>	<u>(2,718)</u>	<u>8,755</u>
Other financing sources				
Transfers out	(4,067)	(4,067)	(3,700)	367
Loan proceeds	2,500	2,500	-	(2,500)
Total other financing sources	<u>(1,567)</u>	<u>(1,567)</u>	<u>(3,700)</u>	<u>(2,133)</u>
Net change in fund balances	<u>(13,040)</u>	<u>(13,040)</u>	<u>(6,418)</u>	<u>6,622</u>
Fund balances - beginning	13,040	13,040	21,547	8,507
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,129</u>	<u>\$ 15,129</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Development Impact Fee Fund
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 4,055	\$ 4,055
Charges for services	22,200	22,200	-	(22,200)
Investment earnings	753	753	397	(356)
Total revenues	<u>22,953</u>	<u>22,953</u>	<u>4,452</u>	<u>(18,501)</u>
Expenditures				
Current:				
Public safety	1,345	1,404	40	1,364
Highways and streets	16,524	16,651	64	16,587
Culture and recreation	538	578	30	548
Total expenditures	<u>18,407</u>	<u>18,633</u>	<u>134</u>	<u>18,499</u>
Excess revenues over expenditures	<u>4,546</u>	<u>4,320</u>	<u>4,318</u>	<u>(2)</u>
Other financing sources (uses)				
Transfers in	-	42	17	(25)
Transfers out	(4,546)	(9,664)	(9,638)	26
Total other financing sources (uses)	<u>(4,546)</u>	<u>(9,622)</u>	<u>(9,621)</u>	<u>1</u>
Net change in fund balances	-	(5,302)	(5,303)	(1)
Fund balances - beginning	-	5,302	17,577	12,275
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,274</u>	<u>\$ 12,274</u>

Pinal County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2009
(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. Currently, only the General Fund includes multiple departments, each of which has its own adopted budget. Expenditures exceeding final budget amounts at the department level (the legal level of budgetary control) are presented on the Budgetary Comparison Schedule – General Fund. 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.

Note 2 – Expenditures in Excess of Appropriations

For the year ended June 30, 2009, expenditures exceeded final budget amounts at the department level (the legal level of budgetary control) as follows:

Fund/Department	Excess
General Fund:	
School Superintendent	\$ 3

The excess expenditures were primarily the result of unexpected and/or additional unanticipated revenues. The County is evaluating whether these excesses should be considered in next year's budget or if another solution is possible to avoid this situation again.

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2009
(Amounts expressed in thousands)

Public Safety Personnel Retirement System

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						
06/30/2009	\$32,650	\$45,680	(\$13,030)	71.48%	\$13,140	99.16%
06/30/2008	\$28,672	\$42,371	(\$13,699)	67.67%	\$13,560	101.03%
Health Insurance						
06/30/2009	\$0	\$1,394	(\$1,394)	0.00%	\$13,140	10.61%
06/30/2008	\$0	\$1,223	(\$1,223)	0.00%	\$13,560	9.02%
Pension and Health Insurance						
06/30/2007	\$25,873	\$38,843	(\$12,970)	66.61%	\$10,719	121.00%

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2009

(Amounts expressed in thousands)

Corrections Officer Retirement Plan

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						
06/30/2009	\$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						
06/30/2009	\$0	\$549	(\$549)	0.00%	\$12,835	4.28%
06/30/2008	\$0	\$448	(\$448)	0.00%	\$12,229	3.66%
Pension and Health						
Insurance						
06/30/2007	\$8,505	\$9,880	(\$1,375)	86.08%	\$10,003	13.75%
<u>AOC*</u>						
Pension						
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						
06/30/2009	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
Pension and Health						
Insurance						
06/30/2007	N/A	N/A	N/A	N/A	N/A	N/A
<u>Dispatchers</u>						
Pension						
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						
06/30/2009	\$0	\$34	(\$34)	0.00%	\$1,076	3.16%
06/30/2008	\$0	\$37	(\$37)	0.00%	\$981	3.77%
Pension and Health						
Insurance						
06/30/2007	\$826	\$1,164	(\$338)	70.96%	\$680	49.71%

*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. In addition, as the plan began in fiscal year 2008, prior year information was not available.

Page left blank intentionally

Combining Statements and Individual Schedules



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

PINAL COUNTY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets				
Cash, cash equivalents and investments	\$ 50,865	\$ 18,587	\$ 190	\$ 69,642
Cash and investments held by trustees	-	2	4,999	5,001
Receivables (net):				
Property taxes	823	-	-	823
Accounts	402	21	1	424
Due from other funds	642	75	3,713	4,430
Due from other governments	7,269	-	-	7,269
Inventories	29	-	-	29
Prepaid items	108	1	-	109
Restricted assets:				
Cash and cash equivalents	533	-	-	533
Total assets	<u>\$ 60,671</u>	<u>\$ 18,686</u>	<u>\$ 8,903</u>	<u>\$ 88,260</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 3,407	\$ 566	\$ -	\$ 3,973
Accrued payroll and employee benefits	463	-	-	463
Retainage payable	44	-	-	44
Due to other funds	1,073	13	-	1,086
Due to other governments	59	-	-	59
Deposits held for others	353	21	-	374
Loan payable	-	-	2,335	2,335
Interest payable	-	-	1,378	1,378
Deferred revenue	2,140	-	-	2,140
Total liabilities	<u>7,539</u>	<u>600</u>	<u>3,713</u>	<u>11,852</u>
Fund Balances:				
Reserved for:				
Inventories	29	-	-	29
Prepaid items	108	1	-	109
Unreserved	52,995	18,085	5,190	76,270
Total fund balances	<u>53,132</u>	<u>18,086</u>	<u>5,190</u>	<u>76,408</u>
Total liabilities and fund balances	<u>\$ 60,671</u>	<u>\$ 18,686</u>	<u>\$ 8,903</u>	<u>\$ 88,260</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues				
Taxes	\$ 14,932	\$ -	\$ 2	\$ 14,934
Licenses and permits	1,975	-	-	1,975
Intergovernmental	54,661	2	-	54,663
Charges for services	5,866	-	-	5,866
Fines and forfeits	1,369	-	-	1,369
Investment earnings	891	186	47	1,124
Contributions	1,171	207	-	1,378
Rentals	863	-	-	863
Miscellaneous	658	35	-	693
Total revenues	<u>82,386</u>	<u>430</u>	<u>49</u>	<u>82,865</u>
Expenditures				
Current:				
General government	1,578	-	-	1,578
Public safety	21,151	-	-	21,151
Highways and streets	27,656	-	-	27,656
Sanitation	318	-	-	318
Health	10,615	-	-	10,615
Welfare	4,579	-	-	4,579
Culture and recreation	1,958	-	-	1,958
Education	9,152	-	-	9,152
Debt Service:				
Principal retirement	1,068	-	12,086	13,154
Interest	105	-	7,674	7,779
Miscellaneous	-	-	10	10
Capital outlay	-	4,006	-	4,006
Total expenditures	<u>78,180</u>	<u>4,006</u>	<u>19,770</u>	<u>101,956</u>
Excess (deficiency) of revenues over expenditures	<u>4,206</u>	<u>(3,576)</u>	<u>(19,721)</u>	<u>(19,091)</u>
Other financing sources (uses):				
Transfers in	7,970	575	19,760	28,305
Transfers out	(4,514)	(507)	-	(5,021)
Proceeds from the sale of capital assets	302	-	-	302
Capital lease agreements	3,976	-	-	3,976
Loan proceeds	-	11,616	-	11,616
Total other financing sources (uses)	<u>7,734</u>	<u>11,684</u>	<u>19,760</u>	<u>39,178</u>
Net change in fund balances	11,940	8,108	39	20,087
Fund balances - beginning, as restated	41,487	9,978	5,151	56,616
Change in reserve for inventories	(295)	-	-	(295)
Fund balances - ending	<u>\$ 53,132</u>	<u>\$ 18,086</u>	<u>\$ 5,190</u>	<u>\$ 76,408</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Adult Probation	Airport Economic Development	Air Quality
Assets			
Cash, cash equivalents and investments	\$ 244	\$ 668	\$ 1,145
Receivables (net):			
Property taxes	-	-	-
Accounts	5	2	-
Due from other funds	1	-	-
Due from other governments	23	-	-
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 273</u>	<u>\$ 670</u>	<u>\$ 1,145</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 17	\$ 13	\$ 4
Accrued payroll and employee benefits	21	1	12
Retainage payable	-	-	-
Due to other funds	69	2	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	-	69
Total liabilities	<u>107</u>	<u>16</u>	<u>85</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	-	-
Unreserved	166	654	1,060
Total fund balances (deficit)	<u>166</u>	<u>654</u>	<u>1,060</u>
Total liabilities and fund balances	<u>\$ 273</u>	<u>\$ 670</u>	<u>\$ 1,145</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Assets			
Cash, cash equivalents and investments	\$ 924	\$ 4,777	\$ 2,784
Receivables (net):			
Property taxes	75	-	-
Accounts	2	22	66
Due from other funds	-	52	55
Due from other governments	-	577	77
Inventories	-	-	-
Prepaid items	-	20	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 1,001	\$ 5,448	\$ 2,982
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 19	\$ 62	\$ 78
Accrued payroll and employee benefits	16	24	5
Retainage payable	-	-	-
Due to other funds	1	97	59
Due to other governments	-	-	-
Deposits held for others	28	-	-
Deferred revenue	65	209	-
Total liabilities	129	392	142
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	20	-
Unreserved	872	5,036	2,840
Total fund balances (deficit)	872	5,056	2,840
Total liabilities and fund balances	\$ 1,001	\$ 5,448	\$ 2,982

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Old Courthouse Preservation	Detention Expansion	Courts
Assets			
Cash, cash equivalents and investments	\$ 235	\$ -	\$ 1,921
Receivables (net):			
Property taxes	-	-	-
Accounts	-	-	46
Due from other funds	1	-	78
Due from other governments	-	-	-
Inventories	-	-	-
Prepaid items	-	-	5
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 236	\$ -	\$ 2,050
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 6
Accrued payroll and employee benefits	-	-	8
Retainage payable	-	-	-
Due to other funds	1	-	1
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	-	-
Total liabilities	1	-	15
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	-	5
Unreserved	235	-	2,030
Total fund balances (deficit)	235	-	2,035
Total liabilities and fund balances	\$ 236	\$ -	\$ 2,050

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Employee Wellness	Health Services	Justice Courts
Assets			
Cash, cash equivalents and investments	\$ 4	\$ 148	\$ 2,374
Receivables (net):			
Property taxes	-	-	-
Accounts	-	-	119
Due from other funds	-	51	-
Due from other governments	-	15	-
Inventories	-	-	-
Prepaid items	-	-	9
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 4	\$ 214	\$ 2,502
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ 3	\$ 5
Accrued payroll and employee benefits	-	10	1
Retainage payable	-	-	-
Due to other funds	-	4	6
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	-	-
Total liabilities	-	17	12
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	-	9
Unreserved	4	197	2,481
Total fund balances (deficit)	4	197	2,490
Total liabilities and fund balances	\$ 4	\$ 214	\$ 2,502

