

**BUTTE COUNTY
BOARD OF SUPERVISORS
AGENDA TRANSMITTAL**

CLERK OF THE BOARD USE ONLY

MEETING DATE:
AGENDA ITEM:

AGENDA TITLE: FY 2010-11 Fourth Quarter Financial Report

DEPARTMENT: Administration	DATE: 9-27-11	MEETING DATE REQUESTED: 10-11-11
CONTACT: Greg Iturria, CFO	PHONE: 538-7053	REGULAR <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/>

DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:

SUMMARY OF REQUEST:

The Fiscal Year 2010-2011 Fourth Quarter Financial Report provides economic, expenditure, revenue, fund balance, cash balance, long-term debt, and summary information from the entire prior fiscal year. The report includes tables and graphs of historical data to help provide context and demonstrate trends in the economy, expenses, revenues and balances.

The fourth quarter report is presented in a format consistent with the prior report. The format is standardized and data-focused to provide a consistent approach to reporting information and summary of data so that the public, Board of Supervisors, employees and others can monitor trends. The format will also help credit rating agencies and bond underwriters monitor and track trends of County expenses, revenues and debt.

RECOMMENDED ACTION: None. Receive for information only.

AGENDA ITEM SUBMITTALS REQUIRE THE ORIGINAL AND TWELVE (12) COPIES
ATTACH EXPLANATORY MEMORANDUM AND OTHER BACKGROUND INFORMATION AS NECESSARY

Budgetary Impact: Yes _____ No X _____
If yes, complete Budgetary Impact Worksheet on back
 Budget Transfer Requested: Yes _____ No X _____
 If yes, complete Budget Transfer Request Worksheet on back.
 (Deadline is one business day prior to normal agenda deadline)
 Will Proposal Require an Agreement: Yes _____ No X _____
Auditor-Controller=s Number (if required): _____
 County Counsel=s Approval: Yes _____ No X _____
 Will Proposal Require Additional Personnel: Yes _____ No X _____
 Number of Permanent: _____ Temp _____ Extra Help _____

CAO OFFICE USE ONLY

Administrative Office Review _____
Administrative Office Staff Contact _____
4/5's Vote Required: Yes: _____ No: _____
Date Received by Clerk of Board:

Previous Board Action Date: _____ Additional Information Attached: Yes _____ X (pending) _____ No _____
 Describe: Report is in process and will be submitted subsequently. _____



BUTTE COUNTY ADMINISTRATION

25 COUNTY CENTER DRIVE, SUITE 200
OROVILLE, CALIFORNIA 95965-3380
Telephone: (530) 538-7631 Fax: (530) 538-7120

MEMBERS OF THE BOARD

BILL CONNELLY
LARRY WAHL
MAUREEN KIRK
STEVE LAMBERT
KIM K. YAMAGUCHI

PAUL HAHN
Chief Administrative Officer

Date: September 29, 2011
To: Butte County Board of Supervisors
Paul Hahn, Chief Administrative Officer
From: Gregory G. Iturria, Chief Financial Officer
Subject: Fourth Quarter Financial Report

OVERVIEW

The 4th quarter financial report for Butte County operations contains updates on the economy, expenditures, revenues, fund balances, cash balances and long-term debts for the fiscal year that ended June 30, 2011.

Economy: There is concern with trends in the latest economic data. Economic output continues to rise but at a slowing pace, and inflation is trending upward. Construction activity and home sales are slow, home prices are falling and joblessness continues to stay high. These trends are worldwide, generating new global concerns that the recent, modest economic growth will cease and that the United States may follow other developed countries in a second recessionary period.

Expenditures: Expenditures by County departments were cumulatively on budget and tracked a little higher in comparison to the prior fiscal year. On a budget unit by budget unit basis, some expenditures were a little above budget, but most expenditures were below budget. The Board of Supervisors will consider a budget adjustment recommendation on October 11, 2011 to transfer budget savings from some budget units to cover budget overages in other budget units. Overall, the County expended 89% of the budget through the end of the 2010-2011 fiscal year.

Revenues: General purpose revenues, in aggregate, were about 4% higher than budgeted. Most of this is due to one-time accounting corrections, recognizing 14 months of Public Safety Sales Tax revenue last fiscal year, and transferring funds between the General Fund and Debt Service Fund after an analysis and reconciliation. Departmental revenues, on the other hand, were close to last fiscal year, and included unanticipated State reimbursement of 2010 special election expenses and other mandated costs reimbursement. Overall, the County received 96% of the estimated revenues through the end of the 2010-2011 fiscal year.

Year End Fund Balances: Generally, the ending fund balances in all County funds are close to the projections relied upon in the fiscal year 2011-2012 Recommended Budget. The total fund balance in all governmental funds was \$92.6 million with \$82.2 million of this restricted, committed or assigned in use.

The largest restricted, committed or assigned fund balances were in the General Fund, Public Health Fund, Behavioral Health Fund, Road Fund, Impact Fee Fund, and Debt Service Fund. The General Fund had a total fund balance of \$34.2 million, which included \$16.6 million in various restrictions, commitments or assignments, and \$17.6 million in unassigned, available fund balance. The \$17.6 million is \$1.9 million less than estimated in the 2011-2012 budget, which results in a General Fund Appropriation for Contingencies of \$1.6 million.

Cash Balances: General Fund operating cash was higher for the second half of fiscal year 2010-2011 compared to fiscal year 2009-2010. In September, October and November of 2010, Tax Revenue Anticipation Note (TRAN) funds were transferred into the General Fund to cover deficit cash balances. No transfer of TRAN funds was necessary after November of 2010. In May 2011, a \$6.4 million cash advance was made from Public Health realignment funds to the Behavioral Health Fund, but this cash advance was returned to the Public Health Fund in July 2011.

Debt: During fiscal year 2010-2011 interest payments were made against the County’s pension obligations bonds, principal and interest payments were made against other debt obligations, and sewer bonds for County Service Area 26 were paid in full. A new loan was secured in August, 2010 for the construction of Bangor Fire Station. A comprehensive long-term debt schedule is enclosed at the end of this report.

ECONOMIC REPORT

National Economy: The U.S. Gross Domestic Product (GDP), which measures the market value of all final goods and services produced within the country, rose for the eighth straight quarter for the three-month period ending June 30, 2011. As Figure 1 reflects, the rate of economic growth has slowed down over the last several quarters. The 0.9% growth in GDP for the quarter ending June 30, 2011 is primarily the result of increased personal consumption, private investments, and exports. Imports, which are a subtraction in the calculation of GDP, increased.

