

PINAL COUNTY, ARIZONA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010



Gold Canyon Golf Resort by:
Donna McBride, Juvenile Court Services

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

Pinal County, Arizona
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2010

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, 2010

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Introductory Section



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PINAL COUNTY, ARIZONA
2009-2010 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LETTER OF TRANSMITTAL

December 21, 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 or a firm of licensed certified public accountants contracted by the Auditor General to conduct financial audits of the accounts and records of County governments. Pursuant to the statute, the Office of the Auditor General contracted with Walker & Armstrong LLP to audit the Pinal County Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit; that there was a reasonable basis for rendering an unqualified (clean) opinion that Pinal County's basic financial statements for the fiscal year ended June 30, 2010 are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is located at the front of the financial section of this report.

This report consists of management's representations concerning the finances of 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 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. These reports are available in the County's separately issued Single Audit Report.

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

Pinal County Profile

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. Florence, established in 1866 was designated and has remained the county seat. This location, approximately halfway between Phoenix to the north and Tucson to the south, the two largest cities in Arizona, presents some unique problems to 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, 2010 population of the County was estimated to be 356,000. The communities of Mammoth, Oracle, San Manuel, and Kearny have traditionally been active in copper mining, smelting, milling and refining. Arizona City, Eloy, Maricopa, Picacho, Red Rock, and Stanfield have agriculture based economies. Apache Junction, Arizona City, Coolidge, Eloy, and particularly Casa Grande have diversified their economic base to include manufacturing, trade and services.

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

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

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

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

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

Information Useful in Assessing Pinal County's Economic Condition

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

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

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

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

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

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

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

Long – Term Financial Planning. The County's responsiveness to emerging economic challenges and its careful long-range planning have been key factors in Pinal County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid financial position for the County at the close of FY 2009-2010.

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

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

Major Initiatives. During FY 2009-2010 Pinal County continued to invest in basic government service programs and amenities. The planning parameters were Regional Leadership, Growth, Public Safety, Healthcare, Transportation, Jobs and Economic Development, Financial Responsibility 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 July 23, 2010 Standard & Poor's Ratings Services upgraded its long-term rating to A+ from A on Pinal County, Ariz.'s Certificates of Participation. The rating action reflects their view of the county's sound active financial management and maintenance of very strong reserve levels during an overall pressuring economic period. In addition, Standard & Poor's Ratings Services assigned its AA- rating with a stable outlook to Pinal County, Ariz.'s \$12 million excise tax revenue bonds series 2010 and \$18.4 million excise tax refunding bonds series 2010.

- Follow through on a commitment to increase immunization rates to help the public maintain an overall better public health. Two new Public Health clinics in the communities of Maricopa and San Tan Valley were approved by the Board of Supervisors and are in the planning stage. Combined these communities account for more than 124,000 residents that currently have limited access to public health services.
- 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. Pinal County hired an Economic Development Manager in 2010 and has pledged continued financial support of local economic development organizations that are focused on creating growth.
- The Pinal County Comprehensive Plan was unanimously adopted by the Board of Supervisors on November 18, 2009 after a 24 month process. The new plan has been called "the innovative and forward-thinking approach to blueprint planning for Pinal County."
- The County has implemented 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, 2009. This was the 14th 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 2009-2010 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, 2010.

Acknowledgments

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

Respectfully submitted,



Victoria L. Prins
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Pinal County
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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.



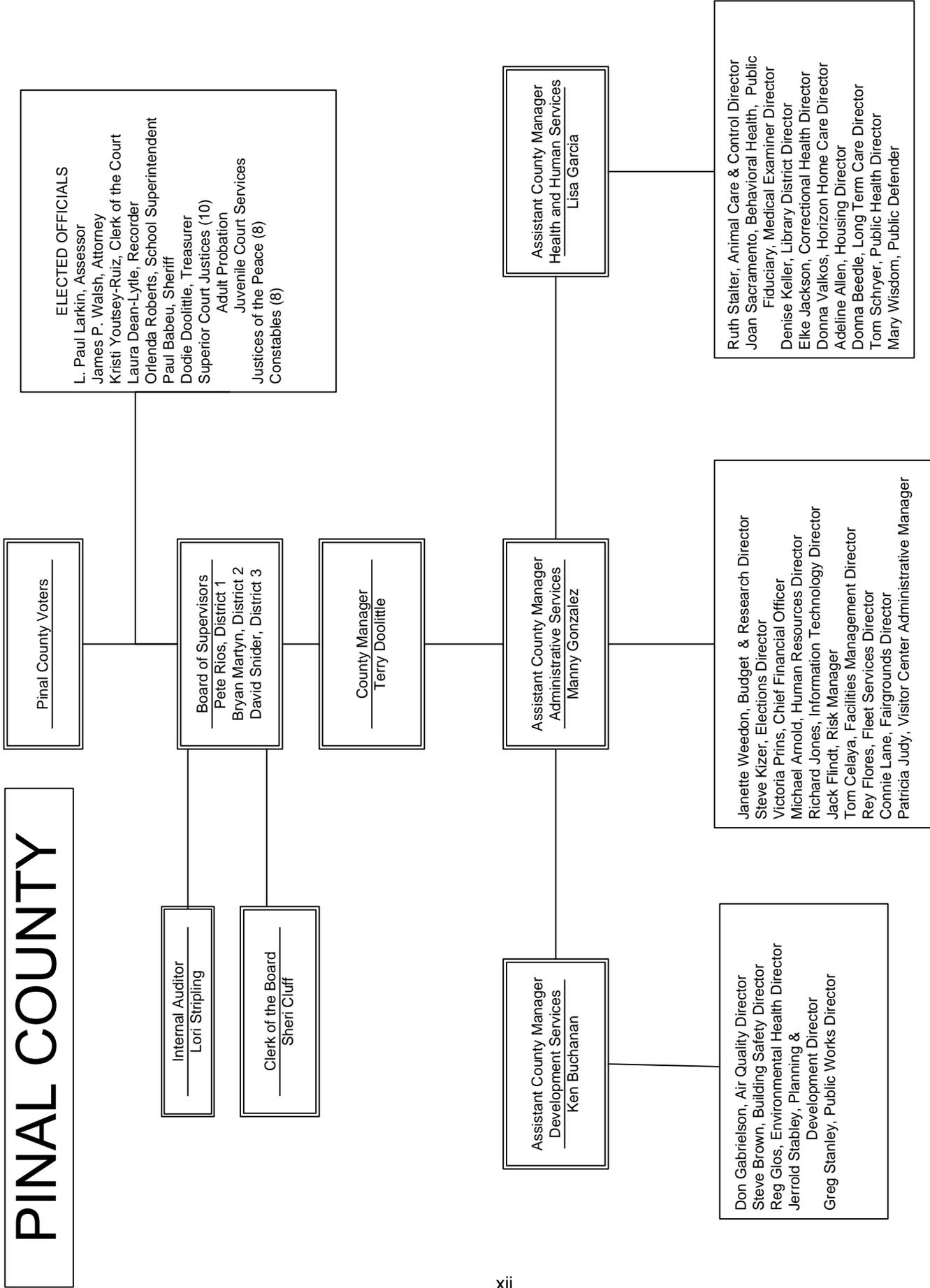
A stylized handwritten signature in black ink.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

PINAL COUNTY



PINAL COUNTY
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010
County Officials

Elected Officials

Supervisor, District 1	Pete Rios
Supervisor, District 2	Bryan Martyn
Supervisor, District 3	David Snider
Assessor	L. Paul Larkin
Attorney	James P. Walsh
Clerk of Superior Court	Kristi Youtsey Ruiz
Recorder	Laura Dean-Lytle
School Superintendent	Orlenda F. 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 Judge, Division 10	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, Administration	Manny Gonzalez
Assistant County Manager, Health & Human Services	Lisa Garcia
Assistant County Manager, Development Services	Ken Buchanan
Chief Financial Officer	Victoria Prins
Public Works Director	Greg Stanley
Planning & Development Director	Jerrold Stabley
Public Defender	Mary Wisdom
Library District Director	Denise Keller
Budget Director	Janette Weedon
Building Safety Director	Steve Brown
Elections Director	Steve Kizer
Facilities Management Director	Tom Celaya
Fairgrounds Director	Connie Lane
Fleet Services Director	Rey Flores
Human Resources Director	Michael Arnold
Chief Information Officer	Richard Jones
Long Term Care Director	Donna Beedle
Risk Manager	Jack Flindt
Air Quality Director	Donald Gabrielson
Animal Care & Control Director	Ruth Stalter
Horizon Home Care Director	Donna V. 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	Pat Judy

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Financial Section



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Independent Auditors' Report

www.wa-cpas.com

The Auditor General of the State of Arizona

Honorable Board of Supervisors of
Pinal County, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Pinal County, Arizona ("Pinal County") as of and for the year ended June 30, 2010, which collectively comprise Pinal County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Pinal County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the following financial statements:

- Long term care fund, which represents 87.63 percent, 80.83 percent and 91.23 percent of the total assets, net assets and revenues, respectively, of the business-type activities opinion unit and 100 percent of the long term care fund opinion unit;
- Housing and community development fund, which represents 1.45 percent, 1.94 percent and .32 percent of the total assets, net assets and revenues, respectively, of the governmental activities opinion unit and 2.85 percent, 2.71 percent and .66 percent, respectively, of the total assets, fund balances and net assets and revenues and additions of the aggregate remaining fund information opinion unit;
- Employee benefit trust fund, which represents .87 percent, .80 percent and 16.35 percent of the total assets, net assets and revenues, respectively, of the governmental activities opinion unit and 1.71 percent, 1.12 percent and 2.06 percent, respectively, of the total assets, fund balances and net assets and revenues and additions of the aggregate remaining fund information opinion unit.

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

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Pinal County as of June 30, 2010, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As described in Note 1, Pinal County implemented the provisions of the Governmental Accounting Standards Board Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, for the year ended June 30, 2010, which represents a change in accounting principle.

The Management's Discussion and Analysis (MD&A) on pages 3 through 16, the Budgetary Comparison Schedules on pages 57 through 62 and the Schedule of Agent Retirement Plans' Funding Progress on pages 63 and 64, and 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 Pinal County's basic financial statements. The introductory section, combining statements and individual fund schedules and statistical section listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements. The combining statements and individual fund schedules 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 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 by us and other auditors 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 Pinal County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters 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.

Walker & Armstrong LLP

Phoenix, Arizona
December 21, 2010



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PINAL COUNTY Management's Discussion and Analysis

As management of Pinal County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2010. 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 2010 by \$445,721 (*net assets*). Of this amount, \$38,843 (*unrestricted net assets*) may be used to meet ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$16,931 partly due to increased revenues for property taxes and capital contributions related to increases in the County's capital assets. Beginning net assets were restated for various reasons, including the correction of prior year errors related to the County's capital assets.
- As of June 30, 2010, the County's governmental funds reported combined fund balances of \$148,205, an increase of \$7,678 in comparison with the prior year, as restated. Approximately 99.6% of the combined fund balances, or \$147,671, is available for spending at the County's discretion (*unreserved fund balance*). Most of the increase is attributable to the successfully implemented budget plan of reducing overall expenditures in the general fund, by reducing the labor force, controlling expenditures for supplies and travel, and postponing or eliminating plans for the construction and acquisition of capital projects.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$43,210, or 29% of total General Fund expenditures.
- The County's total long-term liabilities as of June 30, 2010, were \$184,472. 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 2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

PINAL COUNTY Management's Discussion and Analysis

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, welfare, culture and recreation, and education. The business-type activities of the County include the Sheriff Inmate Services, Horizon Home Care (Home Health), Long Term Care, and the Fairgrounds.

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

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

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

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

The County uses 194 individual governmental funds to satisfy legal and operating requirements. Some of these funds are combined according to their functional basis for financial reporting purposes. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Road Tax Districts, Public Works Highway, and Development Impact Fee funds. Data from the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and other governmental funds. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. These statements can be found on pages 57-61.

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

Proprietary funds are maintained in two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Sheriff Inmate Services, Horizon Home Care (Home Health), Long Term Care, 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 the other enterprise funds are combined into a single, aggregated presentation provided in the form of *combining statements* elsewhere in this report. The County's internal service fund is presented separately in the proprietary fund financial statements.

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The proprietary fund financial statements can be found on pages 23-26 of this report.

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

The fiduciary fund financial statements can be found on pages 27-28 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-56 of this report.

Required Supplementary Information is presented in addition to the basic financial statements and accompanying notes, concerning the County's progress in funding its obligation to provide pension benefits to its employees. Budgetary comparison schedules previously discussed are also included in this section. Required supplementary information can be found on pages 57-64 of this report.

Combining Statements and Other Schedules referred to earlier in connection with non-major governmental funds and non-major enterprise funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules including statistical information can be found on pages 65-152 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. County assets exceeded liabilities by \$445,721 at the close of the most recent fiscal year. The balances for governmental activities capital assets were restated for fiscal year 2009 to correct prior period errors, and for the implementation of new accounting guidance regarding intangible capital assets (i.e. software). Additional information on this restatement can be found in Note 2 on page 35 of this report.

Condensed Statement of Net Assets						
June 30, 2010 and 2009						
	Governmental		Business-type		Total	
	Activities		Activities			
	2010	(as restated) 2009	2010	(as restated) 2009	2010	(as restated) 2009
Current and other assets	\$ 172,573	\$ 170,385	\$ 13,432	\$ 15,337	\$ 186,005	\$ 185,722
Capital assets	459,907	458,320	4,726	5,138	464,633	463,458
Total assets	<u>632,480</u>	<u>628,705</u>	<u>18,158</u>	<u>20,475</u>	<u>650,638</u>	<u>649,180</u>
Current and other liabilities	14,670	18,341	5,775	6,199	20,445	24,540
Long-term liabilities	181,648	192,756	2,824	3,094	184,472	195,850
Total liabilities	<u>196,318</u>	<u>211,097</u>	<u>8,599</u>	<u>9,293</u>	<u>204,917</u>	<u>220,390</u>
Net assets:						
Invested in capital assets, net of related debt	300,626	281,244	2,031	2,331	302,657	283,575
Restricted net assets	101,291	105,962	2,930	2,846	104,221	108,808
Unrestricted net assets	34,245	30,402	4,598	6,005	38,843	36,407
Total net assets	<u>\$ 436,162</u>	<u>\$ 417,608</u>	<u>\$ 9,559</u>	<u>\$ 11,182</u>	<u>\$ 445,721</u>	<u>\$ 428,790</u>

PINAL COUNTY Management's Discussion and Analysis

A significant portion of the County's net assets (68%) 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 (23%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$38,843) 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 \$16,931 from net assets reported at June 30, 2009. The majority of this growth in net assets is due to increased revenues for property taxes and capital contributions related to increases in the County's capital assets.

Current assets remained about the same, increasing by less than 1% in total. Notable changes included an increase in property taxes receivables which was expected due to the high level of foreclosures, as well as the increased property taxes levied in the current year. These were partially offset by a decrease in accounts receivable as the Long-Term Care Fund collections improved during the year.

The County's capital assets increased by less than 1% 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 also affected overall capital asset balances in the current year.

The County's long-term liabilities decreased in the current year by 6%, as restated, as the County did not issue any major new debt, with the exception of one capital lease, while continuing to make debt service payments on existing debt.

Governmental Activities

Key elements of the change in net assets of \$18,554 are as follows:

- General revenue property taxes increased by \$11,913 (12%) during the year. The increase is primarily due to increases in assessed property values.
- Charges for services decreased by \$3,419 (9%), primarily due to decreases in Impact Fees, as a result of a decrease in development activity, and amounts collected to construct roads that were not located in the County's jurisdiction.
- Operating grants and contributions decreased by \$4,850 (12%), primarily due to decreases of intergovernmental revenues from the federal government for Health and Public Safety grants as well as the winding down of the Pinal County Special Education program provided by the Accommodation school mainly due to the poor economic conditions.
- Capital grants and contributions decreased \$33,237 (57%) from the prior year. This decrease is primarily due to a decrease of land contributions related to infrastructure capital assets.
- Expenses decreased \$27,953 (10%) from the prior year. This decrease is primarily attributed to the general government, and highways and streets functions. The decreases in general government and highways and streets expenses are primarily due to reductions in salaries and wages, and supplies attributed to planned budget reductions related to the current economic

PINAL COUNTY
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conditions. Health related expenses also decreased, as grant revenues were lower in the current year.

Business-type activities

Business-type activities decreased the County's net assets by \$1,623.

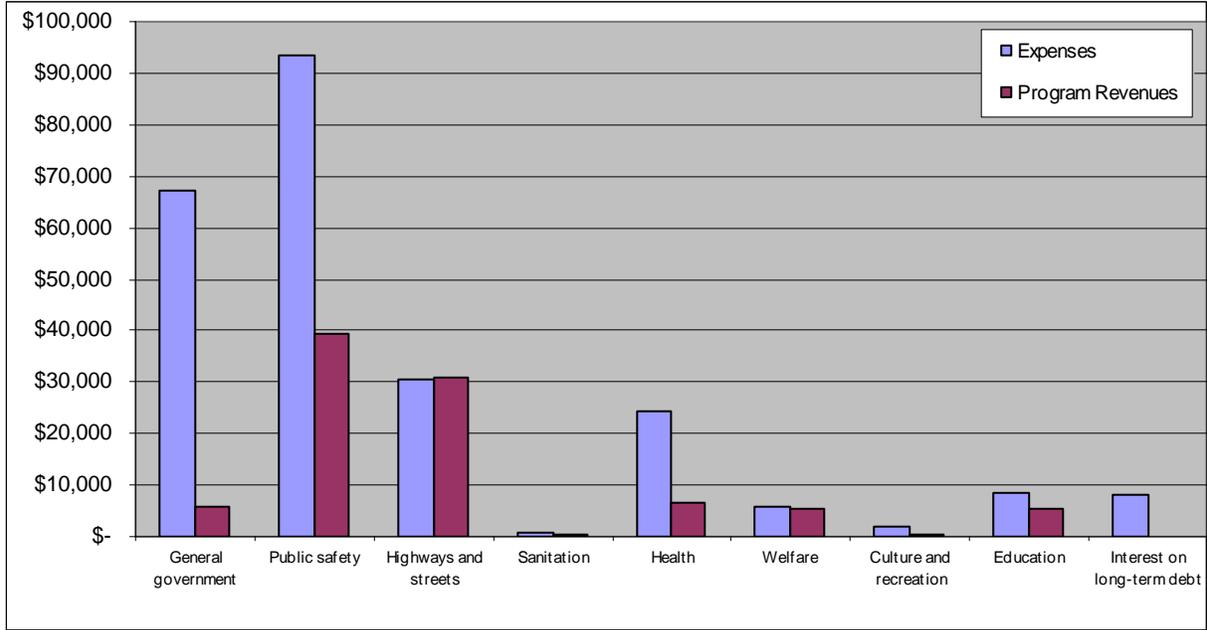
- Charges for services were almost unchanged, decreasing by \$582 (<1%), mainly due to continued strong revenues in the Long Term Care Fund, which continues to serve the larger population base of Pinal County residents eligible for medical benefits.
- Expenses increased \$2,593 (4%) from the prior year. 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.