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Juvenile Probation	Local Transport Assist Grant	Library Grants
Assets			
Cash, cash equivalents and investments	\$ 724	\$ 676	\$ 2
Receivables (net):			
Property taxes	-	-	-
Accounts	13	2	-
Due from other funds	53	-	-
Due from other governments	135	-	-
Inventories	-	-	-
Prepaid items	1	2	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 926	\$ 680	\$ 2
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 53	\$ 2	\$ -
Accrued payroll and employee benefits	20	2	-
Retainage payable	-	-	-
Due to other funds	61	1	-
Due to other governments	59	-	-
Deposits held for others	-	-	-
Deferred revenue	-	634	-
Total liabilities	193	639	-
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	1	2	-
Unreserved	732	39	2
Total fund balances (deficit)	733	41	2
Total liabilities and fund balances	\$ 926	\$ 680	\$ 2

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Miscellaneous Grants	Public Defender	Public Works Highway
Assets			
Cash, cash equivalents and investments	\$ 25	\$ 170	\$ 6,577
Receivables (net):			
Property taxes	-	-	-
Accounts	-	1	13
Due from other funds	-	-	230
Due from other governments	41	12	3,393
Inventories	-	-	-
Prepaid items	-	-	3
Restricted assets:			
Cash and cash equivalents	-	-	50
Total assets	<u>\$ 66</u>	<u>\$ 183</u>	<u>\$ 10,266</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 36	\$ -	\$ 560
Accrued payroll and employee benefits	-	1	204
Retainage payable	-	-	29
Due to other funds	-	1	32
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	11	62	-
Total liabilities	<u>47</u>	<u>64</u>	<u>825</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	-	3
Unreserved	19	119	9,438
Total fund balances (deficit)	<u>19</u>	<u>119</u>	<u>9,441</u>
Total liabilities and fund balances	<u>\$ 66</u>	<u>\$ 183</u>	<u>\$ 10,266</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Public Works Roadways	Public Works Services	Sheriff
Assets			
Cash, cash equivalents and investments	\$ 4,190	\$ 5,593	\$ 212
Receivables (net):			
Property taxes	-	-	-
Accounts	8	10	3
Due from other funds	25	-	64
Due from other governments	-	84	1,904
Inventories	-	-	-
Prepaid items	-	26	4
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 4,223</u>	<u>\$ 5,713</u>	<u>\$ 2,187</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 754	\$ 32	\$ 1,208
Accrued payroll and employee benefits	18	6	24
Retainage payable	13	-	-
Due to other funds	1	9	25
Due to other governments	-	-	-
Deposits held for others	252	-	-
Deferred revenue	-	-	502
Total liabilities	<u>1,038</u>	<u>47</u>	<u>1,759</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	26	4
Unreserved	<u>3,185</u>	<u>5,640</u>	<u>424</u>
Total fund balances (deficit)	<u>3,185</u>	<u>5,666</u>	<u>428</u>
Total liabilities and fund balances	<u>\$ 4,223</u>	<u>\$ 5,713</u>	<u>\$ 2,187</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Treasurer	Housing Grants	Flood Control District
Assets			
Cash, cash equivalents and investments	\$ 128	\$ 119	\$ 7,730
Receivables (net):			
Property taxes	-	-	336
Accounts	-	47	15
Due from other funds	-	-	-
Due from other governments	-	7	-
Inventories	-	29	-
Prepaid items	-	26	-
Restricted assets:			
Cash and cash equivalents	-	483	-
Total assets	\$ 128	\$ 711	\$ 8,081
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ 6	\$ 51
Accrued payroll and employee benefits	-	9	-
Retainage payable	-	-	2
Due to other funds	-	60	12
Due to other governments	-	-	-
Deposits held for others	-	42	-
Deferred revenue	-	-	264
Total liabilities	-	117	329
Fund Balances:			
Reserved for:			
Inventories	-	29	-
Prepaid items	-	26	-
Unreserved	128	539	7,752
Total fund balances (deficit)	128	594	7,752
Total liabilities and fund balances	\$ 128	\$ 711	\$ 8,081

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Library District	Lighting Special Districts	Miscellaneous Fees
Assets			
Cash, cash equivalents and investments	\$ 2,582	\$ 3	\$ 1,678
Receivables (net):			
Property taxes	233	2	-
Accounts	5	-	19
Due from other funds	-	-	-
Due from other governments	-	-	-
Inventories	-	-	-
Prepaid items	7	-	4
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 2,827	\$ 5	\$ 1,701
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 44	\$ -	\$ 169
Accrued payroll and employee benefits	5	-	2
Retainage payable	-	-	-
Due to other funds	-	-	550
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	184	1	-
Total liabilities	233	1	721
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	7	-	4
Unreserved	2,587	4	976
Total fund balances (deficit)	2,594	4	980
Total liabilities and fund balances	\$ 2,827	\$ 5	\$ 1,701

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Desert Vista Sanitation District	Public Health Services District	Queen Creek Domestic Water Imprvmnt District
Assets			
Cash, cash equivalents and investments	\$ 71	\$ 1,467	\$ 8
Receivables (net):			
Property taxes	5	-	2
Accounts	-	3	-
Due from other funds	-	32	-
Due from other governments	-	1,001	-
Inventories	-	-	-
Prepaid items	-	1	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 76	\$ 2,504	\$ 10
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ 61	\$ -
Accrued payroll and employee benefits	-	74	-
Retainage payable	-	-	-
Due to other funds	-	81	-
Due to other governments	-	-	-
Deposits held for others	-	31	-
Deferred revenue	1	-	1
Total liabilities	1	247	1
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	1	-
Unreserved	75	2,256	9
Total fund balances (deficit)	75	2,257	9
Total liabilities and fund balances	\$ 76	\$ 2,504	\$ 10

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(Amounts expressed in thousands)

	Accom- modation School	Total
Assets		
Cash, cash equivalents and investments	\$ 3,686	\$ 50,865
Receivables (net):		
Property taxes	170	823
Accounts	1	402
Due from other funds	-	642
Due from other governments	-	7,269
Inventories	-	29
Prepaid items	-	108
Restricted assets:		
Cash and cash equivalents	-	533
Total assets	\$ 3,857	\$ 60,671
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 224	\$ 3,407
Accrued payroll and employee benefits	-	463
Retainage payable	-	44
Due to other funds	-	1,073
Due to other governments	-	59
Deposits held for others	-	353
Deferred revenue	137	2,140
Total liabilities	361	7,539
Fund Balances:		
Reserved for:		
Inventories	-	29
Prepaid items	-	108
Unreserved	3,496	52,995
Total fund balances (deficit)	3,496	53,132
Total liabilities and fund balances	\$ 3,857	\$ 60,671