Rising gasoline, household energy, and food prices continue to create signs of some inflation. The national Consumer Price Index (CPI) rose by 1.71% in the last quarter after a volatile five year period, as seen in Figure 2 below. CPI measures the average change over time in the prices paid of a variety of consumer goods and services.

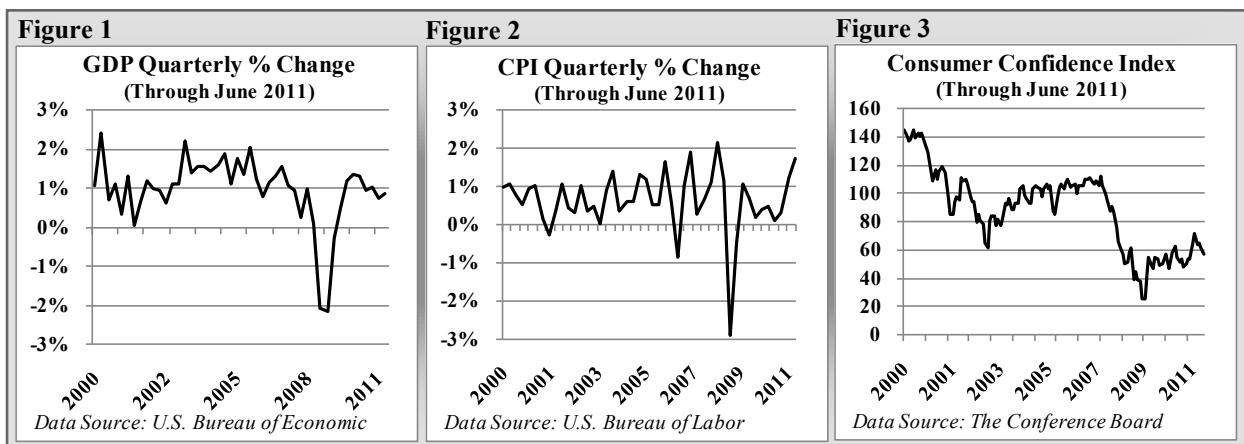
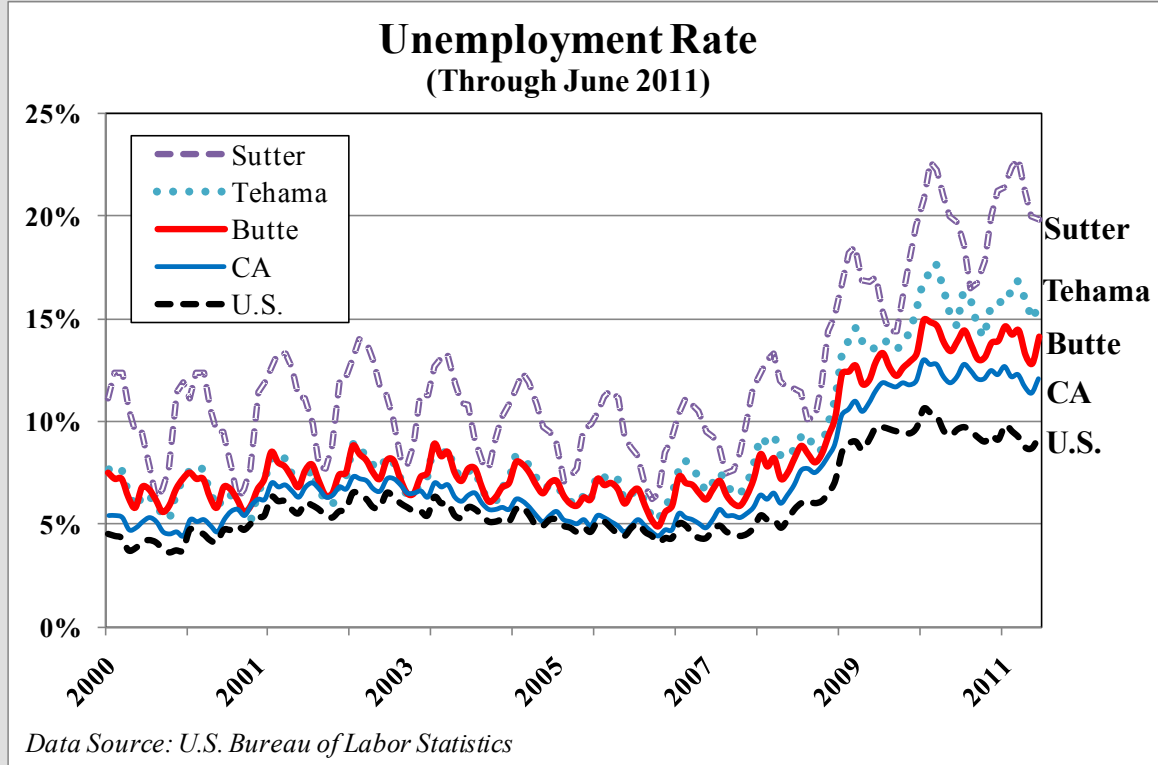


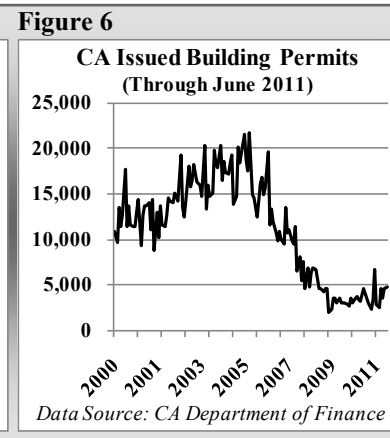
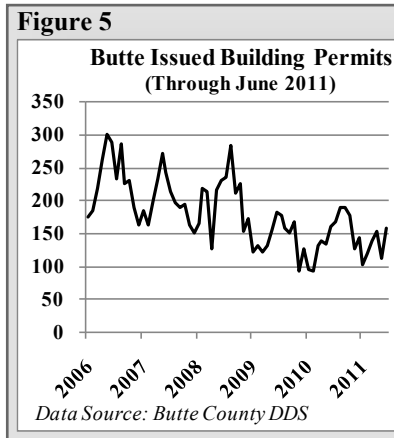
Figure 4



In June 2011, the Conference Board’s Consumer Confidence Index (CCI) measure was 57.6 (100 = normal). The CCI measures the relative financial health, spending power, and confidence of the average consumer. The CCI figure for June 2011 is down 4.1 points from the previous month and is the lowest CCI figure since December 2010. Although the last several quarters have shown some signs of stabilization, this data shows that consumer expectations are still guarded. These future views are important in decisions to buy items like houses and autos.