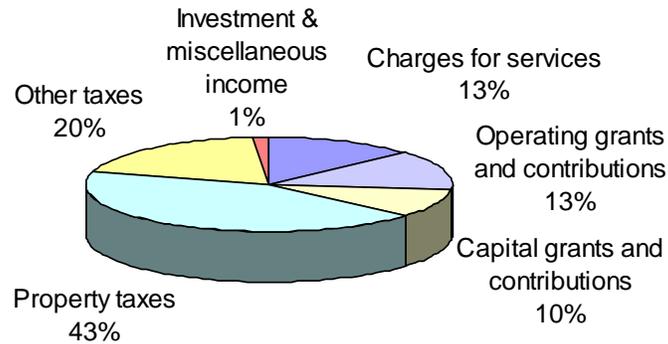
Condensed Statement of Activities Years Ended June 30, 2010 and 2009						
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues:						
Charges for services	\$ 34,287	\$ 37,706	\$ 67,494	\$ 68,076	\$ 101,781	\$ 105,782
Operating grants and contributions	34,514	39,364	60	35	34,574	39,399
Capital grants and contributions	25,501	58,738	-	8	25,501	58,746
General revenues:						
Property taxes	108,755	96,842	-	-	108,755	96,842
Other taxes	49,380	55,603	-	-	49,380	55,603
Investment earnings	1,504	4,178	198	358	1,702	4,536
Miscellaneous	2,302	2,120	858	564	3,160	2,684
Total revenues	256,243	294,551	68,610	69,041	324,853	363,592
Expenses						
General government	67,143	83,213	-	-	67,143	83,213
Public safety	93,431	89,530	-	-	93,431	89,530
Highways and streets	30,514	40,651	-	-	30,514	40,651
Sanitation	707	693	-	-	707	693
Health	24,496	28,741	-	-	24,496	28,741
Welfare	5,683	5,218	-	-	5,683	5,218
Culture and recreation	1,819	2,189	-	-	1,819	2,189
Education	8,487	9,901	-	-	8,487	9,901
Interest on long-term debt	7,968	8,065	-	-	7,968	8,065
Sheriff Inmate Services	-	-	633	408	633	408
Home Health	-	-	5,117	5,309	5,117	5,309
Long Term Care	-	-	61,404	58,721	61,404	58,721
Fairgrounds	-	-	520	643	520	643
Total expenses	240,248	268,201	67,674	65,081	307,922	333,282
Increase in net assets before transfers	15,995	26,350	936	3,960	16,931	30,310
Transfers	2,559	1,235	(2,559)	(1,235)	-	-
Change in net assets	18,554	27,585	(1,623)	2,725	16,931	30,310
Net assets - beginning, as restated	417,608	378,461	11,182	8,347	428,790	386,808
Net assets - ending	\$ 436,162	\$ 406,046	\$ 9,559	\$ 11,072	\$ 445,721	\$ 417,118

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

**Expenses and Program Revenues – Governmental Activities
Fiscal Year 2010**

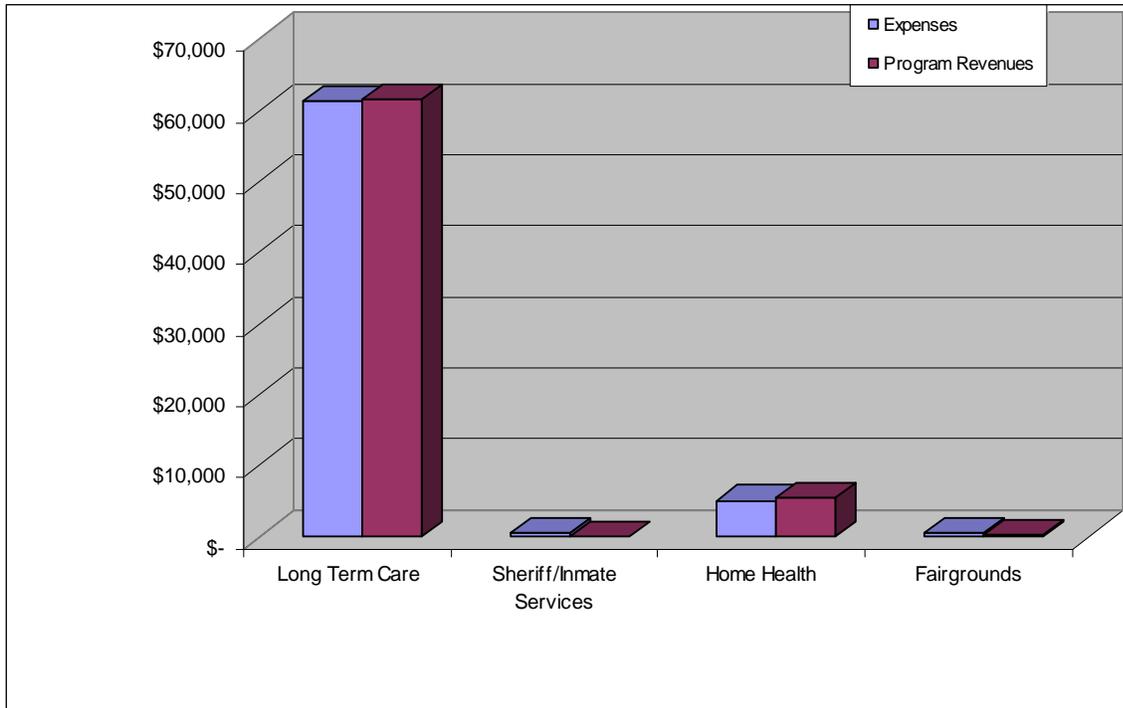


**Revenues by Source - Governmental Activities
Fiscal Year 2010**

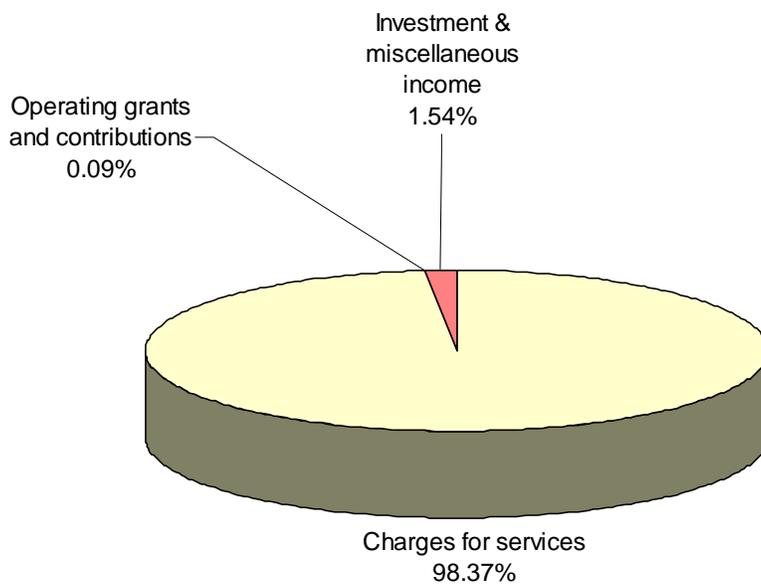


**PINAL COUNTY
Management's Discussion and Analysis**

**Expenses and Program Revenues – Business-type Activities
Fiscal Year 2010**



**Revenues by Source - Business-type Activities
Fiscal Year 2010**



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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, 2010, the County's governmental funds reported combined fund balances of \$148,205, an increase of \$7,678 in comparison with the prior year, as restated. Approximately 99.6% of the combined fund balances, \$147,671 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 (\$534).

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 \$43,210 while total fund balance reached \$43,537. 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 29.4% of total General Fund expenditures, while total fund balance represents 29.6% of that same amount.

The fund balance of the County's General Fund increased during the fiscal year by \$6,832. A key factor in the increase to the fund balance is the reduced expenditures in the general government function, which services and supports the County's general operations including those mandated by statute.

The Road Tax Districts Fund balance decreased during the fiscal year by \$700. Contributing to this decrease is the completion of the Thornton Road and Edwin Road improvement project, as the County reduced and in most cases postponed major construction projects during the current fiscal year due to the deteriorating economic conditions.

The Public Works Highway Fund was last presented as a major fund in fiscal year 2008. The Fund's balance increased during the fiscal year by \$420. This increase is attributed to the successful implementation of the Fund's budget plan to control expenditures through the reduction or postponement of major construction projects, while still concentrating on the repair and maintenance of current roads.

The Development Impact Fee Fund balance decreased during the fiscal year by \$3,354. 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. A portion of the transfers was also used to fund construction of the Germann Road project.

Revenues for governmental funds totaled \$246,538 in fiscal year 2010, which represents a decrease of 2.4% from fiscal year 2009.

PINAL COUNTY
Management's Discussion and Analysis

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

Governmental Funds Revenues Classified by Source For the Years Ended June 30, 2010 and 2009						
	<u>2010</u>		<u>2009</u>		<u>Variance</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Taxes	\$ 126,338	51.25%	\$ 118,505	46.94%	\$ 7,833	6.61%
Licenses and permits	3,330	1.35%	3,732	1.48%	(402)	-10.77%
Intergovernmental	81,699	33.14%	92,656	36.70%	(10,957)	-11.83%
Charges for services	27,353	11.09%	26,538	10.51%	815	3.07%
Fines and forfeits	3,381	1.37%	3,263	1.29%	118	3.62%
Investment earnings	1,504	0.61%	4,178	1.65%	(2,674)	-64.00%
Contributions	575	0.23%	1,378	0.55%	(803)	-58.27%
Rentals	840	0.34%	919	0.36%	(79)	-8.60%
Micellaneous	1,518	0.62%	1,315	0.52%	203	15.44%
Total revenues	<u>\$ 246,538</u>	<u>100.00%</u>	<u>\$ 252,484</u>	<u>100.00%</u>	<u>\$ (5,946)</u>	<u>-2.36%</u>

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

- Taxes – the increase of \$7,833 was primarily due to an increase in property tax revenue levied as primary net assessed values increased by 16.5% from the previous year.
- Licenses and permits – the decrease of \$402 is primarily due to continued reduced demand for planning and building permits issued and highway/right of way permits.
- Intergovernmental – the decrease of \$10,957 is primarily due to reductions in revenues received from the State Shared Sales Tax and Vehicle License taxes, as well as reduced revenues from the federal government for payments in lieu of taxes and FEMA related grants. Also, a large portion of the variance (\$4,055) is due to a misclassification of impact fee revenues as intergovernmental revenues in the prior year, rather than charges for services.
- Charges for services – Overall, charges for services remained fairly consistent with the prior year. However, when taking into account the misclassification of impact fee revenues in the prior year (recorded as intergovernmental revenues rather than charges for services), charges for services related to fees paid by developers decreased by \$1,287 continuing the overall downward economic trend related to construction activity.
- Investment earnings – the decrease of \$2,674 was primarily due to lower investment returns as a result of deteriorating market conditions.
- Contributions – the decrease in contributions of \$803 is primarily due to the reduction in contributions for construction and acquisition of road projects including the Schnepf Road Bridge project.
- Miscellaneous – the increase of \$203 is primarily attributed to one-time refunds received in the highway fund related to road construction.

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

Governmental Funds Expenditures by Function For the Years Ended June 30, 2010 and 2009						
Governmental Function	2010		2009		Variance	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	\$ 62,495	25.59%	\$ 72,299	26.75%	\$ (9,804)	-13.56%
Public safety	92,175	37.74%	88,073	32.58%	4,102	4.66%
Highways and streets	24,738	10.13%	37,498	13.87%	(12,760)	-34.03%
Sanitation	696	0.29%	679	0.25%	17	2.50%
Health	24,297	9.95%	28,567	10.57%	(4,270)	-14.95%
Welfare	6,024	2.47%	5,396	2.00%	628	11.64%
Culture and recreation	2,122	0.87%	2,220	0.82%	(98)	-4.41%
Education	8,672	3.55%	9,901	3.66%	(1,229)	-12.41%
Capital outlay	4,218	1.73%	4,006	1.48%	212	5.29%
Debt service:						
Principal retirement	10,953	4.48%	13,664	5.06%	(2,711)	-19.84%
Interest	7,804	3.20%	7,825	2.89%	(21)	-0.27%
Cost of issuance	-	0.00%	176	0.07%	(176)	-100.00%
Miscellaneous	8	0.00%	10	0.00%	(2)	-20.00%
Total expenditures	<u>\$244,202</u>	<u>100.00%</u>	<u>\$ 270,314</u>	<u>100.00%</u>	<u>\$ (26,112)</u>	<u>-9.66%</u>

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

- General government – expenditures for General government decreased primarily due to a reduction in salaries and wages, supplies, and capital asset acquisitions attributed to planned budget reductions related to the current economic conditions.
- Highways and streets – expenditures for Highways and streets decreased primarily due to the postponement of major road projects attributed to planned budget reductions, but also due to the completion of major road projects in fiscal year 2009, including the construction of Thornton Road and the Edwin Road improvement.
- Health – expenditures for Health decreased due to the reduction of the County's contributions to the Arizona Health Care Cost Containment System, and the Arizona Long Term Care system (Acute), a large portion of which was the result of American Recovery and Reinvestment funding received by the state allowing the reduction of county contributions.
- Welfare – expenditures for Welfare increased as additional funding became available from Community Development grants and the Department of Housing Urban Development for the rehabilitation, replacement and improvement of Housing units, as well as, for use towards providing services provided to qualified low-income residents.
- Education – Education expenditures decreased primarily due to the reduction of the Pinal County Special Education Program, offered by the Accommodation School, closing six of the nine schools during the fiscal year.
- Debt service – Principal retirement expenditures decreased primarily as a one time additional debt service payment was recorded in fiscal year 2009 for the Series 2006 Greater Arizona Development Authority (GADA) loan, to correct an outstanding payment issue at that time.

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- Cost of issuance – expenditures for the cost of issuance related to debt service decreased as the County did not issue any debt requiring costs of issuance during the current fiscal year and amortizing existing issuance costs.

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 \$2,930 and unrestricted net assets totaled \$2,835. Unrestricted net assets for the other nonmajor enterprise funds (Sheriff Inmate Services, Home Health, and Fairgrounds) totaled \$1,763. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

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

Enterprise Funds Schedule of Revenues, Expenses, and Changes in Net Assets For the Year Ended June 30, 2010					
	Major Fund	Nonmajor Funds			Total
	Long-Term Care	Sheriff Inmate Services	Home Health	Fairgrounds	
Operating revenues	\$ 61,628	\$ 801	\$ 5,599	\$ 323	\$ 68,351
Operating expenses	59,952	633	5,114	520	66,219
Operating income (loss)	1,676	168	485	(197)	2,132
Nonoperating revenues (expenses), net	(1,271)	11	4	60	(1,196)
Net income (loss) before contributions and transfers	405	179	489	(137)	936
Transfers and Capital contributions, net	(2,298)	-	(400)	139	(2,559)
Change in net assets	<u>\$ (1,893)</u>	<u>\$ 179</u>	<u>\$ 89</u>	<u>\$ 2</u>	<u>\$ (1,623)</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues were incrementally less than the final budget by \$1,118 or .7%, as Investment earnings revenue did not meet the budgeted amounts primarily due to the continuing deterioration of the financial markets.

General Fund expenditures were less than the budget by \$37,302 or 20%, due to the following reasons:

- In anticipation of the revenue shortfall, a hiring freeze imposed two fiscal years ago was continued. In addition, the County reduced general fund department budgets by as much as 10%, including the elimination of many vacant positions.
- The Assistant County Manager-Admin spent \$35,108 less than budgeted in the general government function primarily due to unspent funds, including the Board established Financial Stability Reserve, and vacancy savings in employee benefits as a result of turnover, unfilled positions, and the hiring freeze.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The County's capital assets for its governmental and business-type activities as of June 30, 2010, amounted to \$464,633 (net of accumulated depreciation). This investment in capital assets includes land and easements, infrastructure, buildings and improvements, machinery and equipment, software and construction in progress. The total increase in the County's capital assets, as restated, for the current fiscal year was .25% (a .35% increase for governmental activities and an 8% decrease for business-type activities).

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

Governmental activities:

- Donations of capital assets of \$7,861, which included roads and easements, contributed to the net increase to the County's land and infrastructure capital assets.
- The balances for governmental activities capital assets were restated for fiscal year 2009 to correct prior period errors and due to the implementation of new accounting guidance regarding intangible capital assets (i.e. software). Specifically, land and construction in progress were primarily affected by errors related to infrastructure related activities (i.e. roads, right of ways/easements that were not recorded in prior years), while machinery and equipment were primarily affected by the increase in the capital asset valuations. Additional information on this restatement can be found in Note 2 on page 35 of this report.

Governmental and Business-type Activities Capital Assets (net of accumulated depreciation) For the Years Ended June 30, 2010 and 2009						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2010	2009 <small>(as restated)</small>	2010	2009 <small>(as restated)</small>	2010	2009 <small>(as restated)</small>
Land	\$ 175,660	\$ 170,453	\$ -	\$ -	\$ 175,660	\$ 170,453
Buildings and improvements	111,265	112,324	4,013	4,178	115,278	116,502
Machinery and equipment	15,983	17,844	609	843	16,592	18,687
Intangible - Software	237	58	104	117	341	175
Infrastructure	151,419	149,113	-	-	151,419	149,113
Construction in progress	5,343	8,528	-	-	5,343	8,528
Total	<u><u>\$ 459,907</u></u>	<u><u>\$ 458,320</u></u>	<u><u>\$ 4,726</u></u>	<u><u>\$ 5,138</u></u>	<u><u>\$ 464,633</u></u>	<u><u>\$ 463,458</u></u>

The County's infrastructure assets are recorded at actual cost when available or estimated historical cost when actual cost is not available, with donations being reported at estimated fair value in the government-wide financial statements as required by GASB Statement No. 34. The acquisition of new infrastructure

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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 4 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 \$165,574 for governmental activities as compared to \$177,076 in the prior year. This amount was comprised of \$10,669 of capital leases; \$84,814 of certificates of participation, including unamortized premium; and \$70,091 of loans payable, including unamortized premium, for the Ironwood/Gantzel Road project, the Thornton Road reconstruction project, the animal shelter expansion project and several County building renovation projects.

For the current fiscal year business-type activities, the County has long-term debt outstanding of \$103 of capital leases and \$2,592 for the long-term care building expansion project.

Long-Term Debt			
For the Years Ended June 30, 2010 and 2009			
	Outstanding Debt		Percent
	2010	2009	Change
Governmental Activities			
Loans payable	\$ 70,091	\$ 76,252	-8.08%
Certificates of participation	84,814	88,200	-3.84%
Obligations under capital leases	10,669	12,624	-15.49%
Total	\$ 165,574	\$ 177,076	
Business-type Activities			
Loans payable	2,592	\$ 2,800	-7.43%
Obligations under capital leases	103	141	-26.95%
Total	\$ 2,695	\$ 2,941	

Additional information on the County's long-term debt can be found in Note 6 on pages 41-45 of this report.

Economic Factors and Next Year's Budgets

- The current 2010, preliminary, seasonally adjusted, unemployment rate for the State of Arizona as of September is 9.7%.¹ The national rate is at 9.6%.¹ The average unemployment rate for Pinal County as of September is 11.0%. Significant job losses exist 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 in the top five for residential foreclosures. As a result we expect property tax receivables to remain high, while we expect revenues from permits to remain depressed in the near future, as new construction is at a minimum.

¹ United States Bureau of Labor Statistics, Regional and State Employment and Unemployment – September 2010.

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

PINAL COUNTY

Management's Discussion and Analysis

- Rising medical costs continue to affect the County's available resources. The County's medical insurance costs are expected to increase next year in part due to the recent health care reforms. The County's Employee Health Benefit Trust has taken the necessary steps to ensure the Trust's viability, including an adjustment to contribution rates and employee co-pays.
- State and Local Sales Tax continue to be a contributing factor in Arizona's economic recession. The County has projected revenues from State and Local Sales Taxes will remain flat in fiscal year 2011.
- The State's continued budget difficulties have had a significant impact on the County. As a result, the County's increased primary property tax rate includes an increase of \$.028 per \$100 of assessed valuation due to State related impacts.

All of these factors were considered in preparing the County's budget for the fiscal year 2011. Budget preparation for fiscal year 2011 continued to be conservative. The adopted fiscal year 2011 budget is \$429,878 (up 7% from fiscal year 2010), including a \$400,770 operating budget (an increase of 8% from fiscal year 2010) and a \$9,410 capital outlay budget (almost no change from fiscal year 2010). The fiscal year 2011 budget includes contingency appropriation to cover emergency expenses or revenue shortages.

In fiscal year 2010, the Board of Supervisors increased the primary tax rate to 3.99 cents. This increase includes expected cost shifts to the County from the State of Arizona. The increased rate will also offset reduced assessed valuations and is expected to provide \$7.4 million in new property tax revenue for the General Fund in fiscal year 2011.

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 2010 budget, the hiring freeze in effect in the prior fiscal year has been extended, capital construction projects were postponed or eliminated and 10% budget reductions from most County departments were implemented.

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, 2010

(Amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash, cash equivalents and investments	\$ 138,866	\$ 10,927	\$ 149,793
Cash and investments held by trustees	4,994	-	4,994
Receivables (net):			
Property taxes	8,337	-	8,337
Accounts	1,304	1,192	2,496
Internal balances	(2)	2	-
Due from other governments	18,191	16	18,207
Inventories	33	-	33
Prepaid items	501	139	640
Restricted assets:			
Cash and cash equivalents	349	1,156	1,505
Capital assets:			
Nondepreciable	181,003	-	181,003
Depreciable (net)	278,904	4,726	283,630
Total assets	<u>632,480</u>	<u>18,158</u>	<u>650,638</u>
Liabilities			
Accounts payable	4,809	261	5,070
Accrued payroll and employee benefits	1,908	85	1,993
Retainage payable	39	-	39
Claims payable	1,877	5,375	7,252
Due to other governments	185	-	185
Deposits held for others	2,849	-	2,849
Deferred revenue	2,224	54	2,278
Interest payable	779	-	779
Noncurrent liabilities:			
Due within one year	17,731	330	18,061
Due beyond one year	163,917	2,494	166,411
Total liabilities	<u>196,318</u>	<u>8,599</u>	<u>204,917</u>
Net Assets			
Invested in capital assets, net of related debt	300,626	2,031	302,657
Restricted for:			
Public safety	16,925	-	16,925
Highways and streets	59,136	-	59,136
Health	6,696	2,930	9,626
Culture and recreation	4,362	-	4,362
Education	4,863	-	4,863
Debt service	5,016	-	5,016
General government	3,542	-	3,542
Other purposes	751	-	751
Unrestricted	34,245	4,598	38,843
Total net assets	<u>\$ 436,162</u>	<u>\$ 9,559</u>	<u>\$ 445,721</u>

PINAL COUNTY
Statement of Activities
Year Ended June 30, 2010
(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	\$ 67,143	\$ 5,211	\$ 335	\$ 237	\$ (61,360)	\$ -	\$ (61,360)
Public safety	93,431	22,596	15,999	870	(53,966)	-	(53,966)
Highways and streets	30,514	3,054	4,202	23,699	441	-	441
Sanitation	707	7	349	-	(351)	-	(351)
Health	24,496	2,430	4,005	-	(18,061)	-	(18,061)
Welfare	5,683	551	4,240	695	(197)	-	(197)
Culture and recreation	1,819	111	147	-	(1,561)	-	(1,561)
Education	8,487	327	5,237	-	(2,923)	-	(2,923)
Interest on long-term debt	7,968	-	-	-	(7,968)	-	(7,968)
Total governmental activities	<u>240,248</u>	<u>34,287</u>	<u>34,514</u>	<u>25,501</u>	<u>(145,946)</u>	<u>-</u>	<u>(145,946)</u>
Business-type activities							
Long Term Care	61,404	61,588	-	-	-	184	184
Sheriff Inmate Services	633	-	-	-	-	(633)	(633)
Home Health	5,117	5,599	-	-	-	482	482
Fairgrounds	520	307	60	-	-	(153)	(153)
Total business-type activities	<u>67,674</u>	<u>67,494</u>	<u>60</u>	<u>-</u>	<u>-</u>	<u>(120)</u>	<u>(120)</u>
Total primary government	<u>\$ 307,922</u>	<u>\$ 101,781</u>	<u>\$ 34,574</u>	<u>\$ 25,501</u>	<u>(145,946)</u>	<u>(120)</u>	<u>(146,066)</u>

General revenues:

Taxes:			
Property taxes, levied for general purposes	97,048	-	97,048
Property taxes, levied for educational purposes	3,274	-	3,274
Property taxes, levied for flood control	5,142	-	5,142
Property taxes, levied for library district	3,291	-	3,291
Transaction privilege taxes, levied for health district	2,404	-	2,404
General county sales tax	12,065	-	12,065
Road improvement tax	4,481	-	4,481
Share of state sales taxes	18,812	-	18,812
Unrestricted share of vehicle license tax	8,077	-	8,077
Payments in lieu of taxes	2,945	-	2,945
Franchise taxes	596	-	596
Unrestricted share of state lottery	304	-	304
Investment earnings	1,504	198	1,702
Miscellaneous	1,518	857	2,375
Gain on disposal of capital assets	480	1	481
Transfers	2,559	(2,559)	-
Total general revenues and transfers	<u>164,500</u>	<u>(1,503)</u>	<u>162,997</u>
Changes in net assets	18,554	(1,623)	16,931
Net assets - beginning, as restated	417,608	11,182	428,790
Net assets - ending	<u>\$ 436,162</u>	<u>\$ 9,559</u>	<u>\$ 445,721</u>

PINAL COUNTY
Balance Sheet
Governmental Funds
June 30, 2010

(Amounts expressed in thousands)

	Major Funds					Total
	General Fund	Road Tax Districts Fund	Public Works Highway Fund	Development Impact Fee Fund	Other Governmental Funds	
Assets						
Cash, cash equivalents and investments	\$ 34,964	\$ 14,818	\$ 7,257	\$ 12,048	\$ 64,274	\$ 133,361
Cash and investments held by trustees	-	-	-	-	4,994	4,994
Receivables (net of allowances for uncollectibles):						
Property taxes	7,507	-	-	-	830	8,337
Accounts	741	23	12	19	509	1,304
Due from other funds	297	1	1,315	-	2,503	4,116
Due from other governments	9,753	766	3,198	-	4,474	18,191
Inventories	-	-	-	-	33	33
Prepaid items	327	3	72	-	99	501
Restricted assets:						
Cash and cash equivalents	-	-	50	-	299	349
Total assets	<u>\$ 53,589</u>	<u>\$ 15,611</u>	<u>\$ 11,904</u>	<u>\$ 12,067</u>	<u>\$ 78,015</u>	<u>\$ 171,186</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,933	\$ 160	\$ 395	\$ 4	\$ 2,174	\$ 4,666
Accrued payroll and employee benefits	1,464	-	170	-	274	1,908
Retainage payable	-	-	26	-	13	39
Due to other funds	202	1,022	1,452	974	468	4,118
Due to other governments	-	-	-	-	185	185
Deposits held for others	153	-	-	2,169	527	2,849
Deferred revenue	6,300	-	-	-	2,916	9,216
Total liabilities	<u>10,052</u>	<u>1,182</u>	<u>2,043</u>	<u>3,147</u>	<u>6,557</u>	<u>22,981</u>
Fund Balances:						
Reserved for:						
Inventories	-	-	-	-	33	33
Prepaid items	327	3	72	-	99	501
Unreserved, reported in:						
General fund	43,210	-	-	-	-	43,210
Special revenue funds	-	14,426	9,789	8,920	51,692	84,827
Capital projects funds	-	-	-	-	14,618	14,618
Debt service funds	-	-	-	-	5,016	5,016
Total fund balances	<u>43,537</u>	<u>14,429</u>	<u>9,861</u>	<u>8,920</u>	<u>71,458</u>	<u>148,205</u>
Total liabilities and fund balances	<u>\$ 53,589</u>	<u>\$ 15,611</u>	<u>\$ 11,904</u>	<u>\$ 12,067</u>	<u>\$ 78,015</u>	<u>\$ 171,186</u>

PINAL COUNTY
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2010

(Amounts expressed in thousands)

Total fund balances - governmental funds (page 19) \$ 148,205

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 \$587,776 and the accumulated depreciation is \$127,869. 459,907

Some receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 6,992

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. 3,485

Some interest payable on long-term debt is not reported in the governmental funds because it is not due and payable. (779)

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

Loans payable	\$ (68,863)	
Premium on loans	(1,228)	
Certificates of participation	(83,740)	
Premium on certificates of participation	(1,074)	
Obligations under capital leases	(10,669)	
Compensated absences	(15,840)	
Estimated liabilities for claims and judgments	(234)	<u>(181,648)</u>

Net assets of governmental activities (page 17) \$ 436,162

PINAL COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Major Funds					Total
	General Fund	Road Tax Districts Fund	Public Works Highway Fund	Development Impact Fee Fund	Other Governmental Funds	
Revenues						
Taxes	\$ 106,275	\$ 4,480	\$ -	\$ -	\$ 15,583	\$ 126,338
Licenses and permits	1,660	-	-	-	1,670	3,330
Intergovernmental	30,613	721	18,947	-	31,418	81,699
Charges for services	18,241	250	-	2,768	6,094	27,353
Fines and forfeits	1,766	-	-	-	1,615	3,381
Investment earnings	533	159	84	152	576	1,504
Contributions	-	-	-	-	575	575
Rentals	18	-	-	-	822	840
Miscellaneous	572	47	389	-	510	1,518
Total revenues	<u>159,678</u>	<u>5,657</u>	<u>19,420</u>	<u>2,920</u>	<u>58,863</u>	<u>246,538</u>
Expenditures						
Current:						
General government	61,144	-	-	-	1,351	62,495
Public safety	69,879	-	-	172	22,124	92,175
Highways and streets	-	4,844	15,227	25	4,642	24,738
Sanitation	167	-	-	-	529	696
Health	14,489	-	-	-	9,808	24,297
Welfare	554	-	-	-	5,470	6,024
Culture and recreation	59	-	-	10	2,053	2,122
Education	749	-	-	-	7,923	8,672
Debt service:						
Principal retirement	6	500	1,356	-	9,091	10,953
Interest	-	35	213	-	7,556	7,804
Miscellaneous	-	-	-	-	8	8
Capital outlay	-	-	-	-	4,218	4,218
Total expenditures	<u>147,047</u>	<u>5,379</u>	<u>16,796</u>	<u>207</u>	<u>74,773</u>	<u>244,202</u>
Excess (deficiency) of revenues over expenditures	<u>12,631</u>	<u>278</u>	<u>2,624</u>	<u>2,713</u>	<u>(15,910)</u>	<u>2,336</u>
Other financing sources (uses):						
Transfers in	4,854	-	1,265	-	22,264	28,383
Transfers out	(12,928)	(978)	(3,643)	(6,067)	(2,208)	(25,824)
Proceeds from sale of capital assets	91	-	5	-	330	426
Capital lease agreements	2,098	-	-	-	-	2,098
Insurance reimbursement	86	-	169	-	-	255
Total other financing sources (uses)	<u>(5,799)</u>	<u>(978)</u>	<u>(2,204)</u>	<u>(6,067)</u>	<u>20,386</u>	<u>5,338</u>
Net change in fund balances	6,832	(700)	420	(3,354)	4,476	7,674
Fund balances - beginning, as restated	36,705	15,129	9,441	12,274	66,978	140,527
Change in reserve for inventories	-	-	-	-	4	4
Fund balances - ending	<u>\$ 43,537</u>	<u>\$ 14,429</u>	<u>\$ 9,861</u>	<u>\$ 8,920</u>	<u>\$ 71,458</u>	<u>\$ 148,205</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, 2010
(Amounts expressed in thousands)

Net change in fund balances - total governmental funds (page 21) \$ 7,674

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.	\$ 12,655	
Less: current year depreciation	(18,013)	(5,358)

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	480	
Insurance reimbursement for capital assets	(255)	
Proceeds from the sale of capital assets	(426)	(201)

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	7,861	
Property taxes	1,364	9,225

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	(531)	
Change in estimated liabilities for claims and judgments	137	
Change in reservation of inventory balances	4	
Amortization of COPS premium	91	
Amortization of loan premium	219	
Accrued interest	(164)	
Annexation of infrastructure by other governmental entities	(715)	(959)

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	(2,098)	
Principal repayments and accruals:		
Certificates of participation	3,295	
Loans payable	5,942	
Obligations under capital leases	4,053	11,192

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.

(3,019)

Change in net assets of governmental activities (page 18) **\$ 18,554**

PINAL COUNTY
Statement of Net Assets
Proprietary Funds
June 30, 2010

(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	\$ 9,353	\$ 1,574	\$ 10,927	\$ 5,505
Accounts receivable (net)	713	479	1,192	-
Due from other funds	-	139	139	-
Due from other governments	-	16	16	-
Prepaid items	135	4	139	-
Total current assets	<u>10,201</u>	<u>2,212</u>	<u>12,413</u>	<u>5,505</u>
Noncurrent assets:				
Restricted cash and cash equivalents	1,156	-	1,156	-
Capital assets:				
Buildings and improvements	4,699	322	5,021	-
Machinery and equipment	1,445	297	1,742	-
Intangible - Software	-	126	126	-
Less accumulated depreciation	<u>(1,590)</u>	<u>(573)</u>	<u>(2,163)</u>	<u>-</u>
Net capital assets	<u>4,554</u>	<u>172</u>	<u>4,726</u>	<u>-</u>
Total noncurrent assets	<u>5,710</u>	<u>172</u>	<u>5,882</u>	<u>-</u>
Total assets	<u>15,911</u>	<u>2,384</u>	<u>18,295</u>	<u>5,505</u>
Liabilities				
Current liabilities:				
Accounts payable	217	44	261	143
Accrued payroll and employee benefits	-	85	85	-
Claims payable	5,375	-	5,375	1,877
Due to other funds	-	137	137	-
Deferred revenue	-	54	54	-
Loans payable	245	-	245	-
Total current liabilities	<u>5,837</u>	<u>320</u>	<u>6,157</u>	<u>2,020</u>
Noncurrent liabilities:				
Loans payable	2,347	-	2,347	-
Obligations under capital leases	-	103	103	-
Compensated absences	-	129	129	-
Total noncurrent liabilities	<u>2,347</u>	<u>232</u>	<u>2,579</u>	<u>-</u>
Total liabilities	<u>8,184</u>	<u>552</u>	<u>8,736</u>	<u>2,020</u>
Net Assets				
Invested in capital assets, net of related debt	1,962	69	2,031	-
Restricted for health	2,930	-	2,930	-
Unrestricted	2,835	1,763	4,598	3,485
Total net assets	<u>\$ 7,727</u>	<u>\$ 1,832</u>	<u>\$ 9,559</u>	<u>\$ 3,485</u>

PINAL COUNTY
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2010
(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	\$ 61,588	\$ 5,906	\$ 67,494	\$ 15,417
Miscellaneous	40	817	857	-
Total operating revenues	<u>61,628</u>	<u>6,723</u>	<u>68,351</u>	<u>15,417</u>
Operating expenses				
Long-term health care	53,785	-	53,785	-
Claims	-	-	-	16,578
Personal services	5,138	5,410	10,548	-
Supplies	51	146	197	-
Depreciation	417	42	459	-
Insurance	18	42	60	1,410
Repairs and maintenance	27	111	138	-
Communication	65	44	109	-
Professional services	385	298	683	538
Public utility service	8	65	73	-
Miscellaneous	58	109	167	-
Total operating expenses	<u>59,952</u>	<u>6,267</u>	<u>66,219</u>	<u>18,526</u>
Operating income (loss)	<u>1,676</u>	<u>456</u>	<u>2,132</u>	<u>(3,109)</u>
Nonoperating revenues (expenses)				
Intergovernmental	-	60	60	-
Investment earnings	181	17	198	90
Interest expense	(110)	(3)	(113)	-
Premium tax	(1,275)	-	(1,275)	-
Gain (loss) on disposal of capital assets	(67)	1	(66)	-
Total nonoperating revenues (expenses)	<u>(1,271)</u>	<u>75</u>	<u>(1,196)</u>	<u>90</u>
Net income (loss) before contributions and transfers	405	531	936	(3,019)
Transfers in	-	139	139	-
Transfers out	<u>(2,298)</u>	<u>(400)</u>	<u>(2,698)</u>	<u>-</u>
Changes in net assets	(1,893)	270	(1,623)	(3,019)
Net assets - beginning, as restated	<u>9,620</u>	<u>1,562</u>	<u>11,182</u>	<u>6,504</u>
Net assets - ending	<u>\$ 7,727</u>	<u>\$ 1,832</u>	<u>\$ 9,559</u>	<u>\$ 3,485</u>

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	<u>Business-type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Fund
	Long Term Care Fund	Other Enterprise Funds	Total	
Cash flows from operating activities				
Receipts from customers	\$ 62,715	\$ 5,791	\$ 68,506	\$ -
Receipts from employee contributions	-	-	-	15,417
Other receipts from operations	40	767	807	-
Payments to suppliers	(54,914)	(738)	(55,652)	(1,934)
Payments to employees	(5,138)	(5,427)	(10,565)	-
Payments for claims	-	-	-	(16,399)
Other payments from operations	-	(152)	(152)	-
Net cash provided by (used for) operating activities	<u>2,703</u>	<u>241</u>	<u>2,944</u>	<u>(2,916)</u>
Cash flows from noncapital financing activities				
Receipts from federal and local agencies	-	60	60	-
Cash transfers from other funds	-	139	139	-
Cash transfers to other funds	(2,298)	(400)	(2,698)	-
Other payments from financing activities	-	(2)	(2)	-
Premium tax payments	(1,275)	-	(1,275)	-
Net cash provided by (used for) noncapital financing activities	<u>(3,573)</u>	<u>(203)</u>	<u>(3,776)</u>	<u>-</u>
Cash flows from capital and related financing activities				
Payments for capital leases	-	(38)	(38)	-
Payments on loans	(208)	-	(208)	-
Purchases of capital assets	(73)	(37)	(110)	-
Proceeds from disposal of capital assets	-	1	1	-
Interest paid on loans	(110)	-	(110)	-
Interest paid on capital leases	-	(3)	(3)	-
Net cash used for capital and related financing activities	<u>(391)</u>	<u>(77)</u>	<u>(468)</u>	<u>-</u>
Cash flows from investing activities				
Investment earnings received	181	17	198	90
Net cash provided by investing activities	<u>181</u>	<u>17</u>	<u>198</u>	<u>90</u>
Net increase (decrease) in cash and cash equivalents	(1,080)	(22)	(1,102)	(2,826)
Cash and cash equivalents - beginning	11,589	1,596	13,185	8,331
Cash and cash equivalents - ending	<u>\$ 10,509</u>	<u>\$ 1,574</u>	<u>\$ 12,083</u>	<u>\$ 5,505</u>

(Continued)

PINAL COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2010
(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)	\$ 1,676	\$ 456	\$ 2,132	\$ (3,109)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	417	42	459	-
Changes in assets and liabilities:				
Decrease (increase) in assets:				
Accounts receivable	1,127	(55)	1,072	-
Due from other funds	-	(104)	(104)	-
Due from other governments	-	(16)	(16)	-
Prepaid items	(123)	(4)	(127)	-
Increase (decrease) in liabilities:				
Accounts payable	(55)	(47)	(102)	14
Accrued payroll and employee benefits	-	7	7	-
Claims payable	(339)	-	(339)	179
Due to other funds	-	(24)	(24)	-
Deposits held for others	-	(44)	(44)	-
Deferred revenue	-	54	54	-
Compensated absences	-	(24)	(24)	-
Total adjustments and changes	<u>1,027</u>	<u>(215)</u>	<u>812</u>	<u>193</u>
Net cash provided by (used for) operating activities	<u>\$ 2,703</u>	<u>\$ 241</u>	<u>\$ 2,944</u>	<u>\$ (2,916)</u>

Non-cash Capital and Related Financing Activities:

Long Term Care disposed capital assets with a net book value of \$67.

Home Health transferred capital assets with original cost of \$8 and a net book value of \$0 to the County's general government.

Fairgrounds transferred capital assets with original cost of \$16 and a net book value of \$0 to the County's general government.

PINAL COUNTY
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

(Amounts expressed in thousands)

	Investment Trust Funds	Agency Funds
Assets		
Cash, cash equivalents and investments	\$ 234,928	\$ 5,181
Interest receivable	350	-
Total assets	\$ 235,278	\$ 5,181
Liabilities		
Deposits held for others	\$ -	\$ 5,181
Total liabilities	\$ -	\$ 5,181
Net Assets		
Held in trust for investment trust participants	\$ 235,278	

PINAL COUNTY
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Investment Trust Funds
Additions	
Contributions by participants	\$ 663,117
Investment earnings	3,343
Total additions	666,460
Deductions	
Distributions to participants	648,020
Total deductions	648,020
Change in net assets	18,440
Net assets - beginning	216,838
Net assets - ending	\$ 235,278

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(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, 2010, the County implemented the provisions of GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, and GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets. GASB Statement No. 53 establishes standards for accounting and financial reporting, including note disclosure requirements, for derivative instruments. The implementation of Statement No. 53 did not have an 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, 2010

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

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

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 services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—Provide information about the County's funds, including fiduciary funds and blended component units. Separate statements are presented for the governmental, proprietary, and fiduciary fund categories. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

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

The County reports the following major governmental funds:

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

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

The Public Works Highway Fund—accounts for monies from specific revenue sources that are restricted for road maintenance and operations, pavement preservation, and fleet services.

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

The County reports the following major enterprise fund:

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

The County reports the following fund types:

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

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

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

C. Basis of Accounting

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

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.

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.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

F. Property Tax Calendar

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

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

G. Capital Assets

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

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

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

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

H. Investment Earnings

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

I. Compensated Absences

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

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

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

Note 2 – Beginning Balances Restated

Net assets on the government-wide Statement of Activities and on the Statement of Revenues, Expenses, and Changes in Fund Net Assets for the Home Health Fund, a nonmajor enterprise fund, as of July 1, 2009, have been restated. This prior period adjustment is the result of the correction of various errors related to the County's capital assets, and the implementation of GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. Also, other various error adjustments have been made on the government-wide Statement of Activities to correct a prior year inappropriate presentation of an outstanding loan payable amount, outstanding estimated liabilities for claims and judgments, a prior year conversion error related to grant deferred revenues, and other minor errors. In addition, the fund balance on the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Housing Grants Fund, a non-major special revenue fund, as of July 1, 2009 have been restated for the correction of prior year errors. The reconciliation below summarizes the changes.

	Governmental Activities	Business-Type Activities	Other Governmental Funds*
Net assets/fund balances as of June 30, 2009, as previously reported	\$406,046	\$11,072	\$66,072
Restatements for GASB 51 Implementation:			
Intangible – software, net of accumulated depreciation	58	108	-
Restatements due to errors:			
Land	40,451	-	-
Construction in progress	(16,709)	-	-
Capital assets, net of accumulated depreciation	(10,253)	-	-
Other various errors -	(1,985)	2	11
Net assets/fund balances as of July 1, 2009, as restated	<u>\$417,608</u>	<u>\$11,182</u>	<u>\$66,978</u>

*The fund balances for the Other Governmental Funds excludes the Public Works Highway Fund, which was reported as a non-major governmental fund for the year ended June 30, 2009.

Note 3 – Deposits and Investments

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

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

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, 2010, the carrying amount of the County's deposits was \$1,518 and the bank balance was \$22,167. 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, 2010, \$288 of the County's bank balance was exposed to custodial credit risk.

Investments—The County's investments at June 30, 2010, were as follows:

Investment Type	Amount
State Treasurer's investment pools	\$ 7,420
U.S. Treasury securities	35,234
U.S. agency securities	313,330
Repurchase agreements (implicitly guaranteed)	38,853
Money market funds	<u>18</u>
	<u>\$394,855</u>

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.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010

(Amounts expressed in thousands)

Credit Risk—The County credit risk policy states that the County will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by limiting investments to those of the highest credit quality, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the County Treasurer will do business and by diversifying the investment portfolio so that potential losses on individual securities will be minimized. At June 30, 2010, credit risk for the County's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
U.S. agency securities	Aaa	Moody's	\$303,332
U.S. agency securities	Unrated	Not applicable	9,998
U.S. Treasury securities	Unrated	Not applicable	35,234
Repurchase agreements (implicitly guaranteed)	Unrated	Not applicable	38,853
State Treasurer's investment pool 7	Unrated	Not applicable	7,420
Money market funds	Unrated	Not applicable	18
			<u>\$394,855</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, 2010, the County had \$38,853 of repurchase agreements (implicitly guaranteed), \$313,330 of U.S. agency securities, \$35,234 of U.S. Treasury securities, \$4,976 of investments with the State Treasurer, and \$18 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, 2010, of 5 percent or more in the Federal National Mortgage Association, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation. These investments were 10.2 percent, 50.4 percent, and 16.3 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, 2010, the County had the following investments in debt securities.

Investment Type	<u>Investment Maturities</u>		
	<u>Amount</u>	<u>Less than 1 Year</u>	<u>1-5 Years</u>
State Treasurer's investment pools	\$ 7,420	\$ 7,420	\$ -
U.S. Treasury securities	35,234	5,022	30,212
U.S. agency securities	313,330	115,789	197,541
Repurchase agreements (implicitly guaranteed)	38,853	38,853	
Money market funds	18	18	
	<u>\$394,855</u>	<u>\$167,102</u>	<u>\$227,753</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010
(Amounts expressed in thousands)

At June 30, 2010, \$72,043 of the County’s investments were invested in U.S. agency step-up securities which are considered to be highly sensitive to interest rate changes. These securities can be called by the issuer on certain specified dates. If the security is not called, the interest rate is increased by a specified amount. Prevailing interest rates may go up faster than the increase in the coupon interest rate.