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Adult Probation	Airport Economic Development	Air Quality
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	1,199
Intergovernmental	2,403	22	164
Charges for services	616	-	-
Fines and forfeits	-	-	-
Investment earnings	8	7	2
Contributions	-	-	-
Rentals	-	408	-
Miscellaneous	6	66	-
Total revenues	<u>3,033</u>	<u>503</u>	<u>1,365</u>
Expenditures			
Current:			
General government	-	263	-
Public safety	2,986	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	1,363
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>2,986</u>	<u>263</u>	<u>1,363</u>
Excess (deficiency) of revenues over expenditures	<u>47</u>	<u>240</u>	<u>2</u>
Other financing sources (uses):			
Transfers in	119	-	-
Transfers out	(184)	-	(87)
Proceeds from the sale of capital assets	-	-	1
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>(65)</u>	<u>-</u>	<u>(86)</u>
Net change in fund balances	(18)	240	(84)
Fund balances - beginning, as restated	<u>184</u>	<u>414</u>	<u>1,144</u>
Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 166</u>	<u>\$ 654</u>	<u>\$ 1,060</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Revenues			
Taxes	\$ 1,300	\$ -	\$ -
Licenses and permits	179	-	-
Intergovernmental	37	3,502	404
Charges for services	307	205	653
Fines and forfeits	37	1,332	-
Investment earnings	13	107	48
Contributions	48	39	-
Rentals	-	-	-
Miscellaneous	-	21	3
Total revenues	<u>1,921</u>	<u>5,206</u>	<u>1,108</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	5,372	791
Highways and streets	-	-	-
Sanitation	-	-	-
Health	1,513	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>1,513</u>	<u>5,372</u>	<u>791</u>
Excess (deficiency) of revenues over expenditures	<u>408</u>	<u>(166)</u>	<u>317</u>
Other financing sources (uses):			
Transfers in	130	804	370
Transfers out	(64)	(92)	(173)
Proceeds from the sale of capital assets	1	64	-
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>67</u>	<u>776</u>	<u>197</u>
Net change in fund balances	475	610	514
Fund balances - beginning, as restated	<u>397</u>	<u>4,446</u>	<u>2,326</u>
Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 872</u>	<u>\$ 5,056</u>	<u>\$ 2,840</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Old Courthouse Preservation	Detention Expansion	Courts
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	10	-	482
Charges for services	-	-	363
Fines and forfeits	-	-	-
Investment earnings	-	-	48
Contributions	66	-	-
Rentals	-	-	-
Miscellaneous	-	-	14
Total revenues	<u>76</u>	<u>-</u>	<u>907</u>
Expenditures			
Current:			
General government	120	-	-
Public safety	-	-	901
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>120</u>	<u>-</u>	<u>901</u>
Excess (deficiency) of revenues over expenditures	<u>(44)</u>	<u>-</u>	<u>6</u>
Other financing sources (uses):			
Transfers in	100	44	422
Transfers out	-	-	(1)
Proceeds from the sale of capital assets	-	-	-
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>100</u>	<u>44</u>	<u>421</u>
Net change in fund balances	56	44	427
Fund balances - beginning, as restated	<u>179</u>	<u>(44)</u>	<u>1,608</u>
Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 235</u>	<u>\$ -</u>	<u>\$ 2,035</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Employee Wellness	Health Services	Justice Courts
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	345	108
Charges for services	-	-	824
Fines and forfeits	-	-	-
Investment earnings	-	2	44
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	4	-	57
Total revenues	<u>4</u>	<u>347</u>	<u>1,033</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	211
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	620	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>-</u>	<u>620</u>	<u>211</u>
Excess (deficiency) of revenues over expenditures	<u>4</u>	<u>(273)</u>	<u>822</u>
Other financing sources (uses):			
Transfers in	-	562	-
Transfers out	-	(20)	(479)
Proceeds from the sale of capital assets	-	-	-
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>542</u>	<u>(479)</u>
Net change in fund balances	4	269	343
Fund balances - beginning, as restated	<u>-</u>	<u>(72)</u>	<u>2,147</u>
Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 4</u>	<u>\$ 197</u>	<u>\$ 2,490</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Juvenile Probation	Local Transport Assist Grant	Library Grants
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	2,939	143	23
Charges for services	144	3	-
Fines and forfeits	-	-	-
Investment earnings	18	14	-
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	3	-	-
	<u>3,104</u>	<u>160</u>	<u>23</u>
Total revenues			
Expenditures			
Current:			
General government	-	-	-
Public safety	3,075	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	159	-
Welfare	-	-	-
Culture and recreation	-	-	25
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	<u>3,075</u>	<u>159</u>	<u>25</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>29</u>	<u>1</u>	<u>(2)</u>
Other financing sources (uses):			
Transfers in	36	-	2
Transfers out	(1)	-	-
Proceeds from the sale of capital assets	-	2	-
Capital lease agreements	-	-	-
	<u>35</u>	<u>2</u>	<u>2</u>
Total other financing sources (uses)			
Net change in fund balances	64	3	-
 Fund balances - beginning, as restated	<u>669</u>	<u>38</u>	<u>2</u>
 Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 733</u>	<u>\$ 41</u>	<u>\$ 2</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	<u>Miscellaneous Grants</u>	<u>Public Defender</u>	<u>Public Works Highway</u>
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	346	60	20,859
Charges for services	3	-	2
Fines and forfeits	-	-	-
Investment earnings	-	3	141
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	200
Total revenues	<u>349</u>	<u>63</u>	<u>21,202</u>
Expenditures			
Current:			
General government	399	-	-
Public safety	-	129	-
Highways and streets	-	-	22,979
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	1,068
Interest and fiscal charges	-	-	105
Total expenditures	<u>399</u>	<u>129</u>	<u>24,152</u>
Excess (deficiency) of revenues over expenditures	<u>(50)</u>	<u>(66)</u>	<u>(2,950)</u>
Other financing sources (uses):			
Transfers in	20	86	-
Transfers out	-	-	(1,950)
Proceeds from the sale of capital assets	-	-	233
Capital lease agreements	-	-	3,976
Total other financing sources (uses)	<u>20</u>	<u>86</u>	<u>2,259</u>
Net change in fund balances	(30)	20	(691)
Fund balances - beginning, as restated	<u>49</u>	<u>99</u>	<u>10,310</u>
Change in reserve for inventories	-	-	(178)
Fund balances (deficit) - ending	<u>\$ 19</u>	<u>\$ 119</u>	<u>\$ 9,441</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Public Works Roadways	Public Works Services	Sheriff
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	584	-	-
Intergovernmental	-	724	6,447
Charges for services	293	3	744
Fines and forfeits	-	-	-
Investment earnings	100	42	20
Contributions	479	-	-
Rentals	-	-	-
Miscellaneous	-	-	1
Total revenues	<u>1,456</u>	<u>769</u>	<u>7,212</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	500	7,186
Highways and streets	2,555	436	-
Sanitation	-	311	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>2,555</u>	<u>1,247</u>	<u>7,186</u>
Excess (deficiency) of revenues over expenditures	<u>(1,099)</u>	<u>(478)</u>	<u>26</u>
Other financing sources (uses):			
Transfers in	-	3,867	175
Transfers out	-	-	(77)
Proceeds from the sale of capital assets	-	-	1
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>3,867</u>	<u>99</u>
Net change in fund balances	(1,099)	3,389	125
Fund balances - beginning, as restated	<u>4,284</u>	<u>2,277</u>	<u>303</u>
Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 3,185</u>	<u>\$ 5,666</u>	<u>\$ 428</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Treasurer	Housing Grants	Flood Control District
Revenues			
Taxes	\$ -	\$ -	\$ 4,459
Licenses and permits	-	-	13
Intergovernmental	-	3,887	536
Charges for services	45	-	17
Fines and forfeits	-	-	-
Investment earnings	3	1	120
Contributions	-	-	400
Rentals	-	455	-
Miscellaneous	-	15	-
Total revenues	<u>48</u>	<u>4,358</u>	<u>5,545</u>
Expenditures			
Current:			
General government	101	-	-
Public safety	-	-	-
Highways and streets	-	-	1,671
Sanitation	-	-	-
Health	-	-	-
Welfare	-	4,579	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>101</u>	<u>4,579</u>	<u>1,671</u>
Excess (deficiency) of revenues over expenditures	<u>(53)</u>	<u>(221)</u>	<u>3,874</u>
Other financing sources (uses):			
Transfers in	-	-	26
Transfers out	(1)	-	-
Proceeds from the sale of capital assets	-	-	-
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>(1)</u>	<u>-</u>	<u>26</u>
Net change in fund balances	(54)	(221)	3,900
Fund balances - beginning, as restated	<u>182</u>	<u>824</u>	<u>3,852</u>
Change in reserve for inventories	-	(9)	-
Fund balances (deficit) - ending	<u>\$ 128</u>	<u>\$ 594</u>	<u>\$ 7,752</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Library District	Lighting Special Districts	Miscellaneous Fees
Revenues			
Taxes	\$ 3,201	\$ 18	\$ -
Licenses and permits	-	-	-
Intergovernmental	52	-	-
Charges for services	-	-	1,090
Fines and forfeits	-	-	-
Investment earnings	45	-	16
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	27	-	-
Total revenues	<u>3,325</u>	<u>18</u>	<u>1,106</u>
Expenditures			
Current:			
General government	-	-	678
Public safety	-	-	-
Highways and streets	-	15	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	1,933	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>1,933</u>	<u>15</u>	<u>678</u>
Excess (deficiency) of revenues over expenditures	<u>1,392</u>	<u>3</u>	<u>428</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(178)	-	(694)
Proceeds from the sale of capital assets	-	-	-
Capital lease agreements	-	-	-
Total other financing sources (uses)	<u>(178)</u>	<u>-</u>	<u>(694)</u>
Net change in fund balances	1,214	3	(266)
Fund balances - beginning, as restated	<u>1,380</u>	<u>1</u>	<u>1,246</u>
Change in reserve for inventories	-	-	-
Fund balances (deficit) - ending	<u>\$ 2,594</u>	<u>\$ 4</u>	<u>\$ 980</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Desert Vista Sanitation District	Public Health Services District	Queen Creek Domestic Water Imprvmnt District
Revenues			
Taxes	\$ 32	\$ 2,823	\$ 17
Licenses and permits	-	-	-
Intergovernmental	-	4,233	-
Charges for services	-	165	-
Fines and forfeits	-	-	-
Investment earnings	1	16	-
Contributions	-	125	-
Rentals	-	-	-
Miscellaneous	-	1	-
Total revenues	33	7,363	17
Expenditures			
Current:			
General government	-	-	17
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	7	-	-
Health	-	6,960	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	7	6,960	17
Excess (deficiency) of revenues over expenditures	26	403	-
Other financing sources (uses):			
Transfers in	-	1,207	-
Transfers out	-	(513)	-
Proceeds from the sale of capital assets	-	-	-
Capital lease agreements	-	-	-
Total other financing sources (uses)	-	694	-
Net change in fund balances	26	1,097	-
Fund balances - beginning, as restated	49	1,268	9
Change in reserve for inventories	-	(108)	-
Fund balances (deficit) - ending	\$ 75	\$ 2,257	\$ 9

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009
(Amounts Expressed in thousands)

	Accom- modation School	Total
Revenues		
Taxes	\$ 3,082	\$ 14,932
Licenses and permits	-	1,975
Intergovernmental	6,935	54,661
Charges for services	389	5,866
Fines and forfeits	-	1,369
Investment earnings	72	891
Contributions	14	1,171
Rentals	-	863
Miscellaneous	240	658
Total revenues	10,732	82,386
Expenditures		
Current:		
General government	-	1,578
Public safety	-	21,151
Highways and streets	-	27,656
Sanitation	-	318
Health	-	10,615
Welfare	-	4,579
Culture and recreation	-	1,958
Education	9,152	9,152
Debt Service:		
Principal retirement	-	1,068
Interest and fiscal charges	-	105
Total expenditures	9,152	78,180
Excess (deficiency) of revenues over expenditures	1,580	4,206
Other financing sources (uses):		
Transfers in	-	7,970
Transfers out	-	(4,514)
Proceeds from the sale of capital assets	-	302
Capital lease agreements	-	3,976
Total other financing sources (uses)	-	7,734
Net change in fund balances	1,580	11,940
Fund balances - beginning, as restated	1,916	41,487
Change in reserve for inventories	-	(295)
Fund balances (deficit) - ending	\$ 3,496	\$ 53,132

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2009
(Amounts expressed in thousands)

	Public Works Special Projects	Superior Court Construction	Capital Projects Miscellaneous
Assets			
Cash, cash equivalents and investments	\$ 33	\$ 1	\$ 10,933
Cash and investments held by trustees	-	2	-
Receivables (net):			
Accounts	-	-	-
Due from other funds	-	10	65
Prepaid items	-	-	1
Total assets	\$ 33	\$ 13	\$ 10,999
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 558
Due to other funds	-	13	-
Deposits held for others	-	-	-
Total liabilities	-	13	558
Fund Balances:			
Reserved for:			
Prepaid items	-	-	1
Unreserved	33	-	10,440
Total fund balances	33	-	10,441
Total liabilities and fund balances	\$ 33	\$ 13	\$ 10,999

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2009
(Amounts expressed in thousands)

	Adult/Juvenile Detention Construction Fund	Public Works Gantzel Road Fund	<u>Total</u>
Assets			
Cash, cash equivalents and investments	\$ -	\$ 7,620	\$ 18,587
Cash and investments held by trustees	-	-	2
Receivables (net):			
Accounts	-	21	21
Due from other funds	-	-	75
Prepaid items	-	-	1
Total assets	<u>\$ -</u>	<u>\$ 7,641</u>	<u>\$ 18,686</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ 8	\$ 566
Due to other funds	-	-	13
Deposits held for others	-	21	21
Total liabilities	<u>-</u>	<u>29</u>	<u>600</u>
Fund Balances:			
Reserved for:			
Prepaid items	-	-	1
Unreserved	-	7,612	18,085
Total fund balances	<u>-</u>	<u>7,612</u>	<u>18,086</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 7,641</u>	<u>\$ 18,686</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Public Works Special Projects	Superior Court Construction	Capital Projects Miscellaneous
Revenues			
Intergovernmental	\$ -	\$ -	\$ 2
Investment earnings	1	(1)	-
Contributions	-	-	25
Miscellaneous	-	-	-
Total revenues	<u>1</u>	<u>(1)</u>	<u>27</u>
Expenditures			
Capital outlay	<u>11</u>	<u>9</u>	<u>3,178</u>
Total expenditures	<u>11</u>	<u>9</u>	<u>3,178</u>
Deficiency of revenues over expenditures	<u>(10)</u>	<u>(10)</u>	<u>(3,151)</u>
Other financing sources (uses):			
Transfers in	-	147	428
Transfers out	-	-	(231)
Loan proceeds	-	-	11,616
Total other financing sources (uses)	<u>-</u>	<u>147</u>	<u>11,813</u>
Net change in fund balances	(10)	137	8,662
Fund balances - beginning	<u>43</u>	<u>(137)</u>	<u>1,779</u>
Fund balances (deficit) - ending	<u>\$ 33</u>	<u>\$ -</u>	<u>\$ 10,441</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Adult/Juvenile Detention Construction Fund	Public Works Gantzel Road Fund	Total
Revenues			
Intergovernmental	\$ -	\$ -	\$ 2
Investment earnings	21	165	186
Contributions	-	182	207
Miscellaneous	35	-	35
Total revenues	<u>56</u>	<u>347</u>	<u>430</u>
Expenditures			
Capital outlay	<u>1</u>	<u>807</u>	<u>4,006</u>
Total expenditures	<u>1</u>	<u>807</u>	<u>4,006</u>
Deficiency of revenues over expenditures	<u>55</u>	<u>(460)</u>	<u>(3,576)</u>
Other financing sources (uses):			
Transfers in	-	-	575
Transfers out	(155)	(121)	(507)
Loan proceeds	-	-	11,616
Total other financing sources (uses)	<u>(155)</u>	<u>(121)</u>	<u>11,684</u>
Net change in fund balances	(100)	(581)	8,108
Fund balances - beginning	<u>100</u>	<u>8,193</u>	<u>9,978</u>
Fund balances (deficit) - ending	<u>\$ -</u>	<u>\$ 7,612</u>	<u>\$ 18,086</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2009

(Amounts expressed in thousands)

