

COUNTY OF EL DORADO
GENERAL PURPOSE
FINANCIAL STATEMENTS AND
SUPPLEMENTAL COMBINING STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2000

COUNTY OF EL DORADO
FOR THE YEAR ENDED JUNE 30, 2000

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COUNTY OF EL DORADO
FOR THE YEAR ENDED JUNE 30, 2000

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INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
County of El Dorado

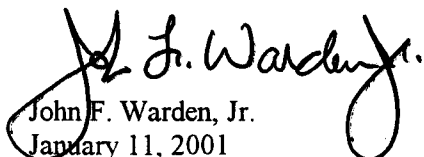
I have audited the accompanying general purpose financial statements of the County of El Dorado (County), as of and for the year ended June 30, 2000, as listed in the table of contents. These financial statements are the responsibility of the County's management. My responsibility is to express an opinion on these financial statements based on my audit. I did not audit the financial statements of the El Dorado County Transit Authority, which statements represent sixty-four percent (64%) of the assets and fifty-five percent (55%) of the operating revenues of the enterprise funds. Those statements are audited by other auditors whose report has been furnished to us and in my opinion, insofar as it relates to the amounts included for the El Dorado County Transit Authority, is based solely on the report of the other auditors.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, based on my audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of El Dorado, California as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental combining financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, based on my audit of the general purpose financial statements and the report of other auditors, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I also issued reports dated January 11, 2001 on my consideration of the County of El Dorado's internal control over financial reporting and my tests of its compliance with certain laws, contracts and grants.


John F. Warden, Jr.
January 11, 2001

COUNTY OF EL DORADO

COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 2000

	Governmental Fund Types				Proprietary Fund Types			Fiduciary Fund Types			Account Groups			Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds	Internal Service Funds	Trust and Agency Funds	General Fixed Assets	Long-Term Debt	General		Totals		
										General	Debt			
ASSETS AND OTHER DEBITS														
Assets														
Cash and investments	\$ 13,973,920	\$ 20,134,258	\$ 2,653,395	\$ 4,429,625	\$ 43,019	\$ 16,435,359	\$ 107,867,679	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,537,255
Cash with fiscal agents			3,411,583		1,099,241	95,602	13,884,176							18,490,602
Accounts receivable	333,692	2,712,207	23,748	60,062	31,360	85,675								3,246,744
Taxes receivable							11,234,779							11,234,779
Special assessments receivable		149,685												6,286,329
Notes receivable		4,563,633												4,563,633
Due from other funds	993,778	255,304			257,989	159,056	1,942,112							3,350,250
Due from other governments	8,486,585	3,721,174			20,343	50,644								12,484,676
Inventories		439,321			127,871	83,100								510,308
Prepaid expenses	233,385	138,029			480,978	40,000								582,385
Land					5,372,339	599,572				19,880,642				20,401,620
Structures and improvements					3,542,959	7,896,474				69,788,403				75,760,314
Equipment					(4,229,368)	(3,792,749)				24,145,483				35,584,916
Construction in progress										566,927				566,927
Accumulated depreciation														(8,022,117)
Other Debits														
Amount available in debt service funds											6,088,726			6,088,726
Amount to be provided for retirement of long-term debt												33,877,290		33,877,290
TOTAL ASSETS AND OTHER DEBITS	\$ 24,021,360	\$ 32,113,611	\$ 12,225,370	\$ 4,489,687	\$ 6,746,731	\$ 21,671,661	\$ 134,928,746	\$ 114,381,455	\$ 39,966,016	\$ 6,088,726	\$ 33,877,290	\$ 390,544,637	\$ 390,544,637	\$ 390,544,637

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
 COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2000

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types		Account Groups		Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds	Internal Service Funds	Trust and Agency Funds	General Fixed Assets	Long-Term Debt		
LIABILITIES, EQUITY AND OTHER CREDITS											
Liabilities											
Accounts payable	\$ 1,678,926	\$ 2,047,533	\$ -	\$ 116,062	\$ 100,513	\$ 331,365	\$ 509,355	\$ -	\$ -	\$ -	\$ 4,783,754
Salaries and benefits payable	2,431,081	759,655			50,031	20,554	611,751				3,873,072
Compensated absences	583,808				111,627	120,176					9,600,681
Due to other funds	109,285	510,586			67,631		2,662,748		8,785,070		3,350,250
Due to other governments	227,328	285,722					12,434				525,484
Deferred revenue	30,560	9,047,159	6,136,644	15,000	22,993						15,252,356
Notes payable-current					24,261						24,261
Capital leases-current					49,942						49,942
Liability for self-insurance						10,484,000					10,484,000
Liability for landfill closure and postclosure		922,982									6,094,382
Bonds payable					164,160						24,160,000
Notes payable-non-current					287,975						164,160
Capital lease obligations-non-current											2,137,521
Other agency obligations											131,132,458
TOTAL LIABILITIES	5,060,988	13,573,637	6,136,644	131,062	879,133	10,956,095	134,928,746		39,966,016		211,632,321
Fund Equity and Other Credits											
Investment in general fixed assets								114,381,455			114,381,455
Contributed capital											
Retained earnings											
Reserved											716,657
Unreserved											4,694,255
Fund balances											
Reserved for debt service			3,411,583								3,411,583
Reserved for encumbrances	3,032,666	1,340,125	5,000								4,429,690
Reserved for inventories		439,321									439,321
Reserved for imprest cash	35,840	9,665									45,505
Reserved for family support programs											
Unreserved											
Designated for capital projects				4,306,726							4,306,726
Designated for debt service			2,672,143								2,672,143
Designated for contingencies	3,635,869										3,635,869
Undesignated	12,255,997	16,750,863									29,006,860
TOTAL FUND EQUITY	18,960,372	18,539,974	6,088,726	4,358,625	5,867,598	10,715,566		114,381,455			178,912,316
AND OTHER CREDITS											
TOTAL LIABILITIES, EQUITY											
AND OTHER CREDITS	\$ 24,021,360	\$ 32,113,611	\$ 12,225,370	\$ 4,489,687	\$ 6,746,731	\$ 21,671,661	\$ 134,928,746	\$ 114,381,455	\$ 39,966,016		\$ 390,544,637

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED JUNE 30, 2000

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals (Memorandum Only)
REVENUES					
Taxes and assessments	\$ 38,513,769	\$ 10,702,621	\$ 911,311	\$ 620,419	\$ 50,748,120
Licenses, permits and franchises	5,150,433	1,151,188			6,301,621
Intergovernmental revenues	52,929,537	23,336,837		86,209	76,352,583
Use of money and property	2,216,057	964,255	139,011	182,410	3,501,733
Charges for services	11,325,576	17,738,260		55,940	29,119,776
Fines, forfeits and penalties	1,374,788	304,465		207,262	1,886,515
Other revenues	6,108,177	1,131,832		2,000	7,242,009
TOTAL REVENUES	117,618,337	55,329,458	1,050,322	1,154,240	175,152,357
EXPENDITURES					
Current					
General government	19,422,367		35,419		19,457,786
Public protection	50,522,955	7,637,180			58,160,135
Public ways and facilities	1,266,131	22,549,510			23,815,641
Health and sanitation	2,086,165	20,454,971			22,541,136
Public assistance	25,718,176	5,301,056			31,019,232
Education	2,083,945				2,083,945
Interest	971,882	164,432			1,136,314
Debt service					
Principal			2,180,000		2,180,000
Interest and fees			1,339,875		1,339,875
Capital outlay	2,014,078	1,210,855		847,504	4,072,437
TOTAL EXPENDITURES	104,085,699	57,318,004	3,555,294	847,504	165,806,501
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	13,532,638	(1,988,546)	(2,504,972)	306,736	9,345,856
OTHER FINANCING SOURCES (USES)					
Operating transfers in	871,995	6,595,860	2,066,483	586,150	10,120,488
Operating transfers out	(8,920,943)	(900,995)		(320,000)	(10,141,938)
TOTAL OTHER FINANCING SOURCES (USES)	(8,048,948)	5,694,865	2,066,483	266,150	(21,450)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	5,483,690	3,706,319	(438,489)	572,886	9,324,406
FUND BALANCES, JULY 1, 1999	13,882,246	14,547,729	6,408,738	3,785,739	38,624,452
RESIDUAL EQUITY TRANSFERS	(405,564)	285,926	118,477		(1,161)
FUND BALANCES, JUNE 30, 2000	\$ 18,960,372	\$ 18,539,974	\$ 6,088,726	\$ 4,358,625	\$ 47,947,697

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL--GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2000

	Actual	Budget	Variance-- Favorable (Unfavorable)
REVENUES			
Taxes	\$ 38,513,769	\$ 35,530,487	\$ 2,983,282
Licenses, permits and franchises	5,150,433	4,801,540	348,893
Intergovernmental revenues	52,929,537	53,785,085	(855,548)
Use of money and property	2,216,057	1,591,281	624,776
Charges for services	11,325,576	12,486,903	(1,161,327)
Fines, forfeits and penalties	1,374,788	985,872	388,916
Other revenues	6,108,177	7,234,807	(1,126,630)
TOTAL REVENUES	117,618,337	116,415,975	1,202,362
EXPENDITURES			
Current			
General government	19,422,367	20,362,463	940,096
Public protection	50,522,955	52,794,090	2,271,135
Public ways and facilities	1,266,131	1,171,523	(94,608)
Health and sanitation	2,086,165	2,329,069	242,904
Public assistance	25,718,176	28,504,501	2,786,325
Education	2,083,945	2,298,041	214,096
Recreation and culture			
Interest	971,882	1,114,895	143,013
Capital outlay	2,014,078	3,331,107	1,317,029
TOTAL EXPENDITURES	104,085,699	111,905,689	7,819,990
Excess of revenues over expenditures	13,532,638	4,510,286	9,022,352
Other financing sources (uses)			
Operating transfers in	871,995	1,036,451	(164,456)
Operating transfers out	(8,920,943)	(9,016,773)	95,830
TOTAL OTHER FINANCIANG SOURCES (USES)	(8,048,948)	(7,980,322)	(68,626)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	5,483,690	\$ (3,470,036)	\$ 8,953,726
FUND BALANCE, JULY 1, 1999	13,882,246		
RESIDUAL EQUITY TRANSFERS	(405,564)		
FUND BALANCE, JUNE 30, 2000	\$ 18,960,372		