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

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

Cash, deposits, and investments:	
Cash on hand	\$ 28
Amount of deposits	1,518
Amount of investments	<u>394,855</u>
Total	<u>\$396,401</u>

	Governmental Activities	Business-Type Activities	Investments Trust Funds	Agency Funds	Total
Statement of Net Assets:					
Cash, cash equivalents and investments	\$ 139,215	\$12,083	\$234,928	\$5,181	\$391,407
Cash and investments held by trustees	4,994				4,994
Total	<u>\$144,209</u>	<u>\$ 12,083</u>	<u>\$234,928</u>	<u>\$5,181</u>	<u>\$396,401</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010
(Amounts expressed in thousands)

Note 4 – Capital Assets

The July 1, 2009, balances for governmental activities capital assets were restated to correct prior period errors. 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, 2010 was as follows:

	Balance July 1, 2009 (as restated)	Increases	Decreases	Balance June 30, 2010
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 170,453	\$ 5,731	\$ 524	\$ 175,660
Construction in progress	8,528	5,109	8,294	5,343
Total capital assets not being depreciated	<u>178,981</u>	<u>10,840</u>	<u>8,818</u>	<u>181,003</u>
Capital assets being depreciated:				
Buildings & improvements	147,993	3,476	-	151,469
Machinery & equipment	58,376	5,290	3,887	59,779
Intangible - Software	60	198	-	258
Infrastructure	186,746	9,006	485	195,267
Total	<u>393,175</u>	<u>17,970</u>	<u>4,372</u>	<u>406,773</u>
Less accumulated depreciation for:				
Buildings & improvements	35,669	4,535	-	40,204
Machinery & equipment	40,532	6,950	3,686	43,796
Intangible - Software	2	19	-	21
Infrastructure	37,633	6,509	294	43,848
Total	<u>113,836</u>	<u>18,013</u>	<u>3,980</u>	<u>127,869</u>
Total capital assets being depreciated, net	<u>279,339</u>	<u>(43)</u>	<u>392</u>	<u>278,904</u>
Governmental activities capital assets, net	<u>\$ 458,320</u>	<u>\$ 10,797</u>	<u>\$ 9,210</u>	<u>\$ 459,907</u>
Business-type activities:				
Capital assets being depreciated:				
Buildings & improvements	\$ 5,021	\$ -	\$ -	\$ 5,021
Machinery & equipment	1,920	113	291	1,742
Intangible - Software	126	-	-	126
Total	<u>7,067</u>	<u>113</u>	<u>291</u>	<u>6,889</u>
Less accumulated depreciation for:				
Buildings & improvements	843	165	-	1,008
Machinery & equipment	1,077	281	225	1,133
Intangible - Software	9	13	-	22
Total	<u>1,929</u>	<u>459</u>	<u>225</u>	<u>2,163</u>
Total capital assets being depreciated, net	<u>5,138</u>	<u>(346)</u>	<u>66</u>	<u>4,726</u>
Business-type activities capital assets, net	<u>\$ 5,138</u>	<u>\$ (346)</u>	<u>\$ 66</u>	<u>\$ 4,726</u>

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010
(Amounts expressed in thousands)

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 6,151
Public safety	2,595
Highways and streets	8,819
Sanitation	11
Health	278
Welfare	86
Culture and recreation	60
Education	13
Total governmental activities depreciation expense	\$ 18,013
Business-type activities:	
Long Term Care	\$ 417
Sheriff Inmate Services	4
Home Health	31
Fairgrounds	7
Total business-type activities depreciation expense	\$ 459

Pinal County was engaged in multiple construction projects as of June 30, 2010. The projects include street construction, the construction of the Kelvin Road Bridge and the maintenance of existing streets. At June 30, 2010, the County had remaining contractual commitments of \$815, of which, \$125 was for the Kelvin Road Bridge with amounts spent-to-date of \$1,108.

Note 5 – Short-term Debt

The County maintains a revolving line of credit with Wells Fargo to meet its short-term cash needs. At June 30, 2010, 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, 2009			June 30, 2010
	<u>Balance</u>	<u>Draws</u>	<u>Repayments</u>	<u>Balance</u>
Line of credit	\$0	\$4,290	\$4,290	\$0

PINAL COUNTY
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Note 6 – Long-term Liabilities

The July 1, 2009, balances for governmental activities estimated liabilities for claims and judgments were restated to correct prior period errors. The following schedule details the County's long-term liability and obligation activity for the year ended June 30, 2010:

	Balance July 1, 2009 (as restated)	Additions	Reductions	Balance June 30, 2010	Due within one year
Governmental activities:					
Loans payable	\$ 74,805	\$ -	\$ 5,942	\$ 68,863	\$ 4,405
Premium on loans	1,447	-	219	1,228	-
Certificates of participation	87,035	-	3,295	83,740	3,425
Premium on COPS	1,165	-	91	1,074	-
Obligations under capital leases	12,624	2,098	4,053	10,669	3,684
Compensated absences	15,309	8,148	7,617	15,840	6,100
Estimated liabilities for claims and judgments	371	131	268	234	117
Total governmental activities					
Long-term liabilities	<u>\$ 192,756</u>	<u>\$ 10,377</u>	<u>\$ 21,485</u>	<u>\$ 181,648</u>	<u>\$17,731</u>
Business-type activities:					
Loans payable	\$ 2,800	\$ -	\$ 208	\$ 2,592	\$ 245
Obligations under capital leases	141	-	38	103	35
Compensated absences	153	6	30	129	50
Total business-type activities					
Long-term liabilities	<u>\$ 3,094</u>	<u>\$ 6</u>	<u>\$ 276</u>	<u>\$ 2,824</u>	<u>\$ 330</u>

The Greater Arizona Development Authority Loans

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

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

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

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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 Sheriff's security system. Total principal and interest payments remaining on the loans is \$97,283 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 \$16.2 million per year over the last 5 years. For the current year, state shared sales and excise revenues recognized by the County were \$17,273 and \$13,604, respectively. In the current year, principal and interest payments were \$5,650 and \$4,587, respectively.

The Greater Arizona Development Authority loans outstanding at June 30, 2010 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	2011 - 2025	4.0%- 5.0%	\$ 54,050
Governmental activity - The Greater Arizona Development Authority Loan 2008 A	\$ 1,695	2011- 2019	3.0%- 5.0%	1,568
Business-type activity - The Greater Arizona Development Authority Loan 2008 A	\$ 2,800	2011- 2019	3.0%- 5.0%	2,592
Governmental activity - The Greater Arizona Development Authority Loan 2009 A	\$ 12,795	2011- 2019	2.0%- 4.0%	12,245
				<u>\$ 70,455</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, 2010 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	2011 - 2012	2.35%	\$ 1,000
				<u>\$ 1,000</u>

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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 \$1,035 payable through May 2012. Road Improvement taxes have averaged \$6 million per year over the last 5 years. For the current year, total road improvement taxes recognized by the County were \$4,481. In the current year, the principal and interest payments were \$500 and \$35 respectively.

The following schedule details debt service requirements to maturity for the County's loans payable at June 30, 2010:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
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	4,550	2,366	285	62
2016-2020	24,255	8,554	1,275	117
2021-2025	22,555	3,203	-	-
Total	\$ 68,863	\$ 25,293	\$ 2,592	\$ 535

Certificates of Participation

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

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

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Certificates outstanding at June 30, 2010 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	2011-2021	4.4 % to 5.125%	\$ 20,875
Pinal County Municipal Property Corporation 2004	\$ 71,615	2011-2030	3.5% to 5.25%	62,865
				<u>\$ 83,740</u>

The following schedule details debt service requirements to maturity for the County's certificates of participation payable at June 30, 2010:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 3,425	\$ 4,046
2012	3,565	3,904
2013	3,715	3,760
2014	3,875	3,590
2015	4,075	3,396
2016-2020	23,610	13,738
2021-2025	19,475	7,885
2026-2030	22,000	2,860
Total	<u>\$ 83,740</u>	<u>\$ 43,179</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.

At June 30, 2010, the assets acquired through capital leases are as follows:

<u></u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Buildings and improvements	\$ 1,470	\$ -
Machinery and equipment	16,823	-
Intangible - Software	-	171
Subtotal	18,293	171
Less: accumulated depreciation	7,043	34
Carrying value	<u>\$ 11,250</u>	<u>\$ 137</u>

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The following schedule details debt service requirements to maturity for the County's capital leases payable at June 30, 2010:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	<u>Business –type Activities</u>
2011	\$ 4,081	\$ 38
2012	2,871	36
2013	2,475	36
2014	1,594	-
2015	179	-
2016	439	-
Total minimum lease payments	<u>11,639</u>	<u>110</u>
Less amount representing interest	<u>970</u>	<u>7</u>
Present value of net minimum lease payments	<u>\$ 10,669</u>	<u>\$ 103</u>

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 2010, the County paid for governmental-type activity compensated absences as follows: 77 percent from the General Fund, 9 percent from the Public Works Highway Fund, and 14 percent from other governmental funds. The County paid for claims and judgments from the General Fund.

Note 7 – 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 joined and is covered by two public entity risk pools: the Arizona Counties Property and Casualty Pool and the Arizona Counties Worker's Compensation Pool, which are described below. Settled claims have not exceeded coverage provided in any of the past 3 fiscal years.

The Arizona Counties Property and Casualty Pool is a public entity risk pool currently composed of 11 member counties. The pool provides member counties catastrophic loss coverage for risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters; and provides risk management services. Such coverage includes all defense costs as well as the amount of any judgment or settlement. The County is responsible for paying a premium based

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on its exposure in relation to the exposure of the other participants, and a deductible of \$10 per occurrence for property claims and \$50 per occurrence for liability claims. The County is also responsible for any payments in excess of the maximum coverage of \$300 million per occurrence for property claims and \$15 million per occurrence for liability claims. However, lower limits apply to certain categories of losses. A county must participate in the pool at least 3 years after becoming a member; however, it may withdraw after the initial 3-year period. If the pool were to become insolvent, the County would be assessed an additional contribution.

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

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

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

The liability for medical, dental, vision, and short-term disability claims of the Trust totaling \$1,877 at June 30, 2010, 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, 2009 and 2010, were as follows:

	<u>2009</u>	<u>2010</u>
Claims payable, beginning of year	\$ 1,511	\$ 1,698
Current-year claims and changes in estimate	15,053	16,578
Claim payments	<u>(14,866)</u>	<u>(16,399)</u>
Claims payable, end of year	<u>\$ 1,698</u>	<u>\$ 1,877</u>

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 8 – 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

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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 and 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 state, county, and local correction officers; dispatchers; and probation, surveillance, and juvenile detention officers as well as the *Administrative Office of the Courts (CORP-AOC)*. The CORP is governed by The 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.

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, 2010, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.4 percent (9.0 percent for retirement and 0.4 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 9.4 percent (8.34 percent for retirement, .66 percent for health insurance premium, and 0.4 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:

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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>
2010	\$ 6,366	\$ 504	\$ 305
2009	6,317	759	395
2008	6,175	805	384

Agent plans—For the year ended June 30, 2010, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll and the County was required to contribute 17.21 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.53 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 6.84 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at 0.36 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 6.00 percent. The aggregate of the members' and the County's contribution is greater by an immaterial amount than the actuarially required contributions due to the County's minimum contribution rate set by statute. The health insurance premium portion of the contribution rate was actuarially set at 0.12 percent of covered payroll. Active CORP members (dispatchers) were required by statute to contribute 7.96 percent of the members' annual covered payroll and the County was required to contribute 6.84 percent, the aggregate of which is the actuarially required amount. The health insurance premium portion of the contribution rate was actuarially set at .31 percent of covered payroll.

Actuarial methods and assumptions – Except for the contribution requirements which were established by state statute, the contribution requirements for the year ended June 30, 2010, were established by the June 30, 2008 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 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 Officers and Dispatchers) and the actuarial methods and assumptions used to establish the fiscal year 2010 contribution requirements for PSPRS and CORP (Adult Detention Officers and Dispatchers), are as follows:

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Actuarial valuation date	June 30, 2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	28 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	5.50%

Annual Pension/OPEB Cost—The County's pension/OPEB cost for the agent plans for the year ended June 30, 2010, and related information follows:

<u>Plan</u>	<u>Annual pension/OPEB cost</u>	<u>Contributions made</u>
PSPRS		
Pension	\$ 2,202	\$ 2,202
Health Insurance	70	70
CORP		
Adult Detention Officers		
Pension	866	866
Health Insurance	48	48
AOC		
Pension	350	350
Health Insurance	7	7
Dispatchers		
Pension	71	71
Health Insurance	3	3

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

<u>Plan</u>	<u>Year Ended June 30</u>	<u>Annual Pension/OPEB Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension/OPEB Obligation</u>
PSPRS				
Pension	2010	2,202	100%	-
Health insurance	2010	70	100%	-
Pension	2009	2,345	100%	-
Health insurance	2009	90	100%	-
Pension	2008	1,892	100%	-
Health insurance	2008	80	100%	-
CORP				
Adult Detention Officers				
Pension	2010	866	100%	-
Health insurance	2010	48	100%	-
Pension	2009	957	100%	-
Health insurance	2009	53	100%	-
Pension	2008	608	100%	-
Health insurance	2008	57	100%	-
AOC*				
Pension	2010	350	100%	-
Health Insurance	2010	7	100%	-
Pension and health insurance	2009	555	100%	-
	2008	520	100%	-
Dispatchers				
Pension	2010	71	100%	-
Health insurance	2010	3	100%	-
Pension	2009	64	100%	-
Health insurance	2009	3	100%	-
Pension	2008	38	100%	-
Health insurance	2008	3	100%	-

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

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

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

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

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

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

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Note 9 – Interfund Balances and Activity

Interfund receivables and payables—interfund balances at June 30, 2010, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Public Works Highway Fund	\$ 3
	Other Governmental Funds	157
	Other Enterprise Funds	137
		297
Road Tax Districts Fund	Public Works Highway Fund	1
		1
Public Works Highway Fund	General Fund	7
	Road Tax District Fund	283
	Development Impact Fee Fund	974
	Other Governmental Funds	51
		1,315
Other Governmental Funds	General Fund	56
	Road Tax District Fund	739
	Public Works Highway Fund	1,448
	Other Governmental Funds	260
		2,503
Other Enterprise Fund	General Fund	139
		139
Total		\$4,255

Interfund balances resulted from cash deficits in individual funds or cash transfers that had not occurred at June 30, 2010, and are expected to be repaid within one year from the date of the financial statements.

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Interfund transfers—Interfund transfers for the year ended June 30, 2010, were as follows:

Transfer from	Transfer To	Amount
General Fund	Public Works Highway Fund	\$ 2
	Other Governmental Funds	12,787
	Other Enterprise Funds	139
		12,928
Road Tax Districts Fund	Public Works Highway Fund	239
	Other Governmental Funds	739
		978
Public Works Highway Fund	General Fund	1,502
	Other Governmental Funds	2,141
		3,643
Development Impact Fee Fund	Public Works Highway Fund	974
	Other Governmental Funds	5,093
		6,067
Other Governmental Funds	General Fund	972
	Public Works Highway Fund	50
	Other Governmental Funds	1,186
		2,208
Long Term Care Fund	General Fund	1,980
	Other Governmental Funds	318
		2,298
Other Enterprise Funds	General Fund	400
		400
Total transfers in		28,522
Transfers of capital assets:		
Other Enterprise Funds	Governmental Activities	24
Total transfers out		\$28,546

The principal purpose of interfund transfers was to provide funds to cover debt service payments, provide grant matches, provide subsidies to cover operating expenses, and to provide funds to pay for capital outlay. There were interfund transfers from the Long Term Care Fund to the General Fund

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totaling \$1,980 to cover overhead costs and support general fund operations. All other significant interfund transfers were routine and consistent with the activities of the fund making the transfer.

Note 10 – 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 \$198 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 \$1,101 in deposits, \$18 of investments in money market funds, and \$7,420 of investments in the 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 the investments just described above. See Note 3 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)	\$ 38,853	5 - 6%	Daily	\$ 38,853
U.S. agency securities	312,939	0 – 5.27%	7/10 - 6/15	313,330
U.S. Treasury securities	35,149	1 - 2%	09/10 – 12/11	35,234

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010
(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	\$ 388,258
Liabilities	-
Net assets	\$ 388,258
Net assets held in trust for:	
Internal participants	\$ 152,980
External participants	235,278
Total net assets held in trust	\$ 388,258
Statement of Changes in Net Assets	
Total additions	\$ 1,055,807
Total deductions	(1,036,052)
Net increase	19,755
Net assets held in trust:	
July 1, 2009	368,503
June 30, 2010	\$ 388,258

Note 11 – 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, 2010, the Plan paid these operations \$4,872 for services and has claims payable to them of \$372.

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

Note 12 – Subsequent Events

New Debt and Debt Re-Financing

On August 25, 2010, Pinal County issued \$12,000 of pledged revenue obligations and \$13,380 of pledged revenue refunding obligations to finance the costs of two new health clinics and the construction and renovation of administrative facilities, and to refund the certificates of participation, Series 2001, respectively. The interest rate on the pledged revenue obligations range from 3 – 4.5 percent and the final maturity date is August 1, 2035. The interest rate on the pledged revenue refunding obligations range from 2.5 – 5 percent and the final maturity date is August 1, 2020. The refunding obligations provide cash flow savings of \$1,952 and net present value savings of \$1,510.

PINAL COUNTY
Notes to the Financial Statements
June 30, 2010
(Amounts expressed in thousands)

Developer Claims

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

As a result, certain developers filed suit claiming breach of contract and other related claims against the County. Subsequent to year-end, a summary judgment was granted to four developers whose claims for damages could total between \$150 and \$14,000. The County is currently appealing the judgment, and has complied with a court order to separate all money paid by the developers. In addition, three developers have filed suits claiming damages that could total approximately \$10,500 million, of which \$7,000 relates to future fee payments.

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

Required Supplementary Information



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PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 105,602	\$ 105,741	\$ 106,275	\$ 534
Licenses and permits	1,467	1,467	1,660	193
Intergovernmental	29,058	29,058	30,613	1,555
Charges for services	17,786	17,786	18,241	455
Fines and forfeits	1,629	1,629	1,766	137
Investment earnings	4,825	4,825	533	(4,292)
Rentals	35	35	18	(17)
Miscellaneous	255	255	572	317
Total revenues	160,657	160,796	159,678	(1,118)
Expenditures				
General Government				
Assessor	2,736	2,736	2,677	59
Assistant County Manager-Admin	79,275	78,411	50,098	28,313
Assistant County Manager-Development	3,624	3,624	3,279	345
Board of Supervisors	1,361	1,430	1,325	105
County Manager	1,440	1,459	1,341	118
Recorder	1,392	1,473	1,182	291
Treasurer	1,341	1,267	1,242	25
Total General Government	91,169	90,400	61,144	29,256
Public Safety				
Assistant County Manager-Admin	905	905	849	56
Assistant County Manager-Health	5,826	5,814	5,622	192
Attorney	6,707	6,707	6,340	367
Clerk of Superior Court	3,532	3,532	3,230	302
Courts	17,494	17,548	17,029	519
Sheriff	37,022	37,012	36,809	203
Total Public Safety	71,486	71,518	69,879	1,639
Sanitation				
Solid Waste	174	174	167	7
Total Sanitation	174	174	167	7

(Continued)

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2010
(Concluded)
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Health				
Assistant County Manager-Admin	\$ 17,065	\$ 17,065	\$ 10,326	\$ 6,739
Assistant County Manager-Development	1,175	1,175	1,029	146
Assistant County Manager-Health	2,416	2,416	3,134	(718)
Total Health	<u>20,656</u>	<u>20,656</u>	<u>14,489</u>	<u>6,167</u>
Welfare				
Housing Administration	653	626	554	72
Total Welfare	<u>653</u>	<u>626</u>	<u>554</u>	<u>72</u>
Culture and Recreation				
Parks and Ground Maintenance	212	212	59	153
Total Culture and Recreation	<u>212</u>	<u>212</u>	<u>59</u>	<u>153</u>
Education				
School Superintendent	756	757	749	8
Total Education	<u>756</u>	<u>757</u>	<u>749</u>	<u>8</u>
Debt service:				
Principal retirement	6	6	6	-
Total general fund expenditures	<u>185,112</u>	<u>184,349</u>	<u>147,047</u>	<u>37,302</u>
Excess (deficiency) of revenues over expenditures	<u>(24,455)</u>	<u>(23,553)</u>	<u>12,631</u>	<u>36,184</u>
Other financing sources (uses):				
Transfers in	3,258	4,772	4,854	82
Transfers out	(10,731)	(13,147)	(12,928)	219
Proceeds from sale of capital assets	10	10	91	81
Capital lease agreement	-	-	2,098	2,098
Loan proceeds	2,400	2,400	-	(2,400)
Insurance reimbursement	-	-	86	86
Total other financing sources (uses)	<u>(5,063)</u>	<u>(5,965)</u>	<u>(5,799)</u>	<u>166</u>
Net change in fund balances	<u>(29,518)</u>	<u>(29,518)</u>	<u>6,832</u>	<u>36,350</u>
Fund balances - beginning	29,518	29,518	36,705	7,187
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,537</u>	<u>\$ 43,537</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Road Tax Districts Fund
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 4,199	\$ 4,199	\$ 4,480	\$ 281
Intergovernmental	50	50	721	671
Charges for services	-	-	250	250
Investment earnings	385	385	159	(226)
Contributions	50	50	-	(50)
Miscellaneous	-	-	47	47
Total revenues	<u>4,684</u>	<u>4,684</u>	<u>5,657</u>	<u>973</u>
Expenditures				
Current:				
Highways and streets	10,694	10,694	4,844	5,850
Debt service:				
Principal retirement	500	500	500	-
Interest	35	35	35	-
Total expenditures	<u>11,229</u>	<u>11,229</u>	<u>5,379</u>	<u>5,850</u>
Excess (deficiency) of revenues over expenditures	<u>(6,545)</u>	<u>(6,545)</u>	<u>278</u>	<u>6,823</u>
Other financing sources (uses):				
Transfers out	(2,155)	(2,522)	(978)	1,544
Total other financing sources (uses)	<u>(2,155)</u>	<u>(2,522)</u>	<u>(978)</u>	<u>1,544</u>
Net change in fund balances	<u>(8,700)</u>	<u>(9,067)</u>	<u>(700)</u>	<u>8,367</u>
Fund balances - beginning	8,700	9,067	15,129	6,062
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,429</u>	<u>\$ 14,429</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Public Works Highway Fund
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 18,975	\$ 18,975	\$ 18,947	\$ (28)
Investment earnings	120	120	84	(36)
Miscellaneous	-	-	389	389
Total revenues	<u>19,095</u>	<u>19,095</u>	<u>19,420</u>	<u>325</u>
Expenditures				
Current:				
Highways and streets	21,284	19,705	15,227	4,478
Debt Service:				
Principal retirement	-	1,356	1,356	-
Interest	-	213	213	-
Total expenditures	<u>21,284</u>	<u>21,274</u>	<u>16,796</u>	<u>4,478</u>
Excess (deficiency) of revenues over expenditures	<u>(2,189)</u>	<u>(2,179)</u>	<u>2,624</u>	<u>4,803</u>
Other financing sources (uses):				
Transfers in	3,332	3,335	1,265	(2,070)
Transfers out	(3,221)	(4,046)	(3,643)	403
Proceeds from sale of capital assets	-	-	5	5
Proceeds from capital leases	700	700	-	(700)
Insurance reimbursement	-	-	169	169
Total other financing sources (uses)	<u>811</u>	<u>(11)</u>	<u>(2,204)</u>	<u>(2,193)</u>
Net change in fund balances	(1,378)	(2,190)	420	2,610
Fund balances - beginning	1,378	2,190	9,441	7,251
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,861</u>	<u>\$ 9,861</u>

