



The Honorable Board of Supervisors
County of Fresno, California

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below with respect to certain information included in the Alternative I for Use with Financial Test for Both Closure and/or Post-Closure Liability for the Fiscal Year Ended June 30, 2010, (Exhibit A of the letter dated March 1, 2011, from Ms. Vicki Crow, C.P.A., Auditor-Controller/Treasurer-Tax Collector of the County of Fresno (the County), California, to the Integrated Waste Management Board (CIWMB)). These procedures, which were agreed by the management of the County and the CIWMB, were performed solely to assist the County in meeting the requirements of the California Code of Regulations Title 27, Division 2, Subchapter 1, Chapter 6, Section 22249. Management is responsible for County's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

We compared the County's responses for items 6 through 15 in Exhibit A of the letter from Ms. Vicki Crow, C.P.A., to the information reported by the County's management in the basic financial statements included in its Comprehensive Annual Financial Report as of June 30, 2010, and for the fiscal year then ended, on which we have issued a report dated January 21, 2011. We have not performed any auditing procedures beyond the date of such report on the financial statements; accordingly, this report is based upon our knowledge as of that date.

Finding: No exceptions were found as a result of applying the procedures as identified in Exhibit A.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on any of the information or amounts included in the aforementioned letter from Ms. Vicki Crow, C.P.A., or the exhibits thereto. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the County of Fresno Board of Supervisors, management and the CIWMB, and is not intended to be and should not be used by anyone other than these specified parties.

Price Paige & Company

Clovis, California
March 1, 2011

EXHIBIT B

FINANCIAL TEST AMOUNTS FOR
Fresno County Coalinga Solid Waste Disposal Site (10-AA-0006)
Fresno County Southeast Regional Disposal Site (10-AA-0011)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(DOLLARS IN THOUSANDS)

<u>Description</u>	<u>CAFR Page</u>	<u>Balance Reported</u>
Total Annual Revenue		
Governmental Funds	18, 78	\$ 1,578,307,000
Enterprise Funds:		
- Operating	21	12,879,000
- Non-operating	21	1,203,000
Internal Service Funds		
- Non-operating (net positive)	21	1,242,000
		<u>\$ 1,593,631,000</u>
Cash		
General Fund	16	178,376,000
Special Revenue Funds	16, 77	71,490,000
Debt Service Funds	16	48,943,000
Enterprise Funds	20	53,416,000
Internal Service Funds	20	75,614,000
		<u>427,839,000</u>
Total Expenditures		
Governmental Funds	18, 78	\$ 1,543,423,000
Enterprise Funds:		
- Operating	21	19,472,000
Less: Depreciation	21	(4,792,000)
Internal Service Funds	21	-
		<u>1,558,103,000</u>
Annual Debt Services		
Governmental Funds		
- Principle	18	\$ 19,790,000
- Interest	18	29,093,000
Enterprise Funds		
- Interest expense	21	295,000
Internal Service Funds		
- Interest expense	21	-
		<u>\$ 49,178,000</u>

Note. CAFR = Comprehensive Annual Financial Report For Fresno County June 30, 2010



INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Supervisors
County of Fresno
Fresno, California

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

- Fresno County Employees' Retirement Association (FCERA), which represents \$2,883,676,000 of assets of the Fiduciary Funds.
- Children and Families Commission of Fresno County, which represents \$37,634,000 of assets and \$15,171,000 of revenue and is presented as a discrete component unit.

Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the basic financial statements, insofar as it relates to those amounts included for the above mentioned component units in the accompanying basic financial statements of the County, is based solely on the reports of the other auditors.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report, dated January 21, 2011, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on page 3 through 13 and 69 through 71 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Paul Page & Company

January 21, 2011
Clovis, California