Employment: The State’s unadjusted unemployment rate in June 2011 was 12.1%, down .1% from June 2010. The countywide unemployment rate in June 2011 was 14.1%, up 0.2% from June 2010 and still up significantly from four years ago as shown in Figure 4 above. According to preliminary data, Butte County had 14,600 employable residents considered unemployed during June 2011. While unemployment in Butte County is higher than state and national averages, it continues to remain lower than unemployment rates experienced in adjacent counties.

Other State and Local Economic Indicators: The pace of statewide homebuilding during the three-month period



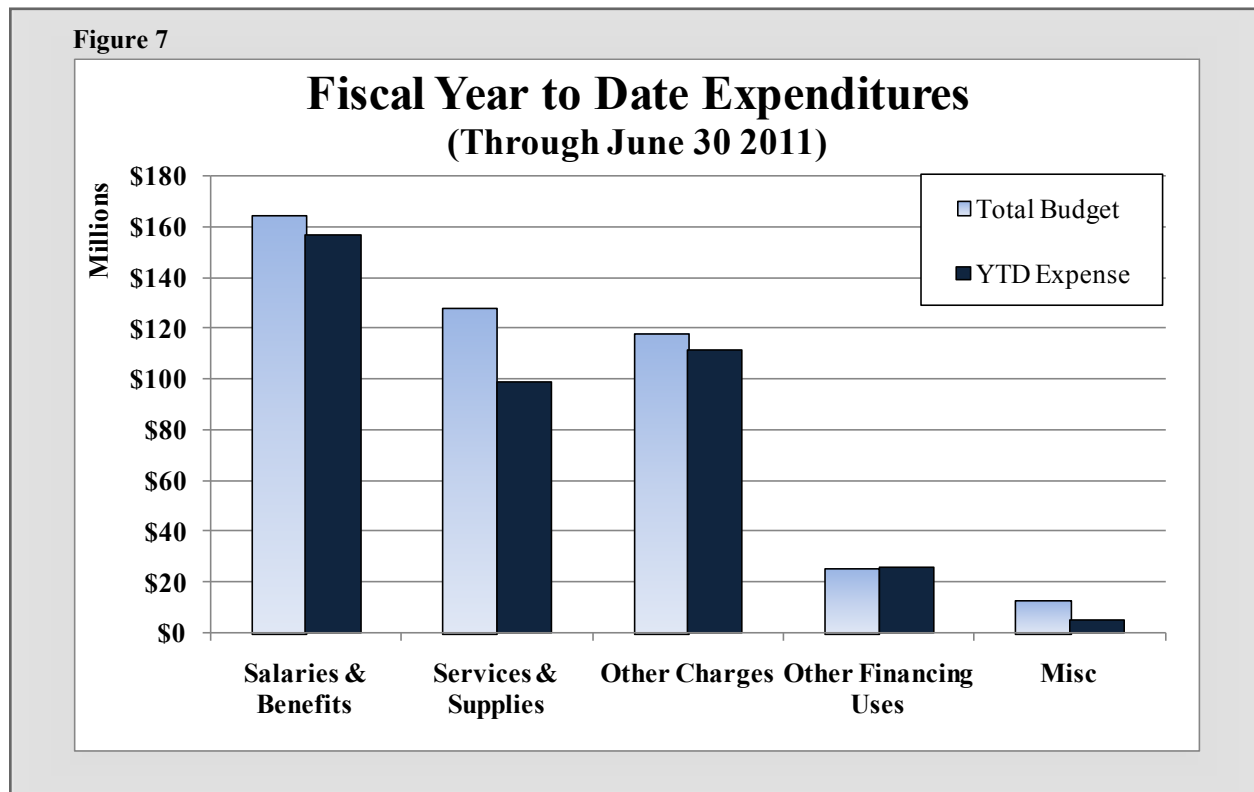
ending June 30, 2011 showed positive signs of improvement. 13,156 residential building permits were issued statewide during the combined months of April, May, and June of 2011. While this figure is up more than 16% from the same period a year ago, it is down nearly 74% from the same period in 2006.

Local construction permitting in the unincorporated area of the County in the 4th quarter of this fiscal year was 2.75% lower than the same quarter one year earlier. Although this figure is down more than 50% from the same period in 2006, building appears to continue to achieve modest gains since the low point at the end of 2009.

The median price of existing, single-family homes sold in California during the month of June 2011 was \$295,300, a 1.0% increase from the previous month but a 5.9% decrease from a year earlier. June 2011 existing home sales statewide rose by 1.2% compared to May of 2011 and decreased by 3.6% when compared to June 2010.

EXPENDITURE REPORT

During the 2010-2011 fiscal year, the County expended \$398 of its \$450 million budget¹. As shown in Figure 7 below, the County spent \$157 million on Salaries and Benefits, \$99 million on Services and Supplies, and \$112 million on Other Charges, such as payments between funds and contributions to other agencies. The remaining \$31 million in expenditures were for Other Financing Uses and Miscellaneous