PINAL COUNTY
Required Supplementary Information
Budgetary Comparison Schedule
Development Impact Fee Fund
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ -	\$ 2,869	\$ 2,768	\$ (101)
Investment earnings	-	-	152	152
Miscellaneous	2,868	-	-	-
Total revenues	<u>2,868</u>	<u>2,869</u>	<u>2,920</u>	<u>51</u>
Expenditures				
Current:				
Public safety	2,217	2,217	172	2,045
Highways and streets	3,641	3,593	25	3,568
Culture and recreation	489	489	10	479
Total expenditures	<u>6,347</u>	<u>6,299</u>	<u>207</u>	<u>6,092</u>
Excess (deficiency) of revenues over expenditures	<u>(3,479)</u>	<u>(3,430)</u>	<u>2,713</u>	<u>6,143</u>
Other financing sources (uses):				
Transfers out	<u>(6,544)</u>	<u>(6,593)</u>	<u>(6,067)</u>	<u>526</u>
Total other financing sources (uses)	<u>(6,544)</u>	<u>(6,593)</u>	<u>(6,067)</u>	<u>526</u>
Net change in fund balances	(10,023)	(10,023)	(3,354)	6,669
Fund balances - beginning	10,023	10,023	12,274	2,251
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,920</u>	<u>\$ 8,920</u>

Pinal County
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2010
(Amounts expressed in thousands)

Note 1 – Budgetary Basis of Accounting

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

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

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

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2010
(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						
6/30/2010	\$35,678	\$50,444	(\$14,766)	70.73%	\$13,289	111.11%
6/30/2009	\$32,650	\$45,680	(\$13,030)	71.48%	\$13,140	99.16%
6/30/2008	\$28,672	\$42,371	(\$13,699)	67.67%	\$13,560	101.03%
Health Insurance						
6/30/2010	\$0	\$1,472	(\$1,472)	0.00%	\$13,289	11.08%
6/30/2009	\$0	\$1,394	(\$1,394)	0.00%	\$13,140	10.61%
6/30/2008	\$0	\$1,223	(\$1,223)	0.00%	\$13,560	9.02%

PINAL COUNTY
Required Supplementary Information
Schedule of Agent Retirement Plans' Funding Progress
June 30, 2010

(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						
06/30/2010	\$16,456	\$16,452	\$4	100.02%	\$13,374	0.00%
06/30/2009	\$13,801	\$14,175	(\$374)	97.36%	\$12,835	2.91%
06/30/2008	\$11,064	\$12,297	(\$1,233)	89.97%	\$12,229	10.08%
Health						
Insurance						
06/30/2010	\$0	\$648	(\$648)	0.00%	\$13,374	4.85%
06/30/2009	\$0	\$549	(\$549)	0.00%	\$12,835	4.28%
06/30/2008	\$0	\$448	(\$448)	0.00%	\$12,229	3.66%
<u>AOC*</u>						
Pension						
06/30/2010	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
Health						
Insurance						
06/30/2010	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A
06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
<u>Dispatchers</u>						
Pension						
06/30/2010	\$1,182	\$1,333	(\$151)	88.67%	\$1,056	14.30%
06/30/2009	\$1,012	\$1,281	(\$269)	79.00%	\$1,076	25.00%
06/30/2008	\$945	\$1,299	(\$354)	72.75%	\$981	36.09%
Health						
Insurance						
06/30/2010	\$0	\$31	(\$31)	0.00%	\$1,056	2.94%
06/30/2009	\$0	\$34	(\$34)	0.00%	\$1,076	3.16%
06/30/2008	\$0	\$37	(\$37)	0.00%	\$981	3.77%

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

Combining Statements and Individual Schedules



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PINAL COUNTY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets				
Cash, cash equivalents and investments	\$ 49,406	\$ 14,846	\$ 22	\$ 64,274
Cash and investments held by trustees	-	-	4,994	4,994
Receivables (net):				
Property taxes	830	-	-	830
Accounts	497	12	-	509
Due from other funds	2,441	62	-	2,503
Due from other governments	4,468	6	-	4,474
Inventories	33	-	-	33
Prepaid items	99	-	-	99
Restricted assets:				
Cash and cash equivalents	299	-	-	299
Total assets	\$ 58,073	\$ 14,926	\$ 5,016	\$ 78,015
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,905	\$ 269	\$ -	\$ 2,174
Accrued payroll and employee benefits	274	-	-	274
Retainage payable	13	-	-	13
Due to other funds	450	18	-	468
Due to other governments	185	-	-	185
Deposits held for others	506	21	-	527
Deferred revenue	2,916	-	-	2,916
Total liabilities	6,249	308	-	6,557
Fund Balances:				
Reserved for:				
Inventories	33	-	-	33
Prepaid items	99	-	-	99
Unreserved	51,692	14,618	5,016	71,326
Total fund balances	51,824	14,618	5,016	71,458
Total liabilities and fund balances	\$ 58,073	\$ 14,926	\$ 5,016	\$ 78,015

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues				
Taxes	\$ 15,583	\$ -	\$ -	\$ 15,583
Licenses and permits	1,670	-	-	1,670
Intergovernmental	31,347	71	-	31,418
Charges for services	5,779	315	-	6,094
Fines and forfeits	1,615	-	-	1,615
Investment earnings	484	82	10	576
Contributions	385	190	-	575
Rentals	822	-	-	822
Miscellaneous	463	47	-	510
Total revenues	<u>58,148</u>	<u>705</u>	<u>10</u>	<u>58,863</u>
Expenditures				
Current:				
General government	1,351	-	-	1,351
Public safety	22,124	-	-	22,124
Highways and streets	4,642	-	-	4,642
Sanitation	529	-	-	529
Health	9,808	-	-	9,808
Welfare	5,470	-	-	5,470
Culture and recreation	2,053	-	-	2,053
Education	7,923	-	-	7,923
Debt Service:				
Principal retirement	-	-	9,091	9,091
Interest	-	-	7,556	7,556
Miscellaneous	-	-	8	8
Capital outlay	-	4,218	-	4,218
Total expenditures	<u>53,900</u>	<u>4,218</u>	<u>16,655</u>	<u>74,773</u>
Excess (deficiency) of revenues over expenditures	<u>4,248</u>	<u>(3,513)</u>	<u>(16,645)</u>	<u>(15,910)</u>
Other financing sources (uses):				
Transfers in	5,346	280	16,638	22,264
Transfers out	(1,806)	(235)	(167)	(2,208)
Proceeds from the sale of capital assets	330	-	-	330
Total other financing sources (uses)	<u>3,870</u>	<u>45</u>	<u>16,471</u>	<u>20,386</u>
Net change in fund balances	8,118	(3,468)	(174)	4,476
Fund balances - beginning, as restated	43,702	18,086	5,190	66,978
Change in reserve for inventories	4	-	-	4
Fund balances - ending	<u>\$ 51,824</u>	<u>\$ 14,618</u>	<u>\$ 5,016</u>	<u>\$ 71,458</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Adult Probation	Airport Economic Development	Air Quality
Assets			
Cash, cash equivalents and investments	\$ 190	\$ 689	\$ 1,151
Receivables (net):			
Property taxes	-	-	-
Accounts	37	2	-
Due from other funds	44	-	-
Due from other governments	19	134	9
Inventories	-	-	-
Prepaid items	9	-	4
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 299</u>	<u>\$ 825</u>	<u>\$ 1,164</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 21	\$ 6	\$ 6
Accrued payroll and employee benefits	26	2	14
Retainage payable	-	-	-
Due to other funds	46	7	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	-	-
Total liabilities	<u>93</u>	<u>15</u>	<u>20</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	9	-	4
Unreserved	197	810	1,140
Total fund balances	<u>206</u>	<u>810</u>	<u>1,144</u>
Total liabilities and fund balances	<u>\$ 299</u>	<u>\$ 825</u>	<u>\$ 1,164</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Assets			
Cash, cash equivalents and investments	\$ 1,484	\$ 4,299	\$ 2,171
Receivables (net):			
Property taxes	83	-	-
Accounts	2	8	61
Due from other funds	-	35	-
Due from other governments	-	585	-
Inventories	-	-	-
Prepaid items	5	9	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 1,574	\$ 4,936	\$ 2,232
 Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 64	\$ 16	\$ -
Accrued payroll and employee benefits	17	35	1
Retainage payable	-	-	-
Due to other funds	-	67	-
Due to other governments	-	-	-
Deposits held for others	28	-	-
Deferred revenue	73	182	-
Total liabilities	182	300	1
 Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	5	9	-
Unreserved	1,387	4,627	2,231
Total fund balances	1,392	4,636	2,231
Total liabilities and fund balances	\$ 1,574	\$ 4,936	\$ 2,232

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Old Courthouse Preservation	Courts	Employee Wellness
Assets			
Cash, cash equivalents and investments	\$ 427	\$ 2,869	\$ 11
Receivables (net):			
Property taxes	-	-	-
Accounts	-	62	-
Due from other funds	-	54	-
Due from other governments	-	67	-
Inventories	-	-	-
Prepaid items	-	5	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 427	\$ 3,057	\$ 11
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1	\$ 4	\$ -
Accrued payroll and employee benefits	-	12	-
Retainage payable	-	-	-
Due to other funds	-	21	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	-	-	-
Total liabilities	1	37	-
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	5	-
Unreserved	426	3,015	11
Total fund balances	426	3,020	11
Total liabilities and fund balances	\$ 427	\$ 3,057	\$ 11

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Health Services	Justice Courts	Juvenile Probation
Assets			
Cash, cash equivalents and investments	\$ 352	\$ 2,318	\$ 948
Receivables (net):			
Property taxes	-	-	-
Accounts	-	103	14
Due from other funds	1	2	45
Due from other governments	5	146	20
Inventories	-	-	-
Prepaid items	1	1	7
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 359</u>	<u>\$ 2,570</u>	<u>\$ 1,034</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 2	\$ 10	\$ 5
Accrued payroll and employee benefits	4	1	19
Retainage payable	-	-	-
Due to other funds	-	9	47
Due to other governments	-	-	185
Deposits held for others	-	-	-
Deferred revenue	-	-	-
Total liabilities	<u>6</u>	<u>20</u>	<u>256</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	1	1	7
Unreserved	<u>352</u>	<u>2,549</u>	<u>771</u>
Total fund balances	<u>353</u>	<u>2,550</u>	<u>778</u>
Total liabilities and fund balances	<u>\$ 359</u>	<u>\$ 2,570</u>	<u>\$ 1,034</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Local Transport Assist Grant	Library Grants	Miscellaneous Grants
Assets			
Cash, cash equivalents and investments	\$ 554	\$ 2	\$ 457
Receivables (net):			
Property taxes	-	-	-
Accounts	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	511
Inventories	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 554	\$ 2	\$ 968
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 6	\$ -	\$ 9
Accrued payroll and employee benefits	2	-	1
Retainage payable	-	-	-
Due to other funds	1	-	7
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	504	-	780
Total liabilities	513	-	797
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	-	-
Unreserved	41	2	171
Total fund balances	41	2	171
Total liabilities and fund balances	\$ 554	\$ 2	\$ 968

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	<u>Public Defender</u>	<u>Public Works Roadways</u>	<u>Public Works Services</u>
Assets			
Cash, cash equivalents and investments	\$ 167	\$ 2,883	\$ 5,361
Receivables (net):			
Property taxes	-	-	-
Accounts	-	5	9
Due from other funds	-	2,000	1
Due from other governments	20	-	144
Inventories	-	-	-
Prepaid items	-	2	2
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 187</u>	<u>\$ 4,890</u>	<u>\$ 5,517</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 2	\$ 166	\$ 52
Accrued payroll and employee benefits	1	17	5
Retainage payable	-	13	-
Due to other funds	-	-	61
Due to other governments	-	-	-
Deposits held for others	-	338	-
Deferred revenue	90	-	-
Total liabilities	<u>93</u>	<u>534</u>	<u>118</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	-	2	2
Unreserved	94	4,354	5,397
Total fund balances	<u>94</u>	<u>4,356</u>	<u>5,399</u>
Total liabilities and fund balances	<u>\$ 187</u>	<u>\$ 4,890</u>	<u>\$ 5,517</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Sheriff	Treasurer	Housing Grants
Assets			
Cash, cash equivalents and investments	\$ 650	\$ 58	\$ (92)
Receivables (net):			
Property taxes	-	-	-
Accounts	2	-	150
Due from other funds	2	-	-
Due from other governments	1,552	-	298
Inventories	-	-	33
Prepaid items	4	-	26
Restricted assets:			
Cash and cash equivalents	-	-	299
Total assets	<u>\$ 2,210</u>	<u>\$ 58</u>	<u>\$ 714</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,184	\$ -	\$ 61
Accrued payroll and employee benefits	17	-	2
Retainage payable	-	-	-
Due to other funds	73	-	1
Due to other governments	-	-	-
Deposits held for others	-	-	109
Deferred revenue	664	-	-
Total liabilities	<u>1,938</u>	<u>-</u>	<u>173</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	33
Prepaid items	4	-	26
Unreserved	268	58	482
Total fund balances	<u>272</u>	<u>58</u>	<u>541</u>
Total liabilities and fund balances	<u>\$ 2,210</u>	<u>\$ 58</u>	<u>\$ 714</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Flood Control District	Library District	Lighting Special Districts
Assets			
Cash, cash equivalents and investments	\$ 10,239	\$ 3,671	\$ 3
Receivables (net):			
Property taxes	340	219	2
Accounts	15	5	-
Due from other funds	209	-	-
Due from other governments	-	-	-
Inventories	-	-	-
Prepaid items	1	2	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 10,804</u>	<u>\$ 3,897</u>	<u>\$ 5</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 40	\$ 110	\$ -
Accrued payroll and employee benefits	4	6	-
Retainage payable	-	-	-
Due to other funds	13	-	-
Due to other governments	-	-	-
Deposits held for others	-	-	-
Deferred revenue	281	184	1
Total liabilities	<u>338</u>	<u>300</u>	<u>1</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	1	2	-
Unreserved	10,465	3,595	4
Total fund balances	<u>10,466</u>	<u>3,597</u>	<u>4</u>
Total liabilities and fund balances	<u>\$ 10,804</u>	<u>\$ 3,897</u>	<u>\$ 5</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Miscellaneous Fees	Desert Vista Sanitation District	Public Health Services District
Assets			
Cash, cash equivalents and investments	\$ 1,379	\$ 27	\$ 2,440
Receivables (net):			
Property taxes	-	5	-
Accounts	19	-	3
Due from other funds	1	-	47
Due from other governments	-	-	958
Inventories	-	-	-
Prepaid items	1	-	20
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	<u>\$ 1,400</u>	<u>\$ 32</u>	<u>\$ 3,468</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 24	\$ -	\$ 116
Accrued payroll and employee benefits	3	-	85
Retainage payable	-	-	-
Due to other funds	50	-	47
Due to other governments	-	-	-
Deposits held for others	-	-	31
Deferred revenue	-	5	-
Total liabilities	<u>77</u>	<u>5</u>	<u>279</u>
Fund Balances:			
Reserved for:			
Inventories	-	-	-
Prepaid items	1	-	20
Unreserved	<u>1,322</u>	<u>27</u>	<u>3,169</u>
Total fund balances	<u>1,323</u>	<u>27</u>	<u>3,189</u>
Total liabilities and fund balances	<u>\$ 1,400</u>	<u>\$ 32</u>	<u>\$ 3,468</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(Amounts expressed in thousands)

	Queen Creek Domestic Water Imprvmnt District	Accom- modation School	Total
Assets			
Cash, cash equivalents and investments	\$ 15	\$ 4,683	\$ 49,406
Receivables (net):			
Property taxes	1	180	830
Accounts	-	-	497
Due from other funds	-	-	2,441
Due from other governments	-	-	4,468
Inventories	-	-	33
Prepaid items	-	-	99
Restricted assets:			
Cash and cash equivalents	-	-	299
Total assets	\$ 16	\$ 4,863	\$ 58,073
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -		\$ 1,905
Accrued payroll and employee benefits	-	-	274
Retainage payable	-	-	13
Due to other funds	-	-	450
Due to other governments	-	-	185
Deposits held for others	-	-	506
Deferred revenue	1	151	2,916
Total liabilities	1	151	6,249
Fund Balances:			
Reserved for:			
Inventories	-	-	33
Prepaid items	-	-	99
Unreserved	15	4,712	51,692
Total fund balances	15	4,712	51,824
Total liabilities and fund balances	\$ 16	\$ 4,863	\$ 58,073

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Adult Probation	Airport Economic Development	Air Quality
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	1,299
Intergovernmental	2,590	157	173
Charges for services	512	-	-
Fines and forfeits	-	-	-
Investment earnings	5	8	-
Contributions	-	-	-
Rentals	-	413	-
Miscellaneous	-	59	-
Total revenues	<u>3,107</u>	<u>637</u>	<u>1,472</u>
Expenditures			
Current:			
General government	-	481	-
Public safety	3,052	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	1,305
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>3,052</u>	<u>481</u>	<u>1,305</u>
Excess (deficiency) of revenues over expenditures	<u>55</u>	<u>156</u>	<u>167</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	-	(87)
Proceeds from the sale of capital assets	-	-	4
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(83)</u>
Net change in fund balances	55	156	84
Fund balances - beginning, as restated	<u>151</u>	<u>654</u>	<u>1,060</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 206</u>	<u>\$ 810</u>	<u>\$ 1,144</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Animal Control	Attorney	Clerk of Courts
Revenues			
Taxes	\$ 1,442	\$ -	\$ -
Licenses and permits	202	-	-
Intergovernmental	28	3,036	15
Charges for services	407	71	590
Fines and forfeits	19	1,419	-
Investment earnings	13	52	19
Contributions	36	38	-
Rentals	-	-	-
Miscellaneous	4	17	-
Total revenues	<u>2,151</u>	<u>4,633</u>	<u>624</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	5,414	207
Highways and streets	-	-	-
Sanitation	-	-	-
Health	1,621	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>1,621</u>	<u>5,414</u>	<u>207</u>
Excess (deficiency) of revenues over expenditures	<u>530</u>	<u>(781)</u>	<u>417</u>
Other financing sources (uses):			
Transfers in	-	191	-
Transfers out	(10)	(76)	(157)
Proceeds from the sale of capital assets	-	246	-
Total other financing sources (uses)	<u>(10)</u>	<u>361</u>	<u>(157)</u>
Net change in fund balances	520	(420)	260
Fund balances - beginning, as restated	<u>872</u>	<u>5,056</u>	<u>1,971</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 1,392</u>	<u>\$ 4,636</u>	<u>\$ 2,231</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Old Courthouse Preservation	Courts	Employee Wellness
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	521	-
Charges for services	-	521	-
Fines and forfeits	-	-	-
Investment earnings	-	29	-
Contributions	1	-	-
Rentals	-	-	-
Miscellaneous	-	3	31
Total revenues	<u>1</u>	<u>1,074</u>	<u>31</u>
Expenditures			
Current:			
General government	10	-	-
Public safety	-	1,508	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	24
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>10</u>	<u>1,508</u>	<u>24</u>
Excess (deficiency) of revenues over expenditures	<u>(9)</u>	<u>(434)</u>	<u>7</u>
Other financing sources (uses):			
Transfers in	200	536	-
Transfers out	-	(1)	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>200</u>	<u>535</u>	<u>-</u>
Net change in fund balances	191	101	7
Fund balances - beginning, as restated	<u>235</u>	<u>2,919</u>	<u>4</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 426</u>	<u>\$ 3,020</u>	<u>\$ 11</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Health Services	Justice Courts	Juvenile Probation
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	198	-	2,450
Charges for services	-	1,036	157
Fines and forfeits	-	-	-
Investment earnings	2	21	10
Contributions	-	-	3
Rentals	-	-	-
Miscellaneous	-	-	-
	<u>200</u>	<u>1,057</u>	<u>2,620</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	446	2,585
Highways and streets	-	-	-
Sanitation	-	-	-
Health	362	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
	<u>362</u>	<u>446</u>	<u>2,585</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(162)</u>	<u>611</u>	<u>35</u>
Other financing sources (uses):			
Transfers in	318	-	10
Transfers out	-	(551)	-
Proceeds from the sale of capital assets	-	-	-
	<u>318</u>	<u>(551)</u>	<u>10</u>
Total other financing sources (uses)			
Net change in fund balances	156	60	45
Fund balances - beginning, as restated	<u>197</u>	<u>2,490</u>	<u>733</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 353</u>	<u>\$ 2,550</u>	<u>\$ 778</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Local Transport Assist Grant	Library Grants	Miscellaneous Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	130	23	367
Charges for services	3	-	-
Fines and forfeits	-	-	-
Investment earnings	6	-	4
Contributions	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	139	23	371
Expenditures			
Current:			
General government	-	-	129
Public safety	-	-	93
Highways and streets	-	-	-
Sanitation	-	-	-
Health	139	-	-
Welfare	-	-	-
Culture and recreation	-	23	-
Education	-	-	-
Total expenditures	139	23	222
Excess (deficiency) of revenues over expenditures	-	-	149
Other financing sources (uses):			
Transfers in	-	-	12
Transfers out	-	-	(9)
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	-	-	3
Net change in fund balances	-	-	152
Fund balances - beginning, as restated	41	2	19
Change in reserve for inventories	-	-	-
Fund balances - ending	\$ 41	\$ 2	\$ 171