	Debt Service	Maricopa Rd Debt Service	Total
Assets			
Cash, cash equivalents and investments	\$ 25	\$ 165	\$ 190
Cash and investments held by trustees	4,999	-	4,999
Receivables (net):			
Accounts	-	1	1
Due from other funds	3,713	-	3,713
Total assets	\$ 8,737	\$ 166	\$ 8,903
Fund Balance			
Liabilities:			
Loan payable	\$ 2,335	\$ -	\$ 2,335
Interest payable	1,378	-	1,378
Total liabilities	3,713	-	3,713
Fund Balances:			
Unreserved	5,024	166	5,190
Total fund balances	5,024	166	5,190
Total liabilities and fund balances	\$ 8,737	\$ 166	\$ 8,903

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Debt Service	Maricopa Rd Debt Service	Total
Revenues			
Taxes	\$ -	\$ 2	\$ 2
Investment earnings	43	4	47
Total revenues	<u>43</u>	<u>6</u>	<u>49</u>
Expenditures			
Debt Service:			
Principal retirement	12,086	-	12,086
Interest	7,674	-	7,674
Miscellaneous	8	2	10
Total expenditures	<u>19,768</u>	<u>2</u>	<u>19,770</u>
Excess (deficiency) of revenues over expenditures	<u>(19,725)</u>	<u>4</u>	<u>(19,721)</u>
Other financing sources:			
Transfers in	19,760	-	19,760
Total other financing sources	<u>19,760</u>	<u>-</u>	<u>19,760</u>
Net change in fund balances	35	4	39
Fund balances - beginning	<u>4,989</u>	<u>162</u>	<u>5,151</u>
Fund balances - ending	<u>\$ 5,024</u>	<u>\$ 166</u>	<u>\$ 5,190</u>

PINAL COUNTY
Special Revenue Funds - Adult Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

ADULT PROBATION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 2,174	\$ 2,403	\$ 229
Charges for services	741	616	(125)
Investment earnings	-	8	8
Miscellaneous	10	6	(4)
Total revenues	2,925	3,033	108
Expenditures			
Current:			
Public safety	2,981	2,986	(5)
Total expenditures	2,981	2,986	(5)
Excess (deficiency) of revenues over expenditures	(56)	47	103
Other financing sources (uses):			
Transfers in	468	119	(349)
Transfers out	(601)	(184)	417
Total other financing uses	(133)	(65)	68
Net change in fund balances	(189)	(18)	171
Fund balances, beginning	189	184	(5)
Fund balances, ending	\$ -	\$ 166	\$ 166

PINAL COUNTY
Special Revenue Funds - Airport Economic Development
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

AIRPORT ECONOMIC DEVELOPMENT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 22	\$ 22
Investment earnings	-	7	7
Rentals	407	408	1
Miscellaneous	22	66	44
Total revenues	429	503	74
Expenditures			
Current:			
General government	429	263	166
Total expenditures	429	263	166
Excess (deficiency) of revenues over expenditures	-	240	240
Net change in fund balances	-	240	240
Fund balances, beginning	-	414	414
Fund balances, ending	\$ -	\$ 654	\$ 654

PINAL COUNTY
Special Revenue Funds - Air Quality
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

AIR QUALITY	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Licenses and permits	\$ 1,112	\$ 1,199	\$ 87
Intergovernmental	156	164	8
Investment earnings	-	2	2
Total revenues	<u>1,268</u>	<u>1,365</u>	<u>97</u>
Expenditures			
Current:			
Health	1,690	1,363	327
Total expenditures	<u>1,690</u>	<u>1,363</u>	<u>327</u>
Excess (deficiency) of revenues over expenditures	<u>(422)</u>	<u>2</u>	<u>424</u>
Other financing sources:			
Transfers In	24	-	(24)
Transfers Out	(111)	(87)	24
Proceeds from sale of capital assets	-	1	1
Total other financing sources	<u>(87)</u>	<u>(86)</u>	<u>1</u>
Net change in fund balances	<u>(509)</u>	<u>(84)</u>	<u>425</u>
Fund balances, beginning	509	1,144	635
Fund balances, ending	<u>\$ -</u>	<u>\$ 1,060</u>	<u>\$ 1,060</u>

PINAL COUNTY
Special Revenue Funds - Animal Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

ANIMAL CONTROL	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 1,274	\$ 1,300	\$ 26
Licenses and permits	142	179	37
Intergovernmental	-	37	37
Charges for services	237	307	70
Fines and forfeits	48	37	(11)
Investment earnings	-	13	13
Contributions	-	48	48
Miscellaneous	20	-	(20)
Total revenues	<u>1,721</u>	<u>1,921</u>	<u>200</u>
Expenditures			
Current:			
Health	<u>1,791</u>	<u>1,513</u>	<u>278</u>
Total expenditures	<u>1,791</u>	<u>1,513</u>	<u>278</u>
Excess (deficiency) of revenues over expenditures	<u>(70)</u>	<u>408</u>	<u>478</u>
Other financing sources (uses):			
Transfers in	133	130	(3)
Transfers out	(295)	(64)	231
Proceeds from capital leases	-	1	1
Total other financing sources	<u>(162)</u>	<u>67</u>	<u>229</u>
Net change in fund balances	(232)	475	707
Fund balances, beginning	<u>232</u>	<u>397</u>	<u>165</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 872</u>	<u>\$ 872</u>

PINAL COUNTY
Special Revenue Funds - Attorney
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

ATTORNEY	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 3,338	\$ 3,502	\$ 164
Charges for services	158	205	47
Fines and forfeits	1,488	1,332	(156)
Investment earnings	21	107	86
Contributions	-	39	39
Miscellaneous	63	21	(42)
Total revenues	5,068	5,206	138
Expenditures			
Current:			
Public safety	5,917	5,372	545
Total expenditures	5,917	5,372	545
Excess (deficiency) of revenues over expenditures	(849)	(166)	683
Other financing sources (uses):			
Transfers in	1,039	804	(235)
Transfers out	(405)	(92)	313
Sale of capital assets	20	-	(20)
Proceeds from sale of capital assets	-	64	64
Total other financing sources	654	776	122
Net change in fund balances	(195)	610	805
Fund balances, beginning	195	4,446	4,251
Fund balances, ending	\$ -	\$ 5,056	\$ 5,056

PINAL COUNTY
Special Revenue Funds - Clerk of Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

CLERK OF COURTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 687	\$ 404	\$ (283)
Charges for services	522	653	131
Investment earnings	56	48	(8)
Miscellaneous	-	3	3
Total revenues	1,265	1,108	(157)
Expenditures			
Current:			
General Government	56	-	56
Public Safety	1,447	791	656
Total expenditures	1,503	791	712
Excess (deficiency) of revenues over expenditures	(238)	317	555
Other financing sources (uses):			
Transfers in	395	370	(25)
Transfers out	(211)	(173)	38
Total other financing sources	184	197	13
Net change in fund balances	(54)	514	568
Fund balances, beginning	54	2,326	2,272
Fund balances, ending	\$ -	\$ 2,840	\$ 2,840

PINAL COUNTY
Special Revenue Funds - Old Courthouse Preservation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

OLD COURTHOUSE PRESERVATION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 10	\$ 10	\$ -
Contributions	-	66	66
Total revenues	<u>10</u>	<u>76</u>	<u>66</u>
Expenditures			
Current:			
General government	110	120	(10)
Total expenditures	<u>110</u>	<u>120</u>	<u>(10)</u>
Excess (deficiency) of revenues over expenditures	<u>(100)</u>	<u>(44)</u>	<u>56</u>
Other financing sources:			
Transfers in	100	100	-
Total other financing sources	<u>100</u>	<u>100</u>	<u>-</u>
Net change in fund balances	-	56	56
Fund balances, beginning	-	179	179
Fund balances, ending	<u>\$ -</u>	<u>\$ 235</u>	<u>\$ 235</u>

PINAL COUNTY
Special Revenue Funds - Detention Expansion
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

DETENTION EXPANSION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Public Safety	44	-	44
Total expenditures	<u>44</u>	<u>-</u>	<u>44</u>
Excess (deficiency) of revenues over expenditures	<u>(44)</u>	<u>-</u>	<u>44</u>
Other financing sources:			
Transfers in	44	44	-
Total other financing sources	<u>44</u>	<u>44</u>	<u>-</u>
Net change in fund balances	-	44	44
Fund balances, beginning	-	(44)	(44)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PINAL COUNTY
Special Revenue Funds - Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

COURTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 344	\$ 482	\$ 138
Charges for services	272	363	91
Investment earnings	65	48	(17)
Miscellaneous	-	14	14
Total revenues	<u>681</u>	<u>907</u>	<u>226</u>
Expenditures			
Current:			
Public safety	1,704	901	803
Total expenditures	<u>1,704</u>	<u>901</u>	<u>803</u>
Excess (deficiency) of revenues over expenditures	<u>(1,023)</u>	<u>6</u>	<u>1,029</u>
Other financing sources (uses):			
Transfers in	518	422	(96)
Transfers out	(1)	(1)	-
Total other financing sources	<u>517</u>	<u>421</u>	<u>(96)</u>
Net change in fund balances	<u>(506)</u>	<u>427</u>	<u>933</u>
Fund balances, beginning	506	1,608	1,102
Fund balances, ending	<u>\$ -</u>	<u>\$ 2,035</u>	<u>\$ 2,035</u>

PINAL COUNTY
Special Revenue Funds - Health Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

HEALTH SERVICES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 346	\$ 345	\$ (1)
Investment earnings	50	2	(48)
Total revenues	<u>396</u>	<u>347</u>	<u>(49)</u>
Expenditures			
Current:			
Health	666	620	46
Total expenditures	<u>666</u>	<u>620</u>	<u>46</u>
Deficiency of revenues over expenditures	<u>(270)</u>	<u>(273)</u>	<u>(3)</u>
Other financing sources:			
Transfers in	290	562	272
Transfers out	(20)	(20)	-
Total other financing sources	<u>270</u>	<u>542</u>	<u>272</u>
Net change in fund balances	-	269	269
Fund balances, beginning	-	(72)	(72)
Fund balances, ending	<u>\$ -</u>	<u>\$ 197</u>	<u>\$ 197</u>

PINAL COUNTY
Special Revenue Funds - Justice Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

JUSTICE COURTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 108	\$ 108
Charges for services	771	824	53
Investment earnings	2	44	42
Miscellaneous	-	57	57
Total revenues	<u>773</u>	<u>1,033</u>	<u>260</u>
Expenditures			
Current:			
Public safety	468	211	257
Total expenditures	<u>468</u>	<u>211</u>	<u>257</u>
Excess of revenues over expenditures	<u>305</u>	<u>822</u>	<u>517</u>
Other financing sources (uses):			
Transfers out	(912)	(479)	433
Total other financing uses	<u>(912)</u>	<u>(479)</u>	<u>433</u>
Net change in fund balances	(607)	343	950
Fund balances, beginning	607	2,147	1,540
Fund balances, ending	<u>\$ -</u>	<u>\$ 2,490</u>	<u>\$ 2,490</u>

PINAL COUNTY
Special Revenue Funds - Juvenile Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