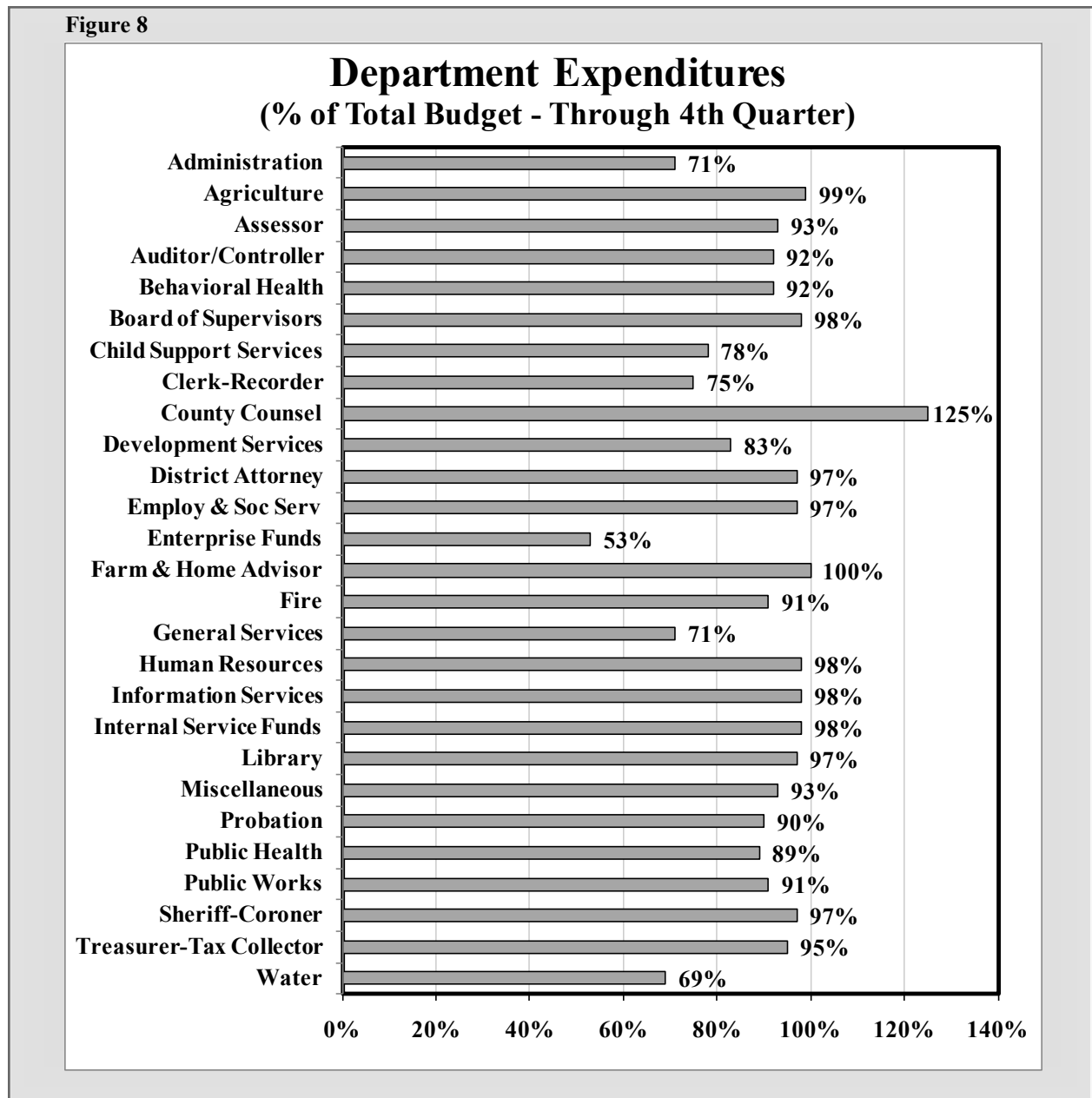


¹ For the purpose of this report the County budget includes all departmental operating budgets, internal service funds (for example Workers' Compensation and General Liability), enterprise funds (Neal Road Waste and Recycling Facility) as well as a number of miscellaneous budget units such as capital projects, CDBG grant programs and Debt Service. County Service Areas and appropriations for contingency are excluded. The budget does not include the final budget adjustment for fiscal year 2010-2011 which will be considered by the Board of Supervisors on October 11th, 2011.

Expenditures. Other Financing Uses are primarily operating transfers and other charges between budget units and Miscellaneous Expenditures include fixed assets and building depreciation.

Overall, the County expended 89% of the budget through the end of the 2010-2011 fiscal year, compared to fiscal year 2009-2010, when the County expended 86% of the budget. It is expected for total expenditures to be less than the budgeted. In fact, the County relies on some of this savings to help fund the following fiscal year's budget.

Figure 8 shows the percent of budget expended by each county department. The majority of departments expended over 80% of their budget, which is similar to expenditure trends in prior years. County Counsel spent 125% of budget largely as a result of ongoing litigation expenses related to Federal Energy Regulatory Commission (FERC) and area of origin matters. An adjustment to the County Counsel budget