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL--SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	<u>Actual</u>	<u>Budget</u>	Variance-- Favorable (Unfavorable)
REVENUES			
Taxes and assessments	\$ 10,702,621	\$ 7,107,475	\$ 3,595,146
Licenses, permits and franchises	1,151,188	893,528	257,660
Intergovernmental revenues	23,336,837	26,223,225	(2,886,388)
Use of money and property	964,255	429,682	534,573
Charges for services	17,738,260	26,300,277	(8,562,017)
Fines, forfeits and penalties	304,465	448,022	(143,557)
Other revenues	1,131,832	1,796,325	(664,493)
TOTAL REVENUES	<u>55,329,458</u>	<u>63,198,534</u>	<u>(7,869,076)</u>
EXPENDITURES			
Current			
Public protection	7,637,180	8,536,395	899,215
Public ways and facilities	22,549,510	35,590,594	13,041,084
Health and sanitation	20,454,971	23,882,569	3,427,598
Public assistance	5,301,056	6,114,161	813,105
Interest	164,432	154,065	(10,367)
Capital outlay	1,210,855	2,332,405	1,121,550
TOTAL EXPENDITURES	<u>57,318,004</u>	<u>76,610,189</u>	<u>19,292,185</u>
Excess of revenues over (under) expenditures	<u>(1,988,546)</u>	<u>(13,411,655)</u>	<u>11,423,109</u>
Other financing sources (uses):			
Operating transfers in	6,595,860	6,643,595	(47,735)
Operating transfers out	(900,995)	(1,213,764)	312,769
TOTAL OTHER FINANCING SOURCES	<u>5,694,865</u>	<u>5,429,831</u>	<u>265,034</u>
EXCESS OF REVENUES AND OTHER INANCING SOURCES OVER (UNDER) EXPENDITURES	3,706,319	<u>\$ (7,981,824)</u>	<u>\$ 11,688,143</u>
FUND BALANCES, JULY 1, 1999	14,547,729		
RESIDUAL EQUITY TRANSFERS	285,926		
FUND BALANCE, JUNE 30, 2000	<u>\$ 18,539,974</u>		

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL--GENERAL & SPECIAL REVENUE FUNDS
(MEMORANDUM ONLY)
FOR THE YEAR ENDED JUNE 30, 2000

	Actual	Budget	Variance-- Favorable (Unfavorable)
REVENUES			
Taxes and assessments	\$ 49,216,390	\$ 42,637,962	\$ 6,578,428
Licenses, permits and franchises	6,301,621	5,695,068	606,553
Intergovernmental revenues	76,266,374	80,008,310	(3,741,936)
Use of money and property	3,180,312	2,020,963	1,159,349
Charges for services	29,063,836	38,787,180	(9,723,344)
Fines, forfeits and penalties	1,679,253	1,433,894	245,359
Other revenues	7,240,009	9,031,132	(1,791,123)
TOTAL REVENUES	172,947,795	179,614,509	(6,666,714)
EXPENDITURES			
Current			
General government	19,422,367	20,362,463	940,096
Public protection	58,160,135	61,330,485	3,170,350
Public ways and facilities	23,815,641	36,762,117	12,946,476
Health and sanitation	22,541,136	26,211,638	3,670,502
Public assistance	31,019,232	34,618,662	3,599,430
Education	2,083,945	2,298,041	214,096
Interest	1,136,314	1,268,960	132,646
Capital outlay	3,224,933	5,663,512	2,438,579
TOTAL EXPENDITURES	161,403,703	188,515,878	27,112,175
Excess of revenues over (under) expenditures	11,544,092	(8,901,369)	20,445,461
Other financing sources (uses)			
Operating transfers in	7,467,855	7,680,046	(212,191)
Operating transfers out	(9,821,938)	(10,230,537)	408,599
Proceeds from capital leases			
TOTAL OTHER FINANCING SOURCES (USES)	(2,354,083)	(2,550,491)	196,408
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	9,190,009	\$ (11,451,860)	\$ 20,641,869
FUND BALANCE, JULY 1, 1999	28,429,975		
RESIDUAL EQUITY TRANSFERS	(119,638)		
FUND BALANCE, JUNE 30, 2000	\$ 37,500,346		

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN RETAINED EARNINGS--ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	<u>Enterprise</u> <u>Funds</u>	<u>Internal</u> <u>Service</u> <u>Funds</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
OPERATING REVENUES			
Fares	\$ 620,174	\$ -	\$ 620,174
Service fees	147,882	14,539,835	14,687,717
Fuel sales	215,222	166,400	381,622
TOTAL OPERATING REVENUES	<u>983,278</u>	<u>14,706,235</u>	<u>15,689,513</u>
OPERATING EXPENSES			
Salaries and benefits	1,415,399	546,103	1,961,502
Services and supplies	1,204,476	14,577,063	15,781,539
Depreciation	557,971	925,352	1,483,323
Other	82,341		82,341
TOTAL OPERATING EXPENSES	<u>3,260,187</u>	<u>16,048,518</u>	<u>19,226,364</u>
NET OPERATING INCOME (LOSS)	<u>(2,276,909)</u>	<u>(1,342,283)</u>	<u>(3,619,192)</u>
Non-operating revenues (expenses)			
Intergovernmental revenue	1,906,951		1,906,951
Interest income	44,880	796,719	841,599
Interest expense	(40,185)		(40,185)
Gain on sale of assets	7,041	7,634	14,675
Operating transfers in	19,950	1,500	21,450
Other	65,978	132,007	197,985
NET NON-OPERATING REVENUES	<u>2,004,615</u>	<u>937,860</u>	<u>2,942,475</u>
NET INCOME (LOSS)	(272,294)	(404,423)	(676,717)
RETAINED EARNINGS, JULY 1, 1999	1,313,578	6,205,089	7,518,667
CHANGE IN CONTRIBUTED CAPITAL	480,151	(3,186,287)	(2,706,136)
CHANGE IN COMPENSATED ABSENCES	9,090	(19,161)	(10,071)
CHANGE IN RESERVES		1,285,169	1,285,169
RETAINED EARNINGS, JUNE 30, 2000	<u>\$ 1,530,525</u>	<u>\$ 3,880,387</u>	<u>\$ 5,410,912</u>

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	Enterprise Funds	Internal Service Funds	Totals (Memorandum Only)
CASH FLOWS FROM OPERATING ACTIVITIES			
NET OPERATING INCOME (LOSS)	\$ (2,276,909)	\$ (1,342,283)	\$ (3,619,192)
Adjustments to reconcile operating loss to net cash provided by operating activities			
Depreciation	557,971	925,352	1,483,323
(Increase) decrease in accounts receivable	16,035	(6,962)	9,073
(Increase) decrease in amounts due from other funds and governments		557,681	557,681
(Increase) decrease in prepaid expenses and inventories	(87,970)	(30,090)	(118,060)
Increase (decrease) in accounts and salaries payable	(175,958)	(6,927)	(182,885)
Increase (decrease) in due to other funds and governments	(1,178)		(1,178)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,968,009)</u>	<u>96,771</u>	<u>(1,871,238)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	44,880	796,719	841,599
Proceeds from disposal of assets	7,041	7,634	14,675
Purchases of fixed assets	(241,858)	(1,198,522)	(1,440,380)
Other income and expenses	72,350	132,006	204,356
NET CASHED USED BY INVESTING ACTIVITIES	<u>(117,587)</u>	<u>(262,163)</u>	<u>(379,750)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan proceeds	324,623		324,623
Transfers from other funds		1,500	1,500
Payments on long-term debt	(158,354)		(158,354)
Interest expense	(17,380)		(17,380)
Intergovernmental revenue	1,994,535		1,994,535
Capital contributions	21,229	389,178	410,407
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>2,164,653</u>	<u>390,678</u>	<u>2,555,331</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	79,057	225,286	304,343
CASH AND CASH EQUIVALENTS, JULY 1, 1999	1,063,203	16,305,675	17,368,878
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	<u>\$ 1,142,260</u>	<u>\$ 16,530,961</u>	<u>\$ 17,673,221</u>

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

Note 1: Organization and Summary of Significant Accounting Policies

Description of the Reporting Entity

The County of El Dorado (the County) is a political subdivision of the State of California. As such, it can exercise the powers specified by the Constitution and statutes of the State. A five member elected Board of Supervisors governs the County.

Using the criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, the component units discussed in the following paragraphs are included in the County's reporting entity because of their operational and financial relationship with the County.