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Public Defender	Public Works Roadways	Public Works Services
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	159	-
Intergovernmental	30	-	977
Charges for services	-	154	7
Fines and forfeits	-	-	-
Investment earnings	2	39	54
Contributions	-	125	-
Rentals	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>32</u>	<u>477</u>	<u>1,038</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	150	-	522
Highways and streets	-	1,285	548
Sanitation	-	-	383
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>150</u>	<u>1,285</u>	<u>1,453</u>
Excess (deficiency) of revenues over expenditures	<u>(118)</u>	<u>(808)</u>	<u>(415)</u>
Other financing sources (uses):			
Transfers in	93	1,969	202
Transfers out	-	-	(54)
Proceeds from the sale of capital assets	-	10	-
Total other financing sources (uses)	<u>93</u>	<u>1,979</u>	<u>148</u>
Net change in fund balances	(25)	1,171	(267)
Fund balances - beginning, as restated	<u>119</u>	<u>3,185</u>	<u>5,666</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 94</u>	<u>\$ 4,356</u>	<u>\$ 5,399</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Sheriff	Treasurer	Housing Grants
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	7,068	-	4,936
Charges for services	648	47	-
Fines and forfeits	177	-	-
Investment earnings	12	1	1
Contributions	4	-	-
Rentals	-	-	409
Miscellaneous	1	-	45
Total revenues	<u>7,910</u>	<u>48</u>	<u>5,391</u>
Expenditures			
Current:			
General government	-	117	-
Public safety	8,147	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	5,470
Culture and recreation	-	-	-
Education	-	-	-
Total expenditures	<u>8,147</u>	<u>117</u>	<u>5,470</u>
Excess (deficiency) of revenues over expenditures	<u>(237)</u>	<u>(69)</u>	<u>(79)</u>
Other financing sources (uses):			
Transfers in	114	-	11
Transfers out	(37)	(1)	-
Proceeds from the sale of capital assets	4	-	-
Total other financing sources (uses)	<u>81</u>	<u>(1)</u>	<u>11</u>
Net change in fund balances	(156)	(70)	(68)
Fund balances - beginning, as restated	<u>428</u>	<u>128</u>	<u>605</u>
Change in reserve for inventories	-	-	4
Fund balances - ending	<u>\$ 272</u>	<u>\$ 58</u>	<u>\$ 541</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Flood Control District	Library District	Lighting Special Districts
Revenues			
Taxes	\$ 5,125	\$ 3,290	\$ 17
Licenses and permits	10	-	-
Intergovernmental	19	54	-
Charges for services	18	-	-
Fines and forfeits	-	-	-
Investment earnings	99	36	-
Contributions	58	-	-
Rentals	-	-	-
Miscellaneous	-	34	-
Total revenues	<u>5,329</u>	<u>3,414</u>	<u>17</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	2,792	-	17
Sanitation	-	-	-
Health	-	-	-
Welfare	-	-	-
Culture and recreation	-	2,030	-
Education	-	-	-
Total expenditures	<u>2,792</u>	<u>2,030</u>	<u>17</u>
Excess (deficiency) of revenues over expenditures	<u>2,537</u>	<u>1,384</u>	<u>-</u>
Other financing sources (uses):			
Transfers in	209	-	-
Transfers out	(32)	(381)	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	<u>177</u>	<u>(381)</u>	<u>-</u>
Net change in fund balances	2,714	1,003	-
Fund balances - beginning, as restated	<u>7,752</u>	<u>2,594</u>	<u>4</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 10,466</u>	<u>\$ 3,597</u>	<u>\$ 4</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Miscellaneous Fees	Desert Vista Sanitation District	Public Health Services District
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ -	\$ 31	\$ 2,404
Licenses and permits	-	-	-
Intergovernmental	-	-	3,350
Charges for services	1,120	-	161
Fines and forfeits	-	-	-
Investment earnings	10	1	13
Contributions	-	-	108
Rentals	-	-	-
Miscellaneous	-	-	1
	<u>1,130</u>	<u>32</u>	<u>6,037</u>
Total revenues			
Expenditures			
Current:			
General government	606	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	-	146	-
Health	-	-	6,357
Welfare	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
	<u>606</u>	<u>146</u>	<u>6,357</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>524</u>	<u>(114)</u>	<u>(320)</u>
Other financing sources (uses):			
Transfers in	-	-	1,481
Transfers out	(181)	-	(229)
Proceeds from the sale of capital assets	-	66	-
	<u>(181)</u>	<u>66</u>	<u>1,252</u>
Total other financing sources (uses)			
Net change in fund balances	343	(48)	932
Fund balances - beginning, as restated	<u>980</u>	<u>75</u>	<u>2,257</u>
Change in reserve for inventories	-	-	-
Fund balances - ending	<u>\$ 1,323</u>	<u>\$ 27</u>	<u>\$ 3,189</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Amounts Expressed in thousands)

	Queen Creek Domestic Water Imprvmnt District	Accom- modation School	Total
Revenues			
Taxes	\$ 14	\$ 3,260	\$ 15,583
Licenses and permits	-	-	1,670
Intergovernmental	-	5,225	31,347
Charges for services	-	327	5,779
Fines and forfeits	-	-	1,615
Investment earnings	-	47	484
Contributions	-	12	385
Rentals	-	-	822
Miscellaneous	-	268	463
Total revenues	<u>14</u>	<u>9,139</u>	<u>58,148</u>
Expenditures			
Current:			
General government	8	-	1,351
Public safety	-	-	22,124
Highways and streets	-	-	4,642
Sanitation	-	-	529
Health	-	-	9,808
Welfare	-	-	5,470
Culture and recreation	-	-	2,053
Education	-	7,923	7,923
Total expenditures	<u>8</u>	<u>7,923</u>	<u>53,900</u>
Excess (deficiency) of revenues over expenditures	<u>6</u>	<u>1,216</u>	<u>4,248</u>
Other financing sources (uses):			
Transfers in	-	-	5,346
Transfers out	-	-	(1,806)
Proceeds from the sale of capital assets	-	-	330
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,870</u>
Net change in fund balances	6	1,216	8,118
Fund balances - beginning, as restated	<u>9</u>	<u>3,496</u>	<u>43,702</u>
Change in reserve for inventories	-	-	4
Fund balances - ending	<u>\$ 15</u>	<u>\$ 4,712</u>	<u>\$ 51,824</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2010
(Amounts expressed in thousands)

	<u>Public Works Special Projects</u>	<u>Capital Projects Miscellaneous</u>
Assets		
Cash, cash equivalents and investments	\$ 22	\$ 6,741
Receivables (net):		
Accounts	-	-
Due from other funds	-	62
Due from other governments	-	6
Total assets	<u>\$ 22</u>	<u>\$ 6,809</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ -	\$ 192
Due to other funds	-	18
Deposits held for others	-	-
Total liabilities	<u>-</u>	<u>210</u>
Fund Balances:		
Reserved for:		
Unreserved	<u>22</u>	<u>6,599</u>
Total fund balances	<u>22</u>	<u>6,599</u>
Total liabilities and fund balances	<u>\$ 22</u>	<u>\$ 6,809</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2010
(Amounts expressed in thousands)

	Public Works Gantzel Road Fund		Total
	<u> </u>		<u> </u>
Assets			
Cash, cash equivalents and investments	\$ 8,083		\$ 14,846
Receivables (net):			
Accounts	12		12
Due from other funds	-		62
Due from other governments	-		6
	<u> </u>		<u> </u>
Total assets	<u>\$ 8,095</u>		<u>\$ 14,926</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 77		\$ 269
Due to other funds	-		18
Deposits held for others	21		21
	<u> </u>		<u> </u>
Total liabilities	<u>98</u>		<u>308</u>
Fund Balances:			
Reserved for:			
Unreserved	7,997		14,618
	<u> </u>		<u> </u>
Total fund balances	<u>7,997</u>		<u>14,618</u>
	<u> </u>		<u> </u>
Total liabilities and fund balances	<u>\$ 8,095</u>		<u>\$ 14,926</u>

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Public Works Special Projects	Capital Projects Miscellaneous
Revenues		
Intergovernmental	\$ -	\$ 71
Charges for services	-	-
Investment earnings	-	-
Contributions	-	-
Miscellaneous	-	42
Total revenues	-	113
Expenditures		
Capital outlay	11	4,000
Total expenditures	11	4,000
Excess (deficiency) of revenues over expenditures	(11)	(3,887)
Other financing sources (uses):		
Transfers in	-	280
Transfers out	-	(235)
Total other financing sources (uses)	-	45
Net change in fund balances	(11)	(3,842)
Fund balances - beginning	33	10,441
Fund balances - ending	\$ 22	\$ 6,599

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Public Works Gantzel Road Fund	Total
	<u>Fund</u>	<u>Total</u>
Revenues		
Intergovernmental	\$ -	\$ 71
Charges for services	315	315
Investment earnings	82	82
Contributions	190	190
Miscellaneous	5	47
	<u>592</u>	<u>705</u>
Total revenues		
Expenditures		
Capital outlay	<u>207</u>	<u>4,218</u>
Total expenditures	<u>207</u>	<u>4,218</u>
Excess (deficiency) of revenues over expenditures	<u>385</u>	<u>(3,513)</u>
Other financing sources (uses):		
Transfers in	-	280
Transfers out	-	(235)
Total other financing sources (uses)	<u>-</u>	<u>45</u>
Net change in fund balances	385	(3,468)
Fund balances - beginning	<u>7,612</u>	<u>18,086</u>
Fund balances - ending	<u>\$ 7,997</u>	<u>\$ 14,618</u>

PINAL COUNTY
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2010

(Amounts expressed in thousands)

	Debt Service	Maricopa Rd Debt Service	Total
Assets			
Cash, cash equivalents and investments	\$ 22	\$ -	\$ 22
Cash and investments held by trustees	4,994	-	4,994
Total assets	\$ 5,016	\$ -	\$ 5,016
Fund Balance			
Liabilities:			
Loan payable	\$ -	\$ -	\$ -
Interest payable	-	-	-
Total liabilities	-	-	-
Fund Balances:			
Unreserved	5,016	-	5,016
Total fund balances	5,016	-	5,016
Total liabilities and fund balances	\$ 5,016	\$ -	\$ 5,016

PINAL COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Debt Service	Maricopa Rd Debt Service	Total
Revenues			
Investment earnings	\$ 9	\$ 1	\$ 10
Total revenues	<u>9</u>	<u>1</u>	<u>10</u>
Expenditures			
Debt Service:			
Principal retirement	9,091	-	9,091
Interest	7,556	-	7,556
Miscellaneous	8	-	8
Total expenditures	<u>16,655</u>	<u>-</u>	<u>16,655</u>
Excess (deficiency) of revenues over expenditures	<u>(16,646)</u>	<u>1</u>	<u>(16,645)</u>
Other financing sources (uses):			
Transfers in	16,638	-	16,638
Transfers out	-	(167)	(167)
Total other financing sources (uses)	<u>16,638</u>	<u>(167)</u>	<u>16,471</u>
Net change in fund balances	(8)	(166)	(174)
Fund balances - beginning	<u>5,024</u>	<u>166</u>	<u>5,190</u>
Fund balances - ending	<u>\$ 5,016</u>	<u>\$ -</u>	<u>\$ 5,016</u>

PINAL COUNTY
Special Revenue Funds - Adult Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

ADULT PROBATION	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,814	\$ 2,505	\$ 2,590	\$ 85
Charges for services	545	596	512	(84)
Investment earnings	-	-	5	5
Total revenues	<u>3,359</u>	<u>3,101</u>	<u>3,107</u>	<u>6</u>
Expenditures				
Current:				
Public safety	3,359	3,296	3,052	244
Total expenditures	<u>3,359</u>	<u>3,296</u>	<u>3,052</u>	<u>244</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(195)</u>	<u>55</u>	<u>250</u>
Other financing sources (uses):				
Transfers in	-	246	-	(246)
Transfers out	-	(246)	-	246
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(195)</u>	<u>55</u>	<u>250</u>
Fund balances, beginning, as restated	-	195	151	(44)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 206</u>

PINAL COUNTY
Special Revenue Funds - Airport Economic Development
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

<u>AIRPORT ECONOMIC DEVELOPMENT</u>	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 17	\$ 157	\$ 140
Investment earnings	-	-	8	8
Rentals	-	405	413	8
Miscellaneous	<u>427</u>	<u>59</u>	<u>59</u>	<u>-</u>
Total revenues	<u>427</u>	<u>481</u>	<u>637</u>	<u>156</u>
Expenditures				
Current:				
General government	<u>427</u>	<u>481</u>	<u>481</u>	<u>-</u>
Total expenditures	<u>427</u>	<u>481</u>	<u>481</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>156</u>	<u>156</u>
Net change in fund balances	-	-	156	156
Fund balances, beginning	-	-	654	654
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 810</u>	<u>\$ 810</u>

PINAL COUNTY
Special Revenue Funds - Air Quality
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

AIR QUALITY	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Licenses and permits	\$ 1,069	\$ 1,299	\$ 230
Intergovernmental	51	173	122
Total revenues	<u>1,120</u>	<u>1,472</u>	<u>352</u>
Expenditures			
Current:			
Health	1,601	1,305	296
Total expenditures	<u>1,601</u>	<u>1,305</u>	<u>296</u>
Excess (deficiency) of revenues over expenditures	<u>(481)</u>	<u>167</u>	<u>648</u>
Other financing sources (uses):			
Transfers In	24	-	(24)
Transfers Out	(111)	(87)	24
Proceeds from sale of capital assets	-	4	4
Total other financing sources (uses)	<u>(87)</u>	<u>(83)</u>	<u>4</u>
Net change in fund balances	(568)	84	652
Fund balances, beginning	568	1,060	492
Fund balances, ending	<u>\$ -</u>	<u>\$ 1,144</u>	<u>\$ 1,144</u>

PINAL COUNTY
Special Revenue Funds - Animal Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

ANIMAL CONTROL	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 1,423	\$ 1,423	\$ 1,442	\$ 19
Licenses and permits	150	150	202	52
Intergovernmental	-	-	28	28
Charges for services	291	292	407	115
Fines and forfeits	35	35	19	(16)
Investment earnings	-	-	13	13
Contributions	-	36	36	-
Miscellaneous	21	-	4	4
Total revenues	<u>1,920</u>	<u>1,936</u>	<u>2,151</u>	<u>215</u>
Expenditures				
Current:				
Health	1,910	1,933	1,621	312
Total expenditures	<u>1,910</u>	<u>1,933</u>	<u>1,621</u>	<u>312</u>
Excess of revenues over expenditures	<u>10</u>	<u>3</u>	<u>530</u>	<u>527</u>
Other financing uses:				
Transfers out	(10)	(10)	(10)	-
Total other financing uses	<u>(10)</u>	<u>(10)</u>	<u>(10)</u>	<u>-</u>
Net change in fund balances	-	(7)	520	527
Fund balances, beginning	-	7	872	865
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,392</u>	<u>\$ 1,392</u>

PINAL COUNTY
Special Revenue Funds - Attorney
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

ATTORNEY	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 3,407	\$ 3,407	\$ 3,036	\$ (371)
Charges for services	157	157	71	(86)
Fines and forfeits	1,459	2,219	1,419	(800)
Investment earnings	22	22	52	30
Contributions	-	-	38	38
Miscellaneous	20	20	17	(3)
Total revenues	<u>5,065</u>	<u>5,825</u>	<u>4,633</u>	<u>(1,192)</u>
Expenditures				
Current:				
Public safety	5,372	6,057	5,414	643
Total expenditures	<u>5,372</u>	<u>6,057</u>	<u>5,414</u>	<u>643</u>
Deficiency of revenues over expenditures	<u>(307)</u>	<u>(232)</u>	<u>(781)</u>	<u>(549)</u>
Other financing sources (uses):				
Transfers in	643	648	191	(457)
Transfers out	(602)	(713)	(76)	637
Proceeds from sale of capital assets	20	20	246	226
Total other financing sources (uses)	<u>61</u>	<u>(45)</u>	<u>361</u>	<u>406</u>
Net change in fund balances	<u>(246)</u>	<u>(277)</u>	<u>(420)</u>	<u>(143)</u>
Fund balances, beginning	246	277	5,056	4,779
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,636</u>	<u>\$ 4,636</u>

PINAL COUNTY
Special Revenue Funds - Clerk of Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

CLERK OF COURTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 15	\$ 15
Charges for services	561	590	29
Investment earnings	35	19	(16)
Total revenues	<u>596</u>	<u>624</u>	<u>28</u>
Expenditures			
Current:			
Public Safety	572	207	365
Total expenditures	<u>572</u>	<u>207</u>	<u>365</u>
Excess of revenues over expenditures	<u>24</u>	<u>417</u>	<u>393</u>
Other financing uses:			
Transfers out	(184)	(157)	27
Total other financing uses	<u>(184)</u>	<u>(157)</u>	<u>27</u>
Net change in fund balances	(160)	260	420
Fund balances, beginning, as restated	160	1,971	1,811
Fund balances, ending	<u>\$ -</u>	<u>\$ 2,231</u>	<u>\$ 2,231</u>

PINAL COUNTY
Special Revenue Funds - Old Courthouse Preservation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

OLD COURTHOUSE PRESERVATION	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Contributions	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures			
Current:			
General government	397	10	387
Total expenditures	<u>397</u>	<u>10</u>	<u>387</u>
Deficiency of revenues over expenditures	<u>(397)</u>	<u>(9)</u>	<u>388</u>
Other financing sources:			
Transfers in	200	200	-
Total other financing sources	<u>200</u>	<u>200</u>	<u>-</u>
Net change in fund balances	(197)	191	388
Fund balances, beginning	197	235	38
Fund balances, ending	<u>\$ -</u>	<u>\$ 426</u>	<u>\$ 426</u>

PINAL COUNTY
Special Revenue Funds - Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

COURTS	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,086	\$ 1,092	\$ 521	\$ (571)
Charges for services	396	401	521	120
Investment earnings	66	66	29	(37)
Miscellaneous	-	-	3	3
Total revenues	<u>1,548</u>	<u>1,559</u>	<u>1,074</u>	<u>(485)</u>
Expenditures				
Current:				
Public safety	3,210	3,228	1,508	1,720
Total expenditures	<u>3,210</u>	<u>3,228</u>	<u>1,508</u>	<u>1,720</u>
Deficiency of revenues over expenditures	<u>(1,662)</u>	<u>(1,669)</u>	<u>(434)</u>	<u>1,235</u>
Other financing sources (uses):				
Transfers in	548	555	536	(19)
Transfers out	(19)	(19)	(1)	18
Total other financing sources (uses)	<u>529</u>	<u>536</u>	<u>535</u>	<u>(1)</u>
Net change in fund balances	<u>(1,133)</u>	<u>(1,133)</u>	<u>101</u>	<u>1,234</u>
Fund balances, beginning, as restated	<u>1,133</u>	<u>1,133</u>	<u>2,919</u>	<u>1,786</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,020</u>	<u>\$ 3,020</u>

PINAL COUNTY
Special Revenue Funds - Employee Wellness
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

EMPLOYEE WELLNESS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Miscellaneous	\$ 31	\$ 31	\$ -
Total revenues	<u>31</u>	<u>31</u>	<u>-</u>
Expenditures			
Current:			
Health	<u>31</u>	<u>24</u>	<u>7</u>
Total expenditures	<u>31</u>	<u>24</u>	<u>7</u>
Excess of revenues over expenditures	<u>-</u>	<u>7</u>	<u>7</u>
Net change in fund balances	-	7	7
Fund balances, beginning	-	4	4
Fund balances, ending	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 11</u>

PINAL COUNTY
Special Revenue Funds - Health Services
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

HEALTH SERVICES	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 417	\$ 198	\$ (219)
Investment earnings	-	2	2
Total revenues	<u>417</u>	<u>200</u>	<u>(217)</u>
Expenditures			
Current:			
Health	<u>787</u>	<u>362</u>	<u>425</u>
Total expenditures	<u>787</u>	<u>362</u>	<u>425</u>
Deficiency of revenues over expenditures	<u>(370)</u>	<u>(162)</u>	<u>208</u>
Other financing sources:			
Transfers in	<u>318</u>	<u>318</u>	<u>-</u>
Total other financing sources	<u>318</u>	<u>318</u>	<u>-</u>
Net change in fund balances	<u>(52)</u>	<u>156</u>	<u>208</u>
Fund balances, beginning	<u>52</u>	<u>197</u>	<u>145</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 353</u>	<u>\$ 353</u>

PINAL COUNTY
Special Revenue Funds - Justice Courts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

JUSTICE COURTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 150	\$ -	\$ (150)
Charges for services	911	762	1,036	274
Investment earnings	-	1	21	20
Miscellaneous	1	-	-	-
Total revenues	<u>912</u>	<u>913</u>	<u>1,057</u>	<u>144</u>
Expenditures				
Current:				
Public safety	669	749	446	303
Total expenditures	<u>669</u>	<u>749</u>	<u>446</u>	<u>303</u>
Excess of revenues over expenditures	<u>243</u>	<u>164</u>	<u>611</u>	<u>447</u>
Other financing uses:				
Transfers out	(306)	(597)	(551)	46
Total other financing uses	<u>(306)</u>	<u>(597)</u>	<u>(551)</u>	<u>46</u>
Net change in fund balances	(63)	(433)	60	493
Fund balances, beginning	63	433	2,490	2,057
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,550</u>	<u>\$ 2,550</u>

PINAL COUNTY
Special Revenue Funds - Juvenile Probation
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