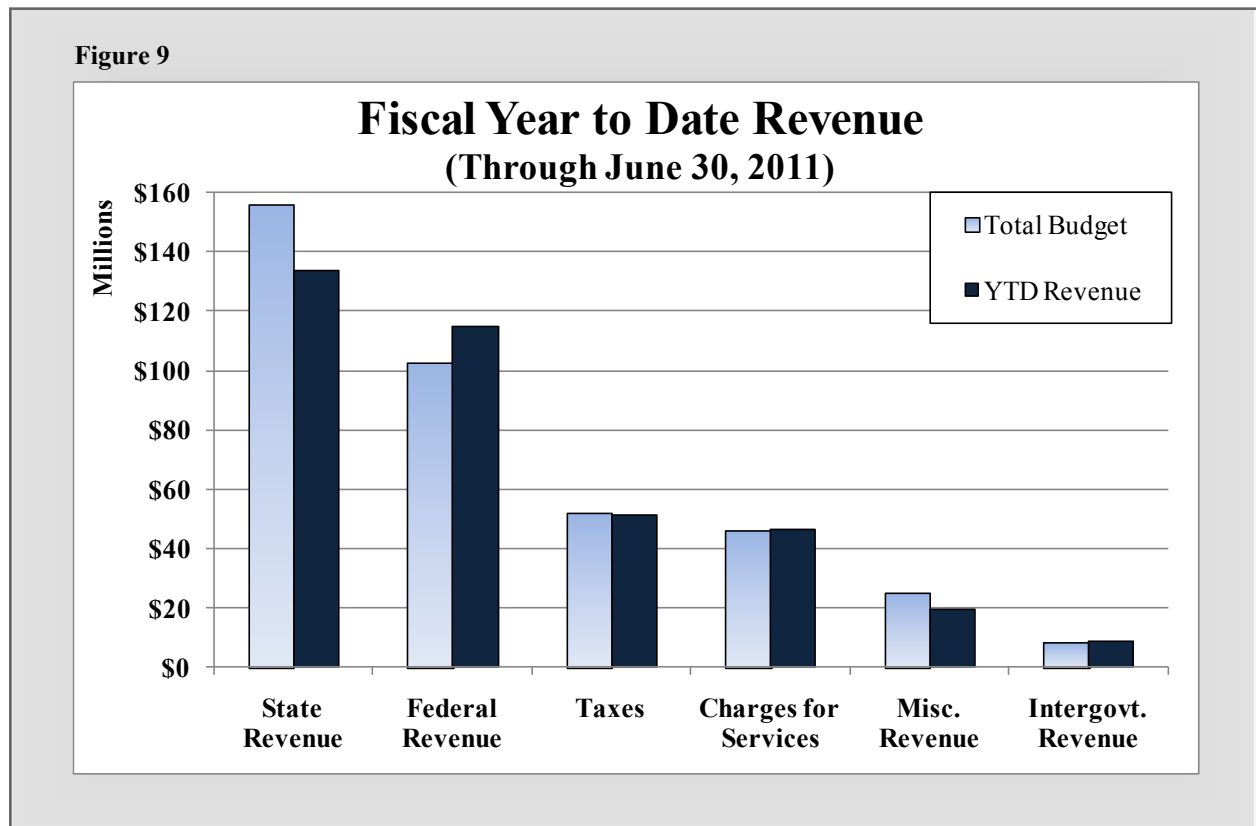


is recommended as part of the final budget adjustment for fiscal year 2010-2011.

A number of departments spent less than 80% of budgeted expenditures for the year. The savings in Administration, General Services and the Clerk-Recorder is in part the result of a variety of projects and capital purchases that were budgeted in 2010-2011, but were not completed due to changing needs and priorities. Some of these have been re-budgeted in fiscal year 2011-2012, while others were eliminated. In the Water and Resource Conservation and the Administration Departments, changing practices around the use of contract encumbrances and how multi-year grants are budgeted resulted in budgets that were higher than needed. In other cases, such as in Child Support Services, expenditures were reduced to match available resources. Figure 8 on the previous page shows that the enterprise funds, used to account for the Neal Road Recycling and Waste Facility, only expended 53% of budget. The budget reflected the anticipated costs of capital purchases and improvements, which in this case included approximately \$5 million dollars for Module 4 of the landfill. However, due to the accounting requirements of enterprise funds, annual depreciation, not current year expenditures, are recorded as an expense for capital purchases and improvements.

REVENUE REPORT

In the 2010-2011 fiscal year the County received 96% of budgeted revenues², compared to 2009-2010 when the County received 97% of budgeted revenues. State Revenues, as seen in the chart below, came in

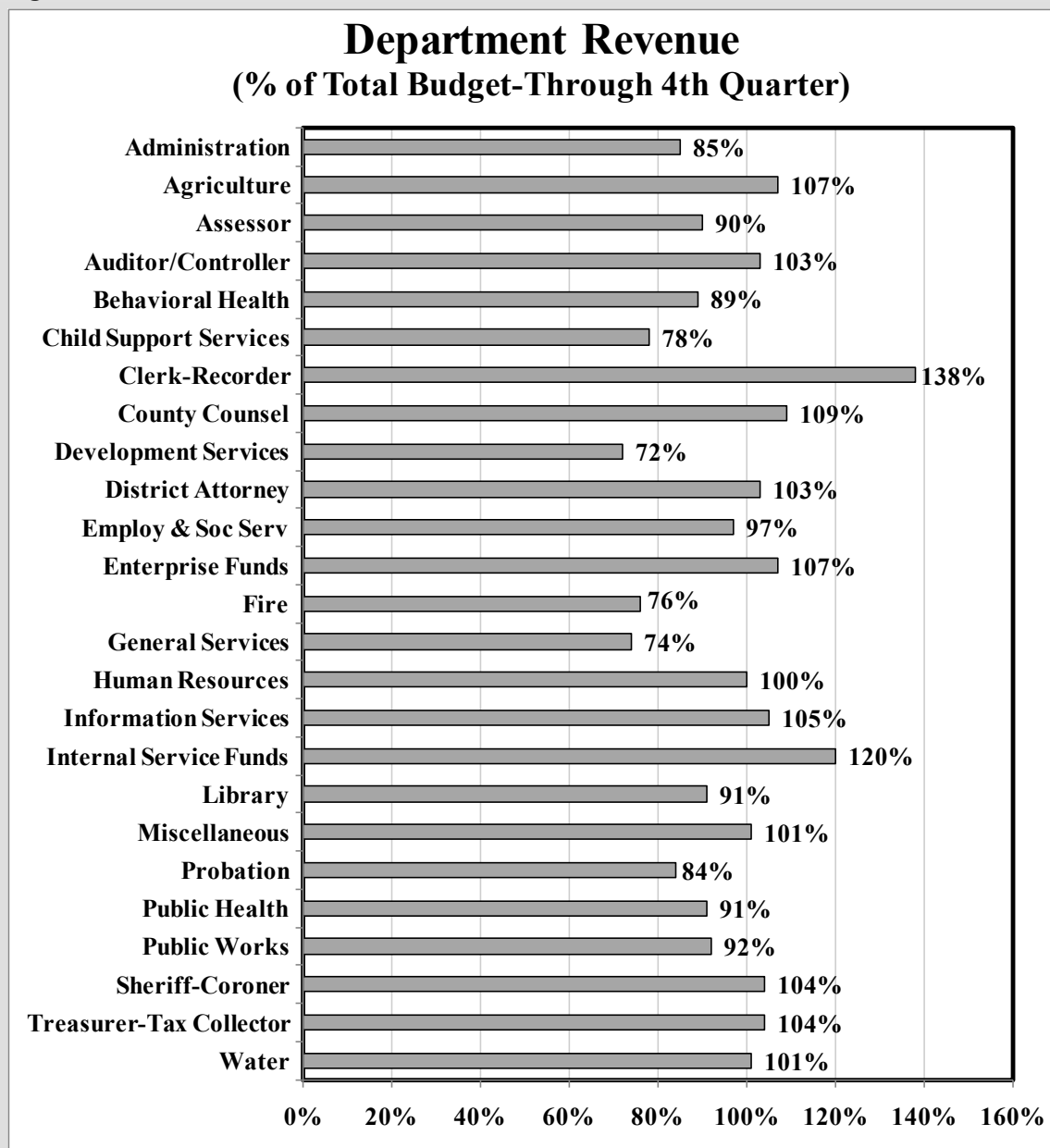


² For the purpose of this report the County’s budgeted revenues include all departmental operating budgets, internal service funds (for example Worker’s Compensation and General Liability), enterprise funds (Neal Road Waste and Recycling Facility) as well as a number of miscellaneous budget units such as general purpose revenues, capital projects, CDBG grant programs and Debt Service. County Service Areas and operating transfers between funds are excluded.

approximately \$22 million under budget. This is due, in part, to the reclassification of some Behavioral Health revenues from state to federal revenues and is reflected in the \$12 million in federal revenues received in excess of the budgeted amount. Figure 10 shows that, consistent with expenditures, most Departments received between 80% and 110% of budgeted revenue and comparisons with prior year revenue patterns indicate that for the most part this is consistent with historical revenue receipts.