- * The County Service Areas are separate legal entities created to provide services such as water, sewer, lighting and road maintenance throughout the County.
- * The County Water Agency is a separate legal entity formed to provide water service within the County.
- * The El Dorado Hills Business Park Light and Landscape District was formed to provide lighting and landscaping to the business park in El Dorado Hills.
- * The Air Pollution Control District was established as a separate legal entity to maintain and improve the County's air quality.
- * The El Dorado Redevelopment Agency was created under the Community Redevelopment Law of the State to address blighted areas within the County.
- * The El Dorado County Housing Authority was formed to issue certificates and vouchers for Section 8 housing.
- * The El Dorado County Bond Authority was established pursuant to a joint exercise of powers agreement between the County and the El Dorado Redevelopment Agency to obtain financing for public capital improvements.
- * The El Dorado County Transit Authority (EDCTA) was established pursuant to a joint exercise of powers agreement by and between the County and the City of Placerville to provide transit services. The County Board of Supervisors appoints three of five EDCTA board members.

Although the above component units are legally separate from the County, they are reported on a blended basis as part of the primary government because their boards consist either exclusively or with a majority membership of County Supervisors or Board of Supervisors appointees. Financial information on these component units may be obtained from the County Auditor/Controller's office.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

The reporting entity excludes certain separate legal entities which may have "El Dorado" in their title, or which are required to keep their funds in the County Treasury or receive their tax apportionment from the County. Examples are school districts and a variety of special purpose districts for fire protection, recreation and parks, etc. These entities are autonomous organizations with their own governmental powers and constituencies over which the Board of Supervisors has no oversight responsibility. Accordingly, they are not included in the accompanying combined financial statements, except as to their assets held by the County (principally cash and investments held by the County Treasurer) as discussed under "Fiduciary Funds."

Also excluded from the reporting entity are the following joint power authorities (JPA):

- * American River Authority. The County participates with Placer County and the Placer County Water Agency in this Joint Powers Authority that was created to facilitate construction of a dam, reservoir and hydroelectric power facilities at the Auburn Dam Site. The participants share the costs of operating the JPA equally. The governing board consists of two members from the County, one member from each of the other participants and a public resident who alternates between El Dorado and Placer County.
- * El Dorado County-Folsom Joint Powers Agreement. The County participates with the City of Folsom in this JPA, the purpose of which is to manage growth toward the goal of achieving an improved quality of life for the citizens of both political jurisdictions. The governing board consists of two members from each of the participating entities.
- * Sacramento-Placerville Transportation Corridor Joint Powers Agreement. The County participates with Sacramento County, the City of Folsom and Regional Transit in this JPA. The agency was formed to acquire the Placerville Branch of the Southern Pacific Railroad Right of Way. The participants share the costs of operating the Joint Powers Authority equally. The board is made up of one member from each participant and one public member at large.
- * CSAC Excess Insurance Authority. The County participates with fifty other counties in the State for the purpose of acquiring and pooling costs of excess insurance coverage. Costs are allocated to participating members.

Fund Accounting

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three broad fund categories, seven generic fund types and two account groups as follows:

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

Governmental Funds:

- * **General Fund**--The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- * **Special Revenue Funds**--Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.
- * **Debt Service Funds**--Debt service funds are used to account for the accumulation of resources and payment of general long-term debt principal and interest.
- * **Capital Projects Funds**--Capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds:

- * **Enterprise Funds**--Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and expenses of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges.
- * **Internal Service Funds**--Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis.

Fiduciary Funds:

- * **Trust and Agency Funds**--Trust and agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds.

Account Groups:

- * **General Fixed Assets**--The General Fixed Assets Account Group is used to maintain control and cost information on capital assets owned by the County and used in governmental fund type operations. No depreciation has been provided on general fixed assets.
- * **General Long-Term Debt**--The General Long-Term Debt Account Group is used to account for unmatured general long-term indebtedness of the County.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

All governmental fund types and trust and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer assessed income; gross receipts and sales taxes are considered "measurable" when in the hands of the intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and expenses are recognized when incurred.

Budgets and Budgetary Accounting

The County operates under the laws of the State of California and annually adopts a budget for its General and special revenue funds to be effective July 1 for the ensuing fiscal year. The County also adopts a project length budget, which can span a number of years for the capital projects funds. The County does not adopt a budget for the debt service funds. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by resolution during the fiscal year and amounts presented in the financial statements reflect such amendments. Department heads may, upon approval from the County Administrator, make transfers from one object or purpose to another within the same budget unit. All appropriations lapse at year-end. The annual budget is adopted on a basis consistent with generally accepted accounting principles.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, special revenue funds and capital projects funds. Encumbrances outstanding at year-end are reported as restrictions of fund balances since they do not constitute expenditures or liabilities.

Cash and Investments

The County maintains and controls two major cash and investment pools. Each funds of a pool is displayed on its respective balance sheet as "pooled cash and cash equivalents" In addition, non-pooled cash and investments are separately held and reflected in their respective funds as "non-pooled cash and cash equivalents" and "investments."

The County reporting entity considers highly liquid investments with an original maturity of one year or less to be cash equivalents.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

The County has not adopted GASB 31 and reports investments at cost. An adjustment of \$492,164 has been made in order to reflect the investments at fair value. Cash deposits and certificate of deposits are reported at carrying amount which reasonably estimates fair value.

The County's cash and investments as of June 30,2000 consisted of the following:

	<u>Fair Value</u>
Investment in the Local Agency Investment Fund	\$ 30,000,000
Deposits in financial institutions and cash on hand	38,626,626
US Government securities	7,170,138
Bankers Acceptances	44,698,695
Commercial paper	44,306,243
Unallocated interest income of investments	<u>735,523</u>
TOTAL CASH AND INVESTMENTS	<u>\$165,537,225</u>

Receivables

Taxes receivable are shown including an allowance for doubtful accounts of \$1,216,601 in the trust and agency funds.

Special assessments receivable represent the unpaid principal portion of assessments levied on real property to provide for the payment of outstanding special assessment bonds. No allowance for doubtful accounts is included in the financial statements for delinquent assessments as management expects the proceeds from the sales of foreclosed property to be in excess of the outstanding receivable amounts.

Inventories

Inventories of expendable supplies are valued at the lower of cost (first-in, first-out) or market. The cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventory is equally offset by a fund balance restriction that indicates that it does not constitute "available spendable resources" even though it is a component of net current assets.

Fixed Assets and Depreciation

Governmental Funds--Fixed assets are recorded as expenditures and are capitalized in the General Fixed Assets Account Group for stewardship purposes. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, bridges, curbs, gutters, drainage systems and lighting systems are not capitalized.

Proprietary Funds--Fixed assets are capitalized and depreciated using the straight-line method over the estimated useful lives of the assets; however, the Fleet Management Fund uses the "per mile" depreciation method, which approximates the straight-line method.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

Property Taxes

Secured property taxes are recorded as revenues when levied under the alternate plan described in Division I, Part 8, Chapter 3 of the Revenue and Taxation Code of the State of California so that fund balances include property taxes apportioned but not collected. Unsecured taxes are recorded as revenues when collected. The County's property tax calendar is as follows:

	<u>Secured</u>	<u>Unsecured</u>
Lien date	January 1	January 1
Levy date	July 1	July 1
Due dates:		
First installment	November 1	March 1
Second installment	February 1	
Delinquent dates:		
First installment	December 10	August 31
Second installment	April 10	

Compensated Absences

The County's policy allows employees to accumulate earned but unused vacation, sick leave and compensatory time off, which will be paid to employees upon separation from County service.

Governmental Funds--The estimated current portion of the accrued vacation, sick leave and compensatory time off liability are recorded as an expenditure and related salaries and benefits liability in the General Fund at the end of each year with the non-current portion of the liability recorded in the General Long-Term Debt Account Group. Actual vacation, sick leave and compensatory time off expenditures during the year are charged to the General Fund liability account.

Proprietary Funds--Vacation, sick leave and compensatory time off are recorded as an expense and related salaries and benefits liability in the year earned. Accrued but unpaid liabilities at year-end are recorded in the respective funds.

Interfund Transactions

Following is a description of the four basic types of interfund transactions made during the year and the related accounting policies:

- * Quasi-external (charges for current services)--Transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and expenditures in the disbursing fund.
- * Reimbursements (expenditure transfers)--Transactions to reimburse a fund for specific expenditures incurred for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and a reduction of expenditures in the receiving fund.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

- * Residual equity transfers--Transactions recording equity contributions between funds. The receiving fund records such transactions as an addition to fund balance, if it is a governmental fund, or a capital contribution if it is a proprietary fund. The disbursing fund records the transfer as a reduction of fund balance or retained earnings.

- * Operating transfers--All other interfund transfers, which allocate resources from one fund to another. These transactions are recorded as operating transfers in and out.

Self-Insurance

The County self-insures for property damage, liability, workers' compensation, employees' health care benefits and unemployment claims. Self-insurance programs are accounted for in an internal service fund and interfund charges are treated as quasi-external transactions.

Statement of Cash Flows

For purposes of the statement of cash flows, cash and cash equivalents have been defined as all highly liquid investments (including restricted amounts) with a maturity of three months or less and pooled cash.

Totals (Memorandum Only)

The accompanying general purpose financial statements include total columns labeled "Memorandum Only." The "Memorandum Only" totals do not represent consolidated financial information because the individual fund types included in the totals are prepared on different bases of accounting and not all necessary eliminating entries have been made. These totals are not necessary for a fair presentation of the financial statements, but are presented as additional analytical data.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Actual results could differ from these estimates, and the differences may be material.