JUVENILE PROBATION	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,774	\$ 2,676	\$ 2,450	\$ (226)
Charges for services	-	-	157	157
Investment earnings	-	-	10	10
Contributions	-	3	3	-
Total revenues	<u>2,774</u>	<u>2,679</u>	<u>2,620</u>	<u>(59)</u>
Expenditures				
Current:				
Public safety	3,456	3,355	2,585	770
Total expenditures	<u>3,456</u>	<u>3,355</u>	<u>2,585</u>	<u>770</u>
Excess (deficiency) of revenues over expenditures	<u>(682)</u>	<u>(676)</u>	<u>35</u>	<u>711</u>
Other financing sources:				
Transfers in	20	20	10	(10)
Total other financing sources	<u>20</u>	<u>20</u>	<u>10</u>	<u>(10)</u>
Net change in fund balances	<u>(662)</u>	<u>(656)</u>	<u>45</u>	<u>701</u>
Fund balances, beginning	662	656	733	77
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 778</u>	<u>\$ 778</u>

PINAL COUNTY
Special Revenue Funds - Local Transport Assist Grant
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

LOCAL TRANSPORT ASSIST GRANT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 130	\$ 130
Charges for services	4	3	(1)
Investment earnings	10	6	(4)
Total revenues	<u>14</u>	<u>139</u>	<u>125</u>
Expenditures			
Current:			
Health	<u>175</u>	<u>139</u>	<u>36</u>
Total expenditures	<u>175</u>	<u>139</u>	<u>36</u>
Deficiency of revenues over expenditures	<u>(161)</u>	<u>-</u>	<u>161</u>
Net change in fund balances	(161)	-	161
Fund balances, beginning	<u>161</u>	<u>41</u>	<u>(120)</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 41</u>	<u>\$ 41</u>

PINAL COUNTY
Special Revenue Funds - Library Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(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	24	23	1
Total expenditures	<u>24</u>	<u>23</u>	<u>1</u>
Deficiency of revenues over expenditures	<u>(1)</u>	<u>-</u>	<u>1</u>
Other financing sources:			
Transfers in	1	-	(1)
Total other financing sources	<u>1</u>	<u>-</u>	<u>(1)</u>
Net change in fund balance	-	-	-
Fund balances, beginning	-	2	2
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, 2010
(Amounts expressed in thousands)

MISCELLANEOUS GRANTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 142	\$ 762	\$ 367	\$ (395)
Investment earnings	-	-	4	4
Total revenues	<u>142</u>	<u>762</u>	<u>371</u>	<u>(391)</u>
Expenditures				
Current:				
General Government	142	612	129	483
Public Safety	-	135	93	42
Total expenditures	<u>142</u>	<u>747</u>	<u>222</u>	<u>525</u>
Excess of revenues over expenditures	<u>-</u>	<u>15</u>	<u>149</u>	<u>134</u>
Other financing sources (uses):				
Transfers in	-	12	12	-
Transfers out	-	(36)	(9)	27
Total other financing sources (uses)	<u>-</u>	<u>(24)</u>	<u>3</u>	<u>27</u>
Net change in fund balances	-	(9)	152	161
Fund balances, beginning	-	9	19	10
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 171</u>	<u>\$ 171</u>

PINAL COUNTY
Special Revenue Funds - Public Defender
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

PUBLIC DEFENDER	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Intergovernmental	\$ 120	\$ 30	\$ (90)
Investment earnings	-	2	2
Total revenues	<u>120</u>	<u>32</u>	<u>(88)</u>
Expenditures			
Current:			
Public safety	220	150	70
Total expenditures	<u>220</u>	<u>150</u>	<u>70</u>
Deficiency of revenues over expenditures	<u>(100)</u>	<u>(118)</u>	<u>(18)</u>
Other financing sources:			
Transfers in	100	93	(7)
Total other financing sources	<u>100</u>	<u>93</u>	<u>(7)</u>
Net change in fund balances	-	(25)	(25)
Fund balances, beginning	-	119	119
Fund balances, ending	<u>\$ -</u>	<u>\$ 94</u>	<u>\$ 94</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, 2010
(Amounts expressed in thousands)

PUBLIC WORKS ROADWAYS	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 717	\$ 718	\$ 159	\$ (559)
Charges for services	283	283	154	(129)
Investment earnings	94	94	39	(55)
Contributions	500	500	125	(375)
Total revenues	<u>1,594</u>	<u>1,595</u>	<u>477</u>	<u>(1,118)</u>
Expenditures				
Current:				
Highways and streets	<u>2,384</u>	<u>3,564</u>	<u>1,285</u>	<u>2,279</u>
Total expenditures	<u>2,384</u>	<u>3,564</u>	<u>1,285</u>	<u>2,279</u>
Deficiency of revenues over expenditures	<u>(790)</u>	<u>(1,969)</u>	<u>(808)</u>	<u>1,161</u>
Other financing sources:				
Transfers in	790	1,969	1,969	-
Proceeds from the sale of capital assets	<u>-</u>	<u>-</u>	<u>10</u>	<u>10</u>
Total other financing sources	<u>790</u>	<u>1,969</u>	<u>1,979</u>	<u>10</u>
Net change in fund balances	-	-	1,171	1,171
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>3,185</u>	<u>3,185</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,356</u>	<u>\$ 4,356</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, 2010
(Amounts expressed in thousands)

PUBLIC WORKS SERVICES	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,039	\$ 1,039	\$ 977	\$ (62)
Charges for services	3	3	7	4
Investment earnings	6	5	54	49
Total revenues	<u>1,048</u>	<u>1,047</u>	<u>1,038</u>	<u>(9)</u>
Expenditures				
Current:				
Public Safety	699	694	522	172
Highway and streets	4,050	4,050	548	3,502
Sanitation	357	384	383	1
Total expenditures	<u>5,106</u>	<u>5,128</u>	<u>1,453</u>	<u>3,675</u>
Deficiency of revenues over expenditures	<u>(4,058)</u>	<u>(4,081)</u>	<u>(415)</u>	<u>3,666</u>
Other financing sources (uses):				
Transfers in	202	202	202	-
Transfers out	(50)	(54)	(54)	-
Total other financing sources (uses)	<u>152</u>	<u>148</u>	<u>148</u>	<u>-</u>
Net change in fund balances	<u>(3,906)</u>	<u>(3,933)</u>	<u>(267)</u>	<u>3,666</u>
Fund balances, beginning	3,906	3,933	5,666	1,733
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,399</u>	<u>\$ 5,399</u>

PINAL COUNTY
Special Revenue Funds - Sheriff
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

SHERIFF	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,217	\$ 7,642	\$ 7,068	\$ (574)
Charges for services	1,045	1,186	648	(538)
Fines and forfeits	-	100	177	77
Investment earnings	14	14	12	(2)
Contributions	-	4	4	-
Miscellaneous	-	-	1	1
Total revenues	<u>3,276</u>	<u>8,946</u>	<u>7,910</u>	<u>(1,036)</u>
Expenditures				
Current:				
Public safety	4,257	9,971	8,147	1,824
Total expenditures	<u>4,257</u>	<u>9,971</u>	<u>8,147</u>	<u>1,824</u>
Deficiency of revenues over expenditures	<u>(981)</u>	<u>(1,025)</u>	<u>(237)</u>	<u>788</u>
Other financing sources (uses):				
Transfers in	154	298	114	(184)
Transfers out	(40)	(140)	(37)	103
Proceeds from the sale of capital assets	-	-	4	4
Total other financing sources (uses)	<u>114</u>	<u>158</u>	<u>81</u>	<u>(77)</u>
Net change in fund balances	<u>(867)</u>	<u>(867)</u>	<u>(156)</u>	<u>711</u>
Fund balances, beginning	867	867	428	(439)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272</u>	<u>\$ 272</u>

PINAL COUNTY
Special Revenue Funds - Treasurer
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

TREASURER	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 20	\$ 25	\$ 47	\$ 22
Investment earnings	-	-	1	1
Miscellaneous	-	5	-	(5)
Total revenues	<u>20</u>	<u>30</u>	<u>48</u>	<u>18</u>
Expenditures				
Current:				
General government	<u>175</u>	<u>119</u>	<u>117</u>	<u>2</u>
Total expenditures	<u>175</u>	<u>119</u>	<u>117</u>	<u>2</u>
Deficiency of revenues over expenditures	<u>(155)</u>	<u>(89)</u>	<u>(69)</u>	<u>20</u>
Other financing uses:				
Transfers out	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>
Total other financing uses	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>
Net change in fund balance	<u>(156)</u>	<u>(90)</u>	<u>(70)</u>	<u>20</u>
Fund balances, beginning	<u>156</u>	<u>90</u>	<u>128</u>	<u>38</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58</u>	<u>\$ 58</u>

PINAL COUNTY
Special Revenue Funds - Housing Grants
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

HOUSING GRANTS	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 274	\$ 1,127	\$ 4,936	\$ 3,809
Investment earnings	-	-	1	1
Rentals	-	-	409	409
Miscellaneous	1,200	1,200	45	(1,155)
Total revenues	1,474	2,327	5,391	3,064
Expenditures				
Current:				
Welfare	1,474	2,424	5,470	(3,046)
Total expenditures	1,474	2,424	5,470	(3,046)
Deficiency of revenues over expenditures	-	(97)	(79)	18
Other financing sources:				
Transfers in	-	48	11	(37)
Total other financing sources	-	48	11	(37)
Net change in fund balance	-	(49)	(68)	(19)
Fund balances, beginning, as restated	-	49	605	556
Change in reserve for inventories	-	-	4	4
Fund balances, ending	\$ -	\$ -	\$ 541	\$ 541

PINAL COUNTY
Special Revenue Funds - Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

FLOOD CONTROL DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 4,600	\$ 5,125	\$ 525
Licenses and permits	-	10	10
Intergovernmental	1,457	19	(1,438)
Charges for services	30	18	(12)
Investment earnings	30	99	69
Contributions	-	58	58
Total revenues	<u>6,117</u>	<u>5,329</u>	<u>(788)</u>
Expenditures			
Current:			
Highways and streets	<u>8,012</u>	<u>2,792</u>	<u>5,220</u>
Total expenditures	<u>8,012</u>	<u>2,792</u>	<u>5,220</u>
Excess (deficiency) of revenues over expenditures	<u>(1,895)</u>	<u>2,537</u>	<u>4,432</u>
Other financing sources (uses):			
Transfers in	718	209	(509)
Transfers out	(20)	(32)	(12)
Total other financing sources (uses)	<u>698</u>	<u>177</u>	<u>(521)</u>
Net change in fund balances	<u>(1,197)</u>	<u>2,714</u>	<u>3,911</u>
Fund balances, beginning	<u>1,197</u>	<u>7,752</u>	<u>6,555</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 10,466</u>	<u>\$ 10,466</u>

PINAL COUNTY
Special Revenue Funds - Library District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

LIBRARY DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 3,216	\$ 3,290	\$ 74
Intergovernmental	38	54	16
Investment earnings	30	36	6
Miscellaneous	33	34	1
Total revenues	3,317	3,414	97
Expenditures			
Current:			
Culture and recreation	3,435	2,030	1,405
Total expenditures	3,435	2,030	1,405
Excess (deficiency) of revenues over expenditures	(118)	1,384	1,502
Other financing sources (uses):			
Transfers in	34	-	(34)
Transfers out	(2,010)	(381)	1,629
Total other financing sources (uses)	(1,976)	(381)	1,595
Net change in fund balances	(2,094)	1,003	3,097
Fund balances, beginning	2,094	2,594	500
Fund balances, ending	\$ -	\$ 3,597	\$ 3,597

PINAL COUNTY
Special Revenue Funds - Lighting Special Districts
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

LIGHTING SPECIAL DISTRICTS	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 16	\$ 17	\$ 1
Total revenues	<u>16</u>	<u>17</u>	<u>1</u>
Expenditures			
Current:			
Highway and streets	21	17	4
Total expenditures	<u>21</u>	<u>17</u>	<u>4</u>
Deficiency of revenues over expenditures	<u>(5)</u>	<u>-</u>	<u>5</u>
Net change in fund balance	(5)	-	5
Fund balances, beginning	5	4	(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, 2010
(Amounts expressed in thousands)

MISCELLANEOUS FEES	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 918	\$ 918	\$ 1,120	\$ 202
Investment earnings	-	-	10	10
Total revenues	<u>918</u>	<u>918</u>	<u>1,130</u>	<u>212</u>
Expenditures				
Current:				
General government	<u>1,211</u>	<u>1,161</u>	<u>606</u>	<u>555</u>
Total expenditures	<u>1,211</u>	<u>1,161</u>	<u>606</u>	<u>555</u>
Excess (deficiency) of revenues over expenditures	<u>(293)</u>	<u>(243)</u>	<u>524</u>	<u>767</u>
Other financing uses:				
Transfers out	<u>(131)</u>	<u>(181)</u>	<u>(181)</u>	<u>-</u>
Total other financing uses	<u>(131)</u>	<u>(181)</u>	<u>(181)</u>	<u>-</u>
Net change in fund balances	<u>(424)</u>	<u>(424)</u>	<u>343</u>	<u>767</u>
Fund balances, beginning	<u>424</u>	<u>424</u>	<u>980</u>	<u>556</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,323</u>	<u>\$ 1,323</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, 2010
(Amounts expressed in thousands)

DESERT VISTA SANITATION DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 35	\$ 31	\$ (4)
Investment earnings	-	1	1
Total revenues	<u>35</u>	<u>32</u>	<u>(3)</u>
Expenditures			
Current:			
Sanitation	<u>182</u>	<u>146</u>	<u>36</u>
Total expenditures	<u>182</u>	<u>146</u>	<u>36</u>
Deficiency of revenues over expenditures	<u>(147)</u>	<u>(114)</u>	<u>33</u>
Other financing sources:			
Proceeds from the sale of capital assets	<u>75</u>	<u>66</u>	<u>(9)</u>
Total other financing sources	<u>75</u>	<u>66</u>	<u>(9)</u>
Net change in fund balance	<u>(72)</u>	<u>(48)</u>	<u>24</u>
Fund balances, beginning	<u>72</u>	<u>75</u>	<u>3</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 27</u></u>	<u><u>\$ 27</u></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, 2010
(Amounts expressed in thousands)

<u>PUBLIC HEALTH SERVICES DISTRICT</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 3,121	\$ 3,121	\$ 2,404	\$ (717)
Intergovernmental	3,003	4,049	3,350	(699)
Charges for services	139	139	161	22
Investment earnings	13	13	13	-
Contributions	136	136	108	(28)
Miscellaneous	-	-	1	1
Total revenues	<u>6,412</u>	<u>7,458</u>	<u>6,037</u>	<u>(1,421)</u>
Expenditures				
Current:				
Health	<u>7,271</u>	<u>8,684</u>	<u>6,357</u>	<u>2,327</u>
Total expenditures	<u>7,271</u>	<u>8,684</u>	<u>6,357</u>	<u>2,327</u>
Deficiency of revenues over expenditures	<u>(859)</u>	<u>(1,226)</u>	<u>(320)</u>	<u>906</u>
Other financing sources (uses):				
Transfers in	1,207	1,650	1,481	(169)
Transfers out	<u>(375)</u>	<u>(451)</u>	<u>(229)</u>	<u>222</u>
Total other financing sources (uses)	<u>832</u>	<u>1,199</u>	<u>1,252</u>	<u>53</u>
Net change in fund balances	<u>(27)</u>	<u>(27)</u>	<u>932</u>	<u>959</u>
Fund balances, beginning	<u>27</u>	<u>27</u>	<u>2,257</u>	<u>2,230</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,189</u>	<u>\$ 3,189</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, 2010
(Amounts expressed in thousands)

QUEEN CREEK DOMESTIC WATER IMPROVEMENT DISTRICT	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Taxes	\$ 17	\$ 14	\$ (3)
Total revenues	<u>17</u>	<u>14</u>	<u>(3)</u>
Expenditures			
Current:			
General Government	<u>19</u>	<u>8</u>	<u>11</u>
Total expenditures	<u>19</u>	<u>8</u>	<u>11</u>
Excess (deficiency) of revenues over expenditures	<u>(2)</u>	<u>6</u>	<u>8</u>
Net change in fund balance	(2)	6	8
Fund balances, beginning	<u>2</u>	<u>9</u>	<u>7</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 15</u>	<u>\$ 15</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, 2010
(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>
Expenditures			
Capital outlay	\$ 11	\$ 11	\$ -
Total expenditures	<u>11</u>	<u>11</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(11)</u>	<u>(11)</u>	<u>-</u>
Net change in fund balances	(11)	(11)	-
Fund balances, beginning	<u>11</u>	<u>33</u>	<u>22</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 22</u></u>	<u><u>\$ 22</u></u>

PINAL COUNTY
Capital Projects Miscellaneous
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

CAPITAL PROJECTS MISCELLANEOUS	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 75	\$ 75	\$ 71	\$ (4)
Miscellaneous	-	-	42	42
Total revenues	<u>75</u>	<u>75</u>	<u>113</u>	<u>38</u>
Expenditures				
Capital outlay	14,463	14,292	4,000	10,292
Total expenditures	<u>14,463</u>	<u>14,292</u>	<u>4,000</u>	<u>10,292</u>
Deficiency of revenues over expenditures	<u>(14,388)</u>	<u>(14,217)</u>	<u>(3,887)</u>	<u>10,330</u>
Other financing sources (uses):				
Transfers in	1,795	1,845	280	(1,565)
Transfers out	(14)	(235)	(235)	-
Loan proceeds	1,851	1,851	-	(1,851)
Certificates of Participation Issued	2,000	2,000	-	(2,000)
Total other financing sources (uses)	<u>5,632</u>	<u>5,461</u>	<u>45</u>	<u>(5,416)</u>
Net change in fund balances	<u>(8,756)</u>	<u>(8,756)</u>	<u>(3,842)</u>	<u>4,914</u>
Fund balances, beginning	<u>8,756</u>	<u>8,756</u>	<u>10,441</u>	<u>1,685</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,599</u>	<u>\$ 6,599</u>

PINAL COUNTY
Capital Projects - Public Works Gantzel Road Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

<u>PUBLIC WORKS GANTZEL ROAD FUND</u>	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues			
Charges for services	\$ -	\$ 315	\$ 315
Investment earnings	-	82	82
Contributions	-	190	190
Miscellaneous	-	5	5
Total revenues	<u>-</u>	<u>592</u>	<u>592</u>
Expenditures			
Capital outlay	<u>3,570</u>	<u>207</u>	<u>3,363</u>
Total expenditures	<u>3,570</u>	<u>207</u>	<u>3,363</u>
Excess (deficiency) of revenues over expenditures	<u>(3,570)</u>	<u>385</u>	<u>3,955</u>
Net change in fund balances	(3,570)	385	3,955
Fund balances, beginning	<u>3,570</u>	<u>7,612</u>	<u>4,042</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 7,997</u>	<u>\$ 7,997</u>

PINAL COUNTY
Debt Service
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

DEBT SERVICE	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ -	\$ -	\$ 9	\$ 9
Total revenues	<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>
Expenditures				
Debt Service				
Principal retirement	9,601	10,334	9,091	1,243
Interest	6,682	6,686	7,556	(870)
Miscellaneous	-	5	8	(3)
Total expenditures	<u>16,283</u>	<u>17,025</u>	<u>16,655</u>	<u>370</u>
Deficiency of revenues over expenditures	<u>(16,283)</u>	<u>(17,025)</u>	<u>(16,646)</u>	<u>379</u>
Other financing sources:				
Transfers in	<u>16,283</u>	<u>17,020</u>	<u>16,638</u>	<u>(382)</u>
Total other financing sources	<u>16,283</u>	<u>17,020</u>	<u>16,638</u>	<u>(382)</u>
Net change in fund balances	-	(5)	(8)	(3)
Fund balances, beginning	-	5	5,024	5,019
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,016</u>	<u>\$ 5,016</u>

PINAL COUNTY
Maricopa Rd Debt Service
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2010
(Amounts expressed in thousands)

MARICOPA RD DEBT SERVICE	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures				
Debt Service				
Miscellaneous	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Other financing uses:				
Transfers out	-	(166)	(167)	(1)
Total other financing uses	<u>-</u>	<u>(166)</u>	<u>(167)</u>	<u>(1)</u>
Net change in fund balances	-	(166)	(166)	-
Fund balances, beginning	-	166	166	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PINAL COUNTY
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2010

(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fairgrounds	Total
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ 1,066	\$ 503	\$ 5	\$ 1,574
Receivables (net):				
Accounts	2	477	-	479
Due from other funds	-	-	139	139
Due from other governments	-		16	16
Prepaid items	-	4	-	4
Total current assets	<u>1,068</u>	<u>984</u>	<u>160</u>	<u>2,212</u>
Noncurrent assets:				
Capital assets:				
Buildings and improvements	-	-	322	322
Machinery and equipment	67	122	108	297
Intangible - Software	-	126	-	126
Less accumulated depreciation	<u>(32)</u>	<u>(111)</u>	<u>(430)</u>	<u>(573)</u>
Total noncurrent assets	<u>35</u>	<u>137</u>	<u>-</u>	<u>172</u>
Total assets	<u>1,103</u>	<u>1,121</u>	<u>160</u>	<u>2,384</u>
Liabilities				
Current liabilities:				
Accounts payable	23	19	2	44
Accrued payroll and employee benefits	7	75	3	85
Due to other funds	5	2	130	137
Deferred revenues	-	54	-	54
Total current liabilities	<u>35</u>	<u>150</u>	<u>135</u>	<u>320</u>
Noncurrent liabilities:				
Obligations under capital leases	2	101	-	103
Compensated absences	12	102	15	129
Total noncurrent liabilities	<u>14</u>	<u>203</u>	<u>15</u>	<u>232</u>
Total liabilities	<u>49</u>	<u>353</u>	<u>150</u>	<u>552</u>
Net Assets				
Invested in capital assets, net of related debt	33	36	-	69
Unrestricted	<u>1,021</u>	<u>732</u>	<u>10</u>	<u>1,763</u>
Total net assets	<u>\$ 1,054</u>	<u>\$ 768</u>	<u>\$ 10</u>	<u>\$ 1,832</u>