A few departments received revenue significantly greater than anticipated in the 2010-2011 budget. For example the Clerk-Recorder received unbudgeted reimbursement for a prior year special election of \$480,000 and the Internal Services Funds had higher than anticipated revenue due to the reimbursement of insurance settlement payments made in the first half of the year.

Figure 10



A number of departments received less revenue than anticipated. Child Support Services' funding is tied to cost effectiveness and since child support collections have declined in the weak economy the result is lower than anticipated revenues. Development Services received lower than anticipated revenues due to a combination of lower building and planning applications and the timing of grants and other project specific revenues, however the majority of this shortfall was offset by savings in the department's expenditures during the course of the year. Similarly General Services' revenue was lower than anticipated due to a number of projects that were either canceled or re-budgeted in 2011-2012. Revenues in the Fire Department are under budget due to the timing of grant funds. The Department was awarded a large grant in the last quarter of the fiscal year and spent approximately \$600,000 of the grant before the close of the year; however the County has not yet received the grant funds. The Department will be coming to the Board of Supervisors in fiscal year 2011-2012 to recognize the prior year revenues in 2011-2012. This will result in an approximately \$600,000 increase to General Fund Contingencies.

Figure 11

General Purpose Revenue Receipts (Through 4th Quarter)			
Account Title	Budget	YTD Receipts	YTD %
Property Taxes	46,857,890	45,310,720	97%
Teeter Plan Proceeds	1,000,000	1,200,000	120%
Local Sales Tax	3,432,300	3,825,308	111%
Other Taxes	974,070	1,180,097	121%
Licenses & Permits	1,550,040	1,538,913	99%
Fines, Forfeitures & Penalties	1,444,020	1,319,645	91%
Interest-County Treasury	915,000	1,762,389	193%
Local Public Safety Sales Tax	11,770,000	14,526,196	123%
RDA City of Chico	4,377,900	4,561,943	104%
Tobacco Settlement Funds	2,542,552	1,917,335	75%
Other Misc. Revenue	1,044,850	2,060,351	197%
Total General Purpose Revenue	\$75,908,622	\$79,202,897	104%

General Purpose Revenues, included in Figure 11 above, ended the year better than anticipated. In total, the County received 104% of budgeted general purpose revenue or \$3.3 million more than budgeted. At the end of the 3rd quarter a \$400,000 shortfall was projected due to the decline in Property Tax revenues. However, this shortfall was more than made up for by a correction the Auditor-Controller made in the accounting of Local Public Safety Sales Tax revenues. The change resulted in 14 months of revenue reflected in the 2010-2011 fiscal year, or an additional \$2 million. This is a one-time correction related to the timing of when the County recognizes revenue, subsequent years should show 12 months of revenue per year. Additionally, Other Miscellaneous Revenue came in higher than anticipated due to a transfer of funds from the Debt Service Fund to the General Fund. This transfer was also the result of a multi-year reconciliation of debt service payments. Also, contributing to the higher than anticipated General Purpose Revenues were Local Sales Tax, Teeter Plan Proceeds, Interest and Chico Redevelopment Agency (RDA) revenues which all came in somewhat higher than anticipated.

YEAR END FUND BALANCE REPORT

The Auditor's Office spent the months of July, August and September finalizing the accounting for the 2010-2011 fiscal year. As the process wraps up and the Auditor's Office begins to prepare the Comprehensive Annual Financial Report (CAFR), the June 30th, 2011 ending fund balances in each of the County's Governmental Funds became known.

In the past the fund balances have been displayed in terms of total fund balance less fund balance reserved, designated and encumbered resulting in an available fund balance in each fund. However, based on a new pronouncement from the Governmental Accounting Standards Board (GASB), the classifications of fund balances have been improved. Beginning with the 2010-2011 CAFR, the classifications will be total fund balance less fund balance restricted, committed or assigned. Any portion of fund balance that is not restricted, committed or assigned will be considered unassigned. For the General Fund the unassigned fund balance is equivalent to the old available fund balance. The General Fund is the only fund that can have a positive unassigned fund balance since any funds in a special revenue fund are, by definition, set aside for a specific purpose.

Figure 12

Fund Balances-Governmental Funds				
(Through 4th Quarter)				
Fund No.	Fund Name	Total Fund Balance	Restricted / Committed / Assigned Fund Balance	Unassigned Fund Balance
0010	General Fund	34,232,370	16,592,885	17,639,485
0020	Welfare	2,127,703	2,127,703	-
0021	Public Health	13,178,484	13,178,484	-
0022	Behavioral Health	289,168	7,462,405	(7,173,238)
0025	Child Support Services	130,110	130,110	-
0030	Road Operations	15,976,153	15,976,153	-
0035	Impact Fee	8,369,085	8,369,085	-
0039	Debt Service	8,788,636	8,788,636	-
0041	Capital Projects	883,776	883,776	-
0042	Equipment Replacement	2,246,812	2,246,812	-
0043	ISF Equipment Replacement	2,213,614	2,213,614	-
0050	Supplemental Law Enf. Svcs.	605,046	605,046	-
0080	Water Services	186,461	186,461	-
0100	Fire Protection	2,468,902	2,468,902	-
0110	Library	111,132	111,132	-
0131	Local Trans. - Transit	366,699	366,699	-
0142	CDBG	297,278	297,278	-
0143	Housing & Community Development	62,342	62,342	-
0150	Fish & Game	133,877	133,877	-
Total Governmental Funds		\$92,667,647	\$ 82,201,400	\$ 10,466,247

Figure 12 on the previous page displays the fund balance for each of the County's Governmental Funds. Over the next few months the Auditor-Controller's Office will be reviewing each fund in detail to determine the components of each fund's fund balance and indicating a specific amount that is restricted by law, the amount committed based on Board of Supervisors direction and the amount assigned to a particular purpose. While this process has not yet been completed, Figure 12 on the previous page indicates the total fund balance in each fund, the total amount that is anticipated to be classified as restricted, committed or assigned, and finally the unassigned fund balance.