Note 2: Deposits and Investments

Deposits

It is the County's policy to follow the State statute regarding deposits. This statute requires financial institutions secure a local governmental agency's deposits by pledging government securities as collateral. The market value of pledged securities must be at least 110% of the agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits. The agency may waive collateral requirements for deposits which are fully insured up to \$100,000 by federal depository insurance.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

The County's pooled and non-pooled cash and investments are categorized to give an indication of the level of risk assumed by the County at fiscal year-end. The categories are described as follows:

- Category 1: Insured or collateralized with securities held by the County or by its agent in the County's name.
- Category 2: Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
- Category 3: Uninsured and unregistered, with securities held by the counterparty or by its trust department or by an agent but not in the County's name

As of June 30, 2000, the carrying amount of the County's deposits held by the County Treasurer was \$38,567,771 and the bank balance was \$51,033,850. The difference was due primarily to deposits in transit and warrants (checks) which had not yet been processed by the bank. Of the bank balance, \$100,000 was covered by Federal Depository Insurance and the remainder was collateralized by government securities abiding by State statutes. The collateral is held by State Treasurer of California's Local Agency Pool. In accordance with GASB Statement No. 3, these amounts are considered uncollateralized as the collateral is held in the State Treasurer's name rather than the County's name, thereby being classified as a category three (3).

In addition, the component carrying amount of deposits totaled \$379,191 while the bank balance was \$498,395. Of this amount, \$100,000 is covered by Federal Depository Insurance. The remaining balances were covered by collateral consisting of U.S. government agency securities also following State statutes. The collateral is held by the Bank of California in Western Sierra National Bank's name under a safekeeping agreement. In accordance with GASB Statement No. 3, these amounts are considered uncollateralized as the collateral is held in the Bank's name rather than the component unit's name, thus being classified as a category three (3).

Investments

Investment pools are under the custody of the County Treasurer. Investing is performed in accordance with investment policies complying with State Statutes and the County. Pooled funds may be invested in direct obligations of the United States government pledged by its full faith and credit; certificates of deposit at savings and loan associations and federally insured banks when secured by acceptable collateral, savings accounts at savings and loan associations and banks, to the extent fully insured; guaranteed investment contracts; repurchase and reverse repurchase agreements; prime commercial paper as rated by Standard and Poor's Corporation or Moody's Commercial Paper Record; obligations of the State of California pledged by its full faith and credit; and obligations of local agencies within California.

The County's pooled and non-pooled cash and investments are categorized to give an indication of the level of risk assumed by the County at fiscal year-end. The categories are described as follows:

- Category 1: Insured or collateralized with securities held by the County or by its agent in the County's name.
- Category 2: Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
- Category 3: Uninsured and unregistered, with securities held by the counterparty or by its trust department or by an agent but not in the County's name.

COUNTY OF EL DORADO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2000

<u>Types of Investments</u>	<u>Category Number 3</u>	<u>Fair Value\ Carry Amount</u>	<u>Cost</u>
Pooled Investments			
U.S. government securities	\$ 7,170,138	\$ 7,170,138	\$ 7,170,138
Bankers acceptances	44,698,695	44,698,695	44,811,931
Commercial paper	44,306,243	44,306,243	44,323,800
Unallocated interest	<u>735,523</u>	<u>735,523</u>	<u>-</u>
TOTAL POOLED INVESTMENTS	<u>\$ 96,910,599</u>	<u>\$ 96,910,599</u>	<u>\$ 96,305,869</u>
Primary Government			
Non-Pooled Investments			
U.S. government securities	\$ 31,232,532	\$ 31,232,523	\$ 31,232,523
Guaranteed investment contracts	<u>1,190,690</u>	<u>1,190,690</u>	<u>1,190,690</u>
TOTAL NON-POOLED INVESTMENTS	<u>\$ 32,423,213</u>	<u>\$ 32,423,213</u>	<u>\$ 32,423,213</u>

The County of El Dorado, the component unit, and cash with fiscal agent's investment in State of California Local Agency Investment Fund (LAIF) is stated at carrying value which reasonably estimates fair value and is not subject to categorization under GASB Statement No. 3. The total amount invested by all public agencies in LAIF is \$43,030,301,594 managed by the State Treasurer. Of that amount, 93.8% is invested in non-derivative financial products and 6.2% in derivative financial products. The Local Investment Advisory Board has oversight responsibility for LAIF. The value of pool shares in LAIF which may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the County's position in the pool. The total investment in LAIF for the entities are as follows:

County of El Dorado	\$ 30,000,000
Component Unit-El Dorado Transit	719,850
Cash with fiscal agent:	
Buckeye Union School District	2,096,000
Lake Tahoe Unified School District	4,680,000
Tahoe Paradise Resort Improvement District	<u>154,000</u>
TOTAL LAIF INVESTMENT	<u>\$ 37,649,850</u>

The County has various investment in bonds within their cash with fiscal agent within the Trust Agency Fund. These funds are detailed below:

Bond: Acquisition El Dorado Hills	\$ 8,891,675
Bond: Reserve El Dorado Hills	3,472,337
Bond: Redemption El Dorado Hills	489,305
Bond: Special Tax Fund	<u>695,307</u>
TOTAL OF BONDS IN TRUST AGENCY FUND	<u>\$ 13,548,624</u>

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

Note 3: Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group during the year ended June 30, 2000:

	<u>Land</u>	<u>Structures and Improvements</u>	<u>Equipment</u>	<u>Construction In Progress</u>	<u>Totals</u>
Balances, July 1, 1999	\$ 19,724,364	\$ 67,356,683	\$ 24,881,017	\$ 532,919	\$ 112,494,983
Additions	156,277	2,431,721	1,465,067	34,009	4,087,074
Deletions		(1,970,976)			(1,970,976)
Adjustments		(229,626)			(229,626)
BALANCES					
JUNE 30, 2000	<u>\$ 19,880,642</u>	<u>\$ 69,788,403</u>	<u>\$ 24,145,482</u>	<u>\$ 556,928</u>	<u>\$ 114,381,455</u>

Note 4: General Long-Term Debt

During the year ended June 30, 2000 the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balances July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances June 30, 2000</u>
Compensated absences	\$ 7,843,666	\$ 941,404	\$	\$ 8,785,070
Landfill postclosure costs	5,141,250	30,150		5,171,400
Bonds payable	26,340,000		2,180,000	24,160,000
Notes payable	133,332		133,332	
Capital leases	1,910,539	483,536	544,529	1,849,546
TOTALS	<u>\$ 41,368,787</u>	<u>\$ 1,455,090</u>	<u>\$ 2,857,861</u>	<u>\$ 39,966,016</u>

Bonds Payable

Balances at
June 30, 2000

Bond Authority

On February 13, 1990, the County, as an agent of the El Dorado County Bond Authority, a joint powers agency by and between the County and its Redevelopment Agency, issued \$22,325,000 El Dorado County Bond Authority Lease Revenue Bonds. Interest rates range from 6.8 to 7%. A total of \$14,980,000 of these bonds were defeased when refunding bonds of \$16,860,000 were issued on December 1, 1997. The new bonds have interest which range from 4 to 5%. All of these bonds mature in 2009.

\$ 18,615,000

1915 Act Bonds

The 1915 Act Bonds have been issued for facilities and improvements constructed by special districts and financed by bond issues authorized under the Improvement Bond Act of 1915. Funds to pay principal and interest on these bonds are provided by assessments against the property parcels benefitting from the projects. Failure to pay such assessments results in foreclosure and sale of the property involved. The County is obligated to the extent that proceeds from foreclosure are not sufficient to retire the debt.

El Dorado Hills Business Park II

Interest rates range from 6.90% to 8% and maturities extend to 2006.

\$ 5,545,000

TOTAL BONDS PAYABLE

\$24,160,000

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

In 1997, the County issued \$16,860,000 in lease revenue refunding bonds with interest rates ranging between 4% and 5%. The County issued the bonds to advance refund \$14,980,000 of the outstanding series 1990 lease revenue bonds with interest rates ranging between 6.5% and 7.4%. The net proceeds were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 1990 series bonds. As a result, that portion of the 1990 series bonds is considered defeased, and the County has removed the liability from its accounts. The outstanding principal of the defeased bonds is \$14,980,000 at June 30, 2000.

Future minimum debt service payments for bonds payable at June 30, 2000 are as follows:

<u>Year Ending June 30</u>	
2001	\$ 3,210,960
2002	3,306,560
2003	3,421,673
2004	3,345,200
2005	3,514,672
Thereafter	<u>14,120,900</u>
Total debt service payments for bonds	30,919,965
Less amount representing interest	<u>6,659,965</u>
TOTAL BOND PRINCIPAL PAYABLE	<u>\$ 24,160,000</u>

Capital Lease Obligations

The County accounts for capital leases in the governmental fund types in accordance with the provisions of NCGA Statement No. 5. Under this statement, when a capital lease represents the acquisition or construction of a general fixed asset, the acquisition or construction will be recorded both as a capital expenditure and as an other financing source. Subsequent lease payments are accounted for in a manner consistent with the accounting treatment for payments of general obligation debt.