JUVENILE PROBATION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 3,824	\$ 2,939	\$ (885)
Charges for services	459	144	(315)
Investment earnings	-	18	18
Miscellaneous	1	3	2
Total revenues	4,284	3,104	(1,180)
Expenditures			
Current:			
Public safety	4,303	3,075	1,228
Total expenditures	4,303	3,075	1,228
Excess (deficiency) of revenues over expenditures	(19)	29	48
Other financing sources (uses):			
Transfers in	20	36	16
Transfers out	(2)	(1)	1
Total other financing sources (uses)	18	35	17
Net change in fund balances	(1)	64	65
Fund balances, beginning	1	669	668
Fund balances, ending	\$ -	\$ 733	\$ 733

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, 2009
(Amounts expressed in thousands)

LOCAL TRANSPORT ASSIST GRANT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 199	\$ 143	\$ (56)
Charges for services	4	3	(1)
Investment earnings	-	14	14
Total revenues	<u>203</u>	<u>160</u>	<u>(43)</u>
Expenditures			
Current:			
Health	<u>203</u>	<u>159</u>	<u>44</u>
Total expenditures	<u>203</u>	<u>159</u>	<u>44</u>
Excess of revenues over expenditures	<u>-</u>	<u>1</u>	<u>1</u>
Other financing sources (uses):			
Proceeds from the sale of capital assets	<u>-</u>	<u>2</u>	<u>2</u>
Total other financing sources (uses)	<u>-</u>	<u>2</u>	<u>2</u>
Net change in fund balances	<u>-</u>	<u>3</u>	<u>3</u>
Fund balances, beginning	<u>-</u>	<u>38</u>	<u>38</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 41</u></u>	<u><u>\$ 41</u></u>

PINAL COUNTY
Special Revenue Funds - Library Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

LIBRARY GRANTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 23	\$ 23	\$ -
Total revenues	<u>23</u>	<u>23</u>	<u>-</u>
Expenditures			
Current:			
Culture and recreation	35	25	10
Total expenditures	<u>35</u>	<u>25</u>	<u>10</u>
Excess (deficiency) of revenues over expenditures	<u>(12)</u>	<u>(2)</u>	<u>10</u>
Other financing sources:			
Transfers in	2	2	-
Total other financing sources	<u>2</u>	<u>2</u>	<u>-</u>
Net change in fund balance	(10)	-	10
Fund balances, beginning	10	2	(8)
Fund balances, ending	<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, 2009
(Amounts expressed in thousands)

MISCELLANEOUS GRANTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 242	\$ 346	\$ 104
Charges for services	-	3	3
Total revenues	<u>242</u>	<u>349</u>	<u>107</u>
Expenditures			
Current:			
Culture and Recreation	22	-	22
General Government	431	399	32
Public Safety	30	-	30
Total expenditures	<u>483</u>	<u>399</u>	<u>84</u>
Excess (deficiency) of revenues over expenditures	<u>(241)</u>	<u>(50)</u>	<u>191</u>
Other financing sources:			
Transfers in	20	20	-
Total other financing sources	<u>20</u>	<u>20</u>	<u>-</u>
Net change in fund balances	<u>(221)</u>	<u>(30)</u>	<u>191</u>
Fund balances, beginning	221	49	(172)
Fund balances, ending	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ 19</u>

PINAL COUNTY
Special Revenue Funds - Public Defender
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

PUBLIC DEFENDER	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 97	\$ 60	\$ (37)
Investment earnings	-	3	3
Total revenues	<u>97</u>	<u>63</u>	<u>(34)</u>
Expenditures			
Current:			
Public safety	218	129	89
Total expenditures	<u>218</u>	<u>129</u>	<u>89</u>
Excess (deficiency) of revenues over expenditures	<u>(121)</u>	<u>(66)</u>	<u>55</u>
Other financing sources:			
Transfers in	96	86	(10)
Total other financing sources	<u>96</u>	<u>86</u>	<u>(10)</u>
Net change in fund balances	<u>(25)</u>	<u>20</u>	<u>45</u>
Fund balances, beginning	25	99	74
Fund balances, ending	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 119</u>

PINAL COUNTY
Special Revenue Funds - Public Works Highways
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009

(Amounts expressed in thousands)

PUBLIC WORKS HIGHWAYS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 21,957	\$ 20,859	\$ (1,098)
Charges for services	4	2	(2)
Investment earnings	377	141	(236)
Miscellaneous	8	200	192
Total revenues	<u>22,346</u>	<u>21,202</u>	<u>(1,144)</u>
Expenditures			
Current:			
Highways and streets	31,959	22,979	8,980
Debt Service:			
Principal retirement	-	1,068	(1,068)
Interest and fiscal charges	-	105	(105)
Total expenditures	<u>31,959</u>	<u>24,152</u>	<u>7,807</u>
Excess (deficiency) of revenues over expenditures	<u>(9,613)</u>	<u>(2,950)</u>	<u>6,663</u>
Other financing sources (uses):			
Transfers out	(3,771)	(1,950)	1,821
Proceeds from capital leases	2,606	233	(2,373)
Capital Lease agreements	-	3,976	3,976
Total other financing sources (uses)	<u>(1,165)</u>	<u>2,259</u>	<u>3,424</u>
Net change in fund balances	(10,778)	(691)	10,087
Fund balances, beginning	<u>10,778</u>	<u>10,310</u>	<u>(468)</u>
Change in reserve for inventories	-	(178)	(178)
Fund balances, ending	<u>\$ -</u>	<u>\$ 9,441</u>	<u>\$ 9,441</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, 2009
(Amounts expressed in thousands)

<u>PUBLIC WORKS ROADWAYS</u>	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Licenses and permits	\$ 1,133	\$ 584	\$ (549)
Charges for services	1,442	293	(1,149)
Investment earnings	345	100	(245)
Contributions	-	479	479
Total revenues	<u>2,920</u>	<u>1,456</u>	<u>(1,464)</u>
Expenditures			
Current:			
Highways and streets	<u>5,061</u>	<u>2,555</u>	<u>2,506</u>
Total expenditures	<u>5,061</u>	<u>2,555</u>	<u>2,506</u>
Excess (deficiency) of revenues over expenditures	<u>(2,141)</u>	<u>(1,099)</u>	<u>1,042</u>
Other financing sources (uses):			
Transfers in	1,179	-	(1,179)
Transfers out	(84)	-	84
Total other financing sources (uses)	<u>1,095</u>	<u>-</u>	<u>(1,095)</u>
Net change in fund balances	(1,046)	(1,099)	(53)
Fund balances, beginning	<u>1,046</u>	<u>4,284</u>	<u>3,238</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 3,185</u>	<u>\$ 3,185</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, 2009
(Amounts expressed in thousands)

PUBLIC WORKS SERVICES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 990	\$ 724	\$ (266)
Charges for services	2	3	1
Investment earnings	1	42	41
Total revenues	993	769	(224)
Expenditures			
Current:			
Public Safety	840	500	340
Highway and streets	3,800	436	3,364
Sanitation	353	311	42
Total expenditures	4,993	1,247	3,746
Excess (deficiency) of revenues over expenditures	(4,000)	(478)	3,522
Other financing sources (uses):			
Transfers in	3,900	3,867	(33)
Total other financing sources	3,900	3,867	(33)
Net change in fund balances	(100)	3,389	3,489
Fund balances, beginning	100	2,277	2,177
Fund balances, ending	\$ -	\$ 5,666	\$ 5,666

PINAL COUNTY
Special Revenue Funds - Sheriff
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

SHERIFF	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 2,695	\$ 6,447	\$ 3,752
Charges for services	4,907	744	(4,163)
Investment earnings	25	20	(5)
Miscellaneous	-	1	1
Total revenues	<u>7,627</u>	<u>7,212</u>	<u>(415)</u>
Expenditures			
Current:			
Public safety	7,932	7,186	746
Total expenditures	<u>7,932</u>	<u>7,186</u>	<u>746</u>
Excess (deficiency) of revenues over expenditures	<u>(305)</u>	<u>26</u>	<u>331</u>
Other financing sources (uses):			
Transfers in	224	175	(49)
Transfers out	(85)	(77)	8
Proceeds from the sale of capital assets	-	1	1
Total other financing sources	<u>139</u>	<u>99</u>	<u>(40)</u>
Net change in fund balances	<u>(166)</u>	<u>125</u>	<u>291</u>
Fund balances, beginning	166	303	137
Fund balances, ending	<u>\$ -</u>	<u>\$ 428</u>	<u>\$ 428</u>

PINAL COUNTY
Special Revenue Funds - Treasurer
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

TREASURER	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 30	\$ 45	\$ 15
Investment earnings	2	3	1
Total revenues	<u>32</u>	<u>48</u>	<u>16</u>
Expenditures			
Current:			
General government	34	101	(67)
Total expenditures	<u>34</u>	<u>101</u>	<u>(67)</u>
Excess (deficiency) of revenues over expenditures	<u>(2)</u>	<u>(53)</u>	<u>(51)</u>
Other financing sources:			
Transfers Out	(1)	(1)	-
Total other financing sources	<u>(1)</u>	<u>(1)</u>	<u>-</u>
Net change in fund balance	<u>(3)</u>	<u>(54)</u>	<u>(51)</u>
Fund balances, beginning	3	182	179
Fund balances, ending	<u>\$ -</u>	<u>\$ 128</u>	<u>\$ 128</u>

PINAL COUNTY
Special Revenue Funds - Housing Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

HOUSING GRANTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 801	\$ 3,887	\$ 3,086
Investment earnings	-	1	1
Rentals	-	455	455
Miscellaneous	1,200	15	(1,185)
Total revenues	<u>2,001</u>	<u>4,358</u>	<u>2,357</u>
Expenditures			
Current:			
Welfare	2,001	4,579	(2,578)
Total expenditures	<u>2,001</u>	<u>4,579</u>	<u>(2,578)</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(221)</u>	<u>(221)</u>
Net change in fund balance	-	(221)	(221)
Fund balances, beginning, as restated	-	824	824
Change in reserve for inventories	-	(9)	(9)
Fund balances, ending	<u>\$ -</u>	<u>\$ 594</u>	<u>\$ 594</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, 2009
(Amounts expressed in thousands)

FLOOD CONTROL DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 4,730	\$ 4,459	\$ (271)
Licenses and permits	-	13	13
Intergovernmental	1,457	536	(921)
Charges for services	30	17	(13)
Investment earnings	-	120	120
Contributions	-	400	400
Total revenues	<u>6,217</u>	<u>5,545</u>	<u>(672)</u>
Expenditures			
Current:			
Highways and streets	<u>8,354</u>	<u>1,671</u>	<u>6,683</u>
Total expenditures	<u>8,354</u>	<u>1,671</u>	<u>6,683</u>
Excess (deficiency) of revenues over expenditures	<u>(2,137)</u>	<u>3,874</u>	<u>6,011</u>
Other financing uses:			
Transfers in	1,118	26	(1,092)
Transfers out	(23)	-	23
Total other financing uses	<u>1,095</u>	<u>26</u>	<u>(1,069)</u>
Net change in fund balances	<u>(1,042)</u>	<u>3,900</u>	<u>4,942</u>
Fund balances, beginning	<u>1,042</u>	<u>3,852</u>	<u>2,810</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 7,752</u>	<u>\$ 7,752</u>

PINAL COUNTY
Special Revenue Funds - Library District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