PINAL COUNTY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fairgrounds	Total
Operating revenues				
Charges for services	\$ -	\$ 5,599	\$ 307	\$ 5,906
Miscellaneous	801	-	16	817
Total operating revenues	<u>801</u>	<u>5,599</u>	<u>323</u>	<u>6,723</u>
Operating expenses				
Personal services	290	4,807	313	5,410
Supplies	102	30	14	146
Depreciation	4	31	7	42
Insurance	1	41	-	42
Repairs and maintenance	91	18	2	111
Communication	30	9	5	44
Professional services	90	120	88	298
Public utility service	-	-	65	65
Miscellaneous	25	58	26	109
Total operating expenditures	<u>633</u>	<u>5,114</u>	<u>520</u>	<u>6,267</u>
Operating income (loss)	<u>168</u>	<u>485</u>	<u>(197)</u>	<u>456</u>
Nonoperating revenues				
Intergovernmental	-	-	60	60
Investment earnings	11	6	-	17
Interest expense	-	(3)	-	(3)
Gain on disposal of capital assets	-	1	-	1
Total nonoperating revenues	<u>11</u>	<u>4</u>	<u>60</u>	<u>75</u>
Net income (loss) before contributions and transfers	179	489	(137)	531
Transfers in	-	-	139	139
Transfers out	-	(400)	-	(400)
Changes in net assets	179	89	2	270
Net assets - beginning, as restated	<u>875</u>	<u>679</u>	<u>8</u>	<u>1,562</u>
Net assets - ending	<u>\$ 1,054</u>	<u>\$ 768</u>	<u>\$ 10</u>	<u>\$ 1,832</u>

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Sheriff Inmate Services	Home Health	Fair- gounds	Adult Day Care	Total
Cash flows from operating activities					
Receipts from customers	\$ -	\$ 5,621	\$ 170	\$ -	\$ 5,791
Other receipts from operations	758	-	-	9	767
Payments to suppliers	(378)	(291)	(69)	-	(738)
Payments to employees	(303)	(4,795)	(329)	-	(5,427)
Other payments from operations	-	-	-	(152)	(152)
Net cash provided by (used for) operating activities	<u>77</u>	<u>535</u>	<u>(228)</u>	<u>(143)</u>	<u>241</u>
Cash flows from noncapital financing activities					
Receipts from federal and local agencies	-	-	60	-	60
Cash transfers from other funds	-	-	139	-	139
Cash transfers to other funds	-	(400)	-	-	(400)
Other payments from financing activities	-	-	(2)	-	(2)
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>(400)</u>	<u>197</u>	<u>-</u>	<u>(203)</u>
Cash flows from capital and related financing activities					
Payments for capital leases	(4)	(34)	-	-	(38)
Purchases of capital assets	(37)	-	-	-	(37)
Gain on disposal of asset	-	1	-	-	1
Interest paid on capital leases	-	(3)	-	-	(3)
Net cash used for capital and related financing activities	<u>(41)</u>	<u>(36)</u>	<u>-</u>	<u>-</u>	<u>(77)</u>
Cash flows from investing activities					
Investment earnings received	11	6	-	-	17
Net cash provided by investing activities	<u>11</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>17</u>
Net increase (decrease) in cash and cash equivalents	47	105	(31)	(143)	(22)
Cash and cash equivalents - beginning	<u>1,019</u>	<u>398</u>	<u>36</u>	<u>143</u>	<u>1,596</u>
Cash and cash equivalents - ending	<u>\$ 1,066</u>	<u>\$ 503</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 1,574</u>

(Continued)

PINAL COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2010
(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)	\$ 168	\$ 485	\$ (197)	\$ -	\$ 456
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	4	31	7	-	42
Changes in assets and liabilities:					
Decrease (increase) in assets:					
Accounts receivable	1	(56)	-	-	(55)
Due from other funds	-	24	(137)	9	(104)
Due from other governments	-	-	(16)	-	(16)
Prepaid items	-	(4)	-	-	(4)
Increase (decrease) in liabilities:					
Accounts payable	(44)	(4)	1	-	(47)
Accrued payroll and employee benefits	4	4	(1)	-	7
Due to other funds	5	(7)	130	(152)	(24)
Deposits held for others	(44)	-	-	-	(44)
Deferred revenue	-	54	-	-	54
Compensated absences	(17)	8	(15)	-	(24)
Total adjustments	<u>(91)</u>	<u>50</u>	<u>(31)</u>	<u>(143)</u>	<u>(215)</u>
Net cash provided by (used for) operating activities	<u>\$ 77</u>	<u>\$ 535</u>	<u>\$ (228)</u>	<u>\$ (143)</u>	<u>\$ 241</u>

Non-cash Capital and Related Financing Activities:

Home Health transferred capital assets with original cost of \$8 and a net book value of \$0 to the County's general government.

Fairgrounds transferred capital assets with original cost of \$16 and a net book value of \$0 to the County's general government.

PINAL COUNTY
Combining Statement of Fiduciary Net Assets
Investment Trust Funds
June 30, 2010

(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Assets			
Cash, cash equivalents and investments	\$ 232,487	\$ 2,441	\$ 234,928
Interest receivable	350	-	350
Total assets	232,837	2,441	235,278
Liabilities			
Deposits held for others	-	-	-
Total liabilities	-	-	-
Net Assets			
Held in trust for investment participants	\$ 232,837	\$ 2,441	\$ 235,278

PINAL COUNTY
Combining Statement of Fiduciary Net Assets
Agency Funds
June 30, 2010

(Amounts expressed in thousands)

	Special Purpose	Other Agency	Total
Assets			
Cash, cash equivalents and investments	\$ 1,156	\$ 4,025	\$ 5,181
Liabilities			
Deposits held for others	\$ 1,156	\$ 4,025	\$ 5,181

PINAL COUNTY
Combining Statement of Changes in Fiduciary Net Assets
Investment Trust Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	Treasurer's Investment Pool	Individual Investment Accounts	Total
Additions			
Contributions by participants	\$ 663,117	\$ -	\$ 663,117
Investment earnings	3,341	2	3,343
Total additions	<u>666,458</u>	<u>2</u>	<u>666,460</u>
Deductions			
Distributions to participants	648,020	-	648,020
Total distributions	<u>648,020</u>	<u>-</u>	<u>648,020</u>
Change in net assets	18,438	2	18,440
Net assets - beginning	214,399	2,439	216,838
Net assets - ending	<u>\$ 232,837</u>	<u>\$ 2,441</u>	<u>\$ 235,278</u>

PINAL COUNTY
Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2010
(Amounts expressed in thousands)

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2010</u>
Special Purpose:				
Assets				
Cash, cash equivalents and investments	<u>\$ 1,231</u>	<u>\$ 1,846</u>	<u>\$ 1,921</u>	<u>\$ 1,156</u>
Liabilities				
Deposits held for others	<u>\$ 1,231</u>	<u>\$ 1,846</u>	<u>\$ 1,921</u>	<u>\$ 1,156</u>
Other Agency:				
Assets				
Cash, cash equivalents and investments	<u>\$ 2,927</u>	<u>\$ 55,759</u>	<u>\$ 54,661</u>	<u>\$ 4,025</u>
Liabilities				
Deposits held for others	<u>\$ 2,927</u>	<u>\$ 55,759</u>	<u>\$ 54,661</u>	<u>\$ 4,025</u>
Total - All Agency Funds				
Assets				
Cash, cash equivalents and investments	<u>\$ 4,158</u>	<u>\$ 57,605</u>	<u>\$ 56,582</u>	<u>\$ 5,181</u>
Liabilities				
Deposits held for others	<u>\$ 4,158</u>	<u>\$ 57,605</u>	<u>\$ 56,582</u>	<u>\$ 5,181</u>

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Statistical Section



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STATISTICAL SECTION

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

Financial Trends – Schedules on pages 137 thru 141

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 142 thru 146

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 147 thru 149

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 150 thru 151

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 152

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.

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PINAL COUNTY
Net Assets by Component
Last Eight Fiscal Years

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

	Fiscal Year							
	2010	2009	2008	2007	2006	2005	2004	2003
		(as restated)						
Governmental Activities								
Invested in capital assets, net of related debt	\$ 300,626	\$ 281,244	\$ 232,081	\$ 207,480	\$ 180,340	\$ 44,832	\$ 41,578	\$ 33,615
Restricted	101,291	105,962	106,422	102,515	67,584	39,872	28,679	20,917
Unrestricted	34,245	30,402	33,673	38,378	36,054	31,359	20,408	6,195
Total governmental activities net assets	<u>\$ 436,162</u>	<u>\$ 417,608</u>	<u>\$ 372,176</u>	<u>\$ 348,373</u>	<u>\$ 283,978</u>	<u>\$ 116,063</u>	<u>\$ 90,665</u>	<u>\$ 60,727</u>
Business-type Activities								
Invested in capital assets, net of related debt	\$ 2,031	\$ 2,331	\$ 2,538	\$ 2,787	\$ 2,379	\$ 949	\$ 442	\$ 93
Restricted	2,930	2,846	2,836	2,576	255	1,651	2,150	2,208
Unrestricted	4,598	6,005	2,973	1,263	1,196	965	1,579	1,262
Total business-type activities net assets	<u>\$ 9,559</u>	<u>\$ 11,182</u>	<u>\$ 8,347</u>	<u>\$ 6,626</u>	<u>\$ 3,830</u>	<u>\$ 3,565</u>	<u>\$ 4,171</u>	<u>\$ 3,563</u>
Net Assets								
Invested in capital assets, net of related debt	\$ 302,657	\$ 283,575	\$ 234,619	\$ 210,267	\$ 182,719	\$ 45,781	\$ 42,020	\$ 33,708
Restricted	104,221	108,808	109,258	105,091	67,839	41,523	30,829	23,125
Unrestricted	38,843	36,407	36,646	39,641	37,250	32,324	21,987	7,457
Total net assets	<u>\$ 445,721</u>	<u>\$ 428,790</u>	<u>\$ 380,523</u>	<u>\$ 354,999</u>	<u>\$ 287,808</u>	<u>\$ 119,628</u>	<u>\$ 94,836</u>	<u>\$ 64,290</u>

PINAL COUNTY
Changes in Net Assets
Last Eight Fiscal Years

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

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

(continued)

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

PINAL COUNTY
Fund Balances of Governmental Funds
Last Eight Fiscal Years

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

	Fiscal Year							
	2010	2009	2008	2007	2006	2005	2004	2003
		(as restated)						
General Fund								
Reserved	\$ 327	\$ 445	\$ 952	\$ 519	\$ 482	\$ 6,866	\$ 1,688	\$ 1,613
Unreserved	43,210	36,260	41,533	46,078	45,614	31,755	25,618	13,301
Total general fund	<u>\$ 43,537</u>	<u>\$ 36,705</u>	<u>\$ 42,485</u>	<u>\$ 46,597</u>	<u>\$ 46,096</u>	<u>\$ 38,621</u>	<u>\$ 27,306</u>	<u>\$ 14,914</u>
All Other Governmental Funds								
Reserved	\$ 207	\$ 216	\$ 455	\$ 359	\$ 379	\$ 509	\$ 2,110	\$ 13,152
Unreserved, reported in:								
Special revenue funds	84,827	80,331	80,187	63,979	43,192	37,617	28,143	20,377
Capital projects funds	14,618	18,085	9,973	25,981	65,853	48,224	60	60
Debt service funds	5,016	5,190	5,151	5,189	8,640	-	-	-
Total all other governmental funds	<u>\$ 104,668</u>	<u>\$ 103,822</u>	<u>\$ 95,766</u>	<u>\$ 95,508</u>	<u>\$ 118,064</u>	<u>\$ 86,350</u>	<u>\$ 30,313</u>	<u>\$ 33,589</u>

PINAL COUNTY
Changes in Fund Balances of Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year							
	2010	2009	2008	2007	2006	2005	2004	2003
Revenues								
Taxes	\$ 126,338	\$ 118,505	\$ 109,442	\$ 95,048	\$ 85,688	\$ 70,407	\$ 62,057	\$ 53,217
Licenses and permits	3,330	3,732	5,796	9,000	12,094	12,769	9,629	6,313
Intergovernmental	81,699	92,656	92,114	92,324	82,964	67,226	60,807	55,536
Charges for services	27,353	26,538	35,285	26,718	19,370	14,637	12,350	10,400
Fines and forfeits	3,381	3,263	3,464	4,905	2,586	3,032	2,396	2,641
Investment earnings	1,504	4,178	6,584	6,931	4,611	1,671	493	1,009
Net decrease in the fair value of investments	-	-	-	-	-	-	-	(908)
Contributions	575	1,378	2,608	8,041	10,846	9,571	4,863	-
Rentals	840	919	791	750	740	661	-	-
Miscellaneous	1,518	1,315	5,048	1,921	787	699	1,579	3,747
Total revenues	246,538	252,484	261,132	245,638	219,686	180,673	154,174	131,955
Expenditures								
Current:								
General government	62,495	72,299	72,961	59,789	48,842	55,602	46,973	39,187
Public safety	92,175	88,073	82,323	71,114	57,111	43,783	37,297	37,071
Highways and streets	24,738	37,498	36,259	30,721	27,712	27,677	24,661	18,246
Sanitation	696	679	901	680	583	568	887	805
Health	24,297	28,567	30,472	27,299	24,606	23,180	20,228	19,477
Welfare	6,024	5,396	5,960	5,027	4,636	5,192	4,898	4,877
Culture and recreation	2,122	2,220	1,397	879	823	825	600	547
Education	8,672	9,901	10,371	10,861	8,379	7,571	7,235	6,324
Capital outlay	4,218	4,006	19,760	49,181	62,471	22,422	11,254	16,472
Debt service:								
Principal retirement	10,953	13,664	7,620	6,131	5,890	1,075	1,040	1,000
Interest and fiscal charges	7,804	7,825	7,633	8,352	5,134	141	183	221
Cost of issuance	-	176	86	-	-	-	-	-
Other	8	10	11	13	1,316	-	-	-
Total expenditures	244,202	270,314	275,754	270,047	247,503	188,036	155,256	144,227
Excess (deficiency) of revenues over expenditures	2,336	(17,830)	(14,622)	(24,409)	(27,817)	(7,363)	(1,082)	(12,272)
Other financing sources (uses):								
Transfers in	28,383	32,333	20,519	22,698	25,337	6,531	6,470	5,886
Transfers out	(25,824)	(31,111)	(20,171)	(22,315)	(25,519)	(6,255)	(6,047)	(5,591)
Proceeds from sale of capital assets	426	374	357	303	321	522	458	187
Capital lease agreements	2,098	6,083	6,109	1,668	1,096	980	2,873	-
Loan proceeds	-	12,795	3,695	-	-	-	-	-
Insurance reimbursement	255	121	98	-	-	-	-	-
Premium on new debt issued	-	39	135	-	-	-	-	-
Loan issued	-	-	-	-	64,886	73,163	-	-
Total other financing sources (uses)	5,338	20,634	10,742	2,354	66,121	74,941	3,754	482
Net change in fund balances	\$ 7,674	\$ 2,804	\$ (3,880)	\$ (22,055)	\$ 38,304	\$ 67,578	\$ 2,672	\$ (11,790)
Debt Service as a percentage of noncapital expenditures	8.1%	8.7%	6.4%	7.4%	7.1%	0.7%	0.9%	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
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%
2009/10	Primary	2,880,552	25,251,970	11.4%
	Secondary	3,398,761	29,107,137	11.7%

Source: County assessment records

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

<u>Tax Year</u>	<u>Commercial Property</u>	<u>Residential Property</u>	<u>Vacant/Ag Land</u>	<u>Other</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Limited Value</u>	<u>Assessed Value as a Percentage of Limited Value</u>
2000	245,139	291,483	109,621	5,560	651,803	4.8424%	5,201,945	12.53%
2001	260,990	315,201	122,255	3,266	701,712	4.8433%	5,569,699	12.60%
2002	272,409	406,616	133,068	4,809	816,902	4.8386%	6,502,309	12.56%
2003	311,126	482,277	153,496	4,925	951,824	4.8287%	7,674,857	12.40%
2004	326,002	559,659	172,334	3,164	1,061,159	4.8295%	8,633,604	12.29%
2005	340,847	672,221	196,997	2,906	1,212,971	4.8188%	10,125,096	11.98%
2006	367,878	872,284	225,673	6,324	1,472,160	4.6900%	12,523,363	11.76%
2007	406,589	1,186,738	308,491	6,984	1,908,802	4.4036%	16,552,287	11.53%
2008	471,977	1,526,547	467,028	7,948	2,473,500	3.8522%	21,583,423	11.46%
2009	550,729	1,789,488	530,360	9,975	2,880,552	3.6684%	25,251,970	11.41%

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

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

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

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>County Primary Rate</u>	<u>Library</u>	<u>Flood</u>	<u>Fire</u>	<u>Mary C. O'Brien School</u>	<u>Total</u>
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
2009/10	2,880,552	3.2316	0.0970	0.1700	0.0439	0.1259	3.6684

Source: County Tax Records

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

<u>Taxpayer</u>	<u>2010</u>			<u>2001</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	\$ 86,886	1	3.02%	\$ 40,870	1	6.27%
ASARCO LLC / Ray Copper Complex	64,357	2	2.23%	17,081	2	2.62%
CCA Properties of Arizona LLC	20,587	3	0.71%	12,119	5	1.86%
El Paso Natural Gas Co.	18,022	4	0.63%	5,951	9	0.91%
Qwest Corporation	16,385	5	0.57%	14,115	4	2.17%
Southwest Gas Corp. (T&D)	12,782	6	0.44%	7,815	7	1.20%
WP Casa Grande Retail LLC	10,853	7	0.38%			
Federal National Mortgage Association	8,010	8	0.28%			
Wal-Mart Stores East, LP	7,342	9	0.25%			
SFPP LP DBA Kinder Morgan Energy Ptnrs L	6,625	10	0.23%	6,789	8	1.04%
BHP Cooper Inc. / San Manuel Division				14,775	3	2.27%
Arizona Water Co.				7,965	6	1.22%
Union Pacific Railroad				4,328	10	0.66%
Total	<u>\$ 251,849</u>		<u>8.74%</u>	<u>\$ 131,808</u>		<u>20.22%</u>
Total Assessed Value	<u>\$ 2,880,552</u>			<u>\$ 651,803</u>		

Source: County Treasurer Tax Records

PINAL COUNTY
Property Tax Levies and Collections
Last Ten Fiscal Years

(\$ amounts expressed in thousands)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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%	1,808	52,662	92.53%
2007	66,916	59,670	89.17%	2,336	62,006	92.66%
2008	81,141	73,935	91.12%	3,467	77,402	95.39%
2009	93,096	85,640	91.99%	4,396	90,036	96.71%
2010	101,628	95,122	93.60%	-	95,122	93.60%

Source: County financial records

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

(amounts expressed in thousands, except per capita amount)

Fiscal Year	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			
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	2.37%	518
2008/2009	87,035	-	12,624	74,805	141	2,800	177,405	2.25%	505
2009/2010	83,740	-	10,669	68,863	103	2,592	165,967	N/A	466

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 150 for personal income and population data.

PINAL COUNTY
Legal Debt Margin Information
Last Ten Fiscal Years

(amounts expressed in thousands)

	Fiscal Year									
	<u>2000/2001</u>	<u>2001/2002</u>	<u>2002/2003</u>	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
Debt Limit	\$ 40,892	\$ 44,314	\$ 51,832	\$ 61,303	\$ 67,801	\$ 76,636	\$ 92,820	\$ 140,090	\$ 206,976	\$ 203,926
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 40,892</u>	<u>\$ 44,314</u>	<u>\$ 51,832</u>	<u>\$ 61,303</u>	<u>\$ 67,801</u>	<u>\$ 76,636</u>	<u>\$ 92,820</u>	<u>\$ 140,090</u>	<u>\$ 206,976</u>	<u>\$ 203,926</u>
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 2009/2010

Assessed Value:

Secondary 3,398,761

Debt Limit 203,926
(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 203,926

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	
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
2009/10	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
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	7,164,122	24	4.7%
2008/09	351	7,892,358	24	6.6%
2009/10	356	N/A	N/A	12.1%

¹ Population and unemployment data is obtained from the Arizona Department of Commerce.

² Personal income and per capita income data is obtained from the Arizona Department of Economic Security, Arizona Regional Economic Profile through 2006/07 and from the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts for 2007/08 and 2008/09.

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

PINAL COUNTY
Principal Employers
Current Year and Nine Years Ago

Employer	2010			2001		
	<u>Employees¹</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees¹</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
State of Arizona	3,030	1	2.74%	2,950	1	4.34%
County of Pinal	2,554	2	2.31%	1,385	3	2.04%
Corrections Corporation of America	2,480	3	2.24%	1,202	4	1.77%
Gila River Indian Community	2,040	4	1.84%	-		-
Walmart	1750	5	1.58%	-		-
Ray Mines Plant	810	6	0.73%	-		-
Casa Grande Regional Medical Center	800	7	0.72%	790	6	1.16%
Hu Hu Kam Memorial Hospital	790	8	0.71%	-		-
Pinal County Community College	790	9	0.71%	-		-
Casa Grande Elementary School District	740	10	0.67%	625	7	0.92%
TRW Inc.	-		-	1,700	2	2.50%
ASARCO Inc. (Groupo Mexico)	-		-	900	5	1.32%
Desert Valley Care Center	-		-	520	8	0.76%
Hexcel Corporation	-		-	500	9	0.74%
Arch Chemicals; Frito Lay; Mobile Mini*	-		-	400	10	0.59%

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

*In 2001, 3 companies employed the same number of people

PINAL COUNTY
Employees by Function
Last Eight Fiscal Years

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

Source:
2009 and prior: County Budget Office projected FTEs and Mary C O'Brien Accommodation School
2010: Pinal County Payroll Records
*Numbers have been rounded up to accommodate 1/2 employees

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