The County has entered into various lease agreements for equipment which qualifies as capital leases. The underlying costs of these assets are as follows:

Copier	\$ 19,820
Computer equipment	1,377,648
Road equipment	<u>1,685,529</u>
TOTAL	<u>\$ 3,082,997</u>

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

These assets are recorded as part of the General Fixed Assets Account Group and are not depreciated. Future minimum lease payments relating to these assets are as follows:

<u>Year Ending June 30</u>	
2001	\$ 568,006
2002	399,926
2003	358,982
2004	342,280
2005	328,016
2006	<u>112,938</u>
Total minimum lease payments	2,110,148
Less amount representing interest	<u>260,600</u>
PRESENT VALUE OF FUTURE LEASE PAYMENTS	<u>\$ 1,849,548</u>

Note 5: Proprietary Long-Term Debt

Notes Payable

Notes payable recorded in the Airport Enterprise Fund at June 30, 2000 are comprised of the following state loans to provide matching funds for Federal Airport Improvement Program grants:

Loan #ED-1-85-L-1, 8.0257% installment note, payable annually through 2011	\$ 32,114
Loan #ED-1-86-L-2, 6.9435% installment note, payable annually through 2012	18,924
Loan #ED-5-86-L-1, 6.9435% installment note, payable annually through 2012	12,721
Loan #ED-1-87-L-3, 6.9435% installment note, payable annually through 2012	12,091
Loan #ED-5-88-L-2, 7.0408% installment note, payable annually through 2009	26,787
Loan #ED-1-94-L-5, 5.8957% installment note, payable annually through 2005	<u>85,781</u>
Total State Loans	188,418
Less principal due within one year	<u>24,261</u>
LONG-TERM PORTION	<u>\$ 164,157</u>

The annual requirements to amortize the notes payable as of June 30, 2000 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2001	\$ 24,261	\$ 12,558	\$ 36,819
2002	25,650	10,994	36,644
2003	27,039	9,348	36,387
2004	28,428	7,620	36,048
2005	27,718	5,810	33,528
Thereafter	<u>55,322</u>	<u>14,402</u>	<u>69,724</u>
	<u>\$ 188,418</u>	<u>\$ 60,732</u>	<u>\$ 249,150</u>

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

Capital Lease Obligations

El Dorado County Transit Authority Enterprise Fund has entered into lease agreements for the acquisition of building improvements and equipment. These agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. The total cost of property leased under capital leases as of June 30, 2000 is \$473,243. Future minimum lease payments relating to these leases are as follows:

<u>Year Ending June 30</u>	
2001	\$ 66,386
2002	74,465
2003	74,465
2004	74,465
2005	74,465
Thereafter	<u>32,375</u>
Total minimum lease payments	396,621
Less amount representing interest	<u>58,704</u>
PRESENT VALUE OF FUTURE LEASE PAYMENTS	<u>\$ 337,917</u>

Note 6: Liability for Closure and Postclosure Costs

State and federal laws and regulations require the County to place a final cover on its Union Mine landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County ceased accepting waste during 1997. County staff estimated the closure cost to be \$922,982 and the postclosure costs to approximate \$172,380 per year. Estimated closure costs are reported in the operating fund and postclosure costs in the general long-term debt account group.

The California Integrated Waste Management Board also requires that landfill operators estimate the costs "reasonably foreseeable" in the event landfill contaminants were to leak into ground water supplies. An engineering study conducted during 1998 estimated that the thirty-year cost of such a contingency would approximate \$1,564,200.

Note 7: Deferred Compensation Plan

The County has a deferred compensation plan available to all County employees and certain contractors. This plan qualifies under Internal Revenue Code Section 457, and participants are permitted to defer a portion of their compensation to future years.

There was a change in the Internal Revenue Code recently which caused the Governmental Accounting Standards Board to revisit its reporting requirements for Section 457 plans. The accumulated funds in these plans are now considered to belong to the individual employees in the plan if the employer has placed the assets into a trust fund for the exclusive benefit of the participating employees. These assets are no longer subject to the claims of the County's general creditors. Therefore, the Governmental Accounting Standards Board has now determined that the assets and related liabilities of deferred compensation plans are not to be reported in the financial statements of the employer.

COUNTY OF EL DORADO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2000

Note 8: Interfund Transfers

Funds are transferred from one fund to support expenditures of other funds in accordance with the authority established for the individual fund. Operating transfers between funds during the year ended June 30, 2000 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 871,995	\$ 8,920,943
Special Revenue Funds	6,595,860	900,995
Debt Service Funds	2,066,483	
Capital Projects Funds	586,150	320,000
Enterprise Funds	19,950	
Internal Service Funds	1,500	
	<u>\$ 10,141,938</u>	<u>\$ 10,141,938</u>

Note 9: Interfund Receivables and Payables

As of June 30, 2000, interfund receivables and payables that resulted from various interfund transfers were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 682,227	\$ 109,285
Special Revenue Funds	255,304	510,586
Capital Projects Funds		
Enterprise Funds		67,631
Internal Service Funds	159,056	
Trust Funds	<u>1,942,112</u>	<u>2,351,197</u>
	<u>\$ 3,038,699</u>	<u>\$ 3,038,699</u>

Note 10: Pension Plan

The County contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. Copies of PERS' annual financial report may be obtained from their executive office at 400 P Street in Sacramento.

Funding Policy

Safety employees are required to contribute 9% of their covered compensation and other employees are required to contribute 7%. The County makes the contributions required of its employees on their behalf and for their account. The County is required to contribute at an actuarially determined rate; the current rate is 0 percent for both non-safety employees and for safety employees. The contribution requirements of plan members and the County are established and may be amended by PERS.

COUNTY OF EL DORADO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2000

Annual Pension Cost

For the year ending June 30, 2001, the County's annual pension cost calculated by PERS is net of amortization of prior years' overfundings and actuarial gains. The required contribution was determined as part of the June 30, 1998, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions used included (a) 8.25% net investment rate of return and (b) projected annual salary increases that vary by duration of service. Both (a) and (b) included an inflation component of 3.5%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The PERS overfunded excess assets balance is being amortized as a level percentage of projected payroll.

Trend Information and Funding Progress

Four-Year Trend Information (Dollar Amounts in Thousands)

<u>Year Ended June 30</u>	<u>Annual Pension Contribution</u>	
	<u>Required *</u>	<u>Paid</u>
1994	\$ 4,309	\$ 7,260
1995	4,303	7,096
1996	4,418	7,107
1997	3,974	6,991
1998	6,802	6,935
1999	5,283	5,483

* Before amortization of prior years' overfunding.

Schedule of Funding Progress (Dollar Amounts in Thousands)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>AAL</u>	<u>OAAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>OAAL as % of Covered Payroll</u>
		<u>Actuarial Accrued Liability</u>	<u>Overfunded Accrued Liability</u>			
6/30/94:						
Miscellaneous	\$ 96,792	\$ 94,397	\$ 2,395	102.5%	\$ 44,414	5.4%
Safety	<u>38,255</u>	<u>36,915</u>	<u>1,340</u>	<u>103.6%</u>	<u>8,135</u>	<u>16.5%</u>
TOTAL	<u>\$ 135,047</u>	<u>\$ 131,312</u>	<u>\$ 3,735</u>	<u>102.8%</u>	<u>\$ 52,549</u>	<u>7.1%</u>
6/30/95:						
Miscellaneous	\$ 106,699	\$ 102,820	\$ 3,879	103.8%	\$ 43,567	8.9%
Safety	<u>41,651</u>	<u>40,539</u>	<u>1,112</u>	<u>102.7%</u>	<u>8,670</u>	<u>12.8%</u>
TOTAL	<u>\$ 148,350</u>	<u>\$ 143,359</u>	<u>\$ 4,991</u>	<u>103.5%</u>	<u>\$ 52,237</u>	<u>9.6%</u>
6/30/96:						
Miscellaneous	\$ 123,432	\$ 113,614	\$ 9,818	108.6%	\$ 39,342	25.0%
Safety	<u>47,326</u>	<u>47,155</u>	<u>171</u>	<u>100.4%</u>	<u>8,900</u>	<u>1.9%</u>
TOTAL	<u>\$ 170,758</u>	<u>\$ 160,769</u>	<u>\$ 9,989</u>	<u>106.2%</u>	<u>\$ 48,242</u>	<u>20.7%</u>

COUNTY OF EL DORADO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2000

Actuarial Valuation Date	Actuarial Value of Assets	AAL Actuarial Accrued Liability	OAL Overfunded Accrued Liability	Funded Ratio	Covered Payroll	OAL as % of Covered Payroll
6/30/97:						
Miscellaneous	\$ 144,646	\$ 117,621	\$ 27,025	123.0%	\$ 42,495	63.6%
Safety	<u>56,124</u>	<u>48,838</u>	<u>7,286</u>	<u>114.9%</u>	<u>9,447</u>	<u>77.1%</u>
TOTAL	<u>\$ 200,770</u>	<u>\$ 166,459</u>	<u>\$ 34,311</u>	<u>120.6%</u>	<u>\$ 51,942</u>	<u>66.1%</u>
6/30/98:						
Miscellaneous	\$ 170,321	\$ 136,058	\$ 34,263	125.2%	\$ 43,458	78.8%
Safety	<u>69,707</u>	<u>59,588</u>	<u>10,118</u>	<u>117.0%</u>	<u>11,268</u>	<u>89.8%</u>
TOTAL	<u>\$ 240,028</u>	<u>\$ 195,646</u>	<u>\$ 44,381</u>	<u>121.1%</u>	<u>\$ 54,726</u>	<u>84.3%</u>
6/30/99:						
Miscellaneous	\$ 200,261	\$154,508	\$ 45,753	129.6%	\$ 48,757	93.8%
Safety	<u>81,848</u>	<u>71,449</u>	<u>10,398</u>	<u>114.6%</u>	<u>12,973</u>	<u>80.2%</u>
Total	<u>\$ 282,109</u>	<u>\$ 225,957</u>	<u>\$ 56,151</u>	<u>122.1%</u>	<u>\$ 61,730</u>	<u>87.0%</u>

Other Post-Employment Benefits

In addition to pension benefits described in the preceding paragraph, the County provides post-employment benefits for health care to eligible retirees and their dependents. The benefits are provided in accordance with County resolutions and collective bargaining agreements. The criteria to determine eligibility include; years of service, employee age, disability due to line of duty and whether the employee has vested in the respective retirement plan. The County funds the benefits on a pay-as-you-go basis. There are approximately 1,436 participants currently eligible. Expenses for post-retirement health care benefits that are recognized as eligible employee claims are paid. The present value of all future year benefits is estimated at \$6,200,000 (see subsequent events).