The total General Fund balance is \$34.2 million. Of this total, \$16.6 million is restricted, committed or assigned. This \$16.6 million is primarily composed of funds whose use is restricted by law, for example Inmate Welfare funds and Recording System funds. The unassigned general fund balance as of June 30th, 2010 is \$17.6 million. This is \$1.1 million more than the available fund balance on June 30th, 2009, but also about \$1.9 million less than estimated in the 2011-2012 budget. The result of the smaller unassigned General Fund balance is that the General Fund Contingency for 2011-2012 will be \$1.6 million instead of the anticipated \$3.5 million.

The General Fund fund balance is primarily the result of total expenditures and revenues in the General Fund as well as use or accumulation of restricted, committed or assigned fund balance. The fund balance estimate completed during the preparation of the Recommended Budget assumed that departmental expenditures would be slightly lower and departmental revenues somewhat higher than the actual expenditures and revenues. Changes to expenditure patterns of less than 1% of the General Fund budget cause the General Fund balance to vary by over \$1 million.

The total fund balance for the remaining Governmental Funds is largely what was anticipated and in all cases is restricted, committed or assigned to the purpose of the fund or a specific project or program within the fund. For example the Public Health fund balance of \$13 million is primarily Public Health realignment funds that can only be used for Public Health and the Road Operations fund balance of almost \$15 million is limited to road projects.

The Behavioral Health fund has a negative unassigned fund balance. This is primarily the result of the ongoing cash flow challenges in the department, but is somewhat lower than anticipated due to a large number of prior fiscal year contracts that are encumbered. The outstanding encumbrance results in a portion of the total fund balance being set aside as a commitment or assignment even though it is believed that much of the funds will not be spent. Staff in Administration, the Auditor's Office and Behavioral Health will be working together over the coming months to address this issue for future years.

In addition to the governmental funds displayed in the chart on the previous page, the County has internal service funds and enterprise funds, both of which are accounted for somewhat differently than the governmental funds. Instead of a year end fund balance, the internal service and enterprise funds report net assets at year end. Generally accepted accounting principles require that governmental funds are accounted using modified accrual accounting, while internal service and enterprise funds are required to be accounted for with accrual accounting. The most significant difference between total fund balance in the governmental funds and net assets in the internal service and enterprise funds is that net assets include

buildings and other assets owned by the fund, but not fully depreciated. Governmental fund balances do not include capital assets.

The internal service funds are used to account for insurance and utility costs borne by the organization and then charged to benefiting departments. The positive net assets in the internal service funds will continue to make it possible to collect lower premiums from departmental budgets than their incurred costs. This is helping departments get through this economic downturn.

Figure 13

Fund Balances-Internal Service Funds (Through 4th Quarter)		
Fund No.	Fund Name	Net Assets
7100	General Liability	1,920,615
7110	Workers Compensation	7,974,889
7120	Unemployment Insurance	1,383,002
7140	Medical Liability Insurance	82,772
4160	Misc. Insurance	43,835
7210	Utilities	349,270
Total Internal Service Funds		\$11,754,383

The enterprise funds are used to account for the operations of the Neal Road Recycling and Waste Facility. The Closure/Post Closure Fund will insure that adequate funds are available for the ultimate closure and post closure maintenance of the facility while the Waste Management Fund is for the operations of the facility.

Figure 14

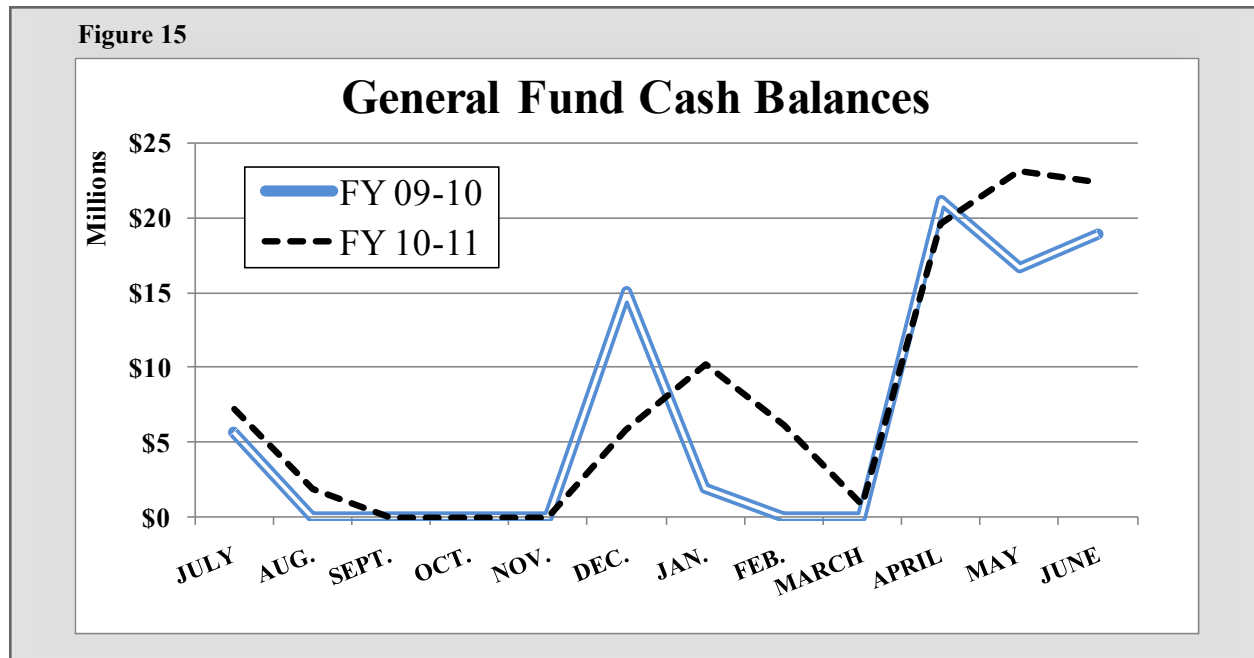
Fund Balances-Enterprise Funds (Through 4th Quarter)		
Fund No.	Fund Name	Net Assets
7560	Closure/Post Closure	2,468,397
7570	Waste Management	21,669,826
Total Enterprise Funds		\$24,138,223

**GENERAL FUND
OPERATING CASH
REPORT**

General Fund operating cash tracked in a similar pattern for the first nine months of the fiscal year compared to the prior year, with a slight variation, as explained in the 3rd quarter report in May of this year. For both fiscal year 2009-2010 and fiscal year 2010-2011, Tax Revenue Anticipation Note (TRAN) funds were utilized in the first half of the fiscal year. While TRAN funds were also utilized in February and March of 2010, no transfers of TRAN funds were necessary during the second half of the 2010-2011 fiscal year.