LIBRARY DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 3,347	\$ 3,201	\$ (146)
Intergovernmental	41	52	11
Investment earnings	40	45	5
Miscellaneous	30	27	(3)
Total revenues	<u>3,458</u>	<u>3,325</u>	<u>(133)</u>
Expenditures			
Current:			
Culture and recreation	<u>3,951</u>	<u>1,933</u>	<u>2,018</u>
Total expenditures	<u>3,951</u>	<u>1,933</u>	<u>2,018</u>
Excess (deficiency) of revenues over expenditures	<u>(493)</u>	<u>1,392</u>	<u>1,885</u>
Other financing sources (uses):			
Transfers out	<u>(178)</u>	<u>(178)</u>	<u>-</u>
Total other financing sources (uses)	<u>(178)</u>	<u>(178)</u>	<u>-</u>
Net change in fund balances	<u>(671)</u>	<u>1,214</u>	<u>1,885</u>
Fund balances, beginning	<u>671</u>	<u>1,380</u>	<u>709</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 2,594</u>	<u>\$ 2,594</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, 2009
(Amounts expressed in thousands)

LIGHTING SPECIAL DISTRICTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 18	\$ 18	\$ -
Total revenues	<u>18</u>	<u>18</u>	<u>-</u>
Expenditures			
Current:			
Highway and streets	20	15	5
Total expenditures	<u>20</u>	<u>15</u>	<u>5</u>
Excess (deficiency) of revenues over expenditures	<u>(2)</u>	<u>3</u>	<u>5</u>
Net change in fund balance	(2)	3	5
Fund balances, beginning	2	1	(1)
Fund balances, ending	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>

PINAL COUNTY
Special Revenue Funds - Miscellaneous Fees
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

MISCELLANEOUS FEES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ 1,124	\$ 1,090	\$ (34)
Investment earnings	1	16	15
Total revenues	<u>1,125</u>	<u>1,106</u>	<u>(19)</u>
Expenditures			
Current:			
General government	1,035	678	357
Total expenditures	<u>1,035</u>	<u>678</u>	<u>357</u>
Excess of revenues over expenditures	<u>90</u>	<u>428</u>	<u>338</u>
Other financing sources (uses):			
Transfers out	(857)	(694)	163
Total other financing uses	<u>(857)</u>	<u>(694)</u>	<u>163</u>
Net change in fund balances	(767)	(266)	501
Fund balances, beginning	767	1,246	479
Fund balances, ending	<u>\$ -</u>	<u>\$ 980</u>	<u>\$ 980</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, 2009
(Amounts expressed in thousands)

DESERT VISTA SANITATION DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 30	\$ 32	\$ 2
Investment earnings	-	1	1
Total revenues	<u>30</u>	<u>33</u>	<u>3</u>
Expenditures			
Current:			
Sanitation	<u>130</u>	<u>7</u>	<u>123</u>
Total expenditures	<u>130</u>	<u>7</u>	<u>123</u>
Excess (deficiency) of revenues over expenditures	<u>(100)</u>	<u>26</u>	<u>126</u>
Other financing sources:			
Sale of capital assets	<u>100</u>	<u>-</u>	<u>(100)</u>
Total other financing sources	<u>100</u>	<u>-</u>	<u>(100)</u>
Net change in fund balance	<u>-</u>	<u>26</u>	<u>26</u>
Fund balances, beginning	-	49	49
Fund balances, ending	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 75</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, 2009
(Amounts expressed in thousands)

<u>PUBLIC HEALTH SERVICES DISTRICT</u>	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 3,420	\$ 2,823	\$ (597)
Intergovernmental	4,301	4,233	(68)
Charges for services	150	165	15
Investment earnings	42	16	(26)
Contributions	137	125	(12)
Miscellaneous	-	1	1
Total revenues	<u>8,050</u>	<u>7,363</u>	<u>(687)</u>
Expenditures			
Current:			
Health	8,763	6,960	1,803
Total expenditures	<u>8,763</u>	<u>6,960</u>	<u>1,803</u>
Excess (deficiency) of revenues over expenditures	<u>(713)</u>	<u>403</u>	<u>1,116</u>
Other financing sources (uses):			
Transfers in	1,207	1,207	-
Transfers out	(531)	(513)	18
Total other financing sources	<u>676</u>	<u>694</u>	<u>18</u>
Net change in fund balances	<u>(37)</u>	<u>1,097</u>	<u>1,134</u>
Fund balances, beginning	37	1,268	1,231
Change in reserve for inventories	-	(108)	(108)
Fund balances, ending	<u>\$ -</u>	<u>\$ 2,257</u>	<u>\$ 2,257</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, 2009
(Amounts expressed in thousands)

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

PINAL COUNTY
Capital Projects - Public Works Special Projects
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

<u>PUBLIC WORKS SPECIAL PROJECTS</u>	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
Revenues			
Investment Earnings	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures			
Capital outlay	<u>11</u>	<u>11</u>	<u>-</u>
Total expenditures	<u>11</u>	<u>11</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(11)</u>	<u>(10)</u>	<u>1</u>
Net change in fund balances	(11)	(10)	1
Fund balances, beginning	<u>11</u>	<u>43</u>	<u>32</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 33</u>	<u>\$ 33</u>

PINAL COUNTY
Capital Projects - Superior Court Construction
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

SUPERIOR COURT CONSTRUCTION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment Earnings	\$ -	\$ (1)	\$ (1)
Total revenues	-	(1)	(1)
Expenditures			
Capital outlay	140	9	131
Total expenditures	140	9	131
Excess (deficiency) of revenues over expenditures	(140)	(10)	130
Other financing sources (uses):			
Transfers in	140	147	7
Total other financing sources	140	147	7
Net change in fund balances	-	137	137
Fund balances, beginning	-	(137)	(137)
Fund balances, ending	\$ -	\$ -	\$ -

PINAL COUNTY
Capital Projects Miscellaneous
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

CAPITAL PROJECTS MISCELLANEOUS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 186	\$ 2	\$ (184)
Contributions	-	25	25
Miscellaneous	4,700	-	(4,700)
Total revenues	<u>4,886</u>	<u>27</u>	<u>(4,859)</u>
Expenditures			
Capital outlay	20,252	3,178	17,074
Total expenditures	<u>20,252</u>	<u>3,178</u>	<u>17,074</u>
Excess (deficiency) of revenues over expenditures	<u>(15,366)</u>	<u>(3,151)</u>	<u>12,215</u>
Other financing sources (uses):			
Transfers in	1,585	428	(1,157)
Transfers out	(231)	(231)	-
Loan proceeds	12,396	11,616	(780)
Total other financing sources	<u>13,750</u>	<u>11,813</u>	<u>(1,937)</u>
Net change in fund balances	(1,616)	8,662	10,278
Fund balances, beginning	<u>1,616</u>	<u>1,779</u>	<u>163</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 10,441</u>	<u>\$ 10,441</u>

PINAL COUNTY
Capital Projects - Adult/Juvenile Detention Construction Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

ADULT/JUVENILE DETENTION CONSTRUCTION FUND	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 21	\$ 21
Miscellaneous	-	35	35
Total revenues	-	56	56
Expenditures			
Current:			
Capital outlay	-	1	(1)
Total expenditures	-	1	(1)
Excess (deficiency) of revenues over expenditures	-	55	55
Other financing uses:			
Transfers out	(75)	(155)	(80)
Total other financing uses	(75)	(155)	(80)
Net change in fund balances	(75)	(100)	(25)
Fund balances, beginning	75	100	25
Fund balances, ending	\$ -	\$ -	\$ -

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, 2009
(Amounts expressed in thousands)

PUBLIC WORKS GANTZEL ROAD FUND	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 165	\$ 165
Contributions	-	182	182
Miscellaneous	315	-	(315)
Total revenues	<u>315</u>	<u>347</u>	<u>32</u>
Expenditures			
Capital outlay	1,800	807	993
Total expenditures	<u>1,800</u>	<u>807</u>	<u>993</u>
Excess (deficiency) of revenues over expenditures	<u>(1,485)</u>	<u>(460)</u>	<u>1,025</u>
Other financing uses:			
Transfers out	(120)	(121)	(1)
Total other financing uses	<u>(120)</u>	<u>(121)</u>	<u>(1)</u>
Net change in fund balances	(1,605)	(581)	1,024
Fund balances, beginning	<u>1,605</u>	<u>8,193</u>	<u>6,588</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 7,612</u>	<u>\$ 7,612</u>

PINAL COUNTY
Debt Service
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

DEBT SERVICE	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Investment earnings	\$ -	\$ 43	\$ 43
Total revenues	-	43	43
Expenditures			
Debt Service			
Principal retirement	11,565	12,086	(521)
Interest	8,918	7,674	1,244
Miscellaneous	-	8	(8)
Total expenditures	20,483	19,768	715
Excess (deficiency) of revenues over expenditures	(20,483)	(19,725)	758
Other financing sources:			
Transfers in	20,483	19,760	(723)
Total other financing sources	20,483	19,760	(723)
Net change in fund balances	-	35	35
Fund balances, beginning	-	4,989	4,989
Fund balances, ending	\$ -	\$ 5,024	\$ 5,024

PINAL COUNTY
Maricopa Rd Debt Service
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2009
(Amounts expressed in thousands)

MARICOPA RD DEBT SERVICE	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ -	\$ 2	\$ 2
Investment earnings	-	4	4
Total revenues	<u>-</u>	<u>6</u>	<u>6</u>
Expenditures			
Debt Service			
Miscellaneous	<u>15</u>	<u>2</u>	<u>13</u>
Total expenditures	<u>15</u>	<u>2</u>	<u>13</u>
Excess (deficiency) of revenues over expenditures	<u>(15)</u>	<u>4</u>	<u>19</u>
Other financing sources (uses):			
Transfers in	<u>15</u>	<u>-</u>	<u>15</u>
Total other financing sources (uses)	<u>15</u>	<u>-</u>	<u>15</u>
Net change in fund balances	-	4	4
Fund balances, beginning	<u>-</u>	<u>162</u>	<u>162</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 166</u>	<u>\$ 166</u>

PINAL COUNTY
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2009

(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fairgrounds	Adult Day Care	Total
Assets					
Current assets:					
Cash, cash equivalents and investments	\$ 1,019	\$ 398	\$ 36	\$ 143	\$ 1,596
Receivables (net):					
Accounts	3	421	-	-	424
Due from other funds	-	24	2	9	35
Total current assets	<u>1,022</u>	<u>843</u>	<u>38</u>	<u>152</u>	<u>2,055</u>
Noncurrent assets:					
Capital assets:					
Buildings and improvements	-	-	376	-	376
Machinery and equipment	51	175	149	-	375
Less accumulated depreciation	(49)	(118)	(519)	-	(686)
Total noncurrent assets	<u>2</u>	<u>57</u>	<u>6</u>	<u>-</u>	<u>65</u>
Total assets	<u>1,024</u>	<u>900</u>	<u>44</u>	<u>152</u>	<u>2,120</u>
Liabilities					
Current liabilities:					
Accounts payable	67	23	1	-	91
Accrued payroll and employee benefits	3	71	4	-	78
Due to other funds	-	9	-	152	161
Deposits held for others	44	-	-	-	44
Total current liabilities	<u>114</u>	<u>103</u>	<u>5</u>	<u>152</u>	<u>374</u>
Noncurrent liabilities:					
Obligations under capital leases	6	134	1	-	141
Compensated absences	29	94	30	-	153
Total noncurrent liabilities	<u>35</u>	<u>228</u>	<u>31</u>	<u>-</u>	<u>294</u>
Total liabilities	<u>149</u>	<u>331</u>	<u>36</u>	<u>152</u>	<u>668</u>
Net Assets					
Invested in capital assets, net of related debt	(4)	57	5	-	58
Unrestricted (deficit)	879	512	3	-	1,394
Total net assets	<u>\$ 875</u>	<u>\$ 569</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 1,452</u>