Note 11: Segment Information on Enterprise Operations

The County maintains three enterprise funds which provide transit and airport services. Segment information as of and for the year ended June 30, 2000 is as follows:

	El Dorado <u>Transit</u>	South Lake <u>Tahoe Transit</u>	<u>Airports</u>	<u>Totals</u>
Operating revenues	573,093	47,099	363,104	983,296
Depreciation	364,734	10,699	182,538	557,971
Operating losses	1,784,391	208,087	284,431	2,276,909
Intergovernmental revenues	1,702,390	184,561	20,000	1,906,951
Net income (loss)	(4,285)	(14,878)	(253,131)	(272,294)
Net working capital	1,235,568	15,694	(88,437)	1,162,825
Total assets	4,547,422	56,097	2,143,212	6,746,731
Long-term debt	287,975		164,160	452,135
Total equity	3,986,117	42,515	1,838,963	5,867,595

COUNTY OF EL DORADO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2000

Note 12: 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 has established the Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Risk Management Fund provides coverage for up to a maximum of \$250,000 for each workers compensation claim, \$500,000 for each general liability claim, and \$25,000 for each property damage claim. The County purchases commercial insurance for claims in excess of coverage provided by the Risk Management Fund and for all other risks of loss.

All funds of the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$10,387,058 reported in the Risk Management Fund at June 30, 2000 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Risk Management Fund's claims liability amount for the past seven fiscal years are as follows:

<u>For The Year Ended June 30</u>	<u>Beginning Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Ending Liability</u>
1993	7,295,999	6,627,038	7,128,864	6,794,173
1994	6,794,173	9,118,464	7,156,136	8,756,501
1995	8,756,501	10,202,946	8,174,896	10,784,551
1996	10,784,551	6,281,275	7,041,200	10,024,626
1997	10,024,626	8,052,145	7,407,881	10,668,890
1998	10,668,890	7,504,896	7,504,896	10,668,890
1999	10,668,890	10,401,987	9,304,098	11,766,779
2000	11,766,779	11,669,837	10,387,058	10,484,000

Note 13: Contingencies

Under the terms of federal and state grants, audits may be required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to requests for reimbursement to the grantor agencies. County management believes disallowances, if any, will be immaterial.

COUNTY OF EL DORADO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

Note 14: Proposition 218 Disclosure

Proposition 218, which was approved by the voters in November 1996, regulates the County's District's ability to impose, increase and extend taxes, assessments and fees. Any new, increased or extended taxes, assessments and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments and fees are subject to the voter initiative process and may be rescinded in the future by voters. Therefore, the County's District's ability to finance the services for which the taxes, assessments and fees are imposed may be significantly impaired. At this time it is uncertain how Proposition 218 will affect the County's District's ability to maintain or increase the revenue it receives from taxes, assessments and fees.

Note 15: Subsequent Events

Other Post-Employment Benefits

On August 28, 2000 the County implemented, pursuant to a Memorandum of Understanding between the County and Employee Organization, the "El Dorado County Retiree Health Benefits Contribution Plan Document". This document made changes to the criteria for eligibility of participants and defined contribution dollar amounts indexed to future rates. The present value of all future year benefits is estimated to be increased from the current \$6,200,000 to \$20,800,000.

Measure H

On November 7, 2000 the Voters of El Dorado County passed Measure H. This measure requires that vehicle license fee revenues received annually by the County from the state be segregated into a separate accounting fund and that at least one-half of those revenues be expended only upon public roadways and highways for road maintenance, road repair, road circulation, general road safety and fire access. Measure H requires that the minimum annual funding for road repair and maintenance be equal to the amount contributed in the 1999 budget for those purposes (adjusted for inflation) plus one-half of the vehicle license fee revenues. Measure H does not restrict the remaining one-half of the vehicle license fees collected. Measure H becomes effective in the 2001/2002 fiscal year. The estimated impact to the general fund is material and is estimated that it could be as high as \$4,000,000.

PERS Contract

On December 12, 2000 the County entered into a Memorandum of Understanding with the El Dorado County Deputy Sheriff Association. The Memorandum of Understanding requires the County to modify its contract with PERS to provide three percent (3%) at fifty-five (55) for Deputies effective no later than June 2001. The Memorandum of Understanding further provides that the County must modify its contract with PERS again to provide three percent (3%) at fifty (50) effective prior to June 2003. It is not possible to estimate the additional costs that will be incurred at this time due to these contract changes.

SUPPLEMENTAL COMBINING FINANCIAL STATEMENTS

COUNTY OF EL DORADO
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2000

	Erosion Control	County Roads	Road District	Special Aviation	Fish & Game	Community Services	Social Services	Public Health	Mental Health	LAFCO	Planning	Special Districts Under The Board	Totals
ASSETS													
Cash and investments	\$ 711,495	\$ 3,059,369	\$ 625,190	\$ 435	\$ 12,458	\$ 989,769	\$ 6,476	\$ 111,447	\$ 281,400	\$ 55,580	\$ 15	\$ 14,280,624	\$ 20,134,258
Cash with fiscal agents		73,985				2,960		15,842	4,676			149,685	149,685
Accounts receivable		47,879						207,425				2,614,744	2,712,207
Due from other funds		1,314,151				359,396	57,548	1,192,141	440,903			168,296	255,304
Due from other governments	188,739					22,297							3,721,174
Inventories		417,024											439,321
Prepaid expenses		9,413				685,273	12,981		7,125				138,029
Notes receivable	\$ 900,234	\$ 4,921,821	\$ 625,190	\$ 435	\$ 12,458	\$ 2,168,205	\$ 77,005	\$ 1,526,855	\$ 734,104	\$ 55,580	\$ 15	\$ 21,091,709	\$ 32,113,611
	\$ 7,453	\$ 752,326	\$ -	\$ -	\$ -	\$ 119,816	\$ 7,080	\$ 453,156	\$ 120,050	\$ 4,894		\$ 582,758	\$ 2,047,533
Accounts payable		280,311				85,700	3,578	154,630	168,421			62,926	759,655
Salaries and benefits payable		298,380					53,150					159,056	510,586
Due to other funds		2,200				8,910		274,612					285,722
Due to other governments													
Notes payable													
Deferred revenue	738,765	164,998				1,141,959	12,981	110,340	237,500			6,640,616	9,047,159
Liability for landfill closure costs												922,982	922,982
	746,218	1,498,215				1,356,385	76,789	992,738	525,971	8,983		8,368,338	13,573,637
LIABILITIES & FUND BALANCES													
Liabilities													
Fund balances													
Reserved													
Encumbrances		114,375				198,239	3,868	22,089	141,343			860,211	1,340,125
Inventories		417,024				22,297							439,321
Imprest cash		3,300				560		400	5,040	20		345	9,665
Unreserved													
Undesignated	154,016	2,888,207	625,190	435	12,458	590,724	(3,652)	511,628	61,750	46,577	15	11,862,815	16,750,863
	154,016	3,423,606	625,190	435	12,458	811,820	216	534,117	208,133	46,597	15	12,723,371	18,539,974
TOTAL FUND BALANCES	\$ 900,234	\$ 4,921,821	\$ 625,190	\$ 435	\$ 12,458	\$ 2,168,205	\$ 77,005	\$ 1,526,855	\$ 734,104	\$ 55,580	\$ 15	\$ 21,091,709	\$ 32,113,611

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000

	Erosion Control	County Roads	Road District	Special Aviation	Fish & Game	Community Services	Social Services	Public Health	Mental Health	LAFCO	Planning	Special Districts Under The Board	Totals
REVENUES													
Taxes and assessments		\$ 279,464	\$ 1,836,698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,586,459	\$ 10,702,621
Licenses, permits and franchises		715,170						166,603				269,415	1,151,188
Intergovernmental revenues	815,290	8,009,176	38,546	20,000		3,756,383	459,202	5,486,096	3,340,924			1,431,220	23,336,837
Use of money and property	33,322	77,238	46,509	22	863	45,889	535			3,598	15	756,264	964,255
Charges for services	905	9,072,068			1,540	489,115		1,764,312	2,210,636	22,967	12,132	4,166,125	17,738,260
Fines, forfeits and penalties								276,890				26,035	304,465
Other revenues		13,298				145,889		246,307		226		726,112	1,131,832
TOTAL REVENUES	849,517	18,166,414	1,921,753	20,022	2,403	4,417,276	459,737	7,940,208	5,551,560	26,791	12,147	15,961,630	55,329,458
EXPENDITURES													
Current													
Public protection					6,486					174,620			7,637,180
Public ways and facilities	814,244	16,600,678	2,516,980	20,000				12,433,370	6,328,700		12,132	2,585,476	22,549,510
Health and sanitation												1,691,901	20,434,971
Public assistance						4,841,756	459,300						5,301,056
Interest		25,614						13,057	39,066				164,432
Capital outlay		314,223				61,485		51,924	62,186			721,037	1,210,855
TOTAL EXPENDITURES	814,244	16,940,515	2,516,980	20,000	6,486	4,903,241	459,300	12,498,351	6,429,952	174,620	12,132	12,442,183	57,318,004
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	35,273	1,225,899	(595,227)	22	(4,083)	(485,965)	437	(4,558,143)	(878,392)	(147,829)	15	3,419,447	(1,988,546)
Other financing sources (uses)													
Operating transfers in		13,092				764,573		4,847,074	802,121	169,000		(900,995)	6,595,860
Operating transfers out													(900,995)
Proceeds from capital leases													
TOTAL OTHER FINANCING SOURCES (USES)		13,092				764,573		4,847,074	802,121	169,000		(900,995)	5,694,865
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	35,273	1,238,991	(595,227)	22	(4,083)	278,608	437	288,931	(76,271)	21,171	15	2,518,452	3,706,319
FUND BALANCES, JULY 1, 1999	118,743	2,225,675	1,270,417	413	16,541	533,212	(221)	255,412	284,404	24,505		9,868,628	14,547,729
RESIDUAL EQUITY TRANSFERS		(41,060)						(10,226)		921		336,291	285,926
FUND BALANCES, JUNE 30, 2000	\$ 154,016	\$ 3,423,606	\$ 675,190	\$ 435	\$ 12,458	\$ 811,820	\$ 216	\$ 534,117	\$ 208,133	\$ 46,597	\$ 15	\$ 12,723,371	\$ 18,539,974