At the end of April, 2011, the cash balance of \$19,545,582 was slightly lower compared to the April, 2010 balance of \$21,180,827. However, during May of 2011, the balance increased above \$23 million. Throughout the 2010-2011 fiscal year, the General Fund continued to cover Behavioral Health cash deficits due to payment delays from the State. In May, a \$6,393,295 cash advance was made from Public Health realignment to Behavioral Health operating cash. This advance was paid back to Public Health in July. No cash advances were made from the General Fund at June 30. It is anticipated that the General Fund will continue to cover cash deficits in Behavioral Health for the foreseeable future. Staff continues

to monitor operating cash for all funds, as well as maintaining contingency plans in the event it is necessary to advance cash from various cash accounts on a short term basis.



LONG-TERM DEBT

Long term debt information was previously not provided in mid-year or yearend reports to the Board of Supervisors until the quarterly reports for fiscal year 2010-2011. Long term debt information is valuable both internally, as well as to outside agencies, such as credit rating agencies that monitor the fiscal health of the County, in order to provide the public, including holders of the debt, accurate, timely, and transparent financial data. The following are the significant changes to long-term debt that occurred throughout the fiscal year:

- Interest paid on Pension Obligation Bonds Series A was \$1,690,992. Principal payments on this series will begin June, 2014.
- Interest paid on Pension Obligation Bonds Series B was \$127,097. Principal payments on this series will begin June, 2014.
- Principal and interest payments of \$225,187 and \$87,780, respectively, were made to the California Energy Commission for solar panels in place to generate power for county buildings.
- Principal and interest payments of \$365,000 and \$54,879, respectively, were made for Certificates of Participation to refund the outstanding lease obligation for fire trucks.
- Sewer bonds for Butte County Service Area 26 were paid in full in December, 2010.
- Certificates of Participation of \$1,100,000 were secured through the United States Department of Agriculture in August, 2010 for construction of Bangor Fire Station #55. Construction is complete - \$5,091 of interest was paid; principal payments began August, 2011.
- Principal and interest payments of \$69,411 and \$54,020, respectively, were made for acquisition of the Chico Memorial Hall.

- Principal and interest payments of \$750,000 and \$447,500, respectively, were made for Certificates of Participation to finance capital improvements for the expansion of the County's Neal Road Recycling and Waste Facility.

The following Long-Term Debt schedule, Figure 16, and Ratio of Outstanding Debt by Type schedule, Figure 17, present data as of June 30, 2011.

Figure 16

Type of Debt	Original Loan Amount	Current Balance	Avg. Annual Payment*	Maturity Date
Bonds Payable				
Butte County Service Area No. 26 Bonds:				
1974 Sewer Bonds	680,000	-	-	1/1/2015
1975 Sewer Bonds, Series A	790,000	-	-	1/1/2015
1975 Sewer Bonds, Series B	380,000	-	-	1/1/2015
1975 Sewer Bonds, Series C	86,396	-	-	1/1/2015
<i>Total CSA 26 Bonds</i>	<i>\$ 1,936,396</i>	<i>\$ -</i>	<i>\$ -</i>	
Pension Obligation Bonds				
Series A	28,020,000	28,020,000	2,475,316	6/1/2034
Series B	21,875,000	21,875,000	1,692,500	6/1/2034
<i>Total Pension Obligation Bonds</i>	<i>\$ 49,895,000</i>	<i>\$ 49,895,000</i>	<i>\$ 4,167,816</i>	
Total Bonds Payable	\$ 51,831,396	\$ 49,895,000	\$ 4,167,816	
Certificates of Participation				
2003 Certificates of Participation	5,150,000	1,580,000	421,140	7/1/2014
2010 Bangor Fire Station #55 COP	1,100,000	1,100,000	55,379	8/1/2050
Total Certificates of Participation	\$ 6,250,000	\$ 2,680,000	\$ 476,519	
Capital Leases				
Chico Memorial Hall - 492 Rio Lindo	583,400	391,755	61,156	4/10/2020
Chico Memorial Hall - 554 Rio Lindo	670,900	438,720	62,275	4/10/2020
Ford Motor Credit	32,581	1,534	9,282	8/20/2011
Total Capital Leases	\$ 1,286,881	\$ 832,009	\$ 132,713	
Notes Payable				
California Energy Commission				
Solar Project-Phase 1	2,777,000	1,783,829	277,181	12/22/2018
Solar Project-Phase 2	390,000	268,795	35,786	6/22/2020
Total Notes Payable	\$ 3,167,000	\$ 2,052,624	\$ 312,967	
Neal Road Recycling and Waste Facility				
2006 Certificate of Participation	12,025,000	10,550,000	1,193,436	7/1/2021
Loan - California Integrated Waste Mngt Board	500,000	250,000	50,000	6/1/2016
Total Neal Road Recycling and Waste Facility	\$ 12,525,000	\$ 10,800,000	\$ 1,243,436	
TOTAL LONG-TERM DEBT	\$ 75,060,277	\$ 66,259,633	\$ 6,333,451	

* From FYE 6/30/11 to maturity per amortization schedules

Figure 17

<p style="text-align: center;">Ratio of Outstanding Debt by Type (In Thousands, Except Per Capita)</p>										
Fiscal Year	Government Activities				Neal Road Recycling and Waste Facility			Total Primary Government	% of Assessed Property Tax Value	Per Capita
	Bonds	Certificates of Participation	Loans/Notes	Capital Leases	Loans	Certificates of Participation	Capital Leases			
2005	61,515	4,540	4,111	688			1,289	72,143	0.4894%	\$332
2006	57,212	3,920	3,935	1,479	500		784	67,830	0.4123%	\$311
2007	56,424	3,290	2,903	1,097	450	12,025	303	76,492	0.4649%	\$351
2008	50,575	2,650	2,703	1,134	400	12,025	20	69,507	0.3854%	\$315
2009	50,492	2,300	2,494	1,029	350	12,025	20	68,710	0.3680%	\$311
2010	50,403	1,945	2,278	922	300	11,300	0	67,148	0.3739%	\$308
2011	49,895	2,680	2,053	832	250	10,550	0	66,260	0.3634%	\$299