PINAL COUNTY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fairgrounds	Adult Day Care	Total
Operating revenues					
Charges for services	\$ -	\$ 5,778	\$ 327	\$ -	\$ 6,105
Miscellaneous	524	1	-	-	525
Total operating revenues	524	5,779	327	-	6,630
Operating expenses					
Personal services	137	4,781	366	-	5,284
Supplies	57	161	45	-	263
Depreciation	8	21	17	-	46
Insurance	-	63	-	-	63
Repairs and maintenance	63	30	6	-	99
Communication	21	10	7	-	38
Professional services	112	168	82	-	362
Public utility service	-	-	67	-	67
Miscellaneous	10	69	53	-	132
Total operating expenditures	408	5,303	643	-	6,354
Operating income (loss)	116	476	(316)	-	276
Nonoperating revenues					
Intergovernmental	-	-	35	-	35
Investment earnings	20	7	-	-	27
Interest expense	-	(6)	-	-	(6)
Loss on disposal of capital assets	-	-	-	(8)	(8)
Total nonoperating revenues	20	1	35	(8)	48
Net income (loss) before contributions and transfers	136	477	(281)	(8)	324
Capital contributions	-	8	-	-	8
Transfers in	-	240	499	-	739
Transfers out	(15)	(10)	(1)	(368)	(394)
Changes in net assets	121	715	217	(376)	677
Net assets - beginning	754	(146)	(209)	376	775
Net assets - ending	\$ 875	\$ 569	\$ 8	\$ -	\$ 1,452

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fair- gounds	Adult Day Care	Total
Cash flows from operating activities					
Receipts from customers	\$ 538	\$ 5,341	\$ 329	\$ 2	\$ 6,210
Other receipts from operations	-	-	-	(5)	(5)
Payments to suppliers	(198)	(485)	(274)	(17)	(974)
Payments to employees	(142)	(4,910)	(373)	-	(5,425)
Net cash provided by (used for) operating activities	<u>198</u>	<u>(54)</u>	<u>(318)</u>	<u>(20)</u>	<u>(194)</u>
Cash flows from noncapital financing activities					
Receipts from federal and local agencies	-	-	35	-	35
Cash transfers from other funds	-	232	499	-	731
Cash transfers to other funds	(2)	(10)	(1)	(368)	(381)
Advances from other funds	(1)	-	-	152	151
Payments of advances received from other funds	-	(122)	(195)	-	(317)
Net cash provided by (used for) noncapital financing activities	<u>(3)</u>	<u>100</u>	<u>338</u>	<u>(216)</u>	<u>219</u>
Cash flows from capital and related financing activities					
Payments for capital leases	-	(30)	-	-	(30)
Purchases of capital assets	-	(18)	-	-	(18)
Interest paid on capital leases	-	(6)	-	-	(6)
Net cash used for capital and related financing activities	<u>-</u>	<u>(54)</u>	<u>-</u>	<u>-</u>	<u>(54)</u>
Cash flows from investing activities					
Investment earnings received	<u>20</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>27</u>
Net cash provided by investing activities	<u>20</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>27</u>
Net increase (decrease) in cash and cash equivalents	215	(1)	20	(236)	(2)
Cash and cash equivalents - beginning	<u>804</u>	<u>399</u>	<u>16</u>	<u>379</u>	<u>1,598</u>
Cash and cash equivalents - ending	<u>\$ 1,019</u>	<u>\$ 398</u>	<u>\$ 36</u>	<u>\$ 143</u>	<u>\$ 1,596</u>

(Continued)

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2009
(Concluded)
(Amounts expressed in thousands)

	<u>Sheriff Inmate Services</u>	<u>Home Health</u>	<u>Fair- gounds</u>	<u>Adult Day Care</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ 116	\$ 476	\$ (316)	\$ -	\$ 276
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	8	21	17	-	46
Changes in assets and liabilities:					
Decrease (increase) in assets:					
Accounts receivable	14	(420)	2	2	(402)
Due from other funds	-	(18)	(2)	(5)	(25)
Inventories	-	25	1	-	26
Increase (decrease) in liabilities:					
Accounts payable	65	(9)	(13)	(17)	26
Accrued payroll and employee benefits	(4)	(117)	(9)	-	(130)
Compensated absences	(1)	(12)	2	-	(11)
Total adjustments	<u>82</u>	<u>(530)</u>	<u>(2)</u>	<u>(20)</u>	<u>(470)</u>
Net cash provided by (used for) operating activities	<u>\$ 198</u>	<u>\$ (54)</u>	<u>\$ (318)</u>	<u>\$ (20)</u>	<u>\$ (194)</u>

Sheriff Inmate Services transferred capital assets with a net book value of \$13 to the County's general government.

Adult Day Care transferred capital assets with a net book value of \$8 to Home Health.

PINAL COUNTY
Combining Statement of Fiduciary Net Assets
Investment Trust Funds
June 30, 2009

(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Assets			
Cash, cash equivalents and investments	\$ 213,797	\$ 2,439	\$ 216,236
Interest receivable	602	-	602
Total assets	214,399	2,439	216,838
Liabilities			
Deposits held for others	-	-	-
Total liabilities	-	-	-
Net Assets			
Held in trust for investment participants	\$ 214,399	\$ 2,439	\$ 216,838

PINAL COUNTY
Combining Statement of Fiduciary Net Assets
Agency Funds
June 30, 2009

(Amounts expressed in thousands)

	Special Purpose	Other Agency	Total
Assets			
Cash, cash equivalents and investments	\$ 1,231	\$ 2,927	\$ 4,158
Liabilities			
Deposits held for others	\$ 1,231	\$ 2,927	\$ 4,158

PINAL COUNTY
Combining Statement of Changes in Fiduciary Net Assets
Investment Trust Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Additions			
Contributions by participants	\$ 794,573	\$ -	\$ 794,573
Investment earnings	9,187	25	9,212
Total additions	<u>803,760</u>	<u>25</u>	<u>803,785</u>
Deductions			
Distributions to participants	811,859	-	811,859
Total distributions	<u>811,859</u>	<u>-</u>	<u>811,859</u>
Change in net assets	(8,099)	25	(8,074)
Net assets - beginning	222,498	2,414	224,912
Net assets - ending	<u>\$ 214,399</u>	<u>\$ 2,439</u>	<u>\$ 216,838</u>

PINAL COUNTY
Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2009
(Amounts expressed in thousands)

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Special Purpose:				
Assets				
Cash, cash equivalents and investments	<u>\$ 1,402</u>	<u>\$ 1,899</u>	<u>\$ 2,070</u>	<u>\$ 1,231</u>
Liabilities				
Deposits held for others	<u>\$ 1,402</u>	<u>\$ 1,899</u>	<u>\$ 2,070</u>	<u>\$ 1,231</u>
Other Agency:				
Assets				
Cash, cash equivalents and investments	<u>\$ 3,220</u>	<u>\$ 51,396</u>	<u>\$ 51,689</u>	<u>\$ 2,927</u>
Liabilities				
Deposits held for others	<u>\$ 3,220</u>	<u>\$ 51,396</u>	<u>\$ 51,689</u>	<u>\$ 2,927</u>
Total - All Agency Funds				
Assets				
Cash, cash equivalents and investments	<u>\$ 4,622</u>	<u>\$ 53,295</u>	<u>\$ 53,759</u>	<u>\$ 4,158</u>
Liabilities				
Deposits held for others	<u>\$ 4,622</u>	<u>\$ 53,295</u>	<u>\$ 53,759</u>	<u>\$ 4,158</u>

Statistical Section



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

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.

Required schedule not included as Pinal County has no General Bonded Debt:

- Ratios of General Bonded Debt Outstanding

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

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.

Required schedules not included as Pinal County does not track the information required for these schedules at this time:

- Operating Indicators by Function/Program
- Capital Assets by Function/Program

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.

Page left blank intentionally

PINAL COUNTY
Net Assets by Component
Last Eight Fiscal Years

(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Governmental Activities								
Invested in capital assets, net of related debt	\$ 267,697	\$ 232,081	\$ 207,480	\$ 180,340	\$ 44,832	\$ 41,578	\$ 33,615	\$ 25,732
Restricted	108,286	106,422	102,515	67,584	39,872	28,679	20,917	18,547
Unrestricted	30,063	33,673	38,378	36,054	31,359	20,408	6,195	3,922
Total governmental activities net assets	\$ 406,046	\$ 372,176	\$ 348,373	\$ 283,978	\$ 116,063	\$ 90,665	\$ 60,727	\$ 48,201
Business-type Activities								
Invested in capital assets, net of related debt	\$ 2,223	\$ 2,538	\$ 2,787	\$ 2,379	\$ 949	\$ 442	\$ 93	\$ 81
Restricted	2,846	2,836	2,576	255	1,651	2,150	2,208	1,912
Unrestricted	6,003	2,973	1,263	1,196	965	1,579	1,262	984
Total business-type activities net assets	\$ 11,072	\$ 8,347	\$ 6,626	\$ 3,830	\$ 3,565	\$ 4,171	\$ 3,563	\$ 2,977
Net Assets								
Invested in capital assets, net of related debt	\$ 269,920	\$ 234,619	\$ 210,267	\$ 182,719	\$ 45,781	\$ 42,020	\$ 33,708	\$ 25,813
Restricted	111,132	109,258	105,091	67,839	41,523	30,829	23,125	20,459
Unrestricted	36,066	36,646	39,641	37,250	32,324	21,987	7,457	4,906
Total net assets	\$ 417,118	\$ 380,523	\$ 354,999	\$ 287,808	\$ 119,628	\$ 94,836	\$ 64,290	\$ 51,178

PINAL COUNTY
Changes in Net Assets
Last Eight Fiscal Years

(accrual basis of accounting)
(amounts expressed in thousands)

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

(continued)

PINAL COUNTY
Fund Balances of Governmental Funds
Last Eight Fiscal Years

(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
General Fund								
Reserved	\$ 445	\$ 952	\$ 519	\$ 482	\$ 6,866	\$ 1,688	\$ 1,613	\$ 1,601
Unreserved	36,260	41,533	46,078	45,614	31,755	25,618	13,301	11,312
Total general fund	\$ 36,705	\$ 42,485	\$ 46,597	\$ 46,096	\$ 38,621	\$ 27,306	\$ 14,914	\$ 12,913
All Other Governmental Funds								
Reserved	\$ 216	\$ 455	\$ 359	\$ 379	\$ 509	\$ 2,110	\$ 13,152	\$ 29,839
Unreserved, reported in:								
Special revenue funds	80,320	80,187	63,979	43,192	37,617	28,143	20,377	17,417
Capital projects funds	18,085	9,973	25,981	65,853	48,224	60	60	124
Debt service funds	5,190	5,151	5,189	8,640	-	-	-	-
Total all other governmental funds	\$ 103,811	\$ 95,766	\$ 95,508	\$ 118,064	\$ 86,350	\$ 30,313	\$ 33,589	\$ 47,380

Note: The All Other Governmental Funds: Unreserved totals have been restated for 2002.

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

(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Revenues								
Taxes	\$ 118,505	\$ 109,442	\$ 95,048	\$ 85,688	\$ 70,407	\$ 62,057	\$ 53,217	\$ 45,983
Licenses and permits	3,732	5,796	9,000	12,094	12,769	9,629	6,313	4,139
Intergovernmental	92,656	92,114	92,324	82,964	67,226	60,807	55,536	52,491
Charges for services	26,538	35,285	26,718	19,370	14,637	12,350	10,400	9,889
Fines and forfeits	3,263	3,464	4,905	2,586	3,032	2,396	2,641	2,228
Investment earnings	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	1,378	2,608	8,041	10,846	9,571	4,863	-	-
Rentals	919	791	750	740	661	-	-	-
Miscellaneous	1,315	5,048	1,921	787	699	1,579	3,747	3,060
Total revenues	252,484	261,132	245,638	219,686	180,673	154,174	131,955	119,057
Expenditures								
Current:								
General government	72,299	72,961	59,789	48,842	55,602	46,973	39,187	32,064
Public safety	88,073	82,323	71,114	57,111	43,783	37,297	37,071	32,449
Highways and streets	37,498	36,259	30,721	27,712	27,677	24,661	18,246	16,125
Sanitation	679	901	680	583	568	887	805	495
Health	28,567	30,472	27,299	24,606	23,180	20,228	19,477	18,558
Welfare	5,396	5,960	5,027	4,636	5,192	4,898	4,877	4,400
Culture and recreation	2,220	1,397	879	823	825	600	547	526
Education	9,901	10,371	10,861	8,379	7,571	7,235	6,324	6,391
Capital outlay	4,006	19,760	49,181	62,471	22,422	11,254	16,472	3,576
Debt service:								
Principal retirement	13,664	7,620	6,131	5,890	1,075	1,040	1,000	835
Interest and fiscal charges	7,825	7,633	8,352	5,134	141	183	221	253
Cost of issuance	176	86	-	-	-	-	-	-
Other	10	11	13	1,316	-	-	-	-
Total expenditures	270,314	275,754	270,047	247,503	188,036	155,256	144,227	115,672
Excess (deficiency) of revenues over expenditures	(17,830)	(14,622)	(24,409)	(27,817)	(7,363)	(1,082)	(12,272)	3,385
Other financing sources (uses):								
Transfers in	32,333	20,519	22,698	25,337	6,531	6,470	5,886	6,801
Transfers out	(31,111)	(20,171)	(22,315)	(25,519)	(6,255)	(6,047)	(5,591)	(6,388)
Proceeds from sale of capital assets	374	357	303	321	522	458	187	217
Capital lease agreements	6,083	6,109	1,668	1,096	980	2,873	-	308
Loan proceeds	12,795	3,695	-	-	-	-	-	-
Insurance reimbursement	121	98	-	-	-	-	-	-
Premium on new debt issued	39	135	-	-	-	-	-	-
Loan issued	-	-	-	64,886	73,163	-	-	30,800
Total other financing sources (uses)	20,634	10,742	2,354	66,121	74,941	3,754	482	31,738
Net change in fund balances	\$ 2,804	\$ (3,880)	\$ (22,055)	\$ 38,304	\$ 67,578	\$ 2,672	\$ (11,790)	\$ 35,123
Debt Service as a percentage of noncapital expenditures	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
1999/00	Primary	617,983	4,966,595	12.4%
	Secondary	637,059	4,966,595	12.8%
2000/01	Primary	651,803	5,201,945	12.5%
	Secondary	681,536	5,433,532	12.5%
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%

Source: County assessment records

PINAL COUNTY
TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY
Last Ten Tax Years
(\$ amounts expressed in thousands)

Tax Year	Commercial Property		Residential Property		Vacant/Ag Land		Other		Total Taxable Assessed Value		Total Direct Tax Rate		Estimated Limited Value		Assessed Value as a Percentage of Limited Value	
	Property	Value	Property	Value	Land	Value	Other	Value	Value	Rate	Value	Rate	Value	Value	Percentage	Value
1999	259,006		246,466		103,683		8,828		617,983	4.8392%	4,966,595		4,966,595		12.44%	
2000	245,139		291,483		109,621		5,560		651,803	4.8424%	5,201,945		5,201,945		12.53%	
2001	260,990		315,201		122,255		3,266		701,712	4.8433%	5,569,699		5,569,699		12.60%	
2002	272,409		406,616		133,068		4,809		816,902	4.8386%	6,502,309		6,502,309		12.56%	
2003	311,126		482,277		153,496		4,925		951,824	4.8287%	7,674,857		7,674,857		12.40%	
2004	326,002		559,659		172,334		3,164		1,061,159	4.8295%	8,633,604		8,633,604		12.29%	
2005	340,847		672,221		196,997		2,906		1,212,971	4.8188%	10,125,096		10,125,096		11.98%	
2006	367,878		872,284		225,673		6,324		1,472,159	4.6900%	12,523,364		12,523,364		11.76%	
2007	406,589		1,186,738		308,491		6,984		1,908,802	4.4036%	16,552,287		16,552,287		11.53%	
2008	471,977		1,526,547		467,028		7,948		2,473,500	3.8522%	21,583,423		21,583,423		11.46%	

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)

Fiscal Year	Assessed Value	County Primary Rate	Library	Flood	Fire	Mary C. O'Brien School	Total
1999/00	617,983	4.4532	0.0570	0.0900	0.0948	0.1442	4.8392
2000/01	651,803	4.4532	0.0570	0.0900	0.0980	0.1442	4.8424
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

Source: County Tax Records

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

<u>Taxpayer</u>	<u>2009</u>			<u>2000</u>		
	<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	\$ 84,112	1	3.40%	\$ 37,689	1	6.10%
ASARCO Inc. (Grupo Mexico)	47,413	2	1.92%	20,779	3	3.36%
CCA Properties of Arizona LLC	20,091	3	0.81%	6,478	5	1.05%
El Paso Natural Gas Co.	17,255	4	0.70%	6,364	6	1.03%
Qwest Corporation	16,442	5	0.66%	7,494	4	1.21%
Southwest Gas Corp. (T&D)	12,049	6	0.49%	5,707	8	0.92%
Pulte Home Corporation	10,676	7	0.43%	-	-	-
SFPP LP dba Kinder Morgan Energy	7,842	8	0.32%	-	-	-
Wal-Mart Stores East, LP	7,726	9	0.31%	-	-	-
Wal-Mart Stores Inc	6,327	10	0.26%	-	-	-
BHP Cooper Inc. / San Manuel Division	-	-	-	29,926	2	4.84%
US West Communications Inc	-	-	-	6,314	7	1.02%
X	-	-	-	4,794	10	0.78%
Arizona Water	-	-	-	5,104	9	0.83%
BHP Copper Inc / (Environmental Facility)	-	-	-	-	-	-
Total	\$ 229,933		9.30%	\$ 130,649		21.14%
Total Assessed Value	\$ 2,473,500			\$ 617,983		

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
2000	29,432	24,620	83.65%	1,293	25,913	88.04%
2001	30,365	26,255	86.46%	1,583	27,838	91.68%
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%	1,809	52,663	92.53%
2007	66,916	59,670	89.17%	2,332	62,002	92.66%
2008	81,141	73,935	91.12%	3,387	77,322	95.29%
2009	93,096	85,640	91.99%	-	85,640	91.99%

Source: County financial records

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

(amounts expressed in thousands, except per capital amount)

Fiscal Year	Governmental Activities				Business -Type Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Certificate of Participation	Assessment Bonds	Capital Leases	Loans	Capital Leases	Loans	Capital Leases	Loans			
1999/2000	12,235	7,050	1,339	-	-	-	-	-	20,624	.70%	119
2000/2001	11,215	6,240	3,285	-	-	11	-	-	20,751	.65%	115
2001/2002	40,905	5,405	2,814	-	-	-	-	-	49,124	1.37%	263
2002/2003	38,675	4,405	1,634	-	-	-	-	-	44,714	1.17%	229
2003/2004	36,375	3,365	4,215	-	-	-	-	-	43,955	1.07%	215
2004/2005	105,590	2,290	4,332	-	-	-	-	-	112,212	2.49%	522
2005/2006	101,480	1,165	4,323	63,220	-	-	-	-	170,188	3.40%	689
2006/2007	97,200	-	4,538	63,220	-	-	-	-	164,958	2.73%	550
2007/2008	92,755	-	9,405	64,755	171	-	2,800	-	169,886	N/A	518
2008/2009	87,035	-	12,624	74,805	141	-	2,800	-	177,405	N/A	505

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

¹ See 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									
	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
Debt Limit	\$ 38,224	\$ 40,892	\$ 44,314	\$ 51,832	\$ 61,303	\$ 67,801	\$ 76,636	\$ 92,820	\$ 140,090	\$ 206,976
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 38,224	\$ 40,892	\$ 44,314	\$ 51,832	\$ 61,303	\$ 67,801	\$ 76,636	\$ 92,820	\$ 140,090	\$ 206,976
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 2008/2009

Assessed Value:	3,449,599
Secondary	
Debt Limit	206,976
(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	206,976

Note: General obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assessment. 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			
	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
1999/00	974	730	359	89.44%
2000/01	1095	810	283	100.18%
2001/02	1007	835	253	92.56%
2002/03	1139	1000	221	93.28%
2003/04	1280	1040	183	104.66%
2004/05	1192	1075	141	98.03%
2005/06	1187	1125	96	97.22%
2006/07	1197	1165	50	98.52%
2007/08	N/A	N/A	N/A	N/A
2008/09	N/A	N/A	N/A	N/A

Source: County financial and tax records

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

Fiscal Year	Population¹	Personal Income²	Per Capita Income²	Unemployment Rate¹
1999/00	173	2,935,332	17	4.2%
2000/01	181	3,203,163	18	5.3%
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	N/A	N/A	4.7%
2008/09	351	N/A	N/A	6.6%

¹ Population and unemployment data is obtained from the Arizona Department of Commerce, Pinal County Profile.

² Personal income and per capita income data is obtained from the Arizona Department of Economic Security, Arizona Regional Economic Profile

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

PINAL COUNTY
Principal Employers
Current Year and Nine Years Ago

Employer	2009			2000		
	Employees ¹	Rank	Percentage of Total County Employment	Employees ¹	Rank	Percentage of Total County Employment
State of Arizona	2,867	1	2.66%	2,950	1	4.45%
Pinal County	2,770	2	2.57%	1,260	3	1.90%
Gila River Indian Community	2,056	3	1.91%	-	-	-
Corrections Corporation of America	2,025	4	1.88%	1,202	4	1.81%
Walmart	1802	5	1.67%	-	-	-
Ray Mines Plant	880	6	0.82%	-	-	-
Harrhahs Operating Co Inc	816	7	0.76%	-	-	-
Hu Hu Kam Memorial Hospital	788	8	0.73%	-	-	-
Casa Grande Regional Hospital	756	9	0.70%	500	7	0.75%
Florence Unified School District	677	10	0.63%	-	-	-
ASARCO Inc. (Grupo Mexico)	-	-	-	1,400	2	2.11%
Various School Districts	-	-	-	1,130	5	1.70%
Hexcel Corporation	-	-	-	575	6	0.87%
Desert Valley Care Center	-	-	-	500	8	0.75%
Frito Lay Inc.	-	-	-	400	9	0.60%
Mulay Plastics, Inc.	-	-	-	370	10	0.56%

¹Estimated number of full-time equivalent employees
Source: Central Arizona Association of Government

PINAL COUNTY
Employees by Function
Last Seven Fiscal Years

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

Source: County Budget Office projected FTEs 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.