COUNTY OF EL DORADO

SPECIAL DISTRICTS UNDER THE BOARD OF SUPERVISORS

COMBINING BALANCE SHEET

JUNE 30, 2000

	County Water Agency	Air Pollution Control	CSA #9	CSA #10	CSA #2	CSA #3	CSA #5	CSA #7	EDC Development Projects	Totals
ASSETS										
Cash and investments	\$ 1,549,231	\$ 592,449	\$ 1,626,557	\$ 6,181,704	\$ 35,922	\$ 1,898,070	\$ 227,256	\$ 2,147,964	\$ 21,471	\$ 14,280,624
Cash with fiscal agents						893,956		\$ 1,720,788		2,614,744
Accounts receivable						44,233		105,452		149,685
Due from other governments	18,206	48,000		101,472		618				168,296
Note receivable-E.I.D.	3,878,360									3,878,360
	<u>\$ 5,445,797</u>	<u>\$ 640,449</u>	<u>\$ 1,626,557</u>	<u>\$ 6,283,176</u>	<u>\$ 35,922</u>	<u>\$ 2,836,877</u>	<u>\$ 227,256</u>	<u>\$ 3,974,204</u>	<u>\$ 21,471</u>	<u>\$ 21,091,709</u>
LIABILITIES & FUND BALANCES										
Liabilities										
Accounts payable	\$ 120,886	\$ 82	\$ 13,279	\$ 115,816	\$ -	\$ 214,283	\$ -	\$ 118,412	\$ -	\$ 582,758
Salaries and benefits payable	6,840	13,789		27,849		6,774		7,674		62,926
Due to other funds				159,056						159,056
Deferred revenue	3,878,360					936,016		1,826,240		6,640,616
Liability for landfill closure costs				922,982						922,982
TOTAL LIABILITIES	<u>4,006,086</u>	<u>13,871</u>	<u>13,279</u>	<u>1,225,703</u>		<u>1,157,073</u>		<u>1,952,326</u>		<u>8,368,338</u>
Fund balances										
Reserved										
Encumbrances	567,820	85,451	15,139	184,032		1,606		5,966	197	860,211
Imprest cash	100			120		100		25		345
Unreserved										
Undesignated	871,791	541,127	1,598,139	4,873,321	35,922	1,678,098	227,256	2,015,887	21,274	11,862,815
	<u>1,439,711</u>	<u>626,578</u>	<u>1,613,278</u>	<u>5,057,473</u>	<u>35,922</u>	<u>1,679,804</u>	<u>227,256</u>	<u>2,021,878</u>	<u>21,471</u>	<u>12,723,371</u>
TOTAL FUND BALANCES	<u>\$ 5,445,797</u>	<u>\$ 640,449</u>	<u>\$ 1,626,557</u>	<u>\$ 6,283,176</u>	<u>\$ 35,922</u>	<u>\$ 2,836,877</u>	<u>\$ 227,256</u>	<u>\$ 3,974,204</u>	<u>\$ 21,471</u>	<u>\$ 21,091,709</u>

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO

SPECIAL DISTRICTS UNDER THE BOARD OF SUPERVISORS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2000

	County Agency	Air Pollution Control	CSA #9	CSA #10	CSA #2	CSA #3	CSA #5	CSA #7	EDC Development Projects	Totals
REVENUES										
Taxes and assessments	\$ 1,078,403	\$ 10,343	\$ 608,202	\$ 2,669,787	\$ 79,166	\$ 1,361,682	\$ 16,608	\$ 2,762,268	\$ -	\$ 8,586,459
Licenses, permits and franchises		40,501		228,914						269,415
Intergovernmental revenue	369,860	662,461	470	369,505	228	3,562	354	24,780		1,431,220
Use of money and property	59,751	29,799	74,921	389,329	1,647	84,854	11,860	104,016	87	756,264
Charges for services	63,848	27,911	4,453	416,152		723,873		2,929,888		4,166,125
Fines, forfeits and penalties		3,792	2,529	10,228	200	4,665		4,621		26,035
Other revenues	500,164	13,410	4,269	142,452		16,847		7,327	41,643	726,112
TOTAL REVENUES	2,072,026	788,217	694,844	4,226,367	81,241	2,195,483	28,822	5,832,900	41,730	15,961,630
EXPENDITURES										
Current										
Public protection	\$ -	\$ 669,456	\$ -	\$ -	\$ -	\$ 1,295,868	\$ -	\$ 5,490,750	\$ -	\$ 7,456,074
Public ways and facilities	1,433,925		488,084	1,692,901	99,662	533,450	30,355			2,585,476
Health and sanitation				22,371						1,692,901
Interest				198,108		47,100		17,224		86,695
Capital outlay				1,913,280	99,662	170,964	30,355	351,965		721,037
TOTAL EXPENDITURES	1,433,925	669,456	488,084	1,913,280	99,662	2,047,382	30,355	5,859,939	-	12,542,183
Excess of revenues over (under) expenditures	638,101	118,761	206,760	2,312,987	(18,421)	148,101	(1,533)	(27,039)	41,730	3,419,447
Other financing sources (uses)										
Operating transfers in										
Operating transfers out			(14,503)	(871,995)		(14,497)				(900,995)
TOTAL OTHER FINANCING SOURCES (USES)			(14,503)	(871,995)		(14,497)				(900,995)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USE										
FUND BALANCES, JULY 1, 1999	638,101	118,761	192,257	1,440,992	(18,421)	133,604	(1,533)	(27,039)	41,730	2,518,452
RESIDUAL EQUITY TRANSFERS	801,610	507,817	1,427,496	3,499,676	54,343	1,546,201	228,759	1,822,985	(20,259)	9,868,628
			(6,475)	116,804			30	225,932		336,291
FUND BALANCES, JUNE 30, 2000	\$ 1,439,711	\$ 626,578	\$ 1,613,278	\$ 5,057,472	\$ 35,972	\$ 1,679,805	\$ 227,256	\$ 2,021,878	\$ 21,471	\$ 12,723,371

See accompanying notes to the general purpose financial statements

COUNTY OF EL DORADO
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2000

	El Dorado County Transit Auth.	South Lake Tahoe Transit	County Airports	Totals
ASSETS				
Current assets				
Cash and investments	\$ 1,099,241	\$ 19,273	\$ 23,746	\$ 1,142,260
Accounts receivable	23,797		7,563	31,360
Due from governments	257,989			257,989
Inventories			20,343	20,343
Other assets	127,871			127,871
TOTAL CURRENT ASSETS	1,508,898	19,273	51,652	1,579,823
Fixed assets				
Land	267,268		213,710	480,978
Structures and improvements	1,370,972		4,001,367	5,372,339
Equipment	3,466,326	63,308	13,325	3,542,959
Accumulated depreciation	(2,066,042)	(26,484)	(2,136,842)	(4,229,368)
TOTAL FIXED ASSETS (NET OF ACCUMULATED DEPRECIATION)	3,038,524	36,824	2,091,560	5,166,908
	\$ 4,547,422	\$ 56,097	\$ 2,143,212	\$ 6,746,731
LIABILITIES & FUND EQUITY				
Current liabilities				
Accounts payable	\$ 78,331	\$ 13,579	\$ 8,603	\$ 100,513
Salaries and benefits payable	46,553		3,478	50,031
Compensated absences	75,511		36,116	111,627
Due to other governments				
Due to other funds			67,631	67,631
Deferred income	22,993			22,993
Notes payable-current portion			24,261	24,261
Capital leases-current portion	49,942			49,942
TOTAL CURRENT LIABILITIES	273,330	13,579	140,089	426,998
Noncurrent liabilities				
Notes payable-noncurrent			164,160	164,160
Capital leases-noncurrent	287,975			287,975
TOTAL LIABILITIES	561,305	13,579	304,249	879,133
Fund equity				
Contributed capital	2,584,025	36,823	1,716,225	4,337,073
Retained earnings				
Reserved			63,373	63,373
Unreserved	1,402,092	5,695	59,365	1,467,152
TOTAL FUND EQUITY	3,986,117	42,518	1,838,963	5,867,598
	\$ 4,547,422	\$ 56,097	\$ 2,143,212	\$ 6,746,731

