

**COUNTY OF FRESNO  
MEASURE C**

**INDEPENDENT AUDITOR'S REPORT  
AND SUMMARY FINANCIAL INFORMATION**

**FOR THE YEAR ENDED  
JUNE 30, 2010**

COUNTY OF FRESNO  
MEASURE C  
JUNE 30, 2010

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**INDEPENDENT AUDITOR'S REPORT ON THE  
MEASURE C SUMMARY FINANCIAL INFORMATION**

To the Board of Supervisors  
County of Fresno, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Fresno, California (County), as of and for the year ended June 30, 2010 (not presented herein), which collectively comprise the County's basic financial statements and have issued our report thereon dated January 19, 2011.

As explained in Note A, the accompanying Measure C summary financial information of County of Fresno, California, as of and for the year ended June 30, 2010, is not a presentation in conformity with accounting principles generally accepted in the United States of America. In our opinion, the accompanying Measure C summary financial information is fairly stated, in all material respects, in relation to the portion of the basic financial statements from which it has been derived.

*Price Paige & Company*

Clovis, California  
January 19, 2011

**COUNTY OF FRESNO  
MEASURE C  
SUMMARY FINANCIAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010**

REVENUES:

Measure C - 1/2% sales tax	\$ 4,287,895
Interest and investment income	<u>2,619</u>

Total revenues	<u>4,290,514</u>
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EXPENDITURES:

Capital outlay	<u>4,565,568</u>
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Total expenditures	<u>4,565,568</u>
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Excess of expenditures over revenues	<u><u>\$ 275,054</u></u>
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**COUNTY OF FRESNO  
MEASURE C  
NOTE TO THE SUMMARY FINANCIAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010**

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The purpose of the accompanying summary financial information is to present, in summary form, the revenues and expenditures of Measure C funds for the County of Fresno. The accompanying summary financial information does not present the financial position or results of operations of the County of Fresno.

The Measure C financial activities are accounted for using the modified accrual basis of accounting. Under this method, revenues are recorded when they become both measurable and available as net current assets to finance current year expenditures. Expenditures are recognized when the fund liability is incurred.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors  
County of Fresno, California

We have audited the accompanying Measure C summary financial information of the County of Fresno, California (County), for the year ended June 30, 2010, and have issued our report thereon dated January 19, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

*Price Pange & Company*

Clovis, California  
January 19, 2011