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED JUNE 30, 2000

	El Dorado Transit Authority	South Lake Tahoe Transit	County Airports	Totals
OPERATING REVENUES				
Fares	\$ 573,075	\$ 47,099	\$ -	\$ 620,174
Service fees			147,882	147,882
Fuel sales			215,222	215,222
TOTAL OPERATING REVENUES	<u>573,075</u>	<u>47,099</u>	<u>363,104</u>	<u>983,278</u>
OPERATING EXPENSES				
Salaries and benefits	1,270,998		144,401	1,415,399
Services and supplies	721,734	244,487	238,255	1,204,476
Depreciation	364,734	10,699	182,538	557,971
Other			82,341	82,341
TOTAL OPERATING EXPENSES	<u>2,357,466</u>	<u>255,186</u>	<u>647,535</u>	<u>3,260,187</u>
NET LOSS FROM OPERATIONS	<u>(1,784,391)</u>	<u>(208,087)</u>	<u>(284,431)</u>	<u>(2,276,909)</u>
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental revenue	1,702,390	184,561	20,000	1,906,951
Transfers from other funds			19,950	19,950
Interest income	36,196	1,214	7,470	44,880
Interest expense	(22,805)		(17,380)	(40,185)
Gain (loss) on disposition of assets	7,041			7,041
Other	57,284	7,434	1,260	65,978
NET NONOPERATING REVENUES	<u>1,780,106</u>	<u>193,209</u>	<u>31,300</u>	<u>2,004,615</u>
NET INCOME (LOSS)	<u>(4,285)</u>	<u>(14,878)</u>	<u>(253,131)</u>	<u>(272,294)</u>
RETAINED EARNINGS, JULY 1, 1999	1,115,562	9,874	188,142	1,313,578
CHANGE IN CONTRIBUTED CAPITAL	290,815	10,699	178,637	480,151
CHANGE IN COMPENSATED ABSENCES			9,090	9,090
RETAINED EARNINGS, JUNE 30, 2000	<u>\$ 1,402,092</u>	<u>\$ 5,695</u>	<u>\$ 122,738</u>	<u>\$ 1,530,525</u>

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2000

	El Dorado Transit Authority	South Lake Tahoe Transit	County Airports	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
NET OPERATING INCOME (LOSS)	\$ (1,784,391)	\$ (208,087)	\$ (284,431)	\$ (2,276,909)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	364,734	10,699	182,538	557,971
(Increase) in accounts receivable	7,336	5,808	2,891	16,035
(Increase) decrease in prepaid expenses and inventories	(78,712)		(9,258)	(87,970)
Increase (decrease) in accounts and salaries payable	(183,963)		8,005	(175,958)
Increase (decrease) in due to other funds and governments			(1,178)	(1,178)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(1,674,996)	(191,580)	(101,433)	(1,968,009)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	36,196	1,214	7,470	44,880
Purchases of fixed assets	(241,230)		(628)	(241,858)
Proceeds from disposal of assets	7,041			7,041
Other income & expenses	63,656	7,434	1,260	72,350
NET CASH PROVIDED BY INVESTING ACTIVITIES	(134,337)	8,648	8,102	(117,587)
CASH FLOWS FROM FINANCING ACTIVITIES				
Loan proceeds	324,623			324,623
Payments on long-term debt	(135,483)		(22,871)	(158,354)
Interest expense			(17,380)	(17,380)
Intergovernmental revenue	1,789,974	184,561	20,000	1,994,535
Capital contributions		1,279	19,950	21,229
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,979,114	185,840	(301)	2,164,653
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	169,781	2,908	(93,632)	79,057
CASH AND CASH EQUIVALENTS, JULY 1, 1999	929,460	16,365	117,378	1,063,203
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 1,099,241	\$ 19,273	\$ 23,746	\$ 1,142,260

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2000

	Fleet Management	Risk Management Authority	Totals
ASSETS			
Current assets			
Cash and investments	\$ 2,843,421	\$ 13,591,938	\$ 16,435,359
Cash with fiscal agent		95,602	95,602
Accounts receivable	72,612	13,063	85,675
Due from other governments		18,928	18,928
Due from other funds		159,056	159,056
Inventories	50,644		50,644
Prepaid Expenses			
TOTAL CURRENT ASSETS	<u>2,966,677</u>	<u>13,878,587</u>	<u>16,845,264</u>
Fixed assets			
Land	40,000		40,000
Structures and improvements	599,572		599,572
Equipment	7,861,685	34,789	7,896,474
Accumulated depreciation	<u>(3,767,944)</u>	<u>(24,805)</u>	<u>(3,792,749)</u>
TOTAL NET ASSETS (NET OF ACCUMULATED DEPRECIATION)	4,733,313	9,984	4,743,297
Other assets		83,100	83,100
	<u>\$ 7,699,990</u>	<u>\$ 13,971,671</u>	<u>\$ 21,671,661</u>
LIABILITIES & FUND EQUITY			
Current liabilities			
Accounts payable	\$ 176,585	\$ 154,780	\$ 331,365
Salaries and benefits payable	6,509	14,045	20,554
Compensated absences	25,231	94,945	120,176
TOTAL CURRENT LIABILITIES	<u>208,325</u>	<u>263,770</u>	<u>472,095</u>
Noncurrent liabilities			
Liability for self-insurance		10,484,000	10,484,000
TOTAL LIABILITIES	<u>208,325</u>	<u>10,747,770</u>	<u>10,956,095</u>
Fund equity			
Contributed capital	6,835,179		6,835,179
Retained earnings			
Reserved	628,740	24,544	653,284
Unreserved	27,746	3,199,357	3,227,103
TOTAL FUND EQUITY	<u>7,491,665</u>	<u>3,223,901</u>	<u>10,715,566</u>
	<u>\$ 7,699,990</u>	<u>\$ 13,971,671</u>	<u>\$ 21,671,661</u>

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES & CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2000

	Fleet Management	Risk Management Authority	Totals
OPERATING REVENUES			
Service fees	\$ 1,777,659	\$ 12,762,176	\$ 14,539,835
Profit on sale of fuel	166,400		166,400
TOTAL OPERATING REVENUES	<u>1,944,059</u>	<u>12,762,176</u>	<u>14,706,235</u>
OPERATING EXPENSES			
Salaries and benefits	167,747	378,356	546,103
Services and supplies	500,899	14,076,164	14,577,063
Depreciation	925,352		925,352
TOTAL OPERATING EXPENSES	<u>1,593,998</u>	<u>14,454,520</u>	<u>16,048,518</u>
NET INCOME (LOSS) FROM OPERATIONS	<u>350,061</u>	<u>(1,692,344)</u>	<u>(1,342,283)</u>
NONOPERATING REVENUES (EXPENSES)			
Transfers from other funds		1,500	1,500
Interest income	112,464	684,255	796,719
Gain on sale of equipment	7,634		7,634
Other	25,916	106,091	132,007
NET NONOPERATING REVENUES	<u>146,014</u>	<u>791,846</u>	<u>798,219</u>
NET INCOME (LOSS) FROM OPERATIONS	496,075	(900,498)	(404,423)
RETAINED EARNINGS, JULY 1, 1999	3,349,885	2,855,204	6,205,089
CHANGE IN CONTRIBUTED CAPITAL	(3,186,287)		(3,186,287)
CHANGE IN COMPENSATED ABSENCES	(3,187)	(15,974)	(19,161)
CHANGE IN REVENUE		1,285,169	1,285,169
RETAINED EARNINGS, JUNE 30, 2000	<u>\$ 656,486</u>	<u>\$ 3,223,901</u>	<u>\$ 3,880,387</u>

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2000

	Fleet Management	Risk Management Authority	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
NET OPERATING INCOME (LOSS)	\$ 350,061	\$ (1,692,344)	\$ (1,342,283)
Adjustments to reconcile operating loss to net cash provided by operating activities			
Depreciation	925,352		925,352
(Increase) decrease in accounts receivable	6,101	(13,063)	(6,962)
(Increase) decrease in amounts due from other funds and governments	121,336	436,345	557,681
(Increase) decrease in prepaid expenses and inventories	(30,090)		(30,090)
Increase (decrease) in accounts and salaries payable	67,621	(74,548)	(6,927)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,440,381	(1,343,610)	96,771
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	112,464	684,255	796,719
Proceeds from disposal of assets	7,634		7,634
Purchases of fixed assets	(1,198,522)		
Other	25,916	106,090	132,006
NET CASH PROVIDED BY INVESTING ACTIVITIES	(1,052,508)	790,345	804,353
CASH FLOWS FROM FINANCING ACTIVITIES			
Transfers from other funds		1,500	1,500
Capital contributions	389,178		389,178
NET CASH PROVIDED BY FINANCING ACTIVITIES	389,178	1,500	390,678
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	777,051	(551,765)	225,286
CASH AND CASH EQUIVALENTS, JULY 1, 1999	2,066,370	14,239,305	16,305,675
CASH AND CASH EQUIVALENTS, JUNE 30, 2000	\$ 2,843,421	\$ 13,687,540	\$ 16,530,961

See accompanying notes to the general purpose financial statements.

COUNTY OF EL DORADO
TRUST & AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2000

	<u>Trust Funds</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS			
Current assets			
Cash and investments	\$ 31,578,805	\$ 76,288,874	\$ 107,867,679
Cash with fiscal agents	13,761,596	122,580	13,884,176
Taxes receivable	11,234,779		11,234,779
Due from other funds	1,942,112		1,942,112
	<u>\$ 58,517,292</u>	<u>\$ 76,411,454</u>	<u>\$ 134,928,746</u>
LIABILITIES & FUND BALANCES			
Liabilities			
Accounts payable	\$ 342,485	\$ 166,870	\$ 509,355
Salaries and benefits payable		611,751	611,751
Due to other funds	2,662,748		2,662,748
Due to other governments	12,434		12,434
Other agency obligations	55,499,625	75,632,833	131,132,458
TOTAL LIABILITIES	<u>\$ 58,517,292</u>	<u>\$ 76,411,454</u>	<u>\$ 134,928,746</u>

See accompanying notes to the general purpose